

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended **March 31, 2025**

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from _____ to _____

Commission file number: **001-13425**

rb GLOBAL™

RB Global, Inc.

(Exact Name of Registrant as Specified in its Charter)

Canada

98-0626225

(State or other jurisdiction of incorporation or organization)

(I.R.S. Employer Identification No.)

**Two Westbrook Corporate Center, Suite 500,
Westchester, Illinois, USA**

60154

(Address of Principal Executive Offices)

(Zip Code)

(708) 492-7000

(Registrant's Telephone Number, including Area Code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common shares	RBA	New York Stock Exchange
Common Share Purchase Rights	N/A	New York Stock Exchange

Indicate by checkmark whether the registrant (1) filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer Non-accelerated filer
Smaller reporting company Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act): Yes No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practical date: 185,191,774 common shares, without par value, outstanding as of April 30, 2025.

RB GLOBAL, INC.
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PART I – FINANCIAL INFORMATION

ITEM 1: CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Condensed Consolidated Income Statements

(Expressed in millions of U.S. dollars, except share and per share data)

(Unaudited)

	Three months ended	
	March 31,	
	2025	2024
Revenue:		
Service revenue	\$ 852.5	\$ 849.1
Inventory sales revenue	256.1	215.6
Total revenue	<u>1,108.6</u>	<u>1,064.7</u>
Operating expenses:		
Costs of services	361.9	353.0
Cost of inventory sold	235.0	196.6
Selling, general and administrative	205.0	198.1
Acquisition-related and integration costs	3.1	12.8
Depreciation and amortization	114.5	107.7
Total operating expenses	<u>919.5</u>	<u>868.2</u>
Gain on disposition of property, plant and equipment	0.4	2.4
Operating income	<u>189.5</u>	<u>198.9</u>
Interest expense	(49.9)	(63.9)
Interest income	3.0	6.6
Other income (loss), net	0.7	(0.8)
Foreign exchange loss	(0.4)	(0.9)
Income before income taxes	<u>142.9</u>	<u>139.9</u>
Income tax expense	29.6	32.5
Net income	<u>\$ 113.3</u>	<u>\$ 107.4</u>
Net income (loss) attributable to:		
Controlling interests	\$ 113.4	\$ 107.4
Redeemable non-controlling interests	(0.1)	—
Net income	<u>\$ 113.3</u>	<u>\$ 107.4</u>
Net income attributable to controlling interests	113.4	107.4
Cumulative dividends on Series A Senior Preferred Shares	(6.7)	(6.7)
Allocated earnings to Series A Senior Preferred Shares	(3.8)	(3.6)
Net income available to common stockholders	<u>\$ 102.9</u>	<u>\$ 97.1</u>
Basic earnings per share available to common stockholders	\$ 0.56	\$ 0.53
Diluted earnings per share available to common stockholders	\$ 0.55	\$ 0.53
Basic weighted average number of shares outstanding	184,824,362	183,059,321
Diluted weighted average number of shares outstanding	186,352,974	184,581,054

See accompanying notes to the condensed consolidated financial statements.

Condensed Consolidated Statements of Comprehensive Income

(Expressed in millions of U.S. dollars)

(Unaudited)

	Three months ended	
	March 31,	
	2025	2024
Net income	\$ 113.3	\$ 107.4
Other comprehensive income (loss), net of income tax:		
Foreign currency translation adjustment	10.5	(25.0)
Comprehensive income	<u>\$ 123.8</u>	<u>\$ 82.4</u>
Comprehensive income (loss) attributable to:		
Controlling interests	\$ 123.8	\$ 82.4
Non-controlling interests	0.1	—
Redeemable non-controlling interests	(0.1)	—
Comprehensive income	<u>\$ 123.8</u>	<u>\$ 82.4</u>

See accompanying notes to the condensed consolidated financial statements.

Condensed Consolidated Balance Sheets

(Expressed in millions of U.S. dollars, except share data)

(Unaudited)

	March 31, 2025	December 31, 2024
Assets		
Current assets:		
Cash and cash equivalents	\$ 578.1	\$ 533.9
Restricted cash	143.7	174.9
Trade and other receivables, net of allowance for credit losses of \$7.3 and \$7.2, respectively	770.4	709.4
Prepaid consigned vehicle charges	61.3	67.9
Inventory	132.7	121.5
Other current assets	77.0	77.0
Income taxes receivable	19.4	30.2
Total current assets	1,782.6	1,714.8
Property, plant and equipment, net	1,318.9	1,275.4
Operating lease right-of-use assets	1,509.1	1,529.1
Other non-current assets	141.0	98.4
Intangible assets, net	2,611.0	2,668.7
Goodwill	4,515.2	4,511.8
Deferred tax assets	9.5	8.8
Total assets	<u>\$ 11,887.3</u>	<u>\$ 11,807.0</u>
Liabilities, Temporary Equity and Stockholders' Equity		
Current liabilities:		
Auction proceeds payable	\$ 556.3	\$ 378.0
Trade and other liabilities	619.0	782.0
Current operating lease liabilities	113.2	113.3
Income taxes payable	7.7	26.2
Short-term debt	62.8	27.7
Current portion of long-term debt	4.1	4.1
Total current liabilities	1,363.1	1,331.3
Long-term operating lease liabilities	1,417.7	1,431.1
Long-term debt	2,622.6	2,622.1
Other non-current liabilities	103.5	97.4
Deferred tax liabilities	604.5	608.7
Total liabilities	<u>6,111.4</u>	<u>6,090.6</u>
Temporary equity:		
Series A Senior Preferred Shares; shares authorized, issued and outstanding: 485,000,000	482.0	482.0
Redeemable non-controlling interest	8.0	8.1
Stockholders' equity:		
Senior preferred and junior preferred stock; unlimited shares authorized; shares issued and outstanding, other than Series A Senior Preferred Shares: nil	—	—
Common stock and additional paid-in capital, no par value; unlimited shares authorized; shares issued and outstanding: 185,148,007	4,256.6	4,258.5
Retained earnings	1,141.3	1,090.3
Accumulated other comprehensive loss	(114.4)	(124.8)
Stockholders' equity	5,283.5	5,224.0
Non-controlling interests	2.4	2.3
Total stockholders' equity	<u>5,285.9</u>	<u>5,226.3</u>
Total liabilities, temporary equity and stockholders' equity	<u>\$ 11,887.3</u>	<u>\$ 11,807.0</u>

See accompanying notes to the condensed consolidated financial statements.

Condensed Consolidated Statements of Changes in Temporary Equity and Stockholders' Equity

(Expressed in millions of U.S. dollars, except where noted)

(Unaudited)

	Three months ended March 31, 2025									
	Senior A Senior Preferred Shares			Redeemable non-controlling interest	Attributable to common stockholders					Total stockholders' equity
					Common stock and additional paid-in capital		Retained earnings	Accumulated other comprehensive loss	Non-controlling interest	
	Shares	Amount	Shares	Amount						
Balance, December 31, 2024	485,000,000	\$ 482.0	\$ 8.1	184,732,582	\$ 4,258.5	\$ 1,090.3	\$ (124.8)	\$ 2.3	\$ 5,226.3	
Net income (loss)	—	—	(0.1)	—	—	113.4	—	—	113.4	
Other comprehensive income	—	—	—	—	—	—	10.4	0.1	10.5	
Share-based payments expense	—	—	—	—	13.6	—	—	—	13.6	
Issuance of common stock	—	—	—	415,425	4.3	—	—	—	4.3	
Tax withholding related to vesting of share units	—	—	—	—	(20.1)	—	—	—	(20.1)	
Series A Senior Preferred Share dividends	—	—	—	—	—	(8.6)	—	—	(8.6)	
Common stock dividends and dividend equivalents	—	—	—	—	0.3	(53.8)	—	—	(53.5)	
Balance, March 31, 2025	485,000,000	\$ 482.0	\$ 8.0	185,148,007	\$ 4,256.6	\$ 1,141.3	\$ (114.4)	\$ 2.4	\$ 5,285.9	

	Three months ended March 31, 2024									
	Senior A Senior Preferred Shares			Redeemable non-controlling interest	Attributable to common stockholders					Total stockholders' equity
					Common stock and additional paid-in capital		Retained earnings	Accumulated other comprehensive loss	Non-controlling interest	
	Shares	Amount	Shares	Amount						
Balance, December 31, 2023	485,000,000	\$ 482.0	\$ 8.4	182,843,942	\$ 4,142.2	\$ 918.5	\$ (44.0)	\$ 2.3	\$ 5,019.0	
Net income	—	—	—	—	—	107.4	—	—	107.4	
Other comprehensive loss	—	—	—	—	—	—	(25.0)	—	(25.0)	
Share-based payments expense	—	—	—	—	14.1	—	—	—	14.1	
Issuance of common stock	—	—	—	766,482	22.1	—	—	—	22.1	
Tax withholding related to vesting of share units	—	—	—	—	(11.2)	—	—	—	(11.2)	
Series A Senior Preferred Share dividends	—	—	—	—	—	(8.5)	—	—	(8.5)	
Common stock dividends and dividend equivalents	—	—	—	—	0.4	(49.7)	—	—	(49.3)	
Balance, March 31, 2024	485,000,000	\$ 482.0	\$ 8.4	183,610,424	\$ 4,167.6	\$ 967.7	\$ (69.0)	\$ 2.3	\$ 5,068.6	

See accompanying notes to the condensed consolidated financial statements.

Condensed Consolidated Statements of Cash Flows
(Expressed in millions of U.S. dollars)
(Unaudited)

	Three months ended March 31,	
	2025	2024
Cash provided by (used in):		
Operating activities:		
Net income	\$ 113.3	\$ 107.4
Adjustments for items not affecting cash:		
Depreciation and amortization	114.5	107.7
Share-based payments expense	15.6	15.1
Deferred income tax benefit	(5.0)	(9.8)
Unrealized foreign exchange (gain) loss	(0.3)	0.5
Gain on disposition of property, plant and equipment	(0.4)	(2.4)
Allowance for expected credit losses	1.1	3.2
Amortization of debt issuance costs	2.1	3.7
Amortization of right-of-use assets	38.7	37.5
Other, net	2.6	3.7
Net changes in operating assets and liabilities	(125.4)	(141.8)
Net cash provided by operating activities	<u>156.8</u>	<u>124.8</u>
Investing activities:		
Property, plant and equipment additions	(54.3)	(45.2)
Proceeds on disposition of property, plant and equipment	1.1	0.5
Intangible asset additions	(27.7)	(28.4)
Proceeds from repayment of loans receivable	1.4	0.9
Issuance of loans receivable	(22.1)	(4.4)
Other, net	(0.3)	(0.9)
Net cash used in investing activities	<u>(101.9)</u>	<u>(77.5)</u>
Financing activities:		
Dividends paid to common stockholders	(53.5)	(49.3)
Dividends paid to Series A Senior Preferred shareholders	(8.6)	(8.5)
Proceeds from exercise of options and share option plans	4.3	22.1
Payment of withholding taxes on issuance of shares	(15.2)	(10.4)
Net increase in short-term debt	34.5	11.7
Repayment of long-term debt	(1.0)	(151.1)
Repayment of finance lease and equipment financing obligations	(6.5)	(6.5)
Proceeds from equipment financing obligations	1.0	1.1
Net cash used in financing activities	<u>(45.0)</u>	<u>(190.9)</u>
Effect of changes in foreign currency rates on cash, cash equivalents, and restricted cash	3.1	(6.9)
Net increase (decrease) in cash, cash equivalents, and restricted cash	13.0	(150.5)
Cash, cash equivalents, and restricted cash, beginning of period	708.8	747.9
Cash, cash equivalents, and restricted cash, end of period	<u>\$ 721.8</u>	<u>\$ 597.4</u>

See accompanying notes to the condensed consolidated financial statements.

Index for Notes to the Condensed Consolidated Financial Statements
(Unaudited)

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Notes to the Condensed Consolidated Financial Statements (Unaudited)

Note 1. Description of Business and Basis of Preparation

Description of Business

RB Global, Inc. and its subsidiaries (collectively referred to as the “Company”, “RB Global”, “we”, “us” or “our”) is a leading, omnichannel marketplace that provides value-added insights, services and transaction solutions for buyers and sellers of commercial assets and vehicles worldwide. The Company has auction sites in 14 countries and a digital platform to serve customers in more than 170 countries across a variety of asset classes, including automotive, commercial transportation, construction, government surplus, lifting and material handling, energy, mining and agriculture.

The Company's marketplace brands include Ritchie Bros., the world's largest auctioneer of commercial assets and vehicles offering online bidding, and IAA, a leading global digital marketplace connecting vehicle buyers and sellers. RB Global's portfolio of brands also includes Rouse Services, which provides a complete end-to-end asset management, data-driven intelligence and performance benchmarking system, SmartEquip, an innovative technology platform that supports customers' management of the equipment lifecycle and integrates parts procurement with both original equipment manufacturers and dealers, and VeriTread, an online marketplace for heavy haul transport.

RB Global, Inc. is a company incorporated in Canada under the Business Corporations Act (Ontario), whose shares are publicly traded on the New York Stock Exchange (“NYSE”) and the Toronto Stock Exchange (“TSX”).

Basis of Preparation

These unaudited condensed consolidated interim financial statements have been prepared in accordance with United States generally accepted accounting principles (“US GAAP”) for interim financial information and accordingly, do not include all of the information and footnotes required by US GAAP for complete financial statements. They should be read in conjunction with the consolidated financial statements included in the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2024, filed with the Securities and Exchange Commission (“SEC”) on February 26, 2025.

These unaudited condensed consolidated interim financial statements include the accounts of the Company and entities consolidated under US GAAP, follow the same accounting policies and methods of application as the Company's most recent annual audited consolidated financial statements, and reflect all adjustments of a normal recurring nature necessary for fair financial statement presentation. Significant intercompany balances and transactions have been eliminated. The preparation of financial statements in conformity with US GAAP requires management to make judgments, estimates, and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Unless otherwise indicated, all amounts in the following tables are in millions except share and per share amounts.

Note 2. Recent Accounting Pronouncements

In December 2023, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*, which will require enhanced annual disclosures within rate reconciliations and disaggregated income taxes paid information. The amendments are effective for the Company for the fiscal year ended December 31, 2025.

In November 2024, the FASB issued ASU 2024-03, *Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses*, which will require disaggregated disclosure of specific expense categories in the notes to the financial statements. The amendments are effective for the Company for the fiscal year ended December 31, 2027, and interim periods in the fiscal year ended December 31, 2028.

The Company is in the process of evaluating the impact that the above pronouncements may have on its consolidated financial statements and related disclosures.

Note 3. Acquisitions

On March 10, 2025, the Company entered into an agreement to acquire J.M. Wood Auction Co., Inc. ("J.M. Wood"), an auction business located in Alabama, United States, for approximately \$235 million, subject to certain adjustments. The purchase price will be paid in cash, with 67% of the estimated purchase price paid at closing and the remainder (subject to post-closing adjustments) to be paid in equal installments on the first, second, and third anniversaries of closing. In addition to the purchase price, the Company will pay an agreed upon amount for inventory held for auction at the time of closing.

The acquisition is expected to be completed in the second or third quarter of 2025, subject to customary closing conditions, including, among other conditions, the expiration or termination of the applicable waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended. The purchase agreement also contains certain rights to terminate the agreement by either the sellers or the Company.

Note 4. Segment Information

The Company has one operating and reportable segment which reflects the manner in which the Company's Chief Operating Decision Maker ("CODM"), its Chief Executive Officer, reviews and assesses the performance of the business and allocates resources.

The information used by the CODM to assess performance and allocate resources includes various measures of segment profit, however, for the purposes of the disclosures required by ASC 280, *Segment Reporting*, the Company has determined that the measure most consistent with the measurement principles used in measuring the corresponding amounts in the consolidated financial statements is net income. Consolidated financial information is used to monitor forecast versus actual results in order to make key operating decisions. The CODM does not evaluate the performance of the Company or allocate resources at any level below the consolidated level or based on the Company's assets or liabilities.

The following table presents the significant segment expenses, in the context of deriving net income, that are regularly provided to and reviewed by the CODM, reconciled to the segment's net income:

	Three months ended March 31,	
	2025	2024
Total revenue	\$ 1,108.6	\$ 1,064.7
Significant segment expenses		
Costs of services	361.9	353.0
Cost of inventory sold	235.0	196.6
Selling, general and administrative	205.0	198.1
Acquisition-related and integration costs	3.1	12.8
Depreciation and amortization	114.5	107.7
Interest expense	49.9	63.9
Income tax expense	29.6	32.5
Other segment items ¹	(3.7)	(7.3)
Net income	\$ 113.3	\$ 107.4

¹ Other segment items consist of gain on disposition of property, plant and equipment, change in fair value of derivatives, net, interest income, and foreign exchange loss, as reported on the consolidated income statements.

Note 5. Revenue

The following table presents revenue disaggregated by type:

	Three months ended March 31,	
	2025	2024
Transactional seller revenue	\$ 216.8	\$ 238.6
Transactional buyer revenue	556.7	525.4
Marketplace services revenue	79.0	85.1
Total service revenue	852.5	849.1
Inventory sales revenue	256.1	215.6
Total revenue	<u>\$ 1,108.6</u>	<u>\$ 1,064.7</u>

The following table presents revenue disaggregated by geographic area, based on the location of the underlying auction activity or rendering of services:

	Three months ended March 31,	
	2025	2024
United States	\$ 854.7	\$ 791.2
Canada	124.9	142.4
Europe	90.6	87.1
Australia	17.1	27.6
Other	21.3	16.4
Total revenue	<u>\$ 1,108.6</u>	<u>\$ 1,064.7</u>

Note 6. Operating Expenses

Acquisition-Related and Integration Costs

Acquisition-related and integration costs consist of operating expenses incurred in connection with business combinations, such as due diligence, financing, investment-banking, consulting, advisory, legal, severance, integration and other acquisition-related costs.

The following table presents acquisition-related and integration costs by significant acquisition:

	Three months ended March 31,	
	2025	2024
IAA acquisition	\$ 2.1	\$ 12.6
Other acquisitions	1.0	0.2
Acquisition-related and integration costs	<u>\$ 3.1</u>	<u>\$ 12.8</u>

Note 6. Operating Expenses (continued)

Depreciation and Amortization

	Three months ended March 31,	
	2025	2024
Depreciation	\$ 26.3	\$ 24.9
Amortization	88.2	82.8
Depreciation and amortization	<u>\$ 114.5</u>	<u>\$ 107.7</u>

Note 7. Income Taxes

Income tax expense for interim periods is based upon an estimate of the annual effective tax rate, adjusted for the effects of any significant and infrequent or unusual items required to be recognized discretely within the current interim period. The estimated income tax expense reflects, among other items, management's best estimate of operating results. It does not include the estimated impact of foreign exchange rate fluctuations or unusual and/or infrequent items, which may cause significant variations in the customary relationship between income tax expense and income before income taxes.

The variance in the Company's effective tax rate of 20.7% for the three months ended March 31, 2025 and the statutory federal and provincial tax rate in British Columbia, Canada of 27.0% relates primarily to deductions for share-based payments in excess of the related book expense and estimated income taxed in jurisdictions with lower tax rates.

The Company is routinely subject to tax audits and reviews in various jurisdictions around the world. Tax authorities may challenge the manner in which the Company has filed its tax returns and reported its income.

On December 3, 2024, the CRA issued the Company a Notice of Assessment and Statement of Interest for CA \$79.1 million (Canadian dollars) (\$55.0 million), for the taxation years 2010 through 2015, inclusive of CA\$37.7 million (\$26.2 million) in income taxes, and CA\$41.4 million (\$28.8 million) in interest and penalties. The CRA is asserting that one of the Company's Luxembourg subsidiaries, which was in operation from 2010 to 2020, was a resident in Canada from 2010 through 2015 and that its worldwide income should be subject to Canadian income taxation.

In February 2025, the Company filed a Notice of Objection with the CRA as it believes it is and has been in full compliance with Canadian tax laws and it intends to pursue all available administrative and judicial remedies necessary to resolve this matter. In addition, the Company paid a deposit of CA\$39.5 million (\$27.4 million) to the CRA in early February 2025, recorded within other non-current assets, the minimum required by law as part of the CRA's objection process. In the event that the Company prevails in its objection or subsequent legal proceedings, the deposit would be refunded with interest to the Company.

In the event that the Company's tax filing position is not upheld by either the CRA or by a court of last resort, the Company would incur and record the amounts assessed in income tax, interest and penalties in its consolidated financial statements, which could have a material negative effect on the Company's results of operations.

In addition, in late 2024, the CRA requested information regarding the 2016 to 2020 taxation years for the same matter, which the Company provided in January 2025. The Company has not received a notice of assessment relating to the 2016 to 2020 taxation years. Depending on the outcome of this matter, the Company could incur additional income taxes, penalties and interest relating to the 2016 to 2020 taxation years, which could have a material negative effect on its results of operations.

At March 31, 2025 and December 31, 2024, the Company has not recorded any amounts relating to this matter in the consolidated financial statements because it is the Company's conclusion that it is more likely than not that the Company's tax filing position will ultimately be sustained. The Company is unable to predict the ultimate outcome of this matter and the final disposition of any appeals, which could take numerous years to resolve.

Note 8. Earnings Per Share Available to Common Stockholders

	Three months ended March 31,	
	2025	2024
Net income available to common stockholders	\$ 102.9	\$ 97.1
Basic weighted average shares outstanding	184,824,362	183,059,321
Weighted average effect of dilutive securities:		
Share units	919,988	825,864
Stock options and employee share purchase plan	608,624	695,869
Diluted weighted average shares outstanding	186,352,974	184,581,054
Earnings per share available to common stockholders:		
Basic	\$ 0.56	\$ 0.53
Diluted	\$ 0.55	\$ 0.53

Note 9. Supplemental Cash Flow Information**Net Changes in Operating Assets and Liabilities**

	Three months ended March 31,	
	2025	2024
Trade and other receivables	\$ (54.1)	\$ (220.0)
Prepaid consigned vehicle charges	6.7	6.4
Inventory	(10.5)	(13.0)
Advances against auction contracts	(7.9)	4.4
Prepaid expenses and deposits	8.4	(9.4)
Income taxes receivable	10.9	(4.8)
Auction proceeds payable	177.3	165.0
Trade and other liabilities	(173.7)	(62.1)
Income taxes payable	(18.8)	25.0
Operating lease obligations	(33.5)	(33.7)
Other, including CRA deposit	(30.2)	0.4
Net changes in operating assets and liabilities	\$ (125.4)	\$ (141.8)

Other Supplemental Cash Flow Information

	Three months ended March 31,	
	2025	2024
Interest paid, net of interest capitalized	\$ 73.6	\$ 85.6
Interest received	3.0	6.6
Net income taxes paid	43.2	23.0
Non-cash purchase of property, plant and equipment under finance lease	12.5	2.3
Non-cash operating right of use assets obtained in exchange for new lease obligations	18.9	27.6

Note 10. Fair Value Measurement

The following table summarizes the fair values and carrying amounts of the Company's financial instruments that are required to be recorded or disclosed at fair value on a recurring basis:

	Category	March 31, 2025		December 31, 2024	
		Carrying amount	Fair value	Carrying amount	Fair value
Loans receivable	Level 2	\$ 75.0	\$ 75.1	\$ 53.6	\$ 53.3
Contingent consideration liability	Level 3	4.9	4.9	4.8	4.8
Long-term debt					
Secured Notes	Level 1	545.2	561.0	544.8	563.8
Unsecured Notes	Level 1	791.3	837.0	790.9	837.5
Term loans	Level 2	1,290.2	1,296.3	1,290.5	1,297.5

The fair value of loans receivable with a maturity date greater than one year are determined by estimating discounted cash flows using market rates. The fair value of the contingent consideration liability, which relates to IAA's acquisition of Marisat, Inc. in 2021, is determined using certain unobservable inputs, including the likelihood of the achievement of volume targets. The fair values of the Secured Notes and Unsecured Notes are determined by reference to a quoted market price traded in an over-the-counter broker market. The carrying values of the term loans, before deduction of deferred debt issuance costs, approximate their fair values as the interest rates on the loans are short-term in nature.

Note 11. Derivative Financial Instruments

The Company enters into forward currency contracts from time to time to manage its exposure to foreign currency exchange rate fluctuations recognized by its subsidiaries on certain loans receivable and significant intercompany balances. The fair value of derivative financial instruments was not material at March 31, 2025 or December 31, 2024. The gross notional amount of forward currency contracts outstanding at March 31, 2025 was \$53.7 million (December 31, 2024: \$48.1 million).

Note 12. Trade and Other Receivables

	March 31, 2025	December 31, 2024
Advanced charges receivable	\$ 326.4	\$ 347.3
Trade accounts receivable	385.8	301.7
Consumption taxes receivable	10.3	25.6
Loans receivable	42.3	35.4
Other receivables	12.9	6.6
Trade and other receivables, gross	777.7	716.6
Less: allowance for credit losses	(7.3)	(7.2)
Trade and other receivables, net	\$ 770.4	\$ 709.4

The Company generally has possession of assets or asset titles collateralizing a significant portion of trade receivables. Trade receivables are due for settlement within seven days of the date of sale, after which they are interest bearing. Consumption taxes receivable are deemed fully recoverable unless disputed by the relevant tax authority. Other receivables are unsecured and non-interest bearing.

Note 12. Trade and Other Receivables (continued)**Allowance for Credit Losses**

The following table presents the activity in the allowance for expected credit losses:

	Three months ended March 31,	
	2025	2024
Allowance for credit losses, beginning of period	\$ 7.2	\$ 6.4
Provision	1.1	3.2
Write-offs charged against the allowance	(1.0)	(1.2)
Allowance for credit losses, end of period	<u>\$ 7.3</u>	<u>\$ 8.4</u>

Loans Receivable

The following table presents the consolidated balance sheet presentation of the loans receivable:

	March 31, 2025	December 31, 2024
Loans receivable		
Trade and other receivables	\$ 42.3	\$ 35.4
Other non-current assets	32.7	18.2
Total loans receivable	<u>\$ 75.0</u>	<u>\$ 53.6</u>

The Company participates in certain lending arrangements that are fully collateralized and secured by certain equipment, and in some arrangements, also secured by other assets. These arrangements typically have terms of one to five years. In an event of default under these agreements, the Company will be entitled to the proceeds of disposition of the collateral to recover its loans receivable balance. The related allowance for credit losses is not significant.

Note 13. Trade and Other Liabilities

	March 31, 2025	December 31, 2024
Accrued liabilities	\$ 193.2	\$ 237.3
Trade payables	142.5	139.7
Book overdrafts	167.9	276.5
Deferred revenue	18.9	20.6
Taxes payable	56.9	63.4
Current portion of finance leases and equipment financing obligations	27.4	26.0
Share unit liabilities	9.4	8.4
Other payables	2.8	10.1
Trade and other liabilities	<u>\$ 619.0</u>	<u>\$ 782.0</u>

Taxes payable includes value added tax, sales tax, and digital services tax.

Note 14. Debt

	Interest Rate ¹	March 31, 2025	December 31, 2024
Short-term debt	6.48 %	\$ 62.8	\$ 27.7
Long-term debt:			
Term loans (maturing September 2026):			
Term Loan A Facility loan denominated in Canadian dollars, secured	5.27 %	71.2	72.5
Term Loan A Facility loan denominated in US dollars, secured	6.64 %	1,225.0	1,225.0
Less: unamortized debt issuance costs		(6.0)	(7.0)
Senior secured and unsecured notes:			
Senior secured notes due in March 2028	6.75 %	550.0	550.0
Less: unamortized debt issuance costs		(4.8)	(5.2)
Senior unsecured notes due in March 2031	7.75 %	800.0	800.0
Less: unamortized debt issuance costs		(8.7)	(9.1)
Total long-term debt		2,626.7	2,626.2
Less: current portion of long-term debt		4.1	4.1
Long-term debt		\$ 2,622.6	\$ 2,622.1

¹ Interest rates on short-term debt and term loans reflect the weighted-average interest rates on borrowings as of March 31, 2025.

At March 31, 2025, the Company had unused committed revolving credit facilities aggregating \$676.0 million that are available until September 2026, subject to certain covenant restrictions, and unused uncommitted revolving credit facilities aggregating \$15.0 million with no maturity date. The Company was in compliance with all financial and other covenants applicable to the credit facilities at March 31, 2025.

Term Loans

In 2016, the Company entered into a credit agreement with a syndicate of lenders (as amended and restated, supplemented or otherwise modified from time to time, the “Credit Agreement”). The Credit Agreement is comprised of multicurrency revolving facilities (the “Revolving Facilities”) and the Term Loan A facility (the “TLA Facility”). The TLA Facility is comprised of a facility denominated in U.S. dollars (the “USD TLA Facility”) and a facility denominated in Canadian dollars (the “CAD TLA Facility”).

On April 3, 2025, the Company amended the Credit Agreement to, among other things, increase the aggregate principal amount of Revolving Facilities from \$750.0 million to \$1.3 billion, reduce the USD TLA Facility from \$1.225 billion to \$950.0 million, reduce certain loan margins and fees, adjust certain covenants for more financial flexibility, and extend the maturity of the Credit Agreement from September 21, 2026 to April 3, 2030. TLA Facility loans bear interest at a benchmark rate plus an applicable margin and are subject to quarterly installment payments of 1.25% of principal, with the balance payable at maturity. As of March 31, 2025, there are no mandatory principal repayments remaining on the USD TLA Facility until maturity of the debt, however, with the refinancing completed in April 2025, quarterly installment payments will begin in the third quarter of 2025.

Senior Secured and Unsecured Notes

On March 15, 2023, the Company completed the offering of (i) \$550.0 million aggregate principal amount of 6.750% senior secured notes due March 15, 2028 (the “Secured Notes”) and (ii) \$800.0 million aggregate principal amount of 7.750% senior unsecured notes due March 15, 2031 (the “Unsecured Notes”, and together with the Secured Notes, the “Notes”). Interest on the Notes is payable in cash semi-annually in arrears on March 15 and September 15 of each year, and began on September 15, 2023. The Secured Notes are jointly and severally guaranteed on a senior secured basis and the Unsecured Notes are jointly and severally guaranteed on a senior unsecured basis by certain of the Company’s subsidiaries.

Note 15. Temporary Equity, Equity and Dividends

Series A Senior Preferred Shares

The Series A Senior Preferred Shares are convertible into common stock and were issued at an initial conversion price of \$73.00 per share, which is subject to customary anti-dilution adjustment provisions. The conversion price is \$71.58 per share as of March 31, 2025. The Series A Senior Preferred Shares carry a 5.5% preferred dividend, which is payable quarterly, in cash or in shares at the Company's option, and are entitled to participate on an as-converted basis in the Company's regular quarterly common share dividends, subject to a \$0.27 per share per quarter floor.

On the fourth anniversary of the issuance date of February 1, 2023, holders will have the right to increase the preferred dividend to 7.50%, and on the ninth anniversary of the issuance date, holders will have the right to increase the preferred dividend to a fixed percentage equal to the greater of (a) 600 bps over the daily simple SOFR as then in effect and (b) 10.50%, subject, in each case, to the Company's right to redeem the Series A Senior Preferred Shares for which a dividend rate increase has been demanded.

Upon consummation of one or more specified change of control transactions, the holders will have the right to require the Company to repurchase the Series A Senior Preferred Shares in cash provided, however, that each holder, at its option, may elect instead to convert its Series A Senior Preferred Shares into the applicable change of control consideration. In addition, the Company has the right to redeem the Series A Senior Preferred Shares in the event of a change of control transaction where the successor entity is not traded on certain eligible markets. The possible future redemption of the Series A Senior Preferred Shares as a result of a change in control has been assessed as not probable at March 31, 2025.

Holders of the Series A Senior Preferred Shares are entitled to vote together with the common stock on an as-converted basis on all matters permitted by applicable law, subject to certain exceptions to enable compliance with applicable antitrust law. The Series A Senior Preferred Shares rank, with respect to rights as to dividends, distributions, redemptions and payments upon the liquidation, dissolution and winding up of the Company, (a) senior to all of the junior preferred stock, common stock and any other class or series of capital shares of the Company, issued or authorized after the Series A Senior Preferred Shares issuance date, the terms of which do not expressly provide that such class or series ranks senior to or on a parity with the Series A Senior Preferred Shares, (b) on a parity basis with each other class or series of capital shares issued or authorized after the Series A Senior Preferred Shares issuance date, the terms of which expressly provide that such class or series ranks on a parity basis with the Series A Senior Preferred Shares, and (c) junior with each other class or series of capital shares issued or authorized after the Series A Senior Preferred Shares issuance date, the terms of which expressly provide that such class or series ranks on a senior basis to the Series A Senior Preferred Shares.

During the three months ended March 31, 2025, holders of the Series A Senior Preferred Shares were entitled to preferred dividends of \$6.7 million (three months ended March 31, 2024 - \$6.7 million) and participating dividends of \$1.9 million (three months ended March 31, 2024 - \$1.8 million).

Redeemable Non-controlling Interest

Redeemable non-controlling interest relates to a put/call agreement with one of the minority unitholders of VeriTread under which the holder can put its remaining 21% interest in VeriTread to the Company if certain performance targets are met. At March 31, 2025 the Company assessed that redemption of the redeemable non-controlling interest remains probable and that there has been no material change to the estimated redemption value.

The Company has separately recognized a 4% non-controlling interest in VeriTread within stockholders' equity as that interest is not redeemable.

Note 15. Temporary Equity, Equity and Dividends (continued)**Common Stock Dividends**

The following table summarizes the details of common stock dividends declared and paid during the three months ended March 31, 2025 and 2024:

	Declaration date	Dividend per share	Record date	Total dividends	Payment date
Three months ended March 31, 2025:					
Fourth quarter 2024	January 17, 2025	\$ 0.29	February 14, 2025	\$ 53.5	March 3, 2025
Three months ended March 31, 2024:					
Fourth quarter 2023	January 19, 2024	\$ 0.27	February 9, 2024	\$ 49.3	March 1, 2024

Subsequent to March 31, 2025, the Company's Board of Directors declared a quarterly dividend of \$0.29 per common share, payable on June 20, 2025 to common stockholders of record on May 29, 2025.

Foreign Currency Translation Adjustment

Foreign currency translation adjustment, a component of other comprehensive income (loss), includes the following:

	Three months ended March 31,	
	2025	2024
Gains (losses) on intercompany foreign currency transactions of a long-term investment nature	\$ 3.1	\$ (4.3)

Note 16. Share-based Payments

The following table presents the components of share-based payment expense by consolidated income statement classification:

	Three months ended March 31,	
	2025	2024
Selling, general and administrative:		
Stock option compensation expense	\$ 0.4	\$ 1.5
Equity-classified share units	11.6	8.3
Liability-classified share units	0.8	1.3
Employee share purchase plan	2.6	2.9
	15.4	14.0
Acquisition-related and integration costs:		
Acceleration of share-based payments expense	—	0.9
Share-based continuing employment costs	0.2	0.2
	0.2	1.1
	\$ 15.6	\$ 15.1

Note 16. Share-based Payments (continued)

Share units

The following table presents share unit activity for the three months ended March 31, 2025:

	Equity-classified						Liability-classified	
	Performance Share Units (Performance Conditions)		Performance Share Units (Market Conditions)		Restricted Share Units		Deferred Share Units	
	Number	WA grant date fair value	Number	WA grant date fair value	Number	WA grant date fair value	Number	WA grant date fair value
Outstanding, December 31, 2024	450,175	\$ 64.73	268,954	\$ 105.53	607,805	\$ 66.00	73,490	\$ 40.29
Granted	148,585	95.64	148,355	139.95	436,754	97.16	219	97.30
Vested and settled	(132,018)	58.74	—	—	(250,885)	62.27	—	—
Forfeited	(2,930)	67.31	(1,645)	120.49	(11,630)	69.99	—	—
Outstanding at March 31, 2025	<u>463,812</u>	<u>\$ 76.32</u>	<u>415,664</u>	<u>\$ 117.76</u>	<u>782,044</u>	<u>\$ 84.54</u>	<u>73,709</u>	<u>\$ 40.45</u>

Performance Share Units ("PSUs")

During the three months ended March 31, 2025, the Company granted PSUs to executives and senior employees, approximately half of which have performance vesting conditions and approximately half of which have market vesting conditions, conditional upon the Company's total shareholder return relative to a peer group. The PSUs have three-year performance and market vesting periods.

The fair values of PSUs with performance vesting conditions were estimated using the closing price of the Company's common shares listed on the NYSE on the respective grant dates and the fair value of PSUs with market vesting conditions was estimated using a Monte Carlo simulation model on the respective grant dates, incorporating the following significant assumptions, presented on a weighted average basis:

	Three months ended	
	2025	2024
Risk free interest rate	4.0 %	4.5 %
Expected lives of the PSUs	3 years	3 years
Expected volatility	30.5 %	32.2 %
Average expected volatility of comparable companies	34.7 %	48.3 %

Restricted Share Units ("RSUs")

During the three months ended March 31, 2025, the Company granted RSUs to employees which have service vesting conditions. The RSUs vest over a three-year graded vesting period or cliff vest after three years, depending on the terms of the grant.

The fair values of RSUs were estimated using the closing price of the Company's common shares listed on the NYSE on the respective grant dates.

Note 17. Leases

The following table presents the components of lease expense:

	Three months ended	
	March 31,	
	2025	2024
Operating lease cost	\$ 63.0	\$ 60.8
Finance lease cost		
Amortization of leased assets	3.9	2.7
Interest on lease liabilities	0.8	0.4
Short-term lease cost	3.3	5.4
Sublease income	(0.3)	(0.2)
	<u>\$ 70.7</u>	<u>\$ 69.1</u>

Note 18. Contingencies

Legal and Other Claims

On July 31, 2023, Ann Fandozzi informed the Company's Board of her intention to resign from her position as the Company's Chief Executive Officer due to a disagreement with the Company regarding her compensation as Chief Executive Officer. The Board accepted her verbal resignation and interpreted her subsequent conduct as affirmation of her resignation. The Company advised Ms. Fandozzi that it was accepting her resignation effective immediately and waiving any written procedural notice requirements under the Employment Agreement by and between Ritchie Bros. Auctioneers (Canada) Ltd. and Ms. Fandozzi, dated December 14, 2019. Ms. Fandozzi disputes that she tendered her resignation. On February 21, 2024, Ms. Fandozzi formally resigned from the Company's Board. The matter is currently in arbitration in accordance with the terms of Ms. Fandozzi's employment agreement.

During the three months ended March 31, 2025, the Company recorded an expense of \$1.1 million (three months ended March 31, 2024 - \$1.3 million) reflecting changes to the estimated fair value of certain share-based payment awards. Any changes to the estimated payment amount to Ms. Fandozzi as a result of the settlement of the matter could be material.

The Company is subject to legal and other claims that arise in the ordinary course of its business. Management does not believe that the results of these claims will have a material effect on the Company's consolidated balance sheets or consolidated income statements.

Guarantee Contracts

In the normal course of business, the Company will in certain situations guarantee to a consignor a minimum level of proceeds in connection with the sale at auction of that consignor's equipment.

At March 31, 2025, there were \$125.7 million of assets guaranteed under contract, of which 99% is expected to be sold prior to June 30, 2025, with the remainder to be sold by December 31, 2025 (at December 31, 2024 - \$39.1 million, of which 44% was expected to be sold prior to the end of March 31, 2025, with the remainder expected to be sold by December 31, 2025). The outstanding guarantee amounts are undiscounted and before estimated proceeds from sale at auction.

ITEM 2: MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Cautionary Note Regarding Forward-Looking Statements

Forward-looking statements may appear throughout this Quarterly Report on Form 10-Q, including the following section “Management’s Discussion and Analysis of Financial Condition and Results of Operations.” Forward-looking statements are typically identified by such words as “aim”, “anticipate”, “believe”, “could”, “confident”, “continue”, “estimate”, “expect”, “intend”, “may”, “remain”, “ongoing”, “plan”, “potential”, “predict”, “will”, “should”, “would”, “could”, “likely”, “generally”, “future”, “long-term”, or the negative of these terms, and similar expressions intended to identify forward-looking statements. Forward-looking statements are based on current expectations and assumptions that are subject to risks and uncertainties that may cause actual results to differ materially, and may include, among others, statements relating to:

- our future strategy, objectives, targets, projections and performance;
- potential growth and market opportunities;
- potential future mergers and acquisitions;
- our ability to integrate acquisitions;
- the impact of our new initiatives, services, investments, and acquisitions on us and our customers;
- our future capital expenditures and returns on those expenditures;
- the effect of any tariffs on our results of operations; and
- financing available to us from our credit facilities or other sources, our ability to refinance borrowings, and the sufficiency of our working capital to meet our financial needs.

While we have not described all potential risks related to our business and owning our common shares, the important factors discussed in “Part I, Item 1A: Risk Factors” of our Annual Report on Form 10-K for the year ended December 31, 2024, which are available on our website at <https://investor.rbglobal.com>, on EDGAR at www.sec.gov, or on SEDAR at www.sedar.com, are among those that we consider may affect our performance materially or could cause our actual financial and operational results to differ significantly from our expectations. Except as required by applicable securities law and regulations of relevant securities exchanges, we do not intend to update publicly any forward-looking statements, even if our expectations have been affected by new information, future events or other developments.

We prepare our consolidated financial statements in accordance with United States generally accepted accounting principles (“US GAAP”). Except for Gross Transaction Value (“GTV”)¹, which is a measure of operational performance and not a measure of financial performance, liquidity, or revenue, the amounts discussed below are based on our consolidated financial statements.

Unless otherwise indicated, all amounts in the following tables are in millions, except share and per share amounts.

In the accompanying analysis of financial information, we sometimes use information derived from consolidated financial data but not presented in our financial statements prepared in accordance with U.S. GAAP. Certain of these data are considered “non-GAAP financial measures” under the SEC rules. The definitions of and reasons we use these non-GAAP financial measures and the reconciliations to their most directly comparable U.S. GAAP financial measures are included either with the first use thereof or in the Non-GAAP Measures section within this document (refer to pages [29-34](#)).

¹ GTV represents total proceeds from all items sold on our auctions and online marketplaces, third-party online marketplaces, private brokerage services and other disposition channels.

Overview

RB Global, Inc. and its subsidiaries (collectively referred to as “RB Global”, the “Company”, "our", "us", or “we”) (NYSE & TSX: RBA) is a leading global marketplace that connects sellers and buyers of commercial assets and vehicles. Through our omnichannel platform we facilitate transactions for customers primarily in our automotive and commercial construction and transportation ("CC&T") sectors. We also provide our customers value-added marketplace services, technology solutions for vehicle merchandising, platforms for lifecycle management of assets, and a market data intelligence platform to help customers make more informed business decisions.

Our marketplace brands include Ritchie Bros., the world's largest auctioneer of commercial assets and vehicles offering online bidding, and IAA, Inc. ("IAA"), a leading global digital marketplace connecting vehicle buyers and sellers. Our portfolio of brands also includes Rouse Services ("Rouse"), which provides a complete end-to-end asset management, data-driven intelligence and performance benchmarking system; SmartEquip Inc. ("SmartEquip"), an innovative technology platform that supports customers' management of the equipment lifecycle and integrates parts procurement with both original equipment manufacturers ("OEMs") and dealers; and VeriTread LLC ("VeriTread"), an online marketplace for heavy haul transport.

Our CC&T sector includes heavy equipment such as excavators, dozers, lift and material handling, vocational and commercial trucks and trailers. Our automotive sector includes all consumer automotive vehicles. The other sector primarily includes assets and equipment in the agricultural, forestry and energy industries, government surplus assets, smaller consumer recreational transportation items and parts sold in our vehicle dismantling business. All sectors include salvage and non-salvage transactions.

Our customers primarily include automotive insurance companies, as well as end users, dealers, fleet owners, and OEMs of commercial assets and vehicles. We also serve customers in the agriculture, energy, and natural resources sectors, as well as government entities.

We have a global presence, primarily with operations in the United States, Canada and across Europe, and employ more than 7,900 full-time employees worldwide, of which approximately 67% are located in the United States.

Proposed Acquisition

On March 10, 2025, we entered into a definitive equity purchase agreement to acquire J.M. Wood Auction Co., Inc. ("J.M. Wood") for approximately \$235.0 million in cash consideration, subject to certain adjustments. Under the terms of the agreement, 67% of the estimated purchase price will be paid at closing and the remainder (subject to post-closing adjustments) will be paid in equal installments on the first, second and third anniversaries of the date of closing. In addition to the purchase price, we will pay an agreed upon amount for inventory held for auction at the time of closing.

Founded in 1973, J.M. Wood focuses on the auction of commercial construction and transportation assets in Alabama and adjacent states and has deep local relationships and experience with municipal customers. The proposed acquisition of J.M. Wood is expected to enhance our geographic coverage, expand our customer base in the United States and bring in deep industry knowledge to further our commitment to putting our partners and customers first. The J.M. Wood team will also bring along a hard-working family culture, which is aligned with R.B. Global's roots.

We currently expect the acquisition to be completed in the second or third quarter of 2025, subject to customary closing conditions, including required regulatory clearances.

Service Offerings

We provide a global marketplace for our partners and customers to buy and sell a variety of asset classes by leveraging our proprietary transaction solutions, services and market insights. We offer various branded solutions to help our partners and customers more efficiently manage their asset lifecycles and improve on their return on investments. For a complete list of our branded solutions, please refer to our Annual Report on Form 10-K for the year ended December 31, 2024, which is available on our website at <https://investor.rbglobal.com>, on EDGAR at www.sec.gov, or on SEDAR at www.sedar.com.

Contract Options

We offer consignors several contract options to meet their individual needs and sale objectives for selling assets, which include:

- Straight commission contracts, where the consignor receives the gross proceeds from the sale less a pre-negotiated commission rate;
- Fixed fee commission contracts, where the consignor receives the gross proceeds from the sale less a fixed flat fee; and

- Guarantee contracts, where the consignor receives a guaranteed minimum amount plus an additional amount if proceeds exceed a specified level.

We also offer our customers the option to enter into inventory contracts, where we purchase assets before they are resold in the auctions or marketplaces. We may also sell consigned assets or purchased inventory in private sales transactions.

Value-added Services

We also provide a wide array of value-added services to make the process of selling and buying equipment and vehicles convenient for our customers, including refurbishment services such as repair, paint and make-ready services, and parts services to connect equipment owners with parts manufacturers, inspection and appraisals, financial services through Ritchie Bros. Financial Services ("RBFS"), loan payoff services through IAA, end-to-end transportation and logistics services, as well as other services such as insights, data intelligence, performance benchmarking solutions, and title and liens processing. We offer equipment listing services under the RitchieList and Boom & Bucket brands in North America and the Mascus brand in Europe to make private selling more efficient and safe for customers, including a secure transaction management service, complete with invoicing. We also provide an innovative technology platform that supports customers' vehicle merchandising and selling.

Revenue Mix Fluctuations

Our revenue continues to be comprised of service revenue and inventory sales revenue. Total service revenue includes revenue by customer type, between revenue earned from buyers or sellers who transact in live and online auctions, online marketplaces and private brokerages, as well as marketplace services revenue, revenue earned from optional services provided to our customers.

Transactional seller revenue includes commissions, pre-negotiated or fixed, as well as certain auction-related fees earned from sellers to complete the sale of an asset, such as towing to our yards, liens search, title processing and online listing and inspection fees.

Transactional buyer revenue includes buyer transaction fees based on a tiered structure earned from purchasers upon purchase of an asset, as well as other auction-related fees earned from buyers to complete the purchase of an asset, such as title processing, late-pick up, salvage buyer platform registration and other administrative processing charges.

Marketplace services revenue include fees earned from various optional services provided to buyers, sellers or other third parties, and includes transportation, buyer towing, refurbishment, financing, parts procurement, data and appraisal, and other ancillary services.

Inventory sales revenue relates to revenue earned through our inventory contracts and is recognized at the GTV of the assets sold, with the related cost recognized in cost of inventory sold.

Our revenue each period can fluctuate significantly based on the mix of sales arrangements, which is driven by customer preferences. Completed straight commission, fixed commission or guarantee commission contracts result in the commission being recognized as service revenue based on a percentage of gross transaction value or based on a fixed value, while completed inventory contracts result in the full GTV of the assets sold being recorded as inventory sales revenue. As a result, a change in the revenue mix between service revenue and revenue from inventory sales can have a significant impact on our revenue growth percentages.

Macroeconomic Conditions and Trends

Various macroeconomic conditions and trends, such as inflationary pressures, including as a result of tariffs, and interest rate volatility, impact our business, GTV and operating costs. In addition, our GTV is impacted by the combination of unit volume growth and changes in average selling prices.

In our CC&T sector, the need for transaction solutions following the surge experienced post-pandemic has normalized. Customers are increasingly delaying decisions over disposition of assets as they evaluate the current business conditions in the face of an uncertain macro environment, global trade tensions and changing trade policies, negatively impacting our unit volume growth of higher value assets. In addition, market uncertainty in the construction and transportation end markets is putting pressure on asset prices within the sector. Our customers and partners continue to experience lower equipment utilization rates, weaker end market demand, a higher interest rate environment, and higher costs to acquire new assets, resulting in delays in replacing or adding assets to their existing asset base. These trends are contributing to a lower need for our customers to transact equipment.

In our automotive sector, the total number of accidents and the number of accidents deemed a total loss influence unit volume growth in the industry. The total number of accidents is a function of the number of vehicles in service and the aggregated number of miles driven. Used automotive prices, the age, and the complexity of the design and technology content of vehicles, in combination with the cost of repair, are some of the factors that influence if a vehicle is deemed a total loss. The current inflation spread between automotive repair and used vehicles is providing a productive environment for a higher number of vehicles deemed a total loss as a percent of total accidents, which is driving industry salvage unit volume growth. Despite these positive trends, we have also seen used automotive prices remain fairly flat year over year, as pricing has normalized following the pandemic.

Key Operating Metrics

We regularly review a number of metrics, including the following key operating metrics, to evaluate our business, measure our performance, identify trends affecting our business, and make operating decisions. We believe these key operating metrics are useful to investors because management uses these metrics to assess the growth of our business and the effectiveness of our operational strategies.

We define our key operating metrics as follows:

GTV: Represents total proceeds from all items sold on our auctions and online marketplaces, third-party online marketplaces, private brokerage services and other disposition channels. GTV is not a measure of financial performance, liquidity, or revenue, and is not presented in the Company's consolidated financial statements.

Inventory return: Inventory sales revenue less cost of inventory sold.

Inventory rate: Inventory return divided by inventory sales revenue.

Total lots sold: A single asset to be sold or a group of assets bundled for sale as one unit. Low value assets are sometimes bundled into a single lot, collectively referred to as "small value lots."

Performance Overview and Consolidated Results

For the first quarter of 2025 as compared to the first quarter of 2024:

- Total GTV decreased 6% to \$3.8 billion
- Total revenue increased 4% to \$1.1 billion
 - Service revenue remained flat at \$852.5 million
 - Inventory sales revenue increased 19% to \$256.1 million
- Net income increased 5% to \$113.3 million
- Net income available to common stockholders increased 6% to \$102.9 million
- Diluted earnings per share ("EPS") available to common stockholders increased 4% to \$0.55 earnings per share
- Diluted adjusted EPS available to common stockholders decreased 1% to \$0.89 per share
- Adjusted earnings before interest, taxes, depreciation and amortization ("EBITDA") decreased 1% to \$327.9 million

Other Company Developments

- On April 3, 2025, the Company amended and restated its Credit Agreement dated October 27, 2016, to increase the aggregate principal amount of our multi-currency senior secured revolving credit facilities from \$750.0 million to \$1.3 billion, and reduce our USD Term Loan A facility aggregate principal amount from \$1.2 billion to \$950.0 million. As part of the amendment, we also extended the maturity date of the Credit Agreement from September 2026 to April 2030, and reduced our bank spread by approximately 85 basis points and the undrawn revolver fee by approximately 20 basis points.

Results of Operations

The following table summarizes key components of our results of operations for the periods indicated.

(in U.S. dollars in millions, except percentages)	Three months ended March 31,		
	2025	2024	% Change 2025 over 2024
Service revenue	\$ 852.5	\$ 849.1	—%
Inventory sales revenue	256.1	215.6	19%
Total revenue	\$ 1,108.6	\$ 1,064.7	4%
Costs of services	361.9	353.0	3%
Cost of inventory sold	235.0	196.6	20%
Selling, general and administrative	205.0	198.1	3%
Acquisition-related and integration costs	3.1	12.8	(76)%
Depreciation and amortization	114.5	107.7	6%
Total operating expenses	\$ 919.5	\$ 868.2	6%
Gain on disposition of property, plant and equipment	0.4	2.4	(83)%
Operating income	189.5	198.9	(5)%
Net income	113.3	107.4	5%
Net income available to common stockholders	102.9	97.1	6%
Effective tax rate	20.7%	23.2%	(250)bps
Total GTV	\$ 3,828.9	\$ 4,077.4	(6)%
Service GTV	3,572.8	3,861.8	(7)%
Inventory GTV	256.1	215.6	19%
Inventory return	\$ 21.1	\$ 19.0	11%
Inventory rate	8.2%	8.8%	(60)bps

Total GTV

Total GTV decreased 6% to \$3.8 billion in the first quarter of 2025.

The following summarizes our total GTV by geography and by sector for the periods indicated:

(in U.S. dollars in millions, except percentages)	Three months ended March 31,		
	2025	2024	% Change 2025 over 2024
United States	\$ 3,061.1	\$ 3,261.8	(6)%
Canada	488.8	553.5	(12)%
International	279.0	262.1	6 %
Total GTV	\$ 3,828.9	\$ 4,077.4	(6)%

(in U.S. dollars in millions, except percentages)	Three months ended March 31,		
			% Change
	2025	2024	2025 over 2024
Automotive	\$ 2,144.7	\$ 2,105.0	2 %
Commercial construction and transportation	1,276.7	1,561.2	(18)%
Other	407.5	411.2	(1)%
Total GTV	\$ 3,828.9	\$ 4,077.4	(6)%

The following table illustrates the breakdown of total lots sold by sector for the periods indicated:

(in '000's of lots sold, except percentages)	Three months ended March 31,		
			% Change
	2025	2024	2025 over 2024
Automotive	625.6	584.6	7 %
Commercial construction and transportation	87.6	108.8	(19)%
Other	141.9	145.6	(3)%
Total lots sold	855.1	839.0	2 %

Total GTV decreased year over year in the first quarter of 2025, driven primarily by lower GTV in our CC&T sector in the United States and Canada. We saw lower GTV as a result of lower lot volumes as consignors are taking a cautious stance amid ongoing market uncertainty, partially offset by a higher average price per lot sold on an improved asset mix. The decrease in GTV was primarily driven by anticipated lower volume within our strategic accounts team, as we benefited in the prior period from certain significant large customer contracts. Partially offsetting the decline in our CC&T sector, we saw higher GTV in our automotive sector due to continued growth from existing partners, as well as year-over-year market share gains, partially offset by a lower average price per lot sold.

Total Revenue

Total revenue increased 4% to \$1.1 billion in the first quarter of 2025 primarily due to a 19% increase in inventory sales revenue, while total service revenue remained flat year over year.

Service Revenue

Service revenue is comprised of transactional seller revenue, which mainly includes commissions earned on service GTV from our straight, fixed or guarantee commission contracts, transactional buyer revenue, which mainly includes buyer transaction fees earned on total GTV from purchasers on the sale of inventory or consigned equipment, and revenues earned from our marketplace services.

The following table summarizes key components of total service revenue for the periods indicated:

(in U.S. dollars in millions, except percentages)	Three months ended March 31,		
			% Change
	2025	2024	2025 over 2024
Transactional seller revenue	\$ 216.8	\$ 238.6	(9)%
Transactional buyer revenue	556.7	525.4	6 %
Marketplace services revenue	79.0	85.1	(7)%
Total service revenue	\$ 852.5	\$ 849.1	— %

Total service revenue remained flat in the first quarter of 2025, with transactional buyer revenue increasing 6%, offset by transactional seller revenue decreasing 9% and marketplace services revenue decreasing 7%.

Transactional buyer revenue increased 6%, while total GTV decreased 6%, primarily from higher buyer fees within our automotive sector driven by changes in our buyer fee rate structures implemented in November 2024 and early 2025. Partially offsetting these increases, we saw lower buyer and document fees in line with lower GTV volume in our CC&T sector, despite a higher buyer fee rate structure implemented in early 2025.

Transactional seller revenue decreased 9%, primarily in line with the decrease in service GTV of 7% and a lower commission rate. Although commission rates in both our automotive and CC&T sector increased in the period compared to the prior period, the higher proportion of automotive service GTV in the current quarter led to a lower commission rate overall.

Marketplace services revenue decreased 7% in the first quarter of 2025, primarily driven by the non-repeat of fees earned in our CC&T sector from transportation services provided to a large consignor contract in the United States and lower fees from electronic title and registration services provided in our automotive sector.

Inventory Sales Revenue

Inventory sales revenue increased 19% in the first quarter of 2025, primarily in our CC&T sector due to contract mix. We saw higher inventory volume driven by a significant inventory contract in the transportation sector in the United States within our strategic accounts, partially offset by lower volume in Canada due to fewer inventory contracts in construction.

Costs of Services

In the first quarter of 2025, costs of services increased 3% to \$361.9 million primarily driven by higher tow costs from increased activity in our automotive sector and higher employee compensation expenses from changes to our employee benefit plans implemented in the second quarter of 2024 as well as an increase in short-term incentive-based compensation. We also saw an increase in rent expense from the renewal of a lease in California. These increases were partially offset by lower transportation and third-party profit-sharing costs in our CC&T sector due to the non-repeat of a large consignor contract in transportation in the United States.

Cost of Inventory Sold

In the first quarter of 2024, cost of inventory sold increased 20% to \$235.0 million, primarily in line with a 19% increase in inventory sales revenue. Our inventory rate declined 60 basis points year over year to 8.2%, attributable to weaker performance in all sectors.

Selling, General and Administrative

In the first quarter of 2025, selling, general and administrative expenses increased 3% to \$205.0 million, primarily due to higher technology costs as part of the development of our new payroll and finance cloud computing systems, higher short-term incentive compensation driven by strong performance, higher professional fees primarily driven by an increase in legal costs associated with the departure of our ex-CEO in 2023 and the CRA matter, partially offset by lower rent expense from the termination of the Bolton lease arrangement in Ontario, Canada at the beginning of the year.

Acquisition-related and Integration Costs

In the first quarter of 2025, acquisition-related and integration costs decreased 76% to \$3.1 million, primarily due to lower severance and integration costs in connection with the acquisition of IAA.

Operating Income

For the first quarter of 2025, operating income decreased 5% to \$189.5 million, driven by higher depreciation and amortization expense from internally developed software and technology assets, higher selling, general and administrative expenses, as well as lower flow-through of service revenue. These decreases were partially offset by lower acquisition-related and integration costs in connection with the acquisition of IAA and higher flow-through of inventory revenue.

Income Tax Expense and Effective Tax Rate

At the end of each interim period, we estimate the effective tax rate expected to be applicable for the full fiscal year. The estimate reflects, among other items, management's best estimate of operating results. It does not include the estimated impact of foreign exchange rates or unusual and/or infrequent items, which may cause significant variations in the customary relationship between income tax expense and income before income taxes.

For the first quarter of 2025, income tax expense decreased by 9% to \$29.6 million, and our effective tax rate decreased 250 bps to 20.7%, as compared to the first quarter of 2024 primarily due to increased deductions for share-based payments in excess of the related book expense.

Net Income Attributable to Controlling Interests

In the first quarter of 2025, net income attributable to controlling interests increased 5% to \$113.4 million, primarily driven by lower interest expense due to lower long-term debt levels driven by repayments of principal in prior year and lower income tax expense from a lower effective tax rate, partially offset by a decrease in operating income, as discussed above.

Diluted EPS

Diluted EPS available to common stockholders increased 4% to \$0.55 per share for the first quarter of 2025, compared to \$0.53 per share for the first quarter of 2024. The increase is primarily due to the increase in net income attributable to controlling interests, as discussed above.

U.S. Dollar Exchange Rate Comparison

We conduct global operations in various currencies, with our presentation currency being the U.S. dollar. The following table presents the variance in select foreign exchange rates over the comparative reporting periods:

Value of one local currency to U.S. dollar	2025	2024	% Change 2025 over 2024
Period-end exchange rate - March 31,			
Canadian dollar	0.6949	0.7386	(6)%
Euro	1.0819	1.0798	— %
British pound sterling	1.2920	1.2625	2 %
Australian dollar	0.6242	0.6521	(4)%
Average exchange rate - Three months ended March 31,			
Canadian dollar	0.6966	0.7419	(6)%
Euro	1.0516	1.0861	(3)%
British pound sterling	1.2588	1.2683	(1)%
Australian dollar	0.6273	0.6579	(5)%

In the first quarter of 2025, foreign exchange had an unfavorable impact on total revenue and a favorable impact on expenses when compared to the prior year quarter. These impacts were primarily due to the fluctuations in the Canadian dollar relative to the U.S. dollar.

Non-GAAP Measures

As part of management's non-GAAP measures, we may eliminate the financial impact of certain items that we do not consider to be part of our normal operating results.

Adjusted net income available to common stockholders remained flat at \$165.2 million in the first quarter of 2025.

Diluted adjusted EPS available to common stockholders decreased 1% to \$0.89 per share in the first quarter of 2025.

Adjusted EBITDA decreased 1% to \$327.9 million in the first quarter of 2025.

Refer to the non-GAAP measures section below on pages [29-34](#) for further information.

Debt

Our Credit Agreement is comprised of multicurrency revolving facilities and the Term Loan A facility. The TLA Facility is comprised of a facility denominated in US dollars (the "USD TLA Facility"), and a facility denominated in Canadian dollars (the "CAD TLA Facility"). On April 3, 2025, the Company amended the Credit Agreement to, among other things, increase the aggregate principal amount of the revolving facilities from \$750.0 million to \$1.3 billion, reduce the USD TLA Facility from \$1.2 billion to \$950.0

million, reduce certain loan margins and fees, adjust certain covenants for more financial flexibility, and extend the maturity of the Credit Agreement from September 21, 2026 to April 3, 2030. The TLA Facility loans are subject to quarterly installment payments of 1.25% of principal, with the balance payable at maturity. As of March 31, 2025, there were no mandatory principal repayments remaining on the USD TLA Facility until maturity of the debt; however, with the refinancing completed on April 3, 2025, quarterly installment payments will begin in the third quarter of 2025.

At March 31, 2025, the Company also had \$550.0 million aggregate principal amount of 6.750% senior secured notes due March 15, 2028 (the "Secured Notes"), and (ii) \$800.0 million aggregate principal amount of 7.750% senior unsecured notes due March 15, 2031 (the "Unsecured Notes") (collectively, the "Notes"). These Notes were used, along with the USD TLA Facility, to fund the acquisition of IAA in March 2023, and accrue interest to be paid in cash semi-annually in arrears. The Secured Notes are jointly and severally guaranteed on a senior secured basis and the Unsecured Notes are jointly and severally guaranteed on a senior unsecured basis by certain of the Company's subsidiaries.

The below were our committed and uncommitted revolving credit facilities at March 31, 2025 and December 31, 2024:

(in U.S. dollars in millions)	March 31, 2025	December 31, 2024
<i>Committed</i>		
Multicurrency revolving credit facilities	\$ 750.0	\$ 750.0
<i>Uncommitted</i>		
Foreign demand revolving credit facilities	15.0	15.0
Total revolving credit facilities	<u>\$ 765.0</u>	<u>\$ 765.0</u>
<i>Unused</i>		
Multicurrency revolving credit facilities	\$ 676.0	\$ 705.9
Foreign demand revolving credit facilities	15.0	15.0
Total revolving credit facilities unused	<u>\$ 691.0</u>	<u>\$ 720.9</u>

Debt Covenants

We were in compliance with all financial and other covenants applicable to our credit facilities at March 31, 2025.

Our ability to borrow under the Credit Agreement is subject to compliance with financial covenants of a consolidated leverage ratio and a consolidated interest coverage ratio. In the event of sustained deterioration of global markets and economies, we expect the covenants pertaining to our leverage ratio would be the most restrictive to our ability to access funding under our Credit Agreement. We continue to evaluate courses of action to maintain current levels of liquidity and compliance with our debt covenants.

For more information on our debt, see "Item 1 – Financial Statements: Note. 14 Debt" in our consolidated financial statements.

Liquidity and Capital Resources

Our short-term cash requirements include (i) payment of quarterly dividends to common shareholders on an as-declared basis, and payment of participating dividends and preferential dividends to preferred equity holders, (ii) settlement of contracts with consignors, partners and other suppliers, (iii) personnel expenditures, with a majority of short-term incentive compensation paid annually in the first quarter following each fiscal year, (iv) income tax payments, primarily paid in quarterly installments, (v) payments, including interest, on our short-term debt, as well as principal and interest payments on our long-term debt, (vi) payment of amounts committed under certain service agreements to build our modern IT architecture, (vii) payments on our operating and finance lease obligations, (viii) other capital expenditures and working capital needs, and (ix) advances.

On December 3, 2024, the Canadian Revenue Agency ("CRA") issued the Company a Notice of Assessment and Statement of Interest ("NOA") for CA \$79.1 million (Canadian dollars) (approximately \$55.0 million) for additional taxes, interest and penalties with respect to the Company's Luxembourg subsidiary relating to taxation years 2010 through 2015. In February 2025, the Company filed a Notice of Objection with the CRA as it believes it is and has been in full compliance with Canadian tax laws and to begin the appeal process, paid a required deposit of 50% of the assessed amount, or CA\$39.5 million (approximately \$27.4 million) to the CRA. In the event the Company's tax filing position is not upheld, the Company would be required to pay the remaining 50% of the assessed amount with interest. However, in the event that the Company prevails in its objection or subsequent legal proceedings, the deposit would be refunded with interest to the Company. The matter is expected to take years to resolve. The CRA has also requested information regarding the 2016 to 2020 taxation years for the same matter. For more information on the matter, see "Item 1 – Financial Statements: Note. 7 Income Taxes" in our consolidated financial statements.

We believe that our existing working capital and availability under our revolving facilities are sufficient to satisfy our present operating requirements and contractual obligations, including to fund the potential acquisition of J.M. Wood, which will be a material cash requirement upon closing. In the current interest rate environment, the Company intends to continue to evaluate and pursue the most financially beneficial arrangements to fund future capital expenditures, which may include lease agreements or cash purchases.

Our long-term cash requirements include scheduled principal and interest payments of long-term debt on the TLA Facility of \$1.3 billion and the Notes of \$1.4 billion, repayment of any drawn funds under our revolving credit facilities, as well as scheduled repayments of operating and finance lease obligations relating to the Company's commercial leases for various auctions sites, branches and offices, operating leases for computer equipment, software, motor vehicles and small office equipment, and finance lease arrangements for certain vehicles, computers, yard equipment, fixtures, and office furniture. For more information on our debt and leases, see "Item 1 – Financial Statements: Note. 14 Debt" and "Item 1 – Financial Statements: Note. 17 Leases," respectively, in our consolidated financial statements, as well as in our audited consolidated financial statements for the year ended December 31, 2024.

Cash provided by operating activities can fluctuate significantly from period to period. We assess our liquidity based on our ability to generate cash and secure credit to fund operating, investing, and financing activities. Our liquidity is primarily affected by fluctuations in cash provided by operating activities, significant acquisitions of businesses, payment of dividends, our net capital spending¹, and repayments of debt. We are also committed under various letters of credit and provide certain guarantees in the normal course of business. We believe our principal sources of liquidity, which include cash flow from operations and our unused capacity under our revolving credit facilities of \$691.0 million, is sufficient to fund our current and planned operating activities.

Book overdrafts represent outstanding checks and other pending disbursements, which are in excess of cash account balances with a right of offset. The excess of such amounts is included within trade and other liabilities in our consolidated balance sheet.

If we were to consider further acquisitions to deliver on our strategic growth drivers, we may seek financing through equity markets or additional debt markets. The issuance of additional equity securities may result in dilution to our shareholders. Issuance of preferred equity securities could provide for rights, preferences or privileges senior to those of our common stock. Further, this additional capital may not be available on reasonable terms, or at all.

Cash Flows

(in U.S. dollars in millions)	Three months ended March 31,		
	2025	2024	Change 2025 over 2024
Cash provided by (used in):			
Operating activities	\$ 156.8	\$ 124.8	\$ 32.0
Investing activities	(101.9)	(77.5)	(24.4)
Financing activities	(45.0)	(190.9)	145.9
Effect of changes in foreign currency rates	3.1	(6.9)	10.0
Net decrease in cash, cash equivalents, and restricted cash	\$ 13.0	\$ (150.5)	\$ 163.5

Net cash provided by operating activities was \$156.8 million in the first three months of 2025, as compared to net cash provided by operating activities of \$124.8 million in the first three months of 2024. Net cash provided by operating activities increased \$32.0 million partially due to a lower cash outflow from the net change in operating assets and liabilities of \$16.4 million, as well as

¹ We calculate net capital spending as property, plant and equipment additions plus intangible asset additions less proceeds on disposition of property, plant and equipment.

higher net income from operations. The net change in operating assets and liabilities was primarily driven by the timing and size our auctions, higher prepaid costs recognized in the prior period in connection with transportation services provided to a large consignor contract in the United States in our CC&T sector, and lower incentive-based employee compensation costs. These lower cash outflows were partially offset by increases in cash outflows relating to timing of book overdrafts, higher income tax payments as a result of strong performance, the required deposit paid in connection with the CRA matter, and the timing of recovery of advances from customers.

Net cash used in investing activities was \$101.9 million in the first three months of 2025, as compared to net cash used in investing activities of \$77.5 million in the first three months of 2024. The increase is primarily due to an increase in the issuance of loans receivable in our financing business in the current period, and higher capital expenditures on property, plant and equipment, mainly relating to purchases of property.

Net cash used in financing activities was \$45.0 million in the first three months of 2025, as compared to net cash used in financing activities of \$190.9 million in the first three months of 2024. The decrease in cash outflow is primarily driven by the repayment of a \$150.0 million debt on our USD TLA Facility in the prior period and higher borrowings on our short-term debt in the current period. These decreases in cash outflow are partially offset by lower proceeds received from the exercise of stock options and higher dividend payments made to common stockholders in the current period.

Dividend Information

We declared a dividend of \$0.29 per common share for each of the quarters ended December 31, 2024, September 30, 2024, and June 30, 2024, and \$0.27 per common share for the quarter ended March 31, 2024. We have declared, but not yet paid, a dividend of \$0.29 per common share for the quarter ended March 31, 2025. All dividends that we pay are “eligible dividends” for Canadian income tax purposes unless indicated otherwise.

Debt over Net Income

Debt at the end of the first quarter of 2025 represented 6.4 times net income at and for the trailing twelve months ended March 31, 2025, compared to 8.6 times net income at and for the trailing twelve months ended March 31, 2024. The decrease in this debt/net income multiplier was primarily due to lower levels of debt driven by repayments of principal on our TLA Facility. The adjusted net debt/adjusted EBITDA was 1.6 times at and for the trailing twelve months ended March 31, 2025, compared to 2.0 times at and for the trailing twelve months ended March 31, 2024. The decrease in this debt/net income multiplier was due to the same reasons as discussed above.

Critical Accounting Policies, Judgments, Estimates and Assumptions

In preparing our consolidated financial statements in conformity with US GAAP, we must make decisions that impact the reported amounts and related disclosures. Such decisions include the selection of the appropriate accounting principles to be applied and the assumptions on which to base accounting estimates. In reaching such decisions, we apply judgments based on our understanding and analysis of the relevant circumstances and historical experience. At March 31, 2025, there were no material changes in our critical accounting policies, and there were no material changes in judgments, estimates and assumptions from those disclosed in our Annual Report on Form 10-K for the year ended December 31, 2024.

Non-GAAP Measures

We reference various non-GAAP measures throughout this Quarterly Report on Form 10-Q. These measures do not have a standardized meaning and are, therefore, unlikely to be comparable to similar measures presented by other companies. The presentation of this financial information, which is not prepared under any comprehensive set of accounting rules or principles, is not intended to be considered in isolation of, or as a substitute for, the financial information prepared and presented in accordance with US GAAP.

Adjusted Net Income Available to Common Stockholders and Diluted Adjusted EPS Available to Common Stockholders Reconciliation

We believe that adjusted net income available to common stockholders provides useful information about the growth or decline of our net income available to common stockholders for the relevant financial period and eliminates the financial impact of adjusting items we do not consider to be part of our normal operating results. Diluted adjusted EPS available to common stockholders eliminates the financial impact of adjusting items from net income available to common stockholders that we do not consider to be part of our normal operating results. Please refer to page 34 for a summary of adjusting items.

Adjusted net income available to common stockholders is calculated as net income available to common stockholders, excluding the effects of adjusting items that we do not consider to be part of our normal operating results, such as share-based payments expense, acquisition-related and integration costs, amortization of acquired intangible assets, executive transition costs and certain other items.

Net income available to common stockholders is calculated as net income attributable to controlling interests, less cumulative dividends on Series A Senior Preferred Shares and allocated earnings to participating securities.

Diluted adjusted EPS available to common stockholders is calculated by dividing adjusted net income available to common stockholders by the weighted average number of dilutive shares outstanding, except that it is computed based upon the lower of the two-class method or the if-converted method, which includes the effects of the assumed conversion of the Series A Senior Preferred Shares and the effect of shares issuable under the Company's stock-based incentive plans, if such effect is dilutive.

The following table reconciles adjusted net income available to common stockholders and diluted adjusted EPS available to common stockholders to net income available to common stockholders and diluted EPS available to common stockholders, which are the most directly comparable GAAP measures in our consolidated financial statements:

(in U.S. dollars in millions, except share, per share data, and percentages)	Three months ended March 31,		
	2025	2024	% Change 2025 over 2024
Net income available to common stockholders	\$ 102.9	\$ 97.1	6 %
Share-based payments expense	14.4	13.3	8 %
Acquisition-related and integration costs	3.1	12.8	(76)%
Amortization of acquired intangible assets	68.3	69.6	(2)%
Gain on disposition of property, plant and equipment and related costs	(0.2)	(1.8)	(89)%
Prepaid consigned vehicles charges	(0.3)	(2.1)	(86)%
Other legal, advisory, restructuring and non-income tax expenses	3.9	2.2	77 %
Executive transition costs	2.7	1.7	59 %
Related tax effects of the above	(27.3)	(24.8)	10 %
Related allocation of the above to participating securities	(2.3)	(2.5)	(8)%
Adjusted net income available to common stockholders	<u>\$ 165.2</u>	<u>\$ 165.5</u>	<u>— %</u>
Weighted average number of dilutive shares outstanding	<u>186,352,974</u>	<u>184,581,054</u>	<u>1 %</u>
Diluted earnings per share available to common stockholders	<u>\$ 0.55</u>	<u>\$ 0.53</u>	<u>4 %</u>
Diluted adjusted earnings per share available to common stockholders	<u><u>\$ 0.89</u></u>	<u><u>\$ 0.90</u></u>	<u><u>(1)%</u></u>

Adjusted EBITDA Reconciliation

We believe adjusted EBITDA provides useful information about the growth or decline of our net income when compared between different financial periods. We use adjusted EBITDA as a key performance measure because we believe it facilitates operating performance comparisons from period to period and it provides management with the ability to monitor its controllable incremental revenues and costs.

Adjusted EBITDA is calculated by adding back depreciation and amortization, interest expense, income tax expense, and subtracting interest income from net income, as well as adding back the adjusting items as described on page 34.

The following table reconciles adjusted EBITDA to net income, which is the most directly comparable GAAP measure in, or calculated from, our consolidated financial statements:

(in U.S. dollars in millions, except percentages)	Three months ended March 31,		
	2025	2024	% Change 2025 over 2024
Net income	\$ 113.3	\$ 107.4	5 %
Add: depreciation and amortization	114.5	107.7	6 %
Add: interest expense	49.9	63.9	(22)%
Less: interest income	(3.0)	(6.6)	(55)%
Add: income tax expense	29.6	32.5	(9)%
EBITDA	304.3	304.9	— %
Share-based payments expense	14.4	13.3	8 %
Acquisition-related and integration costs	3.1	12.8	(76)%
Gain on disposition of property, plant and equipment and related costs	(0.2)	(1.8)	(89)%
Prepaid consigned vehicles charges	(0.3)	(2.1)	(86)%
Other legal, advisory, restructuring and non-income tax expenses	3.9	2.2	77 %
Executive transition costs	2.7	1.7	59 %
Adjusted EBITDA	\$ 327.9	\$ 331.0	(1)%

Adjusted Net Debt and Adjusted Net Debt/Adjusted EBITDA Reconciliation

We believe that comparing adjusted net debt/adjusted EBITDA on a trailing twelve-month basis for different financial periods provides useful information about the performance of our operations as an indicator of the amount of time it would take us to settle both our short and long-term debt. We do not consider this to be a measure of our liquidity, which is our ability to settle only short-term obligations, but rather a measure of how well we fund liquidity. Measures of liquidity are noted under “Liquidity and Capital Resources.”

Adjusted net debt is calculated by subtracting cash and cash equivalents from short and long-term debt and long-term debt in escrow. Adjusted net debt/Adjusted EBITDA is calculated by dividing adjusted net debt by adjusted EBITDA.

The following table reconciles adjusted net debt to debt, adjusted EBITDA to net income, and adjusted net debt/ adjusted EBITDA to debt/ net income, respectively, which are the most directly comparable GAAP measures in, or calculated from, our consolidated financial statements.

(in U.S. dollars in millions, except percentages)	At and for the twelve months ended March 31,		
	2025	2024	% Change 2025 over 2024
Short-term debt	\$ 62.8	\$ 24.8	153 %
Long-term debt	2,626.7	2,926.2	(10)%
Debt	2,689.5	2,951.0	(9)%
Less: cash and cash equivalents	(578.1)	(462.8)	25 %
Adjusted net debt	2,111.4	2,488.2	(15)%
Net income	\$ 418.7	\$ 341.6	23 %
Add: depreciation and amortization	451.2	423.7	6 %
Add: interest expense	219.7	256.8	(14)%
Less: interest income	(22.6)	(22.3)	1 %
Add: income tax expense	134.4	118.1	14 %
EBITDA	1,201.4	1,117.9	7 %
Share-based payments expense	57.4	52.2	10 %
Acquisition-related and integration costs	19.3	102.7	(81)%
Loss (gain) on disposition of property, plant and equipment and related costs	0.4	(2.5)	NM
Remeasurements in connection with business combinations	1.2	—	NM
Prepaid consigned vehicles charges	(3.0)	(56.6)	(95)%
Other legal, advisory, restructuring and non-income tax expenses	15.1	4.1	268 %
Executive transition costs	7.7	13.7	(44)%
Adjusted EBITDA	\$ 1,299.5	\$ 1,231.5	6 %
Debt/net income	6.4 x	8.6 x	(26)%
Adjusted net debt/adjusted EBITDA	1.6 x	2.0 x	(20)%

NM = Not meaningful

Adjusted Return and Adjusted ROIC Reconciliation

We believe that comparing adjusted ROIC on a trailing twelve-month basis for different financial periods provides useful information about the after-tax return generated by our investments. Adjusted ROIC is a measure used by management to determine how productively the Company uses its long-term capital to gauge investment decisions.

ROIC is calculated as reported return divided by average invested capital. Reported return is defined as net income attributable to controlling interests excluding the impact of net interest expense and tax effected at the Company’s adjusted annualized effective tax rate. Adjusted ROIC is calculated as adjusted return divided by adjusted average invested capital. Adjusted return is defined as reported return and adjusted for items that we do not consider to be part of our normal operating results and tax effected at the

applicable tax rate. Adjusted average invested capital is calculated as average invested capital but excludes any long-term debt in escrow.

The following table reconciles adjusted return and adjusted ROIC to net income attributable to controlling interests and adjusted average invested capital to average invested capital, which are the most directly comparable GAAP measures in, or calculated from, our consolidated financial statements:

(in U.S. dollars in millions, except percentages)	At and for the twelve months ended March 31,		
			% Change
	2025	2024	2025 over 2024
Net income attributable to controlling interests	\$ 419.1	\$ 342.0	23 %
Add:			
Interest expense	219.7	256.8	(14)%
Interest income	(22.6)	(22.3)	1 %
Interest, net	197.1	234.5	(16)%
Tax on interest, net	(48.4)	(56.9)	(15)%
Reported return	\$ 567.8	\$ 519.6	9 %
Add:			
Share-based payments expense	57.4	52.2	10 %
Acquisition-related and integration costs	19.3	102.7	(81)%
Amortization of acquired intangible assets	273.6	279.2	(2)%
Loss (gain) on disposition of property, plant and equipment and related costs	0.4	(2.5)	NM
Remeasurements in connection with business combinations	1.2	0.1	1100 %
Prepaid consigned vehicles charges	(3.0)	(56.6)	(95)%
Other legal, advisory, restructuring and non-income tax expenses	15.1	4.1	268 %
Executive transition costs	7.7	13.7	(44)%
Related tax effects of the above	(94.0)	(87.0)	8 %
Adjusted return	\$ 845.5	\$ 825.5	2 %
Short-term debt - opening balance	\$ 24.8	\$ 23.6	5 %
Short-term debt - ending balance	62.8	24.8	153 %
Average short-term debt	43.8	24.2	81 %
Long-term debt - opening balance	2,926.2	3,220.4	(9)%
Long-term debt - ending balance	2,622.6	2,926.2	(10)%
Average long-term debt	2,774.4	3,073.3	(10)%
Preferred equity - opening balance	482.0	482.0	— %
Preferred equity - ending balance	482.0	482.0	— %
Average preferred equity	482.0	482.0	— %
Stockholders' equity - opening balance	5,066.3	4,861.5	4 %
Stockholders' equity - ending balance	5,283.5	5,066.3	4 %
Average stockholders' equity	5,174.9	4,963.9	4 %
Average invested capital	\$ 8,475.1	\$ 8,543.4	(1)%
ROIC	6.7 %	6.1 %	60bps
Adjusted ROIC	10.0 %	9.7 %	30bps

NM = Not meaningful

Adjusting Items

Recognized in the first quarter of 2025

- \$14.4 million share-based payments expense.
- \$3.1 million of acquisition-related and integration costs, primarily relating to integration activities in connection with the acquisition of IAA and acquisition-related costs associated with the potential acquisition of J.M Wood.
- \$68.3 million amortization of acquired intangible assets from past acquisitions, primarily IAA.
- \$0.2 million gain on disposition of property, plant and equipment and related costs.
- \$0.3 million relating to a fair value adjustment made to the prepaid consigned vehicle charges on the opening balance sheet of IAA at acquisition.
- \$3.9 million of other legal, advisory, restructuring and non-income tax expenses, which primarily includes severance associated with the wind-down of our Xcira business, costs incurred for the settlement of remediation costs in connection with a fire at one of our branches, which occurred prior to the acquisition of IAA, as well as costs in connection with the CRA dispute.
- \$2.7 million of executive transition costs, primarily legal costs, associated with the departure of our ex-CEO in August 2023.

The adjusting items recognized in our prior quarters are discussed in "Part I, Item 7: Management's Discussion and Analysis of Financial Condition and Results of Operations" of our Annual Report on Form 10-K for the year ended December 31, 2024.

ITEM 3: QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

There have been no material changes to our market risk during the three months ended March 31, 2025 from those disclosed in Item 7A in our Annual Report on Form 10-K for the year ended December 31, 2024, which is available on our website at <https://investor.rbglobal.com>, on EDGAR at www.sec.gov, or on SEDAR at www.sedar.com.

ITEM 4: CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

Management of the Company, including the Chief Executive Officer ("CEO") and the Chief Financial Officer ("CFO"), have evaluated the effectiveness of the Company's disclosure controls and procedures as of March 31, 2025. The term "disclosure controls and procedures" means controls and other procedures established by the Company that are designed to ensure that information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the Company's management, including its CEO and CFO, as appropriate, to allow timely decisions regarding required disclosure.

Based upon their evaluation of the Company's disclosure controls and procedures, the CEO and the CFO concluded that, as of March 31, 2025, the disclosure controls are effective to provide reasonable assurance that information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is accumulated and communicated to management, including the CEO and the CFO, as appropriate, to allow timely decisions regarding required disclosure and are effective to provide reasonable assurance that such information is recorded, processed, summarized and reported within the time periods specified by the SEC's rules and forms.

The Company, including its CEO and CFO, does not expect that its internal controls and procedures will prevent or detect all error and all fraud. A control system, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met.

Changes in Internal Control over Financial Reporting

There were no changes in the Company's internal control over financial reporting during the three months ended March 31, 2025 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II – OTHER INFORMATION

ITEM 1: LEGAL PROCEEDINGS

We have no material legal proceedings pending, other than ordinary routine litigation incidental to the business, and we do not know of any material proceedings contemplated by governmental authorities.

ITEM 1A: RISK FACTORS

Our business is subject to a number of risks and uncertainties, and our past performance is no guarantee of our performance in future periods. In addition to the other information set forth in this Quarterly Report on Form 10-Q, you should carefully consider the risks and uncertainties discussed in “Part I, Item 1A: Risk Factors” of our Annual Report on Form 10-K for the year ended December 31, 2024, which are available on our website at <https://investor.rbglobal.com>, on EDGAR at www.sec.gov, or on SEDAR at www.sedarplus.com. As of the date of this filing, there have been no material changes to such risk factors. Our business could also be affected by additional risks not currently known to us or that we currently deem to be immaterial. If any of the risks occur, our business, financial and results of operations could materially suffer. As a result, the trading price of our common shares could decline, and you may lose all or part of your investment.

ITEM 2: UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None.

ITEM 3: DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4: MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5: OTHER INFORMATION

During the three months ended March 31, 2025, none of our directors or officers (as defined in Rule 16a-1(f) of the Exchange Act) adopted, terminated or modified a Rule 10b5-1 trading arrangement or non-Rule 10b5-1 trading arrangement (as such terms are defined in Item 408 of Regulation S-K), except as follows:

- Adam DeWitt, a director of the Company, adopted a new Rule 10b5-1 trading arrangement on March 12, 2025, which is intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) for the sale shares needed to cover taxes with respect to the vesting of an RSU grant and scheduled to terminate on or before June 13, 2025. Under the trading arrangement, up to an aggregate of approximately 797 shares of common stock are available to be sold by the broker on particular dates;
- Darren Watt, our Chief Legal Officer, adopted a new Rule 10b5-1 trading arrangement on March 12, 2025, which is intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) and scheduled to terminate on or before June 13, 2025. Under the trading arrangement, up to an aggregate of approximately 14,800 shares of common stock are available to be sold by the broker on particular dates; and
- James Kessler, our Chief Executive Officer, adopted a new Rule 10b5-1 trading arrangement on March 17, 2025, which is intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) and scheduled to terminate on or before March 18, 2026. Under the trading arrangement, up to an aggregate of approximately 45,658 shares of common stock are available to be sold by the broker on particular dates.

ITEM 6: EXHIBITS

Exhibits

The exhibits listed in below are filed as part of this Quarterly Report on Form 10-Q and incorporated herein by reference.

Exhibit Number	Document
4.1	<u>Second Amended and Restated Shareholder Rights Plan Agreement dated as of February 24, 2025 between RB Global, Inc. and Computershare Investor Services, Inc., as Rights Agent (incorporated by reference to Exhibit 41 to the Company's Annual Report on Form 10-K filed on February 26, 2025)</u>
10.1*	<u>Equity Purchase Agreement by and among Ritchie Bros. Auctioneers (America) Inc., J.M. Wood Auction Co., Inc., the Equityholders of J.M. Wood Auction Co., Inc., and Bryant S. Wood, as Seller Representative, dated March 10, 2025</u>
31.1	<u>Certification of Chief Executive Officer pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934, as amended</u>
31.2	<u>Certification of Chief Financial Officer pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934, as amended</u>
32.1	<u>Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</u>
32.2	<u>Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</u>
101	Interactive Data Files Pursuant to Rule 405 of Regulation S-T, for the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2025, formatted in Inline XBRL: (i) Condensed Consolidated Income Statements; (ii) Condensed Consolidated Balance Sheets; (iii) Condensed Consolidated Statements of Changes in Equity; (iv) Condensed Consolidated Statements of Cash Flows; and (v) Notes to the Condensed Consolidated Financial Statements
104	Cover page from the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2025, formatted in Inline XBRL and contained in Exhibit 101

* Certain schedules and similar attachments have been omitted pursuant to Item 601(a)(5) of Regulation S-K.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

RB GLOBAL, INC.

Dated: May 7, 2025

By: /s/ Jim Kessler
Jim Kessler
Chief Executive Officer

Dated: May 7, 2025

By: /s/ Eric J. Guerin
Eric J. Guerin
Chief Financial Officer

EQUITY PURCHASE AGREEMENT

by and among

RITCHIE BROS. AUCTIONEERS (AMERICA) INC.,

J.M. WOOD AUCTION CO., INC.,

the Equityholders of J.M. WOOD AUCTION CO., INC.,

and

Bryant S. Wood, as Seller Representative

March 10, 2025

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EQUITY PURCHASE AGREEMENT

This Equity Purchase Agreement (the “*Agreement*”) is made as of March 10, 2025, by and among Ritchie Bros. Auctioneers (America) Inc., a Washington corporation (the “*Purchaser*”), J.M. Wood Auction Co., Inc., an Alabama corporation (the “*Company*”), Bryant S. Wood, an individual resident of the State of Alabama (“*Bryant*”), Ruston R. Wood, an individual resident of the State of Alabama (“*Ruston*”), Kimberly Wood Cox, an individual resident of the State of Alabama (“*Kimberly*”) and collectively with Bryant, and Ruston, the “*Sellers*” and each individually a “*Seller*”) and Bryant S. Wood, in his capacity as seller representative (the “*Seller Representative*”).

The Sellers collectively own all of the issued and outstanding shares of common stock of the Company, in the amounts set forth on Schedule A (the “*Shares*”).

After the date hereof and at least two (2) days before the Closing, the Sellers and the Company will effect a reorganization whereby (i) Sellers form a new Delaware corporation (“*HoldCo*”), (ii) Sellers contribute all outstanding equity interests in the Company to HoldCo in exchange for 100% of the equity interests in HoldCo, (iii) on the date of such contribution, HoldCo files IRS Form 8869 electing for the Company to be a “qualified subchapter S subsidiary” as such term is defined in Section 1361(b)(3)(B) of the Code effective as of the date of filing the contribution, which IRS Form 8869 reflects that the election is being made in combination with a Section 368(a)(1)(F) reorganization described in Rev. Rul. 2008-18 (subclauses (i)-(iii), the “*Reorganization*”), and (iv) at least one (1) day following the date of filing of the qualified subchapter S subsidiary election and at least one (1) day before the Closing, the Company converts into a limited liability company and is treated as a disregarded entity for federal income Tax purposes (subclause (iv), the “*Conversion*” and together with the Reorganization, the “*Restructuring*”).

The Sellers desire to cause HoldCo to sell to the Purchaser, and the Purchaser desires to purchase from HoldCo, all of the issued and outstanding membership interests of the Company in accordance with the provisions of this Agreement.

Concurrently herewith, each of the Sellers has entered into noncompetition agreements with Purchaser (the “*Noncompetition Agreements*”), which shall be effective upon the Closing.

Concurrently herewith, each of the Sellers has enter into employment agreements with Purchaser or an Affiliate of Purchaser (the “*Seller Employment Agreements*”), which shall be effective upon the Closing.

NOW, THEREFORE, intending to be legally bound and in consideration of the mutual provisions set forth in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

ARTICLE 1 DEFINITIONS AND CONSTRUCTION

Section 1.1 Definitions. For the purposes of this Agreement and the Ancillary Agreements, capitalized terms shall have the meanings specified in this Section 1.1 except where otherwise defined in this Agreement:

“*Accounting Principles*” means the definition assigned to such term in Exhibit A.

“Accrued Income Taxes” means the amount of all income Taxes of the Company and its Subsidiaries for taxable periods or portions thereof ending on the Closing Date which are first due after the Closing Date.

“Affiliate” means, with respect to a specified Person, a Person that directly, or indirectly through one or more intermediaries, controls, is controlled by or is under common control with, the specified Person. For purposes of this definition, the term “control” (including the terms “controlling,” “controlled by” and “under common control with”) means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

“Ancillary Agreements” means, collectively, the Noncompetition Agreements, the Seller Employment Agreements, the Membership Interest Assignments, and the Asset Transfer Agreement.

“Antitrust Fees” means the legal fees incurred by Sellers and the Company in connect with HSR filings, the Federal Trade Commission and/or Department of Justice proceedings, and other related antitrust matters in respect of Transaction, up to an amount not to exceed \$1,000,000.

“Antitrust Law” means the Sherman Antitrust Act of 1890, the Clayton Antitrust Act of 1914, the HSR Act, the Federal Trade Commission Act of 1914 and all other federal, state and foreign, if any, statutes, rules, regulations, orders, decrees, administrative and judicial doctrines and other Laws that are designed or intended to prohibit, restrict or regulate actions having the purpose or effect of monopolization or restraint of trade or lessening of competition through merger or acquisition.

“Business” means the business of the Company as currently conducted, including buying, selling and auctioning heavy equipment and machinery and conducting appraisals.

“Business Day” means any day other than Saturday, Sunday or any day on which banking institutions in New York, New York are closed either under applicable Law or action of any Governmental Authority.

“Cash” means, with respect to the Company and the Subsidiaries, all cash, cash equivalents and marketable securities held by the Company and the Subsidiaries, calculated in accordance with the Accounting Principles in a manner consistent with the methods and practices used to prepare the Interim Balance Sheet. For avoidance of doubt, Cash will (a) be calculated net of issued but uncleared checks and drafts, (b) include checks and drafts deposited for the accounts of the Company and the Subsidiaries (or in the possession thereof, as evidenced by the date of such checks) but not yet posted, (c) include pending electronic funds transfers for the account of the Company and the Subsidiaries, and (d) exclude any restricted cash (which for clarity, means any cash which is not freely usable by the Company or its Subsidiaries because it is subject to restrictions, limitations or taxes on use or distribution by law, contract or otherwise, including without limitation, restrictions on dividends and repatriations or any other form of restriction).

“Closing Cash” means the Cash of the Company and the Subsidiaries as of the close of business on the day immediately prior to the Closing Date; for the avoidance of doubt, Purchaser acknowledges and agrees that, prior to the Closing Date, the Company and the Subsidiaries shall distribute substantially all of the Cash from the Company and the Subsidiaries to HoldCo or Sellers.

“Closing Indebtedness” means the outstanding Indebtedness of the Company and the Subsidiaries as of the close of business on the day immediately prior to the Closing.

“Closing Net Working Capital” means the Net Working Capital as of the close of business on the day immediately prior to the Closing.

“Code” means the Internal Revenue Code of 1986, as amended.

“Company Plan” means any “employee benefit plan” (as defined in Section 3(3) of ERISA) for the benefit of any current or former manager, officer, employee or consultant of the Company or ERISA Affiliate, or with respect to which the Company or ERISA Affiliate has or may have any Liability, including any “employee welfare benefit plan” (as defined in Section 3(1) of ERISA), any Pension Plan, any Title IV Plan, any Multiemployer Plan and any other written or oral plan, Contract or arrangement involving direct or indirect compensation or benefits, including insurance coverage, severance or other termination pay or benefits, change in control, retention, performance, holiday pay, vacation pay (including without limitation paid time off (“**PTO**”), sick pay, Section 125 cafeteria benefits, fringe benefits, disability benefits, pension, retirement plans, profit sharing, deferred compensation, bonuses, equity options, equity purchase, restricted equity or equity units, phantom equity, equity appreciation or other forms of incentive compensation or post-retirement compensation, maintained or contributed to by the Company or ERISA Affiliate (or that has been maintained or contributed to in the last six years by the Company or ERISA Affiliate) for the benefit of any current or former manager, officer, employee or consultant of the Company or ERISA Affiliate, or with respect to which the Company or ERISA Affiliate has or may have any Liability).

“Confidential Information” means (i) any Intellectual Property Rights, including product specifications, formulae, compositions, processes, designs, sketches, photographs, graphs, drawings, samples, inventions and ideas, past, current and planned research and development, current and planned development and distribution methods and processes, customer lists, current and anticipated customer requirements, price lists, market studies, business plans, software, database technologies, systems, structures, architectures and data (and related processes, formulae, compositions, improvements, devices, know-how, inventions, discoveries, concepts, ideas, designs, methods and information), (ii) any and all information concerning the business and affairs of the Company and the Subsidiaries (including historical financial statements, financial projections and budgets, historical and projected sales, capital spending budgets and plans, the names and backgrounds of key personnel, personnel training and techniques and materials), however documented, and (iii) any and all notes, analyses, compilations, studies, summaries and other material containing or based, in whole or in part, on any information included in the foregoing any information, in whatever form or medium, concerning the business or affairs of the Company and any Subsidiary. Confidential Information does not include information that (a) is generally available or ascertainable to the public on the date of this Agreement or (b) becomes generally available or ascertainable to the public other than as a result of a disclosure not otherwise permissible hereunder.

“Consent” means any approval, consent, ratification, waiver or other authorization.

“Consignment Contract” means any open Contract between the Company and a third party, including any Governmental Authority, pursuant to which such third party has provided Consignment Inventory to the Company to be sold through a Company auction on a consignment basis.

“Consignment Inventory” means the equipment and similar inventory consigned to the Company or its Affiliates by a third party to be auctioned or otherwise sold by the Company. For clarity, the equipment and similar inventory which has been purchased by the Company (and not consigned to the Company) shall not be Consignment Inventory.

“**Continuing Employees**” means employees of the Company who transfer employment to Purchaser or an Affiliate of Purchaser on the Business Day following the Closing Date.

“**Contract**” means any contract, agreement, lease, license, commitment, warranty, guaranty, mortgage, note, bond, option, warrant, right or other instrument or consensual obligation, whether written or oral.

“**Current Assets**” means all current assets of the Company and the Subsidiaries (excluding Cash, the Inventory and the Excluded Assets), calculated in accordance with the Accounting Principles. “Current Assets” shall not include any deferred tax assets. For clarity, the Current Assets shall include an amount equal to any utility or similar deposits and any Lease deposits. In addition, “Current Assets” shall be increased and include an amount equal to the (a) the amount actually paid by the Company for advertising and marketing, temporary labor, clean-up and hauling solely to the extent expended in preparation of the next scheduled auction by the Company following the Closing Date and (b) to the extent included in Current Liabilities, any accrued expenses for the items described in clause (a) above.

“**Current Liabilities**” means all current Liabilities of the Company and the Subsidiaries (excluding Indebtedness and Transaction Expenses), in each case calculated in accordance with the Accounting Principles. “Current Liabilities” shall not include (a) the obligations under the Customer Guaranties with respect to any Inventory nor (b) any deferred tax liabilities.

“**Customer Contract**” means any open Contract between the Company and a customer of the Company, including any Governmental Authority, with respect to the purchase and sale of Inventory.

“**Customer Guaranties**” means the minimum sale price guaranties or similar obligations, under which the Company has guaranteed or otherwise committed to a minimum sale price with respect to the sale of Inventory or Consignment Inventory to the extent that such Inventory or Consignment Inventory was not sold prior to the Closing.

“**Dollars**” or “**\$**” means U.S. dollars.

“**Encumbrance**” means any charge, claim, mortgage, servitude, easement, right of way, community or other marital property interest, covenant, equitable interest, license, lease or other possessory interest, lien, option, pledge, hypothecation, security interest, preference, priority, right of first refusal, condition or similar restriction (whether absolute or contingent).

“**Environmental Law**” means any Law (a) relating to pollution (or the cleanup thereof) or the protection of natural resources, endangered or threatened species, human health or safety, or the environment (including ambient air, soil, surface water or groundwater, or subsurface strata); or (b) concerning the presence of, the release or threatened release or exposure to, or the management, manufacture, use, containment, storage, handling, recycling, reclamation, reuse, treatment, generation, discharge, transportation, processing, production, disposal or remediation of any Hazardous Materials.

“**ERISA**” means the Employee Retirement Income Security Act of 1974.

“**ERISA Affiliate**” means any corporation or trade or business that is treated as a single employer with the Company as determined under Sections 414(b), (c), (m) or (o) of the Code.

“**Excluded Assets**” means those assets described on Exhibit D.

“**Fraud**” means actual, intentional fraud (and not constructive, negligent, equitable, promissory, unfair dealings, or constructive fraud, or any torts based on negligence or recklessness) with respect to the making of the representations and warranties in this Agreement.

“**GAAP**” means generally accepted accounting principles for financial reporting in the United States, as in effect as of the date of this Agreement.

“**Governing Document**” means, as appropriate, the charter, articles or certificate of incorporation, formation or amalgamation and bylaws of a corporation or the certificate of formation and, if applicable, operating agreement of a limited liability company, or other legal document that establishes the legal existence or governs the internal affairs of an entity, as amended, and as may be amended, replaced or superseded from time to time.

“**Governmental Authority**” means any (a) nation, region, state, county, city, town, village, district or other jurisdiction, (b) federal, state, local, municipal, foreign or other government, (c) governmental or quasi-governmental authority of any nature (including any governmental agency, branch, department or other entity and any court or other tribunal), (d) multinational organization or (e) body exercising, or entitled to exercise, any administrative, executive, judicial, legislative, police, regulatory or taxing authority or power of any nature.

“**Governmental Authorization**” means any Consent, license, franchise, permit, exemption, clearance or registration issued, granted, given or otherwise made available by or under the authority of any Governmental Authority or pursuant to any Law.

“**Guaranties**” shall have the meaning ascribed to it in [Section 5.15](#).

“**Hazardous Material**” means any waste or other substance that is listed, defined, designated or classified as, or otherwise determined to be, hazardous, radioactive or toxic or a pollutant or a contaminant under any Environmental Law, including any admixture or solution thereof, and including petroleum and all derivatives thereof or synthetic substitutes therefor, asbestos or asbestos-containing materials in any form or condition and polychlorinated biphenyls.

“**HSR Act**” means the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the rules and regulations promulgated thereunder.

“**Indebtedness**” means, when used with reference to any Person, without duplication, (a) all indebtedness of such Person, whether or not contingent, for borrowed money, (b) all obligations of such Person evidenced by notes, bonds, debentures or other similar instruments or debt securities and warrants or other rights to acquire any such instruments or securities, (c) all obligations for the deferred purchase price of property or services (including any earn-out or other deferred purchase price Liabilities), (d) any indebtedness arising under capitalized leases (excluding leases treated as operating leases on the Financial Statements), conditional sales contracts and other similar title retention instruments, (e) the dollar amount of any commitment by which the Person assures a creditor against loss (including contingent reimbursement obligations with respect to bankers acceptances, fidelity bonds, surety bonds, performance bonds and letters of credit (in each case, to the extent drawn, called or matured)), (f) all Liabilities less all assets arising under any interest rate swap or other interest rate protection agreement or other similar interest rate agreement, (g) all amounts payable to any of the Sellers or their Affiliates or any Person not acting at arm’s length with any of them, (h) all committed but unpaid capital expenditures, (i) all indebtedness of others referred to in paragraphs (a) through (h) above guaranteed by the Company or any Subsidiary, (j) all Accrued Income Taxes, (k) all Liabilities arising out of any breach of the foregoing obligations, and (l) all accrued interest, fees or other similar obligations with respect to any of the

foregoing, provided that Indebtedness will exclude any vehicle or real property leases (but not vehicle loans) and, for greater certainty, no item included in the calculation of Indebtedness shall be included in the calculation of Current Liabilities or Transaction Expenses. Notwithstanding the foregoing, the term “Indebtedness” shall not include the obligations under the Letters of Credit (except to the extent any amounts are drawn thereon prior to the Closing) or the Customer Guaranties.

“**Intellectual Property Rights**” means (i) rights in patents, patent applications and patentable subject matter, whether or not the subject of an application, (ii) rights in trademarks, service marks, trade names, trade dress and other designators of origin, registered or unregistered, (iii) rights in copyrightable subject matter or protectable designs, registered or unregistered, (iv) rights in original works of authorship, whether or not copyrightable, (v) trade secrets, databases, datasets, data, and confidential or proprietary information, and any rights in the same, (vi) rights in internet domain names, uniform resource locators, social media accounts, and e-mail addresses, (vii) know-how and (viii) all other intellectual and industrial property rights of every kind and nature and however designated, whether arising by operation of Law, Contract, license or otherwise.

“**Inventory**” means the equipment and similar inventory acquired by the Company and its Affiliates purchased for resale in the ordinary course of the Business (e.g., to be auctioned). For the avoidance of doubt, assets (which includes trucks, forklifts and office equipment) which were not purchase for resale and, instead, are used in the ordinary course of the Business are not “Inventory.” In addition, the equipment and similar inventory which has been “consigned” to the Company (and not purchased by the Company) shall not be considered Inventory.

“**Inventory Price**” means the purchase price of the Inventory actually paid by the Company (increased for the cost of upgrades, repairs, and other expenses incurred by the Company), calculated in accordance with the valuation methodology set forth on Exhibit B.

“**IRS**” means the Internal Revenue Service and, to the extent relevant, the Department of Treasury.

“**Judgment**” means any order, injunction, judgment, decree, ruling, assessment or arbitration award of any Governmental Authority or arbitrator.

“**Key Persons**” means each of Trey Murphy, Don Kelly Stewart, Curt Brown, Wheeler Johnson, George Massey, Phil Lucius, Mason Lee, and Jeff Jones.

“**Law**” means any applicable federal, state, local, municipal, foreign, international, multinational, or other constitution, law, statute, treaty, rule, regulation, ordinance, code, binding case law or principle of common law.

“**Law Firm**” shall have the meaning ascribed to it in Section 10.14.

“**Leases**” means leases, subleases, licenses, concessions and other agreements (whether written or oral), including all amendments, extensions renewals, guaranties and other agreements with respect thereto pursuant to which the Company holds any Leased Real Property.

“**Letters of Credit**” shall have the meaning ascribed to them in Section 5.16.

“**Liability**” includes liabilities, debts or other obligations of any nature, whether known or unknown, absolute, accrued, contingent, liquidated, unliquidated or otherwise, due or to become due or otherwise.

“Licensed-In Intellectual Property Rights” means Third-Party Intellectual Property Rights used or held for use by the Company or any Subsidiary with the permission of the owner.

“Licensed-Out Intellectual Property Rights” means Owned Intellectual Property Rights licensed to any third party.

“Lookback Date” means January 1, 2020.

“Loss” means any loss, Proceeding, judgment, damage, fine, penalty, expense (including reasonable attorneys’ or other professional fees and expenses and court costs), injury, Liability, Tax, Encumbrance or other cost, expense or adverse effect whatsoever, whether or not involving the claim of another Person, but excluding any punitive, consequential, special and exemplary damages except to the extent actually awarded in a Proceeding.

“Material Adverse Effect” means any fact, change, circumstance, condition (financial or otherwise), event or development that, when considered individually or in the aggregate, has resulted in, or would reasonably be expected to result in, a material adverse effect in, or has had or would reasonably be expected to have a material adverse effect on the business or the assets of the Company and the Subsidiaries, taken as a whole other than any change or effect resulting from (i) changes in (a) general economic conditions (whether international, national or local), (b) political conditions (including acts of war, declared or undeclared, armed hostilities and terrorism), (c) the general industry or markets in which the Company or the Subsidiaries operate, or (d) Laws or accounting standards, or the principles or interpretations thereof, applicable to the Company or the Subsidiaries, which do not, in each case, (i) have a disproportionate effect on the Company or the Subsidiaries, relative to other comparable Persons operating in the industries in which the Company or the Subsidiaries operate, (ii) natural disasters or pandemics, which do not have a disproportionate effect on the Company or the Subsidiaries, relative to other comparable Persons operating in the industries in which the Company or the Subsidiaries operate, (iii) the announcement or consummation of the transactions contemplated by this Agreement and the Ancillary Agreements, (iv) any event, condition or other matter disclosed on a schedule to this Agreement, (v) any change resulting from any action by the Company or the Subsidiaries required by this Agreement or taken with the prior written consent or at the written request of the Purchaser, or (vi) the failure of the Company or the Subsidiaries to achieve any financial projections or budget (it being understood that, for the avoidance of doubt, the circumstances giving rise to any such failure may constitute, and may be taken into account in determining whether there is or would reasonably be expected to be, a Material Adverse Effect).

“Net Working Capital” means Current Assets minus Current Liabilities.

“Net Working Capital Adjustment” means (a) if the amount of Closing Net Working Capital is less than the Target Closing Net Working Capital, a dollar for dollar decrease to the Purchase Price by the amount of the deficiency in Closing Net Working Capital, and (b) if the amount of the Closing Net Working Capital is greater than the Target Closing Net Working Capital, a dollar for dollar increase to the Purchase Price by the amount of the excess of Closing Net Working Capital.

“Occupational Safety and Health Law” means any Law designed to provide safe and healthful working conditions and to reduce occupational safety and health hazards.

“Off-The-Shelf Software” mean mass-marketed “off-the-shelf” software that is generally commercially available (and licensed to the Company) on standard terms that requires license, maintenance, and support fees less than \$20,000 per year.

“**Order**” means any Judgment, order, award, decree, consent, writ or injunction of any Governmental Authority, or any conciliation agreement, settlement agreement, market conduct or financial examination report or corrective action plan made, issued or entered by or with any Governmental Authority.

“**Outside Date**” means September 10, 2026.

“**Owned Intellectual Property Rights**” means Intellectual Property Rights in which the Company or any Subsidiary has or purports to have any ownership interest or exclusive license rights.

“**Permitted Encumbrances**” means (a) statutory liens of carriers, warehousemen, mechanics, materialmen and other similar Persons incurred in the ordinary course of business for sums not yet due and or that are being contested in good faith by appropriate proceedings and for which adequate reserves have been established, provided such liens do not materially impair the conduct of the Business; (b) statutory liens for current real or personal property Taxes or other governmental charges not yet due and payable, or which are being contested in good faith by appropriate proceedings, provided that adequate reserves have been established in the final computation of Current Liabilities for purposes of determining Net Working Capital; (c) easements, rights-of-way, restrictions, covenants, conditions, minor defects, irregularities, or other Encumbrances that are of record or would be disclosed by a current, accurate survey, and which, individually or in the aggregate, do not materially interfere with the present and continued use of the affected property for its current purposes; (d) zoning, entitlement, building, and other land use regulations imposed by any Governmental Authority that do not materially interfere with the present and continued use of the property for its current purposes or the conduct of the Business; and (e) Encumbrances that are immaterial in character, amount, or effect, and that do not materially detract from the value of, or materially interfere with, the present and continued use of the affected properties or assets for their current purposes.

“**Person**” means an individual or an entity, including a corporation, limited liability company, partnership, trust, unincorporated organization, association or other business or investment entity, or any Governmental Authority.

“**Privileged Deal Communications**” shall have the meaning ascribed to it in Section 10.14.

“**Pro Rata Shares**” means, with respect to any Seller, the percentage set forth next to such Seller’s name on Exhibit E.

“**Proceeding**” means any claim, action, cause of action, demand, lawsuit, arbitration, inquiry, audit, notice of violation, proceeding, litigation, citation, summons, subpoena or investigation of any nature, civil, criminal, administrative, regulatory or otherwise, whether at Law or in equity.

“**Proprietary Contact List**” means the Company’s list of all customers and/or potential customers or suppliers relating to the purchase or sale of Inventory or Consignment Inventory, including but not limited to such Person’s contact information to which the Company has or will distribute materials through mail and/or electronic delivery.

“**Proprietary Contract**” means any Customer Contract, Consignment Contract, and/or Supplier Contract.

“**Purchase Price**” means Two Hundred and Thirty-Five Million Dollars (\$235,000,000) plus (a) the Closing Cash minus (b) the amount (if any) by which the Target Closing Net Working Capital

exceeds Closing Net Working Capital, plus (c) the amount (if any) by which Closing Net Working Capital exceeds the Target Closing Net Working Capital minus (d) the Closing Indebtedness, minus (e) the amount of any Transaction Expenses, plus (f) the Antitrust Fees.

“**Purchaser Fundamental Representations**” means the representations and warranties contained in Section 4.1 (Organization and Good Standing), Section 4.2 (Authority and Enforceability) and Section 4.5 (Brokers or Finders).

“**Registered Intellectual Property Rights**” means Intellectual Property Rights that are: (i) patents or patent applications, (ii) trademark or service mark applications or registrations, (iii) copyright registrations, and (iv) domain names or social media accounts.

“**Restricted Tax Action**” shall have the meaning ascribed to it in Section 6.7.

“**Securities Act**” means the Securities Act of 1933, as amended.

“**Seller Fundamental Representations**” means the representations and warranties contained in Section 3.1 (Organization and Good Standing), Section 3.2 (Authority and Enforceability), Section 3.3 (No Conflict), Section 3.4 (Capitalization and Ownership), and Section 3.25 (Brokers or Finders).

“**Seller Group**” shall have the meaning ascribed to it in Section 10.14.

“**Sellers’ Knowledge**” means, with respect to the Sellers, the actual knowledge of any of the Sellers with respect to the matter in question, and such knowledge that such Seller should be reasonably expected to have based on such respective position with the Company or its Subsidiaries or as would have been obtained following the exercise of reasonable inquiry by such Seller of the Company’s responsible personnel thereof.

“**Subsidiary**” means, with respect to a specified Person, any corporation or other entity of which (a) a majority of the voting power of the equity securities or other interests is owned, directly or indirectly, by such Person (without regard to the occurrence of any contingencies affecting voting power) or (b) the power to elect a board majority (or Persons performing similar functions) or otherwise control the entity is held directly or indirectly by such Person. When used in this Agreement without reference to a particular Person, “Subsidiary” means a Subsidiary of the Company.

“**Supplier Contract**” means any open Contract between the Company and a supplier to the Company with regard to Inventory.

“**Target Closing Net Working Capital**” means *negative* \$344,500.

“**Tax**” means (a) any and all federal, state, provincial, territorial, local, non-U.S. or other taxes, charges, fees, duties (including customs duties), levies or assessments, including any income, gross receipts, net proceeds, alternative or add-on minimum, corporation, ad valorem, turnover, real property, personal property (tangible or intangible), unclaimed property, sales, use, franchise, excise, value added, stamp, leasing, lease, user, transfer, fuel, excess profits, profits, occupational, premium, interest equalization, windfall profits, severance, license, registration, payroll, environmental, capital equity, capital duty, disability, estimated, gains, wealth, welfare, employee’s income withholding, other withholding, unemployment or social security or other tax of whatever kind (including any fee, assessment or other charges in the nature of or in lieu of any tax) that is imposed by any Governmental Authority, (b) any interest, fines, penalties or additions resulting from, attributable to, or incurred in connection with any items described in this paragraph or any related contest or dispute and (c) any items

described in this paragraph that are attributable to another Person but that the Company or any Subsidiary is liable to pay by Law, by Contract or otherwise, whether or not disputed.

“**Tax Return**” means any report, return, filing, declaration, claim for refund, or information return or statement related to Taxes, including any schedule or attachment thereto, and including any amendment thereof.

“**Third-Party Intellectual Property Rights**” means Intellectual Property Rights in which a Person other than the Company or a Subsidiary has any ownership interest.

“**Transaction Expenses**” means all fees and expenses of the Company or any Subsidiary incurred in connection with the negotiation and execution of this Agreement and the consummation of the transactions contemplated hereby that are unpaid as of the Closing. Notwithstanding the foregoing, “Transaction Expenses” shall not include: (i) any fees or expenses incurred by the Company or any Subsidiary in connection with the Purchaser’s financing of the transactions contemplated hereby, or any other cost or expenses of Purchaser or any of its Affiliates (including without limitation, the costs of any title insurance, surveys, environmental site assessments or appraisals obtained by the Purchaser or any of its Affiliates in connection with this Agreement, which shall be paid for by the Purchaser), (ii) Liabilities that the Purchaser or any of its Affiliates causes the Company or any of its Subsidiaries to incur in the course of the post-Closing operations of the Business (excluding, for the avoidance of doubt, Liabilities resulting from accruals, expenses, or other adjustments required to cause the Company to comply with the Accounting Principles for purposes of determining the final Closing Net Working Capital, Closing Indebtedness, Transaction Expenses and Closing Cash pursuant to Section 2.4), (iii) any expenses which have been accounted for (but only to extent so accounted for) in the calculation of Closing Indebtedness or Closing Net Working Capital (and thereby reduced the Purchase Price) or were otherwise paid at or prior to the Closing, (iv) any stay bonuses, incentive bonuses, transaction bonuses, termination and change of control arrangements, and similar Liabilities pursuant to any agreement or commitment by the Purchaser or its Affiliates to any Person that become owed to any Person or that will be triggered in whole or in part by the consummation of the transactions contemplated hereby, or (v) any Liabilities under the employment agreements (including any related noncompete agreements) or any stock awards or rights granted by the Purchaser to any employee or consultant of the Company or any of its Subsidiaries.

Section 1.2 Construction. Any reference in this Agreement to an “Article,” “Section,” “Exhibit” or “Schedule” refers to the corresponding Article, Section, Exhibit or Schedule of or to this Agreement, unless the context indicates otherwise. The table of contents and the headings of Articles and Sections are provided for convenience only and are not intended to affect the construction or interpretation of this Agreement. All words used in this Agreement are to be construed to be of such gender or number as the circumstances require. The words “including,” “includes,” and “include” are to be read as listing non-exclusive examples of the matters referred to, whether or not words such as “without limitation” or “but not limited to” are used in each instance. Where this Agreement states that a party “shall,” “will” or “must” perform in some manner or otherwise act or omit to act, it means that the party is legally obligated to do so in accordance with this Agreement. Any reference to a statute is deemed also to refer to any amendments or successor legislation as in effect at the relevant time. Any reference to a Contract or other document as of a given date means the Contract or other document as amended, supplemented and modified from time to time through such date.

ARTICLE 2 THE TRANSACTION

Section 2.1 Purchase and Sale of Membership Interests. In accordance with the provisions of this Agreement, at the Closing, the Sellers will cause HoldCo to sell and transfer to the Purchaser, and the Purchaser will purchase and acquire from HoldCo, all of the issued and outstanding membership interests (the “**Membership Interests**”) of the Company.

Section 2.2 Purchase Price.

(a) The aggregate consideration to be paid by the Purchaser to HoldCo (or as directed by HoldCo to the Sellers), for the Membership Interests and for the Inventory, which amount shall be subject to post-Closing adjustment pursuant to Section 2.5, shall be paid in cash as follows:

(i) an amount equal to 67% of the estimated Purchase Price, as calculated by the Sellers in accordance with Section 2.2(d) (the “**Estimated Purchase Price**”) and 100% of the Inventory Price, as calculated by the Purchaser and the Sellers in accordance with Section 2.2(e), shall be paid to HoldCo (or as directed by HoldCo to the Sellers) at Closing (together, the “**Closing Payment**”) pursuant to Section 2.4(b)(i);

(ii) an amount equal to 11% of the Final Purchase Price (the “**First Anniversary Payment**”) shall be paid to HoldCo (or as directed by HoldCo to the Sellers) within 30 days after the first anniversary of the Closing (the “**First Anniversary Date**”);

(iii) an amount equal to 11% of the Final Purchase Price (the “**Second Anniversary Payment**”) shall be paid to HoldCo (or as directed by HoldCo to the Sellers) within 30 days after the second anniversary of the Closing (the “**Second Anniversary Date**”); and

(iv) an amount equal to 11% of the Final Purchase Price (the “**Third Anniversary Payment**”) shall be paid to HoldCo (or as directed by HoldCo to the Sellers) within 30 days after the third anniversary of the Closing (the “**Third Anniversary Date**”);

(b) Notwithstanding the foregoing Section 2.2(a):

(i) The First Anniversary Payment shall be reduced by any amounts necessary to satisfy the obligations, if any, under Section 2.5 (*Post-Closing Adjustment*) of this Agreement, as determined in accordance therewith.

(ii) In the event that a Seller breaches Section 1.02 of the Noncompetition Agreements prior to the third anniversary of the Closing prior to the third anniversary of the Closing, then the First Anniversary Payment (to the extent that the First Payment Date has not passed), Second Anniversary Payment (to the extent that the Second Payment Date has not passed) and/or Third Anniversary Payment (to the extent that the Third Payment Date has not passed), to the extent unpaid at the time of such breach, shall be reduced by 85%.

(iii) In the event that either Bryant’s or Ruston’s respective Seller Employment Agreement (A) is terminated by the Employer (as defined therein) for Cause (as defined therein) or (B) is terminated by such Seller without Good Reason (as defined therein) prior to the third anniversary of the Closing, then, based on both Bryant’s and Ruston’s collective Pro Rata Shares, the First Anniversary Payment (to the extent that the First Payment Date has not passed), Second Anniversary Payment (to the extent that the Second Payment Date has not passed) and/or Third Anniversary Payment (to the extent that the Third Payment Date has not passed), to the extent unpaid at the time of such breach, shall be reduced by 50%. For clarity, there shall be no reduction in the aforementioned payments in the event of termination of either Bryant’s or Ruston’s respective Seller Employment Agreement by Bryant or Ruston due to either’s death or Disability (as defined in such Seller Employment Agreement). For further clarity, there shall be no reduction in any payment to Kimberly due to termination of either Bryant’s or Ruston’s respective Seller Employment Agreement.

(c) Notwithstanding anything to the contrary herein, in the event of an Environmental Excess, each of the First Anniversary Payment, Second Anniversary Payment and Third Anniversary Payment, to the extent unpaid at the time of determination of the Environmental Excess, shall be reduced in equal amounts by the total amount necessary to satisfy the Environmental Excess. For illustration purposes only, if an Environmental Excess is determined after the First Anniversary Payment is issued but before the Second Anniversary Payment is issued, then one-half of such Environmental Excess shall be deducted from the Second Anniversary Payment and one-half of such Environmental Excess shall be deducted from the Third Anniversary Payment. For the avoidance of doubt, nothing in this Section 2.2(c) shall limit Purchaser’s ability to recover all or any portion of such Environmental Excess from the Sellers in accordance with this Agreement to the extent not fully deducted from the First Anniversary Payment, Second Anniversary Payment, and/or Third Anniversary Payment.

(d) No later than five Business Days prior to the Closing, the Seller Representative will deliver to the Purchaser a written statement (the “**Estimated Calculation Statement**”) setting forth the

Company's good faith estimate of the Estimated Purchase Price, which shall set forth, in reasonable detail and in accordance with Accounting Principles, its calculations of (i) the Company's good faith estimate of the Closing Net Working Capital and the amount (if any) by which Closing Net Working Capital exceeds the Target Closing Net Working Capital or the amount (if any) by which Target Closing Net Working Capital exceeds Closing Net Working Capital, (ii) the Company's good faith estimate of the amount of the Closing Indebtedness, (iii) the Company's good faith estimate of the amount of the Closing Cash, and (iv) any unpaid Transaction Expenses. The amount of the Estimated Purchase Price and the Inventory Price to be paid to HoldCo (or to the Sellers, as directed by HoldCo) and the account and wire transfer instruction for HoldCo (or if applicable, each Seller) shall be as set forth in the Estimated Calculation Statement.

(e) No later than five Business Days prior to the Closing, the Purchaser and the Seller Representative shall jointly conduct a physical count of the Inventory that is owned by the Company as of the Closing Date (the "**Physical Inventory**"), which Physical Inventory will be used to determine the Inventory Price as of the Closing Date calculated in accordance with the methodology set forth in Exhibit B (as adjusted for any damage thereto since the purchase thereof, to the extent not covered by the Company's insurance). Each party shall bear its own costs and expenses associated with conducting the Physical Inventory. Upon completion of the Physical Inventory, the Seller Representative and the Purchaser shall jointly calculate the Inventory Price, to be paid at Closing in accordance with the terms of this Agreement. With respect to any Inventory purchased by the Company between the date that the Physical Inventory is determined and the Closing Date, the Purchaser and the Seller Representative shall jointly conduct a physical count of such Inventory promptly following the Closing Date (the "**Additional Physical Inventory**") and shall jointly calculate the price of such Additional Physical Inventory (the "**Additional Inventory Price**"), to be paid by Purchaser to HoldCo (or to the Sellers, as directed by HoldCo) at such time as the adjustment payment in Section 2.5(e). Notwithstanding the foregoing, in the event that the Purchaser and the Seller Representative are unable to agree upon the Inventory Price or Additional Inventory Price for any piece of Inventory, (i) such piece of Inventory shall be excluded from the calculation of the Inventory Price or Additional Inventory Price; (ii) the Purchaser and the Seller Representative shall mutually cooperate to sell such excluded pieces of Inventory at the Company's next major auction (which, for the avoidance of doubt, means ones of the Company's four main auctions) after the Closing through the Purchaser or one of its Affiliates; and (iii) promptly following the completion of the sale(s) of all such excluded pieces of Inventory, the Purchaser shall pay to the Sellers the proceeds from such sale(s).

(f) For clarity, unless the context clearly indicates otherwise, it shall be deemed that all payments made to Sellers pursuant to this Section 2.2 and other provisions of this Agreement were first paid to Holdco for the purposes described herein then immediately paid by Holdco as dividends to Sellers. Each of the parties agrees to cause all Tax Returns to be filed on a basis consistent with such deemed order of events.

Section 2.3 Closing. Subject to the terms and conditions of this Agreement, the purchase and sale of the Membership Interests contemplated hereby shall take place at a closing (the "**Closing**") to be held no later than three Business Days after the last of the conditions to Closing set forth in ARTICLE 7 have been satisfied or waived (other than conditions which, by their nature, are to be satisfied on the Closing Date) remotely by exchange of documents and signatures (or their electronic counterparts), or at such other time or on such other date or at such other place as the Seller Representative and the Purchaser may mutually agree upon in writing (the day on which the Closing takes place being the "**Closing Date**").

Section 2.4 Closing Transactions.

(a) At the Closing, the Seller Representative will deliver to the Purchaser:

(i) duly executed instruments of assignment effective as of the Closing Date transferring the Membership Interests to the Purchaser, in form reasonably satisfactory to the Purchaser, (the "**Membership Interest Assignments**");

(ii) resignations and releases, in form reasonably satisfactory to the Purchaser, effective as of the Closing Date from those directors and officers of the Company (solely with respect to their director and officer designations but not from employment by the Company) as the Purchaser may have requested in writing at least three Business Days prior to the Closing Date;

(iii) a certificate of an executive officer of the Company dated as of the Closing Date and attaching with respect to the Company: (A) the Company's Organizational Documents; (B) a certificate of good standing (or its equivalent) from the Secretary of State of the state of its formation, each issued not more than three Business Days prior to the Closing Date; and (C) all resolutions of the shareholders and board of directors of the Company relating to this Agreement and the transactions contemplated by this Agreement;

(iv) a certificate, dated the Closing Date and signed by the Seller Representative, that each of the conditions set forth in Section 7.2(a) and Section 7.2(b) have been satisfied (to the extent not waived by Purchaser);

(v) an IRS Form W-9 (Request for Taxpayer Identification Number and Certification) completed and signed by Holdco and each Seller;

(vi) payoff and release letters evidencing the repayment in full of the Closing Indebtedness; and

(vii) such other documents, instruments and agreements as the Purchaser reasonably requests for the purpose of consummating the transactions contemplated by this Agreement.

(b) At the Closing, the Purchaser will deliver to the HoldCo:

(i) an amount equal to the estimated amount of the Closing Payment as set forth on the Estimated Calculation Statement, by wire transfer of immediately available funds to the accounts specified in the Estimated Calculation Statement;

(ii) a certificate, dated the Closing Date and signed by a duly authorized officer of the Purchaser, that each of the conditions set forth in Section 7.3(a) and Section 7.3(b) have been satisfied (to the extent not waived by Seller); and

(iii) such other documents, instruments and agreements as the Seller Representative reasonably requests for the purpose of consummating the transactions contemplated by this Agreement.

(c) Simultaneously with the Closing, the Purchaser will repay and discharge (or cause to be repaid and discharged), on behalf of the Company, all Closing Indebtedness evidenced on the Estimated Calculation Statement, by wire transfer of immediately available funds pursuant to written instructions provided to the Purchaser by the Seller Representative concurrently with the delivery of the Estimated Calculation Statement, and the Company and the Seller Representative will deliver (or cause to be delivered) to the Purchaser all appropriate payoff and release letters evidencing the repayment in full of all Closing Indebtedness and the corresponding release (or written commitment to release promptly) of any Encumbrance that each holder of Closing Indebtedness may have with respect to the Company or any Subsidiary or any of their assets.

(d) Simultaneously with the Closing, the Purchaser will pay, or cause to be paid, on behalf of the Sellers (and HoldCo) and the Company (as applicable), the Transaction Expenses by wire transfer of immediately available funds as directed by the Seller Representative, and the Company will deliver to the Purchaser final invoices in respect of the Transaction Expenses and proof of payment with respect thereto, in form and substance satisfactory to the Purchaser.

Section 2.5 Post-Closing Adjustment.

(a) Within 120 days after the Closing Date, the Purchaser will prepare and deliver to the Seller Representative an unaudited consolidated balance sheet of the Company as of the close of business on the day immediately prior to the Closing Date (the "**Closing Balance Sheet**") and a written statement (together with the Closing Balance Sheet, the "**Closing Statement**") setting forth the Purchaser's calculations (the "**Purchaser's Proposed Calculations**") of the Purchase Price (the "**Final Purchase Price**"), which shall set forth, in reasonable detail its calculations of: (i) the Closing Net Working Capital and the amount (if any) by which Closing Net Working Capital exceeds the Target Closing Net Working Capital and the amount (if any) by which the Target Closing Net Working Capital exceeds Closing Net Working Capital; (ii) the Closing Indebtedness, (iii) the Closing Cash and (iv) any unpaid Transaction Expenses. The Closing Balance Sheet and the Purchaser's Proposed Calculations will be prepared in accordance with the Accounting Principles, without giving effect to any purchase accounting adjustments or other changes arising from the transactions contemplated by this Agreement.

(b) If the Seller Representative has any objections to the Closing Statement and the calculation of the Purchase Price, the Seller Representative must deliver to the Purchaser a written statement (an “**Objections Statement**”) setting forth a description in reasonable detail of its objections thereto and certifying that all such objected items are being objected to in good faith. If an Objections Statement is not delivered to the Purchaser within 30 days after delivery of the Closing Statement, the Closing Statement and the Purchaser’s calculation of the Purchase Price will be final, binding and non-appealable by the parties hereto.

(c) If the Seller Representative timely delivers an Objections Statement to the Purchaser, then the Purchaser and the Seller Representative will negotiate in good faith to resolve any objections set forth in the Objections Statement, but if they are unable to resolve all disputed items by the end of 30 days after the date of delivery of the Objections Statement, then the remaining items in dispute will be submitted to an impartial nationally recognized firm of independent certified public accountants as mutually agreed by the parties for resolution acting as an accounting expert and not as an arbitrator, or if that firm is unwilling or unable to serve, the Purchaser and the Seller Representative will engage another mutually agreeable independent accounting firm of recognized national standing, which firm is not the regular auditing firm of, or tax preparer or tax advisor to, the Purchaser or the Company (such selected independent accounting firm, the “**Independent Accounting Firm**”). The Purchaser and the Seller Representative will use their commercially reasonable efforts to cause the Independent Accounting Firm to resolve all disagreements as soon as practicable and in any event within 30 days after the date of appointment. The Independent Accounting Firm may address only those items and amounts which are identified in the Objections Statement as being items which the Seller Representative and the Purchaser are unable to resolve. The Independent Accounting Firm shall make its determinations and calculations in accordance with the Accounting Principles, without giving effect to any purchase accounting adjustments or other changes arising from the transactions contemplated by this Agreement, and based solely upon information and documents presented by the Purchaser and the Seller Representative to the Independent Accounting Firm and the provisions of this Agreement, and not by independent investigation. The resolution of the dispute by the Independent Accounting Firm shall not be any more favorable to the Purchaser than is set forth in the Purchaser’s Proposed Calculations or any more favorable to Sellers than is proposed in the Objections Statement. The resolution of the dispute by the Independent Accounting Firm will be final, binding and non-appealable on the parties. The fees and expenses of the Independent Accounting Firm will be allocated between the Purchaser, on the one hand, and the Sellers, on the other hand, in accordance with each Seller’s Pro Rata Shares, based upon the percentage which the portion of the contested amount not awarded to each party bears to the amount actually contested by such party, as determined by the Independent Accounting Firm, and each party shall bear its own expenses in connection therewith, including its attorneys’ and accountants’ fees.

(d) For purposes of complying with this Section 2.5, the Purchaser and the Seller Representative will furnish to each other and to the Independent Accounting Firm such work papers and other documents and information relating to the disputed items as the Independent Accounting Firm may reasonably request and are available to that party (or its independent public accountants) and will be afforded the opportunity to present to the Independent Accounting Firm any material related to the disputed items and to discuss the items with the Independent Accounting Firm.

(e) Upon the determination, in accordance with Section 2.5(b) or Section 2.5(c), as applicable, of the Closing Statement and the amounts of the Closing Cash, the Closing Indebtedness, the Closing Net Working Capital and the Net Working Capital Adjustment calculated by reference thereto and any unpaid Transaction Expenses, the Purchase Price will be recalculated (including, for clarity, the payments to be made in connection with the First Anniversary Payment, the Second Anniversary Payment, and Third Anniversary Payment) using such finally determined amounts in lieu of the estimates of such amounts used in the calculation of the Estimated Purchase Price payable at Closing as set forth on the Estimated Calculation Statement as follows:

(i) If the Final Purchase Price as calculated pursuant to this Section 2.5(e) is greater than the Estimated Purchase Price, then the Purchaser will pay to the Sellers an amount in immediately available funds equal to 65% of such excess; and

(ii) If the Final Purchase Price as calculated pursuant to this Section 2.5(e) is less than the Estimated Purchase Price, then Purchaser will retain from the First Anniversary Payment an amount in cash equal to 65% of such deficiency; to the extent that the First Anniversary Payment shall be insufficient to pay such amount to Purchaser, Purchaser shall recover the amount of such shortfall as an

offset of the amount of such shortfall against the Second Anniversary Payment and the Third Anniversary Payment.

(f) The Sellers will be jointly and severally liable for any amount for which payment is required by Sellers under Section 2.5(e). Any payment by the Purchaser to the Sellers pursuant to Section 2.5(e) will be effected by wire transfer of immediately available funds to an account designated by the Seller Representative. Such payments will be made within three Business Days following the final determination referred to in Section 2.5(e).

(g) The purpose of this Section 2.5 is to determine the Final Purchase Price to be paid by the Purchaser under this Agreement. Accordingly, any adjustment pursuant hereto will neither be deemed to be an indemnification pursuant to ARTICLE 9, nor preclude the Purchaser from exercising any indemnification rights pursuant to ARTICLE 9. Any payment made pursuant to this Section 2.5 will be treated by the parties for all purposes as an adjustment to the Purchase Price, as applicable.

Section 2.6 Seller Representative.

(a) The execution of this Agreement shall constitute irrevocable and unconditional approval of the appointment by each of the Sellers of the Seller Representative under the terms set forth herein as each Seller's true and lawful agent, proxy and attorney-in-fact for all purposes under this Agreement. Pursuant to such appointment, the Seller Representative is authorized to act on behalf of each Seller to (i) take all action necessary or appropriate in connection with the determination of the Final Purchase Price pursuant to Section 2.5 and the defense and/or settlement of any claims for which the Sellers may be required to indemnify the Purchaser pursuant to ARTICLE 9, (ii) give and receive all notices required to be given under this Agreement, (iii) execute any agreement or instrument in connection with the transactions contemplated hereby for and on behalf of each Seller, (iv) consult with legal counsel, independent public accountants and other experts selected by it, solely at the cost and expense of the Sellers, (v) amend or waive any terms and conditions of this Agreement providing rights or benefits to the Sellers (other than the payment of the Purchase Price in accordance with the terms hereof and in the manner provided herein), and (vi) take any and all additional action as is contemplated to be taken by or on behalf of the Sellers by the terms of this Agreement. The Seller Representative shall not be responsible to any Seller for any loss or damage any Seller may suffer by reason of the performance by the Seller Representative of its duties under this Agreement, other than loss or damage arising from intentional misconduct or bad faith in the performance of such duties. The Sellers, in accordance with their respective holdings of the Shares immediately prior to the Restructuring, shall indemnify and hold harmless the Seller Representative from and against all Liabilities, losses, costs, damages or expenses (including attorneys' and accountants' fees) incurred or suffered by the Seller Representative arising out of or otherwise resulting from any action taken or omitted to be taken by the Seller Representative under this Agreement, other than such Liabilities, losses, costs, damages or expenses arising out of or resulting from the intentional misconduct or bad faith of the Seller Representative.

(b) The Seller Representative hereby agrees to do such acts, and execute further documents, as shall be reasonably necessary to carry out the provisions of this Agreement.

(c) After the Closing, any notice given to the Seller Representative will constitute notice to all of the Sellers at the time notice is given to the Seller Representative. After the Closing, any action taken by, or notice or instruction received from, the Seller Representative will be deemed to be action by, or notice or instruction from, all of the Sellers.

(d) The Seller Representative may resign at any time by giving five days' prior written notice to the Purchaser, the Company and the Sellers (at their addresses last known to the Seller Representative), which resignation shall be effective immediately upon the date set forth in such notice. The Sellers may terminate the Seller Representative by a written instrument executed by all Sellers (other than the Seller then acting as Seller Representative, if applicable) and delivered to the Seller Representative, the Purchaser and the Company. Upon resignation or termination of the Seller Representative, the Seller Representative's successor, who shall serve and exercise the powers of the Seller Representative hereunder, shall be appointed by a written instrument signed by the Sellers representing at least 51% of the Pro Rata Shares prior to Closing and delivered to the Purchaser and the Company. Notwithstanding the foregoing, in no event shall the Seller Representative resign or be removed without the Sellers having first appointed a new Seller Representative who shall assume such duties immediately upon the resignation or removal of the Seller Representative.

(e) The Purchaser and its Affiliates (including, after the Closing, the Company) shall be entitled to rely on the appointment of the Seller Representative and treat such Seller Representative as the duly appointed attorney-in-fact of the Sellers and as having the duties, power and authority provided for in this Agreement. None of the Purchaser or its Affiliates (including, after the Closing, the Company) shall be liable to any Seller for any actions taken or omitted to be taken by any of them in reliance upon any instructions, notice or other instruments delivered by the Seller Representative.

Section 2.7 Withholding. Each of the Purchaser, the Company, and the Seller Representative shall be entitled to deduct and withhold from any amounts payable pursuant to this Agreement, such amounts as it is required to deduct and withhold under the Code and the Treasury Regulations promulgated thereunder or any other provision of applicable Tax Law. To the extent that amounts are so withheld by the Purchaser, the Company, and the Seller Representative, such withheld amounts shall be treated for all purposes of this Agreement as having been paid to the Persons in respect of which such deduction and withholding was made. If the Purchaser or the Company intends to make a withholding pursuant to this Section 2.7 (other than Transaction Expenses or other compensatory amounts to be processed through payroll or with respect to any failure to deliver a Form W-9 pursuant to Section 2.4(a)(v)), it shall provide commercially reasonable advance notice to Seller Representative and the subject of such withholding of such intended withholding and shall take commercially reasonable steps to cooperate with Seller Representative and the subject of such withholding to alleviate or reduce such withholding.

ARTICLE 3 REPRESENTATIONS AND WARRANTIES OF THE SELLERS

Each Seller and, with respect to Section 3.1, the Company, represents and warrants to the Purchaser as of the date of this Agreement and as of the Closing, as follows, except as set forth on the disclosure schedule delivered by the Sellers to the Purchaser concurrently with the execution and delivery of this Agreement and dated as of the date of this Agreement (the “*Sellers Disclosure Schedule*”):

Section 3.1 Organization and Good Standing. The Company is a corporation duly organized, validly existing and in good standing under the Laws of the State of Alabama and has all requisite corporate power and authority to own, lease and operate its properties and assets and to conduct the Business. The Company and each Subsidiary is duly qualified to do business and is in good standing in each jurisdiction in which the character of the properties it owns, operates or leases or the nature of its activities makes such qualification necessary, except to the extent that the failure to do so would not reasonably be expected to have a Material Adverse Effect. Copies of the Governing Documents of the Company and its Subsidiaries, as currently in effect, have been delivered to the Purchaser and are accurate and complete as of the date hereof. Neither the Company nor any Subsidiary is in violation of its respective Governing Documents.

Section 3.2 Authority and Enforceability.

(a) The Company has all requisite corporate power and authority to execute, deliver and perform its obligations under this Agreement and each Ancillary Agreement to which it is a party. The execution, delivery and performance of this Agreement and each Ancillary Agreement and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all necessary action on the part of the Company. The Company has duly and validly executed and delivered this Agreement and, on or prior to the Closing, the Company will have duly and validly executed and delivered each Ancillary Agreement to which it is a party. Assuming the due authorization, execution and delivery by the other parties hereto or thereto, this Agreement constitutes, and upon execution and delivery each Ancillary Agreement to which the Company is a party will constitute, the valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, except as enforcement may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar Laws affecting creditors’ rights generally and by general principles of equity (regardless of whether considered in a proceeding in equity or at Law).

(b) Each Seller has all requisite power, authority and capacity to execute, deliver and perform such Seller’s respective obligations under this Agreement and each Ancillary Agreement to which such Seller is a party. The execution, delivery and performance of this Agreement and each Ancillary Agreement and the consummation of the transactions contemplated hereby and thereby have

been duly authorized by all necessary action on the part of the Sellers. Each Seller has duly and validly executed and delivered this Agreement and, on or prior to the Closing, each Seller will have duly and validly executed and delivered each Ancillary Agreement to which such Seller is a party. Assuming the due authorization, execution and delivery by the other parties hereto or thereto, this Agreement constitutes, and upon execution and delivery each Ancillary Agreement to which a Seller is a party will constitute, the valid and binding obligation of the Seller that is party thereto, enforceable against such Seller in accordance with its terms, except as enforcement may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar Laws affecting creditors' rights generally and by general principles of equity (regardless of whether considered in a proceeding in equity or at Law).

Section 3.3 No Conflict. Except as set forth in Section 3.3 of the Sellers Disclosure Schedule, neither the execution, delivery and performance of this Agreement or any Ancillary Agreement by the Company or any Seller, nor the consummation of the transactions contemplated hereby or thereby, will (a) violate in any material respect the Governing Documents of the Company, or any resolution adopted by the board of directors or equityholders of the Company, (b) result in the imposition of any Encumbrances on any of the Membership Interests or any of the properties or assets of the Company, (c) violate in any material respect any Law, Judgment or Governmental Authorization applicable to the Company, the Business or any of its properties or assets, or (d) other than consents from Governmental Authorities to the assignment of Proprietary Contracts between the Company and such Governmental Authorities, require the Company to obtain any Consent or Governmental Authorization or make any filing or registration with any Governmental Authority or other Person, except as may be required under the HSR Act.

Section 3.4 Capitalization and Ownership.

(a) The authorized common stock of the Company consists of 1,000 shares of common stock, par value \$1.00 per share, 1,000 of which are issued and outstanding as of the date of this Agreement. The Shares constitute all of the issued and outstanding equity interests in the Company. The beneficial and record ownership of the Shares is set forth in Schedule A. The Shares were duly authorized and validly issued, and are fully paid and non-assessable and not subject to or in violation of preemptive rights or rights of first refusal created by statute, the Company's Governing Documents or any agreement to which either the Company or any Seller is a party or by which any of them is bound, and have been issued in compliance with applicable federal, state and foreign securities Laws. The Membership Interests will be offered, sold and delivered by the Company to Purchaser in compliance with all applicable federal, state and foreign securities Laws. The Company has not repurchased any shares of the Company's common stock except in compliance with all applicable federal, state, foreign, or local Laws, including federal, state and foreign securities Laws and any agreements applicable thereto. There are no declared or accrued but unpaid dividends with respect to the Shares.

(b) The Company does not own, control or have any rights to acquire, directly or indirectly, any capital equity or other equity interests or debt instruments of any Person.

(c) Except as set forth in this Section 3.4, (i) there are no equity securities of any class of the Company, or any security exchangeable into or exercisable for such equity securities, authorized, issued, reserved for issuance or outstanding and (ii) there are no options, warrants, equity securities, calls, rights or other Contracts to which the Company is a party or by which the Company is bound obligating the Company to issue, exchange, transfer, deliver or sell, or cause to be issued, exchanged, transferred, delivered or sold, additional shares of common stock of the Company or other equity interests of the Company or any security or rights convertible into or exchangeable or exercisable for any such shares of common stock or other equity interests, or obligating the Company to grant, extend, accelerate the vesting of, change the price of, otherwise modify or amend or enter into any such option, warrant, equity security, call, right, or Contract. There are no outstanding or authorized equity appreciation, phantom equity, profit participation or similar rights with respect to the Company. There are no Contracts to which the Company or any Seller or any Affiliate of the Company or any Seller is a party or by which the Company or any Seller or any Affiliate of the Company or any Seller is bound with respect to the voting (including voting trusts or proxies), registration under the Securities Act or any foreign securities Law, or the sale or transfer (including Contracts imposing transfer restrictions) of any shares of common stock of the Company or other equity interests of the Company. No holder of Indebtedness of the Company has any right to convert or exchange such Indebtedness for any equity securities or other securities of the Company. No holder of Indebtedness of the Company has any rights to vote for the election of officers or directors of the Company or to vote on any other matter.

(d) Except as set forth in Section 3.4(d) of the Sellers Disclosure Schedule, there are no obligations, contingent or otherwise, of the Company to repurchase, redeem or otherwise acquire any Shares of the Company. The Company is not subject to any obligation or requirement to provide funds to or make any investment (in the form of a loan, capital contribution or otherwise) in any other Person.

Section 3.5 Financial Statements. Attached as Section 3.5(a) of the Sellers Disclosure Schedule are correct and complete copies of the (i) unaudited balance sheets of the Company and its Subsidiaries at December 31, 2022 and December 31, 2023 (the most recent of which, the “**Balance Sheet**”) and the related unaudited consolidated statements of income for each of the fiscal years then ended, including any notes thereto; and (ii) an unaudited consolidated and consolidating balance sheet of the Company and its Subsidiaries at October 31, 2024 (the “**Interim Balance Sheet**”) and the related unaudited consolidated statements of income and cash flows for the ten months then ended (all such financial statements referred to in (i) and (ii), the “**Financial Statements**”). Except as listed in Section 3.5(b) of the Sellers Disclosure Schedule, the Financial Statements fairly present the financial condition, results of operations and cash flows of the Company and its Subsidiaries as of the times and for the periods indicated therein and were prepared in accordance with GAAP, consistently applied (subject, in the case of the interim financial statements, to normal recurring year-end adjustments and the absence of notes). The Financial Statements are consistent with the books and records of the Company and its Subsidiaries. The Company and its Subsidiaries do not have any significant deficiencies or material weaknesses in the design or operation of internal controls over financial reporting of the Company and its Subsidiaries that could reasonably be expected to adversely affect the Company’s and its Subsidiaries’ ability to record, process, summarize and report financial information.

Section 3.6 Books and Records. Except as disclosed in Section 3.6 of the Sellers Disclosure Schedule, the books of account, minute books, equity record books and other records of the Company and its Subsidiaries, all of which have been made available to the Purchaser, are accurate and complete in all material respects. Except as listed in Section 3.6 of the Sellers Disclosure Schedule, the minute books of the Company and its Subsidiaries contain accurate and complete records of all meetings held, and corporate actions taken, by the Company’s and its Subsidiaries members, managers and managers’ committees, and no such meeting at which a corporate action was taken has been held for which minutes have not been prepared and are not contained in such minute books. At the time of the Closing, all of such books and records will be in the possession of the Company.

Section 3.7 Subsidiaries. Except as listed in Section 3.7 of the Sellers Disclosure Schedule, neither the Company nor any Subsidiary owns any Subsidiary. For each of the Company’s Subsidiaries, Section 3.7 of the Sellers Disclosure Schedule shows the equity interests owned by the Company or any Subsidiary, the names of the Persons owning such equity interests and the percentage of the outstanding equity interests so owned. All issued and outstanding equity interests of each Subsidiary of the Company are duly authorized, validly issued, fully paid and nonassessable, free of preemptive rights or any other third party right, free and clear of all Encumbrances (other than Encumbrances arising solely pursuant to applicable federal and securities laws), and in uncertificated form and have been offered, sold and issued by such Subsidiary in compliance with applicable securities and corporate Laws, Contracts applicable to such Subsidiary and such Subsidiary’s Governing Documents and in compliance with any preemptive rights, rights of first refusal or similar rights. There is no option, warrant, call, subscription, convertible security, right (including preemptive rights) or Contract of any character to which the Company or any Subsidiary is a party or by which it is bound obligating any Subsidiary of the Company or the Company to issue, exchange, transfer, sell, repurchase, redeem or otherwise acquire any equity interest of such Subsidiary or obligating the Company or such Subsidiary to grant, extend, accelerate the vesting of or enter into any such option, warrant, call, subscription, convertible security, right or Contract.

Section 3.8 Accounts Receivable; Bank Accounts.

(a) Except as set forth in Section 3.8(a) of the Sellers Disclosure Schedule, all accounts receivable reflected on the Balance Sheet or the Interim Balance Sheet or arising after the date of the Interim Balance Sheet have arisen from bona fide transactions involving the sale of goods or the rendering of services in the ordinary course of business. Such accounts receivable are collectible in full, net of the respective reserves shown on the Balance Sheet or the Interim Balance Sheet or, with respect to accounts receivable arising after the date of the Interim Balance Sheet, on the accounting records of the Company as of the Closing Date, as the case may be (which reserves have been calculated consistent with the past custom and practice of the Company). To the Sellers’ Knowledge, there is no contest, claim, defense or right of setoff, other than returns in the ordinary course of business, relating to the amount or

validity of material account receivable. Such accounts receivable exclude any intercompany accounts receivable.

(b) Section 3.8(b) of the Sellers Disclosure Schedule sets forth an accurate and complete list of all bank accounts and safe deposits of the Company and the Subsidiaries and a listing of the Persons authorized to draw or borrow thereon or to obtain access thereto.

Section 3.9 Accounts Payable. Except as disclosed in Section 3.9 of the Sellers Disclosure Schedule, all accounts payable of the Company, whether shown on the balance sheets included in the Financial Statements or accrued thereafter, (a) are the result of bona fide transactions in the ordinary course of business and (b) none of the accounts payable balances are over 90 days past due.

Section 3.10 Liabilities. Except as disclosed in Section 3.10 of the Sellers Disclosure Schedule, neither the Company nor any Subsidiary has any Liabilities of a type which would be reflected on a balance sheet in accordance with GAAP, except (a) Liabilities reflected or reserved against in the Interim Balance Sheet, (b) Liabilities incurred in the ordinary course of business after the date of the Interim Balance Sheet, (c) Liabilities which have been paid by the Company since the date of the Interim Balance Sheet, (d) Liabilities under executory Contracts to which the Company is bound (in each case, none of which has been incurred in connection with any violation of Law, tort, breach of Contract, breach of warranty, infringement, misappropriation, dilution, Proceeding or other malfeasance), or (e) Transaction Expenses.

Section 3.11 Absence of Certain Changes and Events. Since the date of the Interim Balance Sheet, the Company and its Subsidiaries has conducted the Business only in the ordinary course of business and there has not been any Material Adverse Effect. Without limiting the generality of the foregoing, except as contemplated by this Agreement or as set forth in Section 3.11 of the Sellers Disclosure Schedule, since the date of the Interim Balance Sheet, there has not been with respect to the Company or its Subsidiaries any:

- (a) amendment to its Governing Documents;
- (b) issuance, sale, grant or other disposition of or Encumbrance on any Shares or other equity securities or any options, warrants or other rights to acquire, any such securities;
- (c) split, combination or reclassification of any of its equity securities;
- (d) declaration, setting aside or payment of any dividend or other distribution (whether in cash, securities or other property) in respect of its Shares (other than with respect to the Excluded Assets and the Cash as provided herein);
- (e) incurrence, assumption or guarantee of any Indebtedness;
- (f) sale, lease, license, pledge or other disposition of, or Encumbrance (other than Permitted Encumbrances) on, any of its properties or assets (other than sales of Inventory for fair consideration and in the ordinary course of business);
- (g) consummation of (i) any merger, consolidation or other business combination, or (ii) the purchase of all or a substantial portion of the assets or any equity of any business or Person;
- (h) damage to, or destruction or loss of, any of its material assets or material properties, whether or not covered by insurance;
- (i) entry into, modification, acceleration, cancellation or termination (other than due to the completion of all executory obligations thereunder or through the expiration of the terms or periods specified therein) of any Material Contract except in the ordinary course of business;
- (j) (i) adoption, entry into, termination or amendment of any Company Plan, or employment, severance or similar Contract, (ii) increase in the compensation or fringe benefits of, or payment of any bonus to, any manager or officer of the Company or any Subsidiary, (iii) amendment or acceleration of the payment, right to payment or vesting of any compensation or benefits, or (iv) grant of any awards under any bonus, incentive, performance or other compensation plan or arrangement or benefit plan;
- (k) cancellation, compromise, release or waiver of any material claims or rights (or series of related claims or rights) or otherwise outside the ordinary course of business;

(l) material acceleration or delay in the payment of accounts payable or other Liabilities or in the collection of notes or accounts receivable;

(m) resignation or termination or threatened resignation or termination of the employment of any of its key employees;

(n) material revaluation of any of its assets, including writing down the value of inventory or writing off notes or accounts receivable;

(o) Tax election, change any annual Tax accounting period, adoption or change of any method of Tax accounting; filing of any amended Tax Return; entering into of any “closing agreement” with any taxing authority; settlement of any claim or assessment in respect of a material amount of Tax; or consent to any extension or waiver of the limitations period applicable to any Tax claim or assessment;

(p) transfer, assignment or grant of any license, sublicense or other rights under or with respect to any material Intellectual Property Rights (other than non-exclusive licenses granted in the ordinary course of business), or any allowance of any material Owned Intellectual Property Rights to lapse, expire, or become subject to any Encumbrance (other than Permitted Encumbrances); or

(q) authorization or agreement, in writing or otherwise, to do any of the foregoing.

Section 3.12 Sufficiency of Assets.

(a) Except as set forth in Section 3.12(a) of the Sellers Disclosure Schedule, following the consummation of the transactions contemplated by the Asset Transfer Agreement, the Company or its Subsidiaries shall have good and valid title to, or in the case of leased assets, valid leasehold interests in, all of its tangible personal property and assets (other than Inventory or consigned assets), free and clear of any Encumbrances other than Permitted Encumbrances. The Company and its Subsidiaries own or lease all tangible assets (other than Inventory or consigned assets) used in or necessary to conduct the Business. Each such tangible asset (other than Inventory and consigned assets) has been maintained in accordance with normal industry practice, is in good operating condition and repair (ordinary wear and tear excepted) and is reasonably suitable and sufficient for the purposes for which it is being used.

(b) Except as set forth in Section 3.12(b) of the Sellers Disclosure Schedule, all Inventory was acquired in bona fide, arms-length transactions entered into in the ordinary course of business. The Inventory, whether or not reflected in the Financial Statements, consists of a quality and quantity usable and salable in the ordinary course of business consistent with past practice. The Company or its Subsidiaries have good and valid title to all such Inventory, free and clear of any Encumbrances (other than Permitted Encumbrances), and no Inventory is held on a consignment basis.

Section 3.13 Real Property.

(a) Section 3.13(a) of the Sellers Disclosure Schedule provides a list of the real property owned by the Company or its Subsidiaries or to be owned by the Company or its Subsidiaries prior to the Closing (the “**Owned Real Property**”), including associated improvements and rights. To the Sellers’ Knowledge, this list is complete and accurate in all material respects.

(i) Except as disclosed in Section 3.13(a)(i) of the Sellers Disclosure Schedule, and to the Sellers’ Knowledge, there are no outstanding options to purchase or lease, purchase rights, or rights of first refusal to purchase or lease; or leases, subleases or other agreements providing for possessory rights, other than with the Company or its Affiliates, with respect to the Owned Real Property.

(ii) The Company or its Affiliates hold fee simple title to the Owned Real Property, subject only to Permitted Encumbrances.

(b) Section 3.13(b) of the Sellers Disclosure Schedule identifies the real property leased by the Company, its Affiliates, and Subsidiaries in connection with the Business (the “**Leased Real Property**”) and each lease associated with any of the Leased Real Property (a “**Lease**”).

(i) Except as set forth in Section 3.13(b)(i) of the Sellers Disclosure Schedule, there are no (A) outstanding options, purchase rights, or rights of first refusal concerning the Leased Real Property, or (B) license agreements or other rights in favor of third parties other than the Company or its Subsidiaries or Affiliates. The Company or its Subsidiaries, as lessees, have valid

leasehold title to the Leased Real Property, free and clear of Encumbrances, other than Permitted Encumbrances.

(ii) To the Sellers' Knowledge, the Company or its Subsidiaries have performed their material obligations under each Lease.

(iii) Each Lease (A), to the Sellers' Knowledge, is valid and enforceable in all material respects, subject to applicable bankruptcy, insolvency, and similar Laws; and (B) has not been amended or modified or assigned except as reflected on Section 3.13(b) of the Sellers Disclosure Schedule.

(iv) To Sellers' Knowledge, except as disclosed in Section 3.13(b)(iv) of the Sellers Disclosure Schedule, neither the Company nor any of its Subsidiaries has received a written notice of default under any Lease during the last six months which remains uncured, and to the Sellers' Knowledge, no condition exists which, with either notice or the passage of time or both, would result in a breach or default by the Company or any of its Subsidiaries under any Lease or termination of any Lease.

(v) To Sellers' Knowledge, except as disclosed in Section 3.13(b)(v) of the Sellers Disclosure Schedule, neither the Company nor any of its Subsidiaries has received a written notice of violation of any Laws related to the use, occupancy or condition of the Leases or the Leased Real Property.

(vi) Except as set forth in Section 3.13(b)(vi) of the Sellers Disclosure Schedule or in a Lease, to Sellers' Knowledge the transactions contemplated hereby do not require the consent of any other party to any Lease, will not result in a breach of or default under any Leases, or otherwise cause any Lease to cease to be legal, valid, binding, enforceable by and against all parties (except as enforcement may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar Laws affecting creditors' rights generally and by general principles of equity (regardless of whether considered in a proceeding in equity or at Law)), and in full force and effect on identical terms following the Closing.

(vii) Except as disclosed in Section 3.13(b)(vii) of the Seller Disclosure Schedule, each landlord party to any Lease is an Affiliate of the Company.

(c) Except as disclosed in Section 3.13(c) of the Sellers Disclosure Schedule, the Owned Real Property and Leased Real Property (collectively, the "**Company Property**") comprise all of the real property used in connection with the Business.

(d) To the Sellers' Knowledge, except as disclosed in Section 3.13(d) of the Sellers Disclosure Schedule, the use, maintenance, and operation of the Company Property comply in all material respects with applicable Laws.

(e) To the Sellers' Knowledge, except as set forth in Section 3.13(e) of the Sellers Disclosure Schedule, each parcel of Company Property is adequately supplied with utilities necessary for its current use.

(f) To the Sellers' Knowledge, except as set forth in Section 3.13(f) of the Sellers Disclosure Schedule, there are no water wells, underground or above ground storage tanks or private septic systems on the Company Property, nor are there any material issues concerning such wells, tanks or systems.

(g) Except as disclosed in Section 3.13(g) of the Sellers Disclosure Schedule, the Company has not received written notice of any material uncured violation or Proceeding related to the Company Property under applicable laws.

(h) To the Sellers' Knowledge, except as disclosed in Section 3.13(h) of the Sellers Disclosure Schedule, there are no pending or threatened condemnation or eminent domain Proceedings affecting the Company Property.

(i) No notice from any insurance company which has issued a policy with respect to any parcel of Company Property or from any board of fire underwriters (or other body exercising similar functions) has been received requesting the performance of any repairs, alterations, or other work that has not heretofore been done.

(j) To the Sellers' Knowledge, except as disclosed in Section 3.13(j) of the Sellers Disclosure Schedule, no liens or similar claims exist due to work performed or materials furnished on the Company Property.

(k) To the Sellers' Knowledge, except as disclosed in Section 3.13(k) of the Sellers Disclosure Schedule, the Company Property is not subject to any tax abatement program or unassessed public improvements.

(l) To the Sellers' Knowledge, except as disclosed in Section 3.13(l) of the Sellers Disclosure Schedule, the Company Property has been maintained in all material respects in accordance with standards for similar properties.

(m) To the Sellers' Knowledge, except as disclosed in Section 3.13(m) of the Sellers Disclosure Schedule, the Company Property is suitable and adequate for the conduct of the Business.

Section 3.14 Environmental, Health and Safety Matters.

(a) To the Sellers' Knowledge, except as disclosed in Section 3.14(a) of the Sellers Disclosure Schedule or contained in that certain Phase I Environmental Site Assessment Report dated on or about December 11, 2024 (Project 103P6597.274) by Tetra Tech, Inc. (the "**Phase I**"), the Company and its Subsidiaries are and have been since the Lookback Date in compliance in all material respects with applicable Environmental Laws. The Company and its Subsidiaries are and have been since the Lookback Date in compliance in all material respects with all Occupational Safety and Health Laws. The Company has not received written notice of any violations of Environmental Laws or Occupational Safety and Health Laws.

(b) To the Sellers' Knowledge, except as disclosed in Section 3.14(b) of the Sellers Disclosure Schedule or contained in the Phase I, there are no Hazardous Materials or other toxic substances present at the Owned Real Property or Leased Real Property in violation of applicable Environmental Laws or in quantities in excess of what is needed to operate in the normal course of business.

(c) The Company has made available to Purchaser copies of material environmental reports and studies concerning the Business or the Owned Real Property.

Section 3.15 Intellectual Property, Systems, and Data Security.

(a) Section 3.15(a)(i) of the Sellers Disclosure Schedule lists and describes all Owned Intellectual Property Rights that are Registered Intellectual Property Rights and all other material Owned Intellectual Property Rights, other than the Proprietary Contact List. Section 3.15(a)(ii) of the Sellers Disclosure Schedule lists all Contracts relating to Licensed-In Intellectual Property Rights (excluding Off-The-Shelf Software), and copies of such Contracts have been made available to Purchaser that describes the Intellectual Property Rights covered by such Contracts; however, such descriptions shall not describe the Proprietary Contact List. To the extent there is no written Contract covering a Licensed-In Intellectual Property Right (excluding Off-The-Shelf Software), Section 3.15(a)(iii) of the Sellers Disclosure Schedule lists the licensor and describes the Intellectual Property Rights so licensed; however, such descriptions shall not describe the Proprietary Contact List. Section 3.15(a)(iv) of the Sellers Disclosure Schedule lists all Contracts relating to Licensed-Out Intellectual Property Rights and describes the Intellectual Property Rights covered by such Contracts. To the extent there is no written Contract covering a Licensed-Out Intellectual Property Right, Section 3.15(a)(v) of the Sellers Disclosure Schedule lists the licensee and describes the Intellectual Property Rights so licensed. Section 3.15(a)(vi) of the Sellers Disclosure Schedule lists and describes all materials otherwise protectable under Intellectual Property Rights used in the Business as conducted or proposed to be conducted that are in the public domain, other than the Proprietary Contact List. The Owned Intellectual Property Rights and the Licensed-In Intellectual Property Rights constitute all Intellectual Property Rights necessary for the Business as conducted.

(b) Company solely owns all right, title and interest in the Owned Intellectual Property Rights free and clear of all Encumbrances (including royalty or other payments), other than the Permitted Encumbrances listed on Section 3.15(b) of the Sellers Disclosure Schedule. The Company is the official and sole owner of record of all Registered Intellectual Property Rights that are Owned Intellectual Property Rights. To Sellers' knowledge, no Owned Intellectual Property Right is currently being or has been infringed by any Person. Except as set forth in Section 3.15(b) of the Sellers Disclosure

Schedule, to Sellers' knowledge, the Company or a Subsidiary owns all material Intellectual Property Rights developed by its current and former employees and independent contractors during the period of their employment or within the scope of their contracting or consulting relationship, as the case may be, with the Company or any Subsidiary. Except as set forth in Section 3.15(b) of the Sellers Disclosure Schedule, to the extent such material Intellectual Property Rights did not vest originally in the Company or a Subsidiary by operation of law, such employees and independent contractors have validly assigned such Intellectual Property Rights to the Company or a Subsidiary pursuant to enforceable written agreements that have been made available to Purchaser. No employee or former employee or independent contractor of the Company or any Subsidiary has made any claim with respect to any material Intellectual Property Right of the Company and Company is not aware of any basis for such claim.

(c) No funding, facilities, or personnel of any Governmental Authority or any public or private university, college, or other educational or research institution were used, directly or indirectly, to develop or create, in whole or in part, any Owned Intellectual Property Rights.

(d) All Owned Intellectual Property Rights are valid and enforceable, and no Person has asserted that any Owned Intellectual Property Right is invalid or unenforceable. All Owned Intellectual Property Rights that are Registered Intellectual Property Rights are in full force and effect, and all actions required to keep such rights pending or in effect or to provide full available protection, including payment of filing, examination, annuity, and maintenance fees and filing of renewals, statements of use or working, affidavits of incontestability and other similar actions, have been taken, and no such Registered Intellectual Property Right is the subject of any interference, opposition, cancellation, nullity, re-examination or other proceeding placing in question the validity or scope of such rights. All products covered by Owned Intellectual Property Rights or Licensed-In Intellectual Property Rights that are Registered Intellectual Property Rights and all usages of Owned Intellectual Property Rights or Licensed-In Intellectual Property Rights that are Registered Intellectual Property Rights have been marked with the appropriate patent, trademark or other marking required or desirable to maximize available damage awards.

(e) Except as disclosed on Section 3.15(e) of the Sellers Disclosure Schedule, the documentation relating to the Company's trade secrets is current, accurate and sufficient in detail and content to identify and explain such trade secrets and to allow their full and proper use without reliance on the knowledge or memory of any individual. Reasonable precautions have been taken to protect the secrecy, confidentiality and value of the Company's material trade secrets and all other material proprietary information used by the Company or any Subsidiary. To the Sellers' Knowledge, there has been no misappropriation of the Company's trade secrets. Each of the Company and its Subsidiaries has an unqualified right to use all trade secrets and other proprietary information currently used in the Business, subject to any Contract relating to Licensed-In Intellectual Property Rights. No such Company trade secret or other proprietary information is part of the public knowledge or literature in the form used by Company, and to the Sellers' Knowledge, no such Company trade secret or other proprietary information has been used, divulged or appropriated either for the benefit of any Person other than the Company or a Subsidiary or to the detriment of the Company or any Subsidiary.

(f) Neither the Company nor any Subsidiary has taken action, or failed to take an action, that might have the effect of estopping or otherwise limiting its right to enforce Owned Intellectual Property Rights against any Person.

(g) Except as set forth in Section 3.15(g) of the Sellers Disclosure Schedule, following the Closing, the Company will have the same rights in all Owned Intellectual Property Rights that it had immediately prior to the Closing. Except as set forth in Section 3.15(g) of the Sellers Disclosure Schedule, no Contract to which the Company or a Subsidiary is a party or is otherwise bound will cause or require (or would purport to cause or require) the Purchaser or any of its Affiliates or the Company or any Subsidiary, on account of the transactions contemplated by this Agreement, to (i) grant to any other Person any license, covenant not to sue, immunity or other right with respect to or under any of the Company's or its Subsidiaries' Intellectual Property Rights; (ii) be obligated, in relation to its or their products, services, or Intellectual Property Rights, to pay any royalties or other amounts or offer any discounts to any other Person; or (iii) become bound or subject to any non-compete or other material restrictions on the operations or scope of the Business.

(h) Neither the Company nor any Subsidiary has any present expectation or intention of not fully performing any material obligation pursuant to any license or any other Contract pertaining to

the use or practicing of any Intellectual Property Rights, and there is no known material breach, anticipated material breach or material default by any other party to any license or other such Contract. There are no renegotiations of, attempts to renegotiate, demands for or outstanding rights to renegotiate any license or other such Contract. Except as set forth in Section 3.15(h) of the Sellers Disclosure Schedule, all rights under each license and other such Contract will be fully available to the Company or a Subsidiary after the Closing.

(i) Each Licensed-In Intellectual Property Right for which the Company or any Subsidiary has an exclusive right is in full force and effect, all actions required to keep such right pending or in effect or to provide full protection, including payment of filing, examination, annuity, and maintenance fees and filing of renewals, statements of use or working, affidavits of incontestability and other similar actions, have been taken. No Licensed-in Intellectual Property Right that is a Registered Intellectual Property Right and for which the Company or any Subsidiary has an exclusive right is the subject of any interference, opposition, cancellation, nullity, re-examination or other proceeding placing in question the validity or scope of such right.

(j) To the Sellers' Knowledge, neither the Company nor any Subsidiary has infringed, misappropriated or otherwise violated any Third-Party Intellectual Property Right. Neither the Company nor any Subsidiary has received any notice of any infringement, misappropriation or violation by the Company or any Subsidiary of any Third-Party Intellectual Property Right. To the Sellers' Knowledge, no infringement, misappropriation or violation of any Third-Party Intellectual Property Right has occurred or will occur with respect to products or services sold by the Company or any Subsidiary or with respect to the products or services currently under development or with respect to the conduct of the Business.

(k) All material software that is used by the Company or any Subsidiary or is present at any facility or on any equipment of the Company or any Subsidiary is owned by the Company or a Subsidiary or is subject to a current license agreement that covers all use of the software in the Business. Each of the Company and the Subsidiaries has the right to use the material software and the software- or technology-based services (such as software-as-a-service, cloud services, and the like) used in the Business as it is being used, without any conflict with the rights of others. To the Sellers' Knowledge, neither the Company nor any Subsidiary is in breach of any license to, or license of, any software, or any terms of service or other Contract pertaining to software- or technology-based services. Following the Closing, each of the Company and the Subsidiaries will have sufficient rights and access to all necessary software and software- or technology-based services, to operate the Business.

(l) To the Sellers' Knowledge, the software used by the Company or any of its Subsidiaries is substantially free of any material defects, bugs and errors in accordance with generally accepted industry standards, and does not contain or make available any disabling codes or instructions, spyware, Trojan horses, worms, viruses or other software routines that permit or cause unauthorized access to, or disruption, impairment, disablement, or destruction of, software, data or other materials ("**Contaminants**").

(m) The computer, information-technology and data-processing systems, facilities and services used by the Company or any of its Subsidiaries, including all software, hardware, networks, communications facilities, platforms and related systems and services used by the Company or any of its Subsidiaries (collectively, the "**Systems**"), are (and after the Closing will continue to be) reasonably sufficient for the existing needs of the Company and its Subsidiaries. The Systems are in reasonably good working condition to perform all computing, information technology and data processing operations necessary for the operation of the Business. There have been no internal or external audits of the Company's Systems or privacy or security practices in which material exceptions or deficiencies were noted, except as have been resolved without Liability to or other adverse impact upon the Company. The Company and its Subsidiaries have taken commercially reasonable steps and implemented commercially reasonable safeguards to ensure that the Systems are substantially free from Contaminants.

(n) In the twelve-month period prior to the date hereof, there has been no failure, breakdown or continued substandard performance of any Systems that has caused a material disruption or interruption in or to the Company's or any Subsidiary's use of the Systems, any customer's use of the Company's or any Subsidiary's products or services, or other material aspects of the operation of the Business. The Company and its Subsidiaries have made back-up copies of data and information critical to the conduct of the Business. The Company and its Subsidiaries have in place and operate according to

information security, disaster recovery and business continuity plans, procedures and facilities that are consistent with best practices in the industry. Copies of all current privacy policies, notices, information security programs, backup, disaster recovery and business continuity plans and security incident response plans of the Company and its Subsidiaries have been made available to the Purchaser.

(o) Since the Lookback Date, each of the Company and its Subsidiaries have (i) complied in all material respects with all applicable Laws, and with their own respective published policies and internal policies and guidelines, relating to privacy, data protection and data security, including with respect to the collection, storage, transmission, transfer (including cross-border transfers), disclosure and use of personal data; and (ii) taken commercially reasonable measures to ensure that personal data is protected against loss, damage, and unauthorized access, use, modification, or other misuse. No Person has made any claim or commenced any Proceeding with respect to loss, damage, or unauthorized access, use, modification, or other misuse of any personal data by the Company or any of its Subsidiaries, and to the Sellers' Knowledge, there is no reasonable basis for any such claim or Proceeding.

(p) To the Sellers' Knowledge, none of the Company or its Subsidiaries has experienced or suspected any material unauthorized access to, use or misuse of, or other breach of security with respect to (i) any software or other Systems or any personal data or other data or information stored or processed thereon or thereby; or (ii) any confidential information in the Company's or its Subsidiaries' possession, custody or control.

(q) If applicable, the Company and its Subsidiaries have established policies and procedures for responding to, and have materially complied with any obligations relating to, data subject requests for access, rectification, deletion, portability or objections to processing of personal data or other rights under applicable privacy Laws. To extent the Company or any of its Subsidiaries have entered into Contracts with any third parties who are processing personal data on behalf of the Company or any of its Subsidiaries, to the Sellers' Knowledge, such third parties are in material compliance with such Contracts and all applicable privacy Laws.

Section 3.16 Contracts.

(a) Except for the Proprietary Contracts and/or the Customer Guaranties, Section 3.16 of the Sellers Disclosure Schedule sets forth an accurate and complete list of each material Contract to which the Company or any Subsidiary is a party or by which the Company or its Subsidiaries or any of its or their respective material properties or assets is bound or affected (each, a "**Material Contract**"), which:

(i) contains, or is part of a series of Contracts which contain, aggregate consideration in excess of \$100,000;

(ii) involves payments based, in whole or in part, on profits, revenues, fee income or other financial performance measures of the Company or any Subsidiary;

(iii) is a Contract for the purchase, sale, license or lease by the Company (A) of any material assets other than Inventory or (B) of any interests in any entity, including any joint ventures;

(iv) INTENTIONALLY OMITTED;

(v) INTENTIONALLY OMITTED;

(vi) is a Contract to effect any merger, consolidation, liquidation, dissolution, recapitalization or other reorganization;

(vii) is a mortgage, indenture, guarantee, loan or credit agreement, security agreement or other Contract relating to Indebtedness other than accounts receivables and payables in the ordinary course of business;

(viii) is an employment, management, consulting or similar Contract that requires annual compensation in excess of \$100,000 and cannot be terminated on 20 days' or less notice;

(ix) is a severance or similar Contract pursuant to which the Company or any Subsidiary has any continuing obligations;

(x) is a Contract with a Governmental Authority;

(xi) is a Contract between the Company, on the one hand, and any Affiliate, equityholder, employee, officer, or director of the Company, or any entity in which any of such Persons owns any beneficial interest, on the other hand;

(xii) is a license or other Contract under which (A) the Company or any Subsidiary has licensed or otherwise granted rights in any Owned Intellectual Property Rights to any Person or (B) any Person has licensed or sublicensed to the Company or any Subsidiary, or otherwise authorized the Company or any Subsidiary to use, any Third-Party Intellectual Property Rights;

(xiii) includes any noncompetition or nonsolicitation covenant or any exclusive dealing or similar arrangement that limits the ability of the Company or any Subsidiary to compete (geographically or otherwise) in any line of business;

(xiv) is a Lease;

(xv) is a Contract which requires performance by any party to the Contract more than one year from the date hereof (which, for clarity, shall not include Contracts with terms of one year or less that contain renewal provisions allowing the Company to opt out of any such renewal term without penalty) that, in either case, are not terminable by the Company without penalty on notice of ninety days or less;

(xvi) is otherwise material to the Business or the properties, assets or Liabilities of the Company or any Subsidiary or under which the consequences of a default or termination could reasonably be expected to result in a Material Adverse Effect; or

(xvii) is any commitment to enter into any agreement of the type described in subsections (i) through (xvi) of this Section 3.16(a).

(b) The Sellers have delivered to the Purchaser an accurate and complete copy or, with respect to oral Contracts, a description of the material terms of each Material Contract. Each such Material Contract is a legal, valid, binding, enforceable obligation of the Company or a Subsidiary and, to the Sellers' Knowledge, each counterparty, and in full force and effect except as enforcement may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar Laws affecting creditors' rights generally and by general principles of equity (regardless of whether considered in a proceeding in equity or at Law). None of the Company, any Subsidiary or, to the Sellers' Knowledge, any other party to any such Material Contract is in breach or default under any such Material Contract. To the Sellers' Knowledge, no event has occurred which, with the giving of notice or passage of time or both, would constitute a breach or default, under any such Material Contract. None of the Company, the Sellers, nor any Subsidiary has received any written notice from any counterparties in connection with any such Material Contracts of (i) any breach or default under any such Material Contract, (ii) any written notice that any such party intends to terminate, not renew, cancel or substantially decrease its business with the Company or any Subsidiary, or (iii) any claim for damages or indemnification. Neither the execution, delivery and performance of this Agreement or any Ancillary Agreement by the Company or any Seller, nor the consummation of the transactions contemplated hereby or thereby, will result in (with or without notice or lapse of time or both) a breach or default under or create in any Person the right to terminate, cancel, accelerate or modify, or require any notice, consent or waiver under, any Material Contract to which the Company is a party.

(c) For clarity, Sellers are not required to deliver copies of any Proprietary Contracts and/or Customer Guaranties as of the date of this Agreement, provided, however, that Sellers shall deliver copies of all Proprietary Contracts and/or Customer Guaranties prior to Closing in accordance with Section 5.2(b). Each such Proprietary Contract and/or Customer Guaranty is a legal, valid, binding, enforceable obligation of the Company or a Subsidiary and, to the Sellers' Knowledge, each counterparty, and in full force and effect except as enforcement may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar Laws affecting creditors' rights generally and by general principles of equity (regardless of whether considered in a proceeding in equity or at Law). Except as disclosed in the Sellers Disclosure Schedule, none of the Company, any Subsidiary or, to the Sellers' Knowledge, any other party to any such Proprietary Contract and/or Customer Guaranty is in breach or default under any such Proprietary Contract and/or Customer Guaranty. Except as disclosed in the Sellers Disclosure Schedule, to the Sellers' Knowledge, no event has occurred which, with the giving of notice or passage of time or both, would constitute a breach or default, under any such Proprietary Contract and/or Customer

Guaranty. Except as disclosed in the Sellers Disclosure Schedule, none of the Company, the Sellers, nor any Subsidiary has received any written notice from any counterparties in connection with any such Proprietary Contract and/or Customer Guaranty of (i) any breach or default under any such Proprietary Contract and/or Customer Guaranty, (ii) any written notice that any such party intends to terminate, not renew, cancel or substantially decrease its business with the Company or any Subsidiary, or (iii) any claim for damages or indemnification. No such Proprietary Contract and/or Customer Guaranty includes any noncompetition or nonsolicitation covenant or any exclusive dealing or similar arrangement that limits the ability of the Company or any Subsidiary to compete (geographically or otherwise) in any line of business. Neither the execution, delivery and performance of this Agreement or any Ancillary Agreement by the Company or any Seller, nor the consummation of the transactions contemplated hereby or thereby, will result in (with or without notice or lapse of time or both) a breach or default under or create in any Person the right to terminate, cancel, accelerate or modify, or require any notice, consent or waiver under, any Proprietary Contract and/or Customer Guaranty to which the Company is a party.

(d) The Sellers have delivered to the Purchaser copies of the Company's standard form Contracts, including standard forms of terms and conditions for auction, bidder contract, auction sales agreement, invoice to the auction, and consignment settlement agreement.

Section 3.17 Tax Matters.

(a) Except as set forth in Section 3.17(a) of the Sellers Disclosure Schedule, the Company has timely filed all Tax Returns that it was required to file in accordance with applicable Laws, and each such Tax Return is accurate and complete in all material respects. The Company has timely paid all Taxes due (whether or not shown on any Tax Return). No claim has ever been made by a Governmental Authority in a jurisdiction where the Company does not file a Tax Return that it is or may be subject to taxation by that jurisdiction. The Company has not requested an extension of time within which to file any Tax Return which has not since been filed. The Sellers have delivered or made available to the Purchaser accurate and complete copies of all Tax Returns filed by or on behalf of the Company (and their predecessors) for the prior four years.

(b) Except as set forth in Section 3.17(b) of the Sellers Disclosure Schedule, all Taxes that the Company is and has been required by Law to withhold or collect have been duly withheld or collected and, to the extent required by applicable Law, have been paid over to the proper Governmental Authority.

(c) Except as set forth in Section 3.17(c) of the Sellers Disclosure Schedule, no Tax audits or other Proceedings are pending or being conducted, nor has the Company received any written notice from any Governmental Authority that any such audit or other Proceeding is pending, threatened or contemplated. There is no claim or assessment pending or, to the Sellers' Knowledge, threatened against the Company for any alleged deficiency in Taxes. The Company has not waived any statute of limitations with respect to Taxes or agreed to an extension of time with respect to any Tax assessment or deficiency.

(d) There are no outstanding powers of attorney affirmatively granted by the Company that are currently in effect concerning any Tax matter. The Company has not requested or received a ruling from any Governmental Authority or signed any binding agreement with any Governmental Authority with respect to Taxes that would have a continuing effect after the Closing Date.

(e) The Company made a valid election ("**S Corporation Election**") to be treated as an "S Corporation" within the meaning of Code Sections 1361 and 1362 for federal and all applicable state income Tax purposes effective as of the date of Company's formation, and has maintained its status as an "S corporation" for federal and all applicable state income Tax purposes at all times since such date until the day immediately before the date of the Reorganization (such date, the "**Reorganization Effective Date**"). Effective as of the Reorganization Effective Date, (i) the Company has made or will make a valid election to be treated as a "qualified subchapter S subsidiary" within the meaning of Section 1361(b)(3)(B) of the Code for federal and all applicable state income Tax purposes, and (ii) the S Corporation Election continued or will continue for HoldCo for federal and all applicable state income Tax purposes, and HoldCo has maintained or will maintain its status as an "S corporation" for federal and all applicable state income Tax purposes at all times on and after the Reorganization Effective Date and the Closing Date. Effective as of the immediately after the Conversion, and at all times since such date until the Closing Date, the Company has been or will be a disregarded entity for federal and all applicable state income Tax purposes. The Reorganization was effected in accordance with Section 368(a)(1)(F) of the Code and Revenue Ruling 2008-18, IRB 2008-13. The Company is not currently, and will not become

liable on account of the transactions contemplated by this Agreement, for any Tax under Code Section 1374.

(f) The Company has not been a member of an affiliated, combined, consolidated or unitary Tax group for Tax purposes (except for groups in which the Company is the common parent).

(g) The Company (A) has no Liability for the Taxes of any Person as a transferee or successor, by Contract, or otherwise and (B) is not party to or bound by any Tax indemnity, Tax sharing, Tax allocation or similar agreement.

(h) The Company has not participated in any listed transaction as defined under Code Section 6707A(c)(2) and Treasury Regulations Section 1.6011-4(b), or any similar provision of non-U.S., state, or local Law.

(i) The Company is not required to include any amount in taxable income, exclude any item of deduction or loss from taxable income for any taxable period (or portion thereof) ending after the Closing Date as a result of (i) any installment sale or open transaction disposition made on or prior to the Closing Date, (ii) any prepaid amount received on or prior to the Closing Date, (iii) any change in method of accounting made prior to the Closing Date for a taxable period ending on or prior to the Closing Date, (iv) any “closing agreement” as described in Section 7121 of the Code (or any similar provision of state, local or foreign income Tax Laws) executed on or prior to the Closing Date, (v) any use of an improper method of accounting for a taxable period ending on or prior to the Closing Date, or (vi) under Treasury Regulations Section 1.1502-6, or as a result of being a member of an affiliated, combined or consolidated or unitary Tax group for Tax purposes.

(j) All transactions that could give rise to an underpayment of Tax (within the meaning of Section 6662 of the Code) were reported by the Company in a manner for which there is substantial authority or were adequately disclosed on the Tax Returns as required in accordance with Section 6662(d)(2)(B) of the Code.

(k) The Company has not deferred the inclusion of any amounts in taxable income pursuant to IRS Revenue Procedure 2004-34, Treasury Regulations Sections 1.451-5, Sections 455 or 456 of the Code or any corresponding or similar provision of Law (irrespective of whether or not such deferral is pursuant to an election).

(l) The Company does not currently hold, and has never held, an interest in a foreign corporation, foreign partnership or other foreign entity (as defined in Section 7701(a) of the Code).

(m) Except as set forth in Section 3.17(m) of the Sellers Disclosure Schedule, the Company has no nexus or is not required to file Tax Returns in a jurisdiction where it does not file Tax Returns, whether or not the Company has a physical presence in such jurisdiction (including any jurisdiction that may subject the Company to taxation in accordance with *South Dakota v. Wayfair, Inc.*, 86 U.S.L.W. 4452 (2018)).

(n) There are no liens for Taxes upon the assets of any of the Company other than for current Taxes not yet due and payable.

(o) None of the assets of the Company is subject to the limitations on “amortizable section 197 intangibles” described in Section 197(f)(9) of the Code or any similar or comparable limitation under state, local or non-U.S. Law.

(p) Except as set forth in Section 3.17(p), the Company has not (i) received or claimed any Tax credits under Section 7001 through 7005 of the Family First Act, or (ii) received or claimed any Tax credits under Section 2301 of the CARES Act.

(q) The Company has not exceeded any relevant thresholds which would obligate the Company to make a Form 1099-K filing.

(r) For purposes of this Section 3.17, the Company shall be deemed to include any Subsidiary or predecessor of the Company, any Person which merged or was liquidated with and into the Company or any of its Subsidiaries or any Person from which the Company or any of its Subsidiaries or Affiliates incurs a Liability for Taxes as a result of transferee Liability. The representations and warranties set forth in this Section 3.17 and the representations and warranties set forth in Section 3.18 (but only to the extent

relating to Taxes or the Code) are the sole representations and warranties relating to Taxes and no other representations or warranties contained in this Agreement shall be construed to cover Taxes or any matter involving Taxes.

Section 3.18 Employee Benefit Matters.

(a) Section 3.18(a) of the Sellers Disclosure Schedule sets forth an accurate and complete list of all Company Plans. With respect to each Company Plan, the Sellers have delivered to the Purchaser an accurate and complete copy of (i) all plan documents (including all amendments thereto) and summary plan descriptions, (ii) if applicable, Summary Annual Reports and Forms 5500 in each of the most recent three plan years, including all schedules thereto, (iii) with respect to any Company Plan that is a pension plan, as defined in Section 3(3) of ERISA (a “**Pension Plan**”), that meets the requirements of Section 401(a) of the Code (a “**Qualified Plan**”), the most recent determination or opinion letter issued by the IRS, (iv) all material and non-routine notices, if any, that were given by the IRS or the DOL to the Company, any ERISA Affiliate or any Company Plan since January 1, 2019, and (v) any trust documents, funding vehicles and any material third-party Contracts with respect to such Company Plan.

(b) The Company has not established, maintained or contributed to, or had an obligation to maintain or contribute to, any (i) multiemployer plan as defined in Section 3(37)(A) of ERISA (a “**Multiemployer Plan**”), (ii) Pension Plan subject to Title IV of ERISA (a “**Title IV Plan**”), (iii) voluntary employees’ beneficiary association under Section 501(c)(9) of the Code, (iv) organization or trust described in Section 501(c)(17) or 501(c)(20) of the Code, (v) welfare benefit fund as defined in Section 419(e) of the Code, (vi) self-insured plan (including any plan pursuant to which a stop-loss policy or contract applies) or (vii) a Company Plan that is an employee welfare plan described in Section 3(1) of ERISA that has two or more contributing sponsors at least two of which are not under common control within the meaning of Section 3(40) of ERISA. Except as required by the continuation coverage requirements of Sections 601 *et seq.* of ERISA and Section 4980B of the Code (“**COBRA**”), the Company does not provide health or welfare benefits for any retired or former employee, or their beneficiaries or dependents, nor is the Company obligated to provide health or welfare benefits to any active employee following such employee’s retirement or other termination of service. Section 3.18(b) of the Sellers Disclosure Schedule sets forth a complete list of each individual who elected to continue any eligible Company Plan under Section 4980B of the Code or similar state Law including the Company Plans continued, the beginning date of continuation and expected end date.

(c) Each Company Plan is and at all times has been maintained, funded, operated and administered, and the Company has performed all of its obligations under each Company Plan, in each case in all material respects in accordance with the terms of such Company Plan and in material compliance with all applicable Laws, including ERISA and the Code. The Company has complied in all material respects with the provisions of COBRA and the Health Insurance Portability and Accountability Act of 1996. Each Company Plan that provides deferred compensation subject to Section 409A of the Code complies in all material respects with applicable guidance under Section 409A of the Code in form and operation. All contributions required to be made to any Company Plan by applicable Law and the terms of such Company Plan have been timely made or paid in full. All returns, reports and filings required by any Governmental Authority or which must be furnished to any Person with respect to each Company Plan have been timely filed or furnished.

(d) Neither the Company nor, to the Sellers’ Knowledge, any other party in interest has engaged in any transaction prohibited by Section 406 of ERISA or any non-exempt “prohibited transaction” under Section 4975 of the Code has occurred with respect to any Company Plan. Neither the Company nor any Seller has any Liability to the IRS with respect to any Company Plan. There is no unfunded Liability under any Company Plan. Other than routine claims for benefits submitted by participants or beneficiaries, no claim against, or Proceeding involving, any Company Plan or any fiduciary thereof is pending or, to the Sellers’ Knowledge, is threatened, which could reasonably be expected to result in any material Liability, direct or indirect (by indemnification or otherwise) of the Company to the DOL, the IRS or any other Person, and no event has occurred or circumstance exists that could reasonably be expected to give rise to any such Liability.

(e) Each Qualified Plan of the Company has received a favorable determination or, in the case of a prototype plan, is entitled to rely on, an opinion letter from the IRS that it meets the applicable requirements of Section 401(a) of the Code. To the Sellers’ Knowledge, no event has occurred

or circumstance exists that could reasonably be expected to give rise to disqualification or loss of Tax-exempt status of any such Qualified Plan or trust.

(f) Each Company Plan sponsored by the Company permits assumption thereof by the Purchaser or its Subsidiaries upon the Closing without the consent of the participants or any other Person. Neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated hereby will (i) result in any payment (including severance, termination, change in control payments, unemployment compensation, golden parachute, forgiveness of indebtedness or otherwise) becoming due to current or former employees of the Company or ERISA Affiliates (including any key employee) from the Company or ERISA Affiliate under any Employment Agreements or Company Plan or otherwise; (ii) increase any benefits otherwise payable under any Employment Agreement or Company Plan or otherwise; (iii) result in any acceleration of the time of payment or vesting of any such benefits; or (iv) result in the payment of any “excess parachute payment” within the meaning of Section 280G of the Code.

(g) The Company and its Subsidiaries are in compliance in all material respects with all applicable requirements of the Patient Protection and Affordable Care Act of 2010, as amended, and all regulations thereunder, to the extent subject thereto. No material excise tax or penalty under the ACA is outstanding, has accrued, or has arisen with respect to any period prior to the Closing with respect to any Company Plan.

Section 3.19 Employment Matters.

(a) Section 3.19(a) of the Sellers Disclosure Schedule sets forth an accurate and complete list of all employees and independent contractors currently performing services for the Company and its Subsidiaries, along with the position, whether full or part-time, work location (city and state), hire date, and compensation and benefits.

(b) Neither the Company nor any of its Subsidiaries is a party to or bound by any collective bargaining or other Contract with any labor organization representing any of its employees, and there are no labor organizations representing or, to the Sellers’ Knowledge, attempting to represent any employee of the Company or its Subsidiaries. Since the Lookback Date, neither the Company nor any of its Subsidiaries has experienced any labor strike, slowdown, lockout, or other work stoppage or labor dispute, nor to the Sellers’ Knowledge is any such action threatened.

(c) Except as set forth in Section 3.19(c) of the Sellers Disclosure Schedule, since the Lookback Date, the Company and its Subsidiaries have complied in all material respects with all applicable Laws relating to labor and employment matters, including wage and hour Laws, wage payment Laws, leave of absence statutes, paid sick and other leave Laws, workers’ compensation Laws, the Alabama Code, immigration Laws, the CARES Act of 2020, the Family Friendly Coronavirus Relief Act of 2020, disability rights, privacy, immigration, occupational health and safety, workers’ compensation, withholding, unemployment compensation, benefits, collective bargaining, fair employment practices, equal employment opportunity, discrimination and other employment activities. Except as set forth in Section 3.19(c) of the Sellers Disclosure Schedule, all employees and independent contractors have been properly classified as employee/contractor, and if employee for overtime exempt status, under all applicable Laws.

(d) Except as set forth in Section 3.19(d) of the Sellers Disclosure Schedule, there is no, and since the Lookback Date there has been no, Proceeding pending or, to the Sellers’ Knowledge, threatened against or affecting the Company or its Subsidiaries relating to the alleged violation by the Company or its Subsidiaries of any Law pertaining to labor relations or employment matters. Since the Lookback Date, there has been no complaint, claim or charge filed or, to the Sellers’ Knowledge, threatened, against the Company or its Subsidiaries with or by any Governmental Authority responsible for prevention of unlawful employment practices.

(e) The Company and its Subsidiaries are in compliance with all provisions of the Worker Adjustment and Retraining Notification Act of 1988 and have not engaged in any terminations or layoffs sufficient to trigger coverage under such statute. Neither the Company nor its Subsidiaries have plans to undertake any action in the future that would trigger the Worker Adjustment and Retraining Notification Act of 1988.

Section 3.20 Compliance with Laws and Governmental Authorizations.

(a) Except as set forth in Section 3.20(a) of the Sellers Disclosure Schedule, the Company and its Subsidiaries are in compliance in all material respects and since the Lookback Date have complied in all material respects with all applicable Laws or Governmental Authorizations applicable to it or to the conduct of the Business or the ownership or use of any of its or their properties or assets. Except as set forth in Section 3.20(a) of the Sellers Disclosure Schedule, neither the Company nor any Subsidiary has received at any time since the Lookback Date any notice or other written communication from any Governmental Authority or any other Person regarding any actual or alleged violation of, or failure to comply with, any applicable Law, Judgment or Governmental Authorization.

(b) All Governmental Authorizations necessary for the Company and the Subsidiaries to conduct the Business have been obtained by the Company or the applicable Subsidiaries and are valid and in full force and effect. Section 3.20(b) of the Sellers Disclosure Schedule lists all of the material Governmental Authorizations issued to the Company or any Subsidiary. No event has occurred that, with or without notice or lapse of time or both, would reasonably be expected to result in the revocation, suspension, lapse or limitation of any Governmental Authorization listed in Section 3.20(b) of the Sellers Disclosure Schedule. Since the Lookback Date, neither the Company nor any Subsidiary has received any notice of Proceedings, investigations or audits relating to its Governmental Authorizations.

Section 3.21 Legal Proceedings. Except as set forth in Section 3.21 of the Sellers Disclosure Schedule, there are no Proceedings pending or, to the Sellers' Knowledge, threatened in writing (a) by or against the Company or any Subsidiary or that otherwise relate to or could reasonably be expected to affect the Business or the properties or assets of the Company or any Subsidiary, or (b) against any Seller, the Company or any Subsidiary that challenges, or that may have the effect of preventing, delaying, making illegal or otherwise interfering with, any of the transactions contemplated by this Agreement.

Section 3.22 Customer Guaranties; Customers and Suppliers. Section 3.22 of the Sellers Disclosure Schedule provides, as of February 1, 2025, the number and aggregate dollar value of the Customer Guaranties. No material customer or material supplier who is a party to a Customer Contract, Consignment Contract, and/or Supplier Contract has indicated within the past 12 months that it will stop or materially decrease the rate of its transactions, or otherwise materially change its business relationship, with the Company, other than changes which occur in the ordinary course of business from auction to auction.

Section 3.23 Insurance. Section 3.23 of the Sellers Disclosure Schedule sets forth an accurate and complete list of all material insurance policies maintained by the Company or its Subsidiaries. The Company has made available to the Purchaser complete and correct copies of all such insurance policies, together with all riders and amendments thereto. All such insurance policies are in full force and effect and all premiums due and payable under such policies have been paid and the Company and its Subsidiaries are otherwise in compliance in all material respects with the terms thereof. To the Sellers' Knowledge, no termination of, or material premium increase has been threatened with respect to, any such policy. There are no disputes with the underwriters of any such policies or any claims pending under such policies as to which coverage has been questioned, denied or disputed by the underwriters of such policies. The Company has not received any notice of cancellation or termination of any insurance policy in effect on the date hereof or within the past three years.

Section 3.24 Related Party Transactions. Except as set forth in Section 3.24 of the Sellers Disclosure Schedule, none of the Sellers nor, to the Sellers' Knowledge, any manager, officer, employee or Affiliate of the Company or any Subsidiary (or Affiliate of any such Seller or any manager, officer, employee or Affiliate), is a party to any material agreement, Contract, commitment or transaction with the Company or any Subsidiary, other than (i) business dealings conducted in the ordinary course of business on terms and conditions as favorable to the Company or its Subsidiary as would have been obtained by it at the time in a comparable arm's-length transaction, or (ii) in the case of employees of the Company or any Subsidiary, salaries and employee benefits and other transactions pursuant to any Company Plans in the ordinary course of business.

Section 3.25 Brokers or Finders. None of the Sellers, the Company, the Subsidiaries nor any Person acting on behalf of any Seller, the Company or any Subsidiary has incurred any Liability to pay any fees or commissions to any broker, finder or agent or any other similar payment in connection with any of the transactions contemplated by this Agreement.

Section 3.26 Disclosure. The representations and warranties made by each of the Sellers and the Company in ARTICLE 3 are the exclusive representations and warranties made by the each of the Sellers and the Company. Except for the representations and warranties contained in ARTICLE 3, neither the Sellers, nor the Company, nor any other Person, has made or makes any other representation or warranty, either written or oral, on behalf of the Sellers or the Company, Purchaser has not relied on any other representations and warranties, and the Sellers and the Company hereby disclaim any other express or implied representations or warranties with respect to any matter whatsoever. Notwithstanding the foregoing, the parties agree that no provision of this Agreement is intended to eliminate or limit the Purchaser's remedies with respect to Fraud.

ARTICLE 4 REPRESENTATIONS AND WARRANTIES OF THE PURCHASER

The Purchaser represents and warrants to the Sellers that, as of the date of this Agreement and as of the Closing Date, the statements set forth in this ARTICLE 4 are true and correct:

Section 4.1 Organization and Good Standing. The Purchaser is a corporation duly organized, validly existing and in good standing under the Laws of its jurisdiction of incorporation.

Section 4.2 Authority and Enforceability. The Purchaser has all requisite corporate power and authority to execute and deliver this Agreement and each Ancillary Agreement to which it is a party and to perform its obligations under this Agreement and each such Ancillary Agreement. The execution, delivery and performance of this Agreement and each Ancillary Agreement to which the Purchaser is a party and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all necessary action on the part of the Purchaser. The Purchaser has duly and validly executed and delivered this Agreement and, on or prior to the Closing, the Purchaser will have duly and validly executed and delivered each Ancillary Agreement to which it is a party. This Agreement constitutes, and upon execution and delivery each Ancillary Agreement to which the Purchaser is a party will constitute, the valid and binding obligation of the Purchaser, as applicable, enforceable against the Purchaser in accordance with its terms, except as enforcement may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar Laws affecting creditors' rights generally and by general principles of equity (regardless of whether considered in a proceeding in equity or at Law).

Section 4.3 No Conflict. Neither the execution, delivery and performance by the Purchaser of this Agreement or any Ancillary Agreement to which the Purchaser is a party, nor the consummation of the transactions contemplated hereby or thereby, will (a) conflict with or violate in any material respect the Governing Documents of the Purchaser, or any resolution adopted by the board of directors or stockholders of the Purchaser, (b) result in (with or without notice or lapse of time or both) a breach or default under or create in any Person the right to terminate, cancel, accelerate or modify, or require any notice, consent or waiver under, any material Contract to which the Purchaser is a party or by which the Purchaser or any of its material properties or assets is otherwise bound or affected, (c) violate in any material respect any Law, Judgment or Governmental Authorization applicable to the Purchaser or any of its material properties or assets, or (d) require the Purchaser to obtain any material Consent or Governmental Authorization or make any filing with any Governmental Authority or other Person, except as may be required under the HSR Act, by the Toronto Stock Exchange or New York Stock Exchange or any filings required under applicable securities Laws.

Section 4.4 Legal Proceedings. There is no Proceeding pending or, to the Purchaser's knowledge, threatened in writing against the Purchaser that challenges, or that may have the effect of preventing, delaying, making illegal or otherwise interfering with, any of the transactions contemplated by this Agreement.

Section 4.5 Brokers or Finders. Neither the Purchaser nor any Person acting on its behalf has incurred any Liability to pay any fees or commissions to any broker, finder or agent or any other similar payment in connection with any of the transactions contemplated by this Agreement.

Section 4.6 Independent Investigation. Purchaser has conducted its own independent investigation, review and analysis of the Company, and acknowledges that it has been provided adequate access to the personnel, properties, assets, premises, books and records and other documents and data of Sellers and the Company for such purpose. Purchaser acknowledges and agrees that: (a) in making its decision to enter into this Agreement and to consummate the transactions contemplated hereby, Purchaser

has relied solely upon its own investigation and the express representations and warranties of Sellers set forth in ARTICLE 3 of this Agreement (including related portions of the Disclosure Schedule); and (b) none of the Sellers, the Company or any other Person has made any representation or warranty as to Sellers, the Company or this Agreement, except as expressly set forth in ARTICLE 3 of this Agreement (including the related portions of the Disclosure Schedule).

ARTICLE 5 COVENANTS

Section 5.1 Conduct of Business Prior to Closing. From the date hereof until the Closing, except as otherwise provided in this Agreement or consented to in writing by the Purchaser (which consent shall not be unreasonably withheld or delayed, and provided that failure by Purchaser to respond to any request for consent within ten Business Days of receiving such request shall be deemed to constitute consent), the Sellers shall, and shall cause the Company and the Subsidiaries to, (x) conduct the Business in the ordinary course of business consistent with past practice; and (y) use reasonable best efforts to maintain and preserve intact the current organization, business and franchise of the Company and the Subsidiaries and to preserve the rights, franchises, Intellectual Property Rights, goodwill and relationships of its employees, customers, lenders, suppliers, regulators and others having business relationships with the Company or the Subsidiaries. Without limiting the foregoing, from the date hereof until the Closing Date, solely with regard to the Business, the Sellers and the Company shall not, and shall not permit any Subsidiary to do the following (except as set forth in Schedule 5.1):

(a) authorize any amendments to the certificate or articles of formation or operating agreement of the Company or any Subsidiary;

(b) issue or sell Shares or any equity interests in any Subsidiary;

(c) acquire an equity interest in, or a portion of the assets of, any business or any corporation, partnership or other business organization or division, in an amount valued in excess of \$250,000, other than the acquisition of Inventory in the ordinary course of business;

(d) other than in the ordinary course of business, incur any debt or issue any debt securities (other than borrowings from Affiliates consistent with past practices, which borrowings shall be paid off prior to Closing or in connection with the Closing);

(e) other than as may be required by applicable Law or by any applicable Contract (including the terms of any Company Plan) existing on the date hereof, (i) enter into or materially amend any employment or severance agreement with any employees with an annual base salary of at least \$100,000 or (ii) enter into or materially amend any pension, retirement, health, life or disability insurance or other employee benefit plan, agreement, trust or other arrangement for the benefit of any of its directors or any employees with an annual base salary of at least \$100,000;

(f) sell, transfer or otherwise dispose of any material assets, other than Inventory in the ordinary course of business or in connection with replacement of assets in the ordinary course of business;

(g) make any material loan to or, other than in the ordinary course of business, enter into any other transaction with any of its managers, directors, officers or key employees;

(h) except as may be required as a result of a change in Law or in GAAP, materially change any of the accounting principles or elections, practices or methods used by it;

(i) enter into: (A) any Contract that, had it been in effect on the date hereof, would have been required to be disclosed in the Sellers Disclosure Schedule pursuant to Section 3.16; or (B) any Contract that would be material to the Company and the Subsidiaries, taken as a whole, other than in the ordinary course of business, except, in the cases of the preceding clauses (A) and (B), for Proprietary Contracts;

(j) terminate or amend, in any manner materially adverse to the Company, any Material Contract;

(k) enter into any Contract that (i) restrains the ability of the Company or any Subsidiary to compete with or conduct any business, (ii) imposes exclusive dealing obligations, (iii)

contains “most favored nations” terms, or (iv) contains a non-solicitation, non-hire clause against the Company or any Subsidiary;

(l) enter into any Customer Guaranties other than in the ordinary course of business consistent with past practice;

(m) make any distributions or other transfers of tangible assets to members or Affiliates, except as required under the terms of any instrument or agreement existing on the date hereof or with respect to the Excluded Assets as provided herein;

(n) authorize any new capital expenditure or expenditures that individually exceed \$250,000 or in the aggregate are in excess of \$500,000;

(o) cancel, terminate or allow to lapse any material insurance policies or cause any of the coverage thereby to lapse, unless simultaneously with such termination, cancellation or lapse, replacement policies providing, to the extent reasonably available, coverage equal to or greater than the coverage under the canceled, terminated or lapsed policies for substantially similar premiums are in full force and effect;

(p) voluntarily incur or assume any Liability that would reasonably be expected to have a Material Adverse Effect;

(q) waive any rights of material value or take any actions with respect to collection practices that would result in any material losses or material adverse changes in collections, whether or not in the ordinary course of business consistent with past practices;

(r) make any Tax election, change any annual Tax accounting period; adopt or change any method of Tax accounting; file any amended income Tax Return; enter into any “closing agreement” with any taxing authority; settle any claim or assessment in respect of a material amount of Tax; or consent to any extension or waiver of the limitations period applicable to any Tax claim or assessment;

(s) license, sell, transfer or otherwise dispose of the rights to use any material Owned Intellectual Property Rights or disclose trade secrets to a third party other than pursuant to a confidentiality agreement; or

(t) take or agree in writing or otherwise to take any of the actions described in Section 5.1(a) through Section 5.1(s).

(u) Notwithstanding anything to the contrary in this Section 5.1, the Company and any Subsidiary shall be allowed, in the sole discretion of Seller, to enter into any Proprietary Contract and provide any Consignment Guaranty in the ordinary course of business consistent with past practice from the date hereof until the Closing.

Section 5.2 Access and Investigation; Disclosure of Contracts.

(a) Following the execution of this Agreement until the Closing, with reasonable advance notice to the Purchaser and with coordination with the Seller Representative, the Purchaser and its managers, officers, employees, agents, consultants and other advisors and representatives will allow the Sellers full access during normal business hours to, and furnish them with all documents, records, work papers and information with respect to, all of the properties, assets, personnel, books, Contracts, Governmental Authorizations, reports and records relating to the Company and the Subsidiaries as the Sellers may reasonably request to review all matters and documents described in Section 2.5; provided however, Purchaser acknowledges that, except as set forth in Section 5.2(b), nothing contained in this Agreement grants access to the Purchaser or requires the Sellers or the Company to provide the Purchaser with copies of the Proprietary Contracts, the Proprietary Contact List, the Customer Guaranties, or other information relating to the customers or suppliers with regard to Inventory or Consignment Inventory other than the information which would be required to be included in Section 3.22 of the Seller Disclosure Schedule.

(b) Following the expiration or termination of the applicable waiting periods under the HSR Act or other Antitrust Law, as applicable, described in Section 5.3 and no later than ten Business Days prior to Closing, the Company shall disclose and make available to the Purchaser (i) each Proprietary Contract, (ii) the Proprietary Contact List, and (iii) the Customer Guaranties.

Section 5.3 Regulatory Filings.

(a) The Company and the Purchaser shall use reasonable best efforts to (i) file or cause to be filed any notification and report form required under the HSR Act for the transactions contemplated hereby as promptly as commercially practicable after the date hereof and to provide any additional or supplemental information and documentary material requested in connection therewith pursuant to the HSR Act, (ii) with respect to any other Governmental Authority, promptly make any other filings or reports, and submit any information and documentation required for the transactions contemplated hereby, pursuant to any other Antitrust Law, (iii) subject to Section 5.3(c) and Section 5.3(d), cause the expiration or termination of the applicable waiting periods under the HSR Act or other Antitrust Law, as applicable, as soon as practicable after the date hereof, and (iv) subject to Section 5.3(c) and Section 5.3(d), avoid any impediment to the consummation of the transactions contemplated hereby under any applicable Laws (including the HSR Act and other Antitrust Law) which would cause the conditions set forth in Section 7.1(a) and Section 7.1(b) not to be satisfied as of the Closing, including using reasonable best efforts to take all such action as may reasonably be necessary to resolve such objections (if any) as the United States Federal Trade Commission (“*FTC*”), the United States Department of Justice (“*DOJ*”), or any other Governmental Authority or Person may assert under any applicable Laws (including the HSR Act and other Antitrust Law) with respect to the transactions contemplated hereby which would cause the conditions set forth in Section 7.1(a) and Section 7.1(b) not to be satisfied as of the Closing. If the conditions set forth in Section 7.1(a) and Section 7.1(b) with regards to Antitrust Laws are not satisfied as of the Outside Date, then the parties shall discuss, in good faith, a mutual agreement to extend the Outside Date if necessary to obtain approval of the transaction under Antitrust Laws. Each of the Company and the Purchaser shall furnish to each other’s counsel such necessary information and reasonable assistance as the other may request in connection with its preparation of any filing or submission that is necessary under the HSR Act or any other Antitrust Law.

(b) The Company and the Purchaser shall: (i) promptly notify each other of any oral or written communication received from any Governmental Authority, and (ii) subject to applicable Law (and taking appropriate steps to establish and preserve the attorney-client privilege, any common interest privilege, and any other applicable privilege), furnish the other party copies of all correspondence, filings, applications, submissions, notifications, documents, and communications (and memoranda setting forth substance thereof) between them or their respective Affiliates on one hand, and any Governmental Authority on the other hand, with respect to this Agreement; provided, however, that this obligation does not require that one party provide to the other party access to any document or information that is reasonably considered competitively sensitive information of the first party (except on an outside counsel only basis). Each party will provide the other party the reasonable opportunity to review in advance and provide comments on any draft communications with any Governmental Authority. Except as may be prohibited by any Governmental Authority and applicable Law, each party will consult and cooperate with the other, and will consider in good faith, the views of the other party, in connection with any analysis, appearance, presentation, memorandum, brief, argument, opinion or proposal made or submitted in connection with any suit, claim, action, investigation or proceeding under or relating to the HSR Act or any other Antitrust Law. To the extent permitted by any such Governmental Authority, each party will permit authorized representatives of the other party to be present at each meeting or teleconference relating to any investigation or legal proceeding and to have access to and be consulted in connection with any document, opinion or proposal made or submitted to any Governmental Authority in connection with any such investigation or legal proceeding; provided, however, that this obligation does not require that one party provide to the other party access to any document or information that is reasonably considered competitively sensitive information of the first party (except on an outside counsel only basis). The parties shall cooperate with one another in good faith with respect to devising and implementing the strategy for obtaining any necessary clearance or approval, for responding to any request, inquiry, or investigation, for deciding whether to re-file any pre-merger notification, for defending any lawsuit challenging the transactions contemplated hereby, and with respect to all meetings and communications with any Governmental Authority that has authority to enforce the HSR Act or any other Antitrust Law, but Purchaser will control and make all final decisions regarding the strategy, after giving good-faith consideration to the Company’s views.

(c) In furtherance of the foregoing obligations, Purchaser will use its reasonable best efforts and will take any and all steps necessary to avoid or eliminate each and every impediment under the HSR Act or any Antitrust Law that may be asserted by any Governmental Authority so as to enable the parties to close the transactions contemplated by this Agreement as promptly as possible. Nothing in

this Agreement, however, will require Purchaser or any of its Affiliates to: (i) sell, divest, dispose of, or transfer any assets, businesses or interests (either before or after the Closing Date), including those of the Purchaser, the Company or any of their respective Affiliates; (ii) license or otherwise make available to any Person, any technology or other Intellectual Property Rights of the Purchaser or the Company; (iii) hold separate any assets or operations (either before or after the Closing Date) of the Purchaser or the Company; (iv) change or modify any course of conduct or otherwise make any commitment (to any Governmental Authority or otherwise) regarding future operations of the Purchaser or the Company's business to obtain any approval from any Governmental Authority or to prevent the initiation of any lawsuit by any Governmental Authority under the HSR Act or other Antitrust Law or to prevent the entry of any decree, judgment, injunction (preliminary or permanent), or any order that would otherwise make the Agreement, the transactions contemplated hereby, or any contingent agreements unlawful; or (v) any modification or waiver of the terms and conditions of this Agreement.

(d) Notwithstanding anything to the contrary contained in this Agreement or contingent agreements, the Purchaser shall not be obligated to defend any action or proceeding instituted (or threatened to be instituted) challenging the transactions contemplated by this Agreement as violative of the HSR Act or other Antitrust Law, or if any decree, judgment, injunction or other order is entered, enforced or attempted to be entered or enforced by a court or other Governmental Authority, which decree, judgment, injunction or other order would make the transactions contemplated by this Agreement illegal or would otherwise prohibit, prevent, restrict, impair or delay consummation of the transactions contemplated hereby, the Purchaser is not required to take any action to contest or resist any such action or proceeding or to have vacated, lifted, reversed, or overturned any such decree, judgment, injunction or other order, whether temporary, preliminary or permanent, that is in effect and that prohibits, prevents or restricts consummation of the transactions contemplated by this Agreement or to have such decree, judgment, injunction or other order repealed, rescinded, or made inapplicable so as to permit consummation of the transactions contemplated by this Agreement. Subject to the terms and conditions of this Agreement, each party will use its reasonable best efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary, proper or advisable to consummate the transactions contemplated by this Agreement as promptly as practicable and in any event on or prior to the Outside Date.

Section 5.4 No Solicitation of Other Bids.

(a) The Sellers shall not, and shall not authorize or permit any of their Affiliates (including the Company) or any of its or their representatives to, directly or indirectly, (i) encourage, solicit, initiate, facilitate or continue inquiries regarding an Acquisition Proposal; (ii) enter into discussions or negotiations with, or provide any information to, any Person concerning a possible Acquisition Proposal; or (iii) enter into any agreements or other instruments (whether or not binding) regarding an Acquisition Proposal. The Sellers shall immediately cease and cause to be terminated, and shall cause their Affiliates (including the Company) and all of its and their representatives to immediately cease and cause to be terminated, all existing discussions or negotiations with any Persons conducted heretofore with respect to, or that could lead to, an Acquisition Proposal. For purposes hereof, "**Acquisition Proposal**" shall mean any inquiry, proposal or offer from any Person (other than the Purchaser or any of its Affiliates) concerning (i) a merger, consolidation, liquidation, recapitalization or other business combination transaction involving the Company; (ii) the issuance or acquisition of equity interests in the Company; or (iii) the sale, lease, exchange or other disposition of any significant portion of the Company's properties or assets.

(b) In addition to the other obligations under this Section 5.4, the Sellers shall promptly (and in any event within two Business Days after receipt thereof by the Sellers or their representatives) advise the Purchaser orally and in writing of any Acquisition Proposal, any request for information with respect to any Acquisition Proposal, or any inquiry with respect to or which could reasonably be expected to result in an Acquisition Proposal, the material terms and conditions of such request, Acquisition Proposal or inquiry, and the identity of the Person making the same.

(c) The Sellers agree that the rights and remedies for noncompliance with this Section 5.4 shall include having such provision specifically enforced by any court having equity jurisdiction, it being acknowledged and agreed that any such breach or threatened breach shall cause irreparable injury to the Purchaser and that money damages would not provide an adequate remedy to the Purchaser.

Section 5.5 Confidentiality.

(a) From and after the Closing, each Seller will maintain the confidentiality of, and not use for their own benefit or the benefit of any other Person, the Confidential Information of the Company and its Subsidiaries (the “*Company Confidential Information*”) other than in connection with any dispute hereunder or any Third Party Claim, or as contemplated by his or her Seller Employment Agreement on behalf of Purchaser.

(b) Each Seller acknowledges that such Company Confidential Information constitutes a unique and valuable asset of the Company and represents a substantial investment of time and expense, and that any disclosure or other use of such Company Confidential Information other than for the sole benefit of the Purchaser would be wrongful and would cause irreparable harm to the Purchaser. The foregoing obligations of confidentiality will not apply to any Company Confidential Information that is or subsequently becomes generally publicly known, other than as a direct or indirect result of the breach of this Agreement by a Seller.

(c) Each Seller acknowledges that the Purchaser has required that such Seller make the agreements in this Section 5.5 a condition to the Purchaser’s consummation of the transactions contemplated by this Agreement. Each Seller agrees that the agreements contained in this Section 5.5 are reasonable and necessary to protect the legitimate interests of the Purchaser and that any violation or breach of this Section 5.5 will result in irreparable injury to Purchaser for which no adequate remedy would exist at Law. Accordingly, in addition to any relief at Law that may be available to the Purchaser for such violation or breach and regardless of any other provision contained in this Agreement, the Purchaser will be entitled to injunctive and other equitable relief restraining such violation or breach (without any requirement that the Purchaser provide any bond or other security).

(d) In the event that a Seller is requested or required (by oral question or request for information or documents in any legal proceeding, interrogatory, subpoena, civil investigative demand or similar process) to disclose any Company Confidential Information, such Seller will notify the Purchaser promptly of the request or requirement so that the Purchaser may seek an appropriate protective order or waive compliance with the provisions of this Section 5.5, except as may be reasonably necessary for the performance of this Agreement or any Ancillary Agreement. If, in the absence of a protective order or the receipt of a waiver from the Purchaser, a Seller is, on the advice of counsel, compelled to disclose any Company Confidential Information to any tribunal or else stand liable for contempt, such Seller may disclose the Company Confidential Information to the tribunal; provided, that such Seller will use commercially reasonable efforts, at the request of the Purchaser, to obtain or enable the Purchaser to obtain, in each case at the Purchaser’s cost, an order or other assurance that confidential treatment will be accorded to such portion of the Company Confidential Information required to be disclosed as the Purchaser designates.

(e) To the extent that any Seller has not done so prior to the Closing, each such Seller will, immediately following the Closing, surrender to the Company all data, documents, records, data bases, specifications, customer lists, financial reports and all other tangible embodiments of Company Confidential Information, it being expressly understood that all these writings, tangible embodiments and other things are the exclusive property of the Company.

Section 5.6 Public Announcements. Any public announcement or similar publicity with respect to this Agreement or the transactions contemplated by this Agreement will be issued at such time and in such manner as the Purchaser and the Seller Representative may mutually agree unless such announcement is required by applicable Law or the rules and regulation of any securities Laws or regulations or the rules of any securities exchange, in which case, to the extent legally permissible, the Purchaser shall give the Seller Representative prior notice including providing the Seller Representative with a copy of the proposed disclosure in advance and shall, insofar as may be reasonably practicable and legally permissible, consider in good faith all reasonable comments of Seller Representative. The Purchaser and the Seller Representative will mutually agree with each other concerning the means by which the employees, customers, suppliers and others having dealings with the Company will be informed of the transactions contemplated by this Agreement, and with the consent of the Seller Representative, which consent shall not be unreasonably withheld or delayed, the Purchaser has the right to be present for any such communication. Notwithstanding anything to the contrary in this Agreement, the Purchaser may, without the prior written consent of the Sellers or the Company, disclose any information which the Purchaser is required to disclose under applicable securities Laws or stock

exchange rules; provided, however, to the extent legally permissible, the Purchaser shall give the Seller Representative prior notice including providing the Seller Representative with a copy of the proposed disclosure in advance and shall, insofar as may be reasonably practicable and legally permissible, consider in good faith all reasonable comments of Seller Representative.

Section 5.7 Notice of Certain Events.

(a) From the date hereof until the Closing, the Sellers shall promptly notify the Purchaser in writing of:

(i) any fact, circumstance, event or action the existence, occurrence or taking of which (A) has had, or could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, (B) has resulted in, or could reasonably be expected to result in, any representation or warranty made by Sellers hereunder not being true and correct or (C) has resulted in, or could reasonably be expected to result in, the failure of any of the conditions set forth in Section 7.2 to be satisfied;

(ii) any notice or other communication from any Person alleging that the consent of such Person is or may be required in connection with the transactions contemplated by this Agreement (for clarity, the identity of any party to a Proprietary Contract or Customer Guaranty shall not be disclosed);

(iii) any notice or other communication from any Governmental Authority in connection with the transactions contemplated by this Agreement (for clarity, the identity of any party to a Proprietary Contract or Customer Guaranty shall not be disclosed); and

(iv) any Proceedings commenced or, to the Sellers' Knowledge, threatened against, relating to or involving or otherwise affecting any Seller, the Company or any Subsidiary that, if pending on the date of this Agreement, would have been required to have been disclosed pursuant to Section 3.21 or that relates to the consummation of the transactions contemplated by this Agreement.

(b) From the date hereof until the Closing, the Purchaser shall promptly notify the Seller Representative in writing of:

(i) any fact, circumstance, event or action the existence, occurrence or taking of which (A) has resulted in, or could reasonably be expected to result in, any representation or warranty made by the Purchaser hereunder not being materially true and correct or (B) has resulted in, or could reasonably be expected to result in, the failure of any of the conditions set forth in Section 7.3 to be satisfied;

(ii) any notice or other communication from any Person alleging that the consent of such Person is or may be required in connection with the transactions contemplated by this Agreement;

(iii) any notice or other communication from any Governmental Authority in connection with the transactions contemplated by this Agreement; and

(iv) any Proceedings commenced or, to the Purchaser's knowledge, threatened against, relating to or involving or otherwise affecting the Purchaser or any of its Subsidiaries that, if pending on the date of this Agreement, would have been required to have been disclosed pursuant to Section 5.3 or that relates to the consummation of the transactions contemplated by this Agreement.

(c) The receipt of information pursuant to this Section 5.7 by Purchaser or Sellers shall not operate as a waiver or otherwise affect any representation, warranty or agreement given or made by the Purchaser, the Sellers or the Company in this Agreement and shall not be deemed to amend or supplement the Sellers Disclosure Schedule.

Section 5.8 Employment Matters.

(a) The Sellers shall undertake commercially reasonable efforts to secure and maintain employment of mutually agreed employees of the Company and the Subsidiaries prior to and through the Closing Date. Without limiting the foregoing, the Sellers will undertake reasonable best efforts to secure and maintain employment of the Key Persons to and through the Closing Date and will cooperate in securing the execution of employment agreements between Purchaser or its Affiliate and the

Key Persons prior to the Closing Date, which shall be on terms no less favorable in the aggregate than such Key Person's compensation and benefits in effect immediately prior to the Closing.

(b) With respect to any paid time off, each Continuing Employee's service with the Company shall be treated as service with Purchaser or its Affiliates.

(c) Nothing in this Section 5.8, whether express or implied, shall be treated as creating a benefit plan, an amendment or other modification of any benefit plan of the Company or any benefit plan maintained by Purchaser or any of its Affiliates. Nothing in this Section 5.8, whether express or implied, shall diminish Purchaser's or its Affiliates' right to amend and/or terminate any benefit at any time or from time to time. The representations, warranties, covenants and agreements contained herein are for the sole benefit of the parties hereto, and the Continuing Employees are not intended to be and shall not be construed as beneficiaries hereof.

(d) Nothing in this Agreement, whether express or implied, shall create any right or entitlement to continued employment with Purchaser or any of its Affiliates.

(e) This Section 5.8 will not create any third-party beneficiary rights, nor will it be enforceable by any employee, any Person representing the interest of employees, or any spouse, dependent or beneficiary of any employee, nor will anything herein be deemed an amendment to any employee benefit plan. This Section 5.8 is solely an agreement between and for the benefit of the parties to this Agreement and will be enforceable by them. No term of this Agreement will be deemed to create any Contract with any employee or to give any employee the right to be retained in the employment of the Company or any of its Affiliates (including, after the Closing, Purchaser), or to interfere with the Company's or any of its Affiliates' (including, after the Closing, Purchaser) right to terminate the employment of any employee at any time.

Section 5.9 Real Property Matters.

(a) The Sellers and the Company shall use commercially reasonable efforts to cooperate with the Purchaser in connection with the Purchaser obtaining new title commitments and/or new title policies for, and/or new surveys of, the Company Property, all at Purchaser's sole discretion, cost and expense (collectively, the "**Updated Title Evidence**"). If the Purchaser elects to obtain any new title policy, the Sellers and the Company shall use commercially reasonable efforts to deliver to the Title Company standard owner's affidavits, copies of organizational documents and authorizing resolutions, and other documents reasonably required by that certain title company selected by the Purchaser ("**Title Company**") to issue such new title policies, including an affidavit in a form acceptable to the Title Company to issue a non-imputation endorsement to such new title policies. Notwithstanding the foregoing, any such affidavits and documents shall be in a form reasonably acceptable to the Sellers. The Sellers shall not be obligated to deliver any indemnities or affidavits beyond those customarily required by title companies in similar transactions. If any Updated Title Evidence shows any new title exceptions, documents or other matters which are not Permitted Encumbrances and that could reasonably be expected to materially and adversely affect the Purchaser's ability to operate the Company Property or the ownership or value of the Company Property ("**New Title and Survey Matters**"), then the Purchaser shall have the right to approve or disapprove any such New Title and Survey Matters by written notice to the Seller Representative (the "**Title Objections**"), and the Sellers and the Company shall use commercially reasonable efforts to cure such Title Objections, provided that the Sellers shall not be required to incur any material cost or liability (deemed excessive by Sellers in their reasonable discretion) to do so. Notwithstanding the foregoing, the Sellers and the Company shall use commercially reasonable efforts to satisfy and cause to be released of record any Encumbrances securing monetary obligations which are not Permitted Encumbrances.

(b) From the date hereof until the Closing, Purchaser and its authorized agents and representatives (collectively, the "**Purchaser Parties**") shall have the right to enter upon the Company Property at all reasonable times during normal business hours to perform Phase II environmental testing as set forth on Schedule 5.9(b) and such other inspections and examinations of the Company Property as the parties otherwise mutually agree, at Purchaser's sole cost and expense. The Purchaser will provide the Seller Representative with notice of the intention of Purchaser or the other Purchaser Parties to enter the Company Property at least five Business Days prior to such intended entry and specify the intended purpose therefore, the identities of the Purchaser Parties involved, and the inspection and examination contemplated to be made and with whom any of the Purchaser Parties will communicate. At the Seller Representative's option, the Sellers may be present for any such entry, inspection, examination or

communication. The Purchaser shall use reasonable efforts to minimize interference with the Company's use and occupancy of the Owned Real Property and shall indemnify and hold the Sellers harmless from any damage or claims arising from such entry or inspections, except to the extent caused by the Sellers' negligence or willful misconduct or the Environmental Issue itself unless the Purchaser's activities under this Section 5.9 exacerbate the Environmental Issue by making it more costly or more time consuming to address.

(c) If any Environmental Issues are identified in Phase II environmental testing, the Purchaser shall provide the Seller Representative with written notice describing the Environmental Issues. The parties shall negotiate in good faith toward a mutually acceptable resolution to address any such Environmental Issues. "**Environmental Issue**" shall mean any environmental condition discovered in Phase II environmental testing that is reasonably likely to require remediation or result in material costs or liabilities under applicable Environmental Laws. The Sellers shall not be obligated to undertake or pay for any remediation unless otherwise agreed in writing by the parties. If no resolution is reached within twenty Business Days of the notice, the parties shall appoint mutually acceptable environmental and financial consultants (collectively, the "**Environmental Expert**") to assess the condition and the estimated costs of remediation to address any such Environmental Issues.

(d) If the net present value (as determined by the Environmental Expert) of the losses, liabilities, or costs associated with the Environmental Issues (the "**Environmental Adjustment Amount**") equals or exceeds \$10,000,000 (the "**Threshold**"), the Purchaser may elect to terminate this Agreement within ten Business Days of receiving the Environmental Expert's report. If the Purchaser does not elect to terminate the Agreement within ten Business Days of receiving the Environmental Expert's report, then Purchaser shall be deemed to have waived its right to terminate the Agreement pursuant to this Section 5.9. In the event that (i) the Environmental Adjustment Amount is less than the Threshold or (ii) the Environmental Adjustment Amount equals or exceeds the Threshold and the Purchaser does not elect to terminate this Agreement, the Purchase Price shall be reduced by the lesser of (x) the Environmental Adjustment Amount or (y) \$5,000,000. For clarity, (A) the Environmental Adjustment Amount includes removal, remediation, or other cleanup costs required by any Governmental Authority for the non-complying party to achieve material compliance with any Environmental Law, and (B) the Environmental Adjustment Amount does not include removal, remediation, or other cleanup costs that are a third-party's legal obligation. Notwithstanding the foregoing, the parties hereby agree not to disclose to the Environmental Expert any information related to requirements of this Section 5.9, including the Threshold set forth in this Section 5.9.

(e) After the Closing, any remediation or other actions (the "**Environmental Remediation**") to address the Environmental Issues shall be controlled by the Purchaser.

Section 5.10 Closing Conditions. From the date hereof until the Closing, each party hereto shall, and the Sellers shall cause the Company to, use reasonable best efforts to take such actions as are necessary to expeditiously satisfy the closing conditions set forth in ARTICLE 7.

Section 5.11 Further Assurances. Subject to the other express provisions of this Agreement, upon the reasonable request of any party to this Agreement, the other parties will (a) furnish to the requesting party any additional information, (b) execute and deliver, at their own expense, any other documents and (c) take any other actions as the requesting party may reasonably require to more effectively carry out the intent of this Agreement and the transactions contemplated by this Agreement.

Section 5.12 Control of Operations. Without in any way limiting any party's rights or obligations under this Agreement, the parties understand and agree that (a) nothing contained in this Agreement shall give the Purchaser, directly or indirectly, the right to control or direct the Business prior to the Closing and (b) prior to the Closing, the Company shall exercise, consistent with the terms and conditions of this Agreement, complete control and supervision over the operation of the Business.

Section 5.13 Excluded Assets. Immediately prior to the Closing, to the extent not previously done, Company shall distribute to Sellers any Excluded Assets in the custody of the Company; provided, however, that any Excluded Assets not in the custody of the Company as of the Closing shall be distributed to the Sellers promptly following receipt by Company of the same, with such distribution to be deemed to have occurred immediately prior to Closing to the extent permitted by applicable Law.

Section 5.14 Updates to Schedules. Without limiting the generality of Section 5.7, the parties shall each provide the other parties with written updates to the Disclosure Schedules promptly upon

becoming aware of facts or circumstances that would cause any of the representations and warranties in ARTICLE 3 (with respect to the Sellers and the Company) or ARTICLE 4 (with respect to the Purchaser) to be untrue or incomplete in any material respect (each, a “**Schedule Supplement**”). Each such Schedule Supplement shall be deemed to be incorporated into and to supplement and amend the Disclosure Schedules solely with respect to any matter arising (or, in the case of matters for which such party’s disclosure obligation hereunder is limited to the knowledge of such party, discovered) after the date hereof; provided, that any such amended, supplemental or new disclosure will be deemed to have cured any breach of the representations and warranties set forth in ARTICLE 3 and ARTICLE 4 for purposes of indemnification under ARTICLE 9 only if (i) the Purchaser has the right to, but does not elect to terminate this Agreement after receipt of such Schedule Supplement and the Sellers and the Company notify the Purchaser in the relevant Schedule Supplement that it believes the Purchaser has such a termination right; (ii) the representations and/or warranties to which the subject matter of any such Schedule Supplement specifically relates were, as of the date of this Agreement, (A) true and correct in all material respects, (B) in the case of a representation or warranty that is already subject to materiality or Material Adverse Effect qualifications, true and correct in all respects, and (iii) such breach was not the result of (A) any intentional misconduct of the Sellers or the Company or (B) any violation of a covenant set forth in this Agreement; provided, that, notwithstanding the foregoing, the Sellers shall be entitled to update the Sellers Disclosure Schedule (x) for Contracts required to be disclosed pursuant to Section 3.16 and Section 3.22 that are entered into between the date hereof and the Closing Date, to the extent such Contracts and Customer Guaranties are entered into in accordance with Section 5.1, and the Disclosure Schedule shall be deemed to be amended by any such updates as of the Closing Date and (y) with respect to disclosures in the Sellers Disclosure Schedule require updating for changes of facts and circumstances occurring after the date hereof to the extent such facts and circumstances occur without violation of Section 5.1, and the Sellers Disclosure Schedule shall be deemed to be amended by any such updates as of the Closing Date. In addition, the Sellers Disclosure Schedule shall be deemed to have been updated for, and accepted, with respect to the matters reflected in the Phase II environmental testing. No party may use the fact that it has provided updates to the Disclosure Schedules (or the contents of such updates) as a basis for asserting that any of the closing conditions in Section 7.2 (with respect to updates provided by the Sellers) or Section 7.3 (with respect to updates provided by the Purchaser) have been satisfied if such update would have a material impact on the Company. Notwithstanding any of the foregoing, if Closing would otherwise occur at a time within three Business Days of the last update provided by Sellers or the Company under this Section 5.15, the Purchaser shall have the unilateral right to extend Closing by not more than three Business Days after the date on which the Purchaser last receives any such update, and, if such extension would cause Closing to occur after the Outside Date, to extend the Outside Date by an equal amount of time.

Section 5.15 Business Guaranties. One or more of the Sellers are guarantors of the Company credit cards and certain vendor accounts listed on Schedule 5.15 hereof and such other similar guaranties entered into with vendors in the ordinary course of business of the Company (the “**Guaranties**”). Promptly following Closing, the Purchaser will use commercially reasonable efforts to remove such Sellers as a guarantor under the Guaranties.

Section 5.16 Letters of Credit. The Company has provided letters of credit to certain customers, including the letters of credit listed on Schedule 5.16 (the “**Letters of Credit**”). Promptly following the Closing, the Purchaser shall use commercially reasonable efforts to replace such Letters of Credit and, if applicable, remove Sellers as a guarantor under such Letters of Credit.

ARTICLE 6 CERTAIN TAX MATTERS

Section 6.1 Tax Matters and Tax Returns.

(a) The parties intend for the purchase of the Membership Interests of the Company contemplated by this Agreement to be treated as a purchase of the assets of the Company and the Subsidiaries for federal and applicable state income Tax purposes.

(b) The parties shall allocate the Purchase Price (plus the Liabilities of the Company and the Subsidiaries and any other items treated as consideration for Tax purposes) among the assets of the Company and the Subsidiaries in accordance with the methodology set forth on Schedule 6.1(b) which the parties agree is consistent with Section 1060 of the Code and the Treasury Regulations promulgated thereunder. As soon as reasonably practicable following the Closing, but not later than 60 days after the

determination of the Final Purchase Price, the Purchaser shall prepare an allocation of the Purchase Price (plus the Liabilities of the Company and the Subsidiaries and any other items treated as consideration for Tax purposes) among the assets of the Company and the Subsidiaries (the “**Purchase Price Allocation**”), which Purchaser shall deliver to the Seller Representative. If the Seller Representative disagrees with the Allocation Statement, HoldCo shall, within 20 days following receipt of the Purchase Price Allocation, deliver a written objection to the Purchaser. The Purchaser and the Seller Representative shall attempt to resolve any disagreement with respect to the Purchase Price Allocation in good faith and the Purchaser shall make such changes to the Purchase Price Allocation as are mutually agreed by the Purchaser and the Seller Representative. In the event the Seller Representative does not notify the Purchaser of a dispute with respect to the Purchase Price Allocation within such 20-day period, such Purchase Price Allocation will be final, conclusive, and binding on the parties. If the Purchaser and the Seller Representative fail to resolve such dispute relating to the Purchase Price Allocation within 10 days after the Seller Representative advises the Purchaser of its objections, then the Purchaser and the Seller Representative jointly shall engage the Independent Accounting Firm to resolve the dispute in accordance with the procedures set forth in Section 2.5(c), applied *mutatis mutandis*. The parties shall report, act and file all Tax Returns in all respects and for all purposes consistent with the Purchase Price Allocation and this Section 6.1, and no party shall take any position (whether in audits, Tax Returns or otherwise) that is inconsistent with the Purchase Price Allocation or this Section 6.1 unless required to do so by applicable Law. If the Purchase Price is adjusted in any manner as provided in this Agreement, the Purchase Price Allocation shall be adjusted accordingly.

(c) The Seller Representative shall prepare and file (or cause to be prepared and filed), at Sellers’ expense, on a timely basis all Tax Returns of the Company and each of its Subsidiaries for taxable periods ending on or before the Closing Date. Such Tax Returns will be prepared in a manner consistent with and utilizing the accounting methods utilized in the preparation of the prior Tax Returns of the Company or such Subsidiary, as applicable, to the extent such accounting methods comply with applicable Law. The Purchaser shall cause the Company and its Subsidiaries to provide the Sellers and their representatives with access to the books and records of the Company and its Subsidiaries reasonably necessary during normal working hours to prepare such Tax Returns. The Sellers (i) will submit all such Tax Returns and any requested work papers to the Purchaser for its review at least 30 days prior to filing with regard to income Tax Returns, and at least 5 days prior to filing with regard to all other Tax Returns, and shall consider in good faith any comments received from the Purchaser and (ii) will, promptly after filing, forward to the Purchaser an accurate and complete copy of such filed Tax Returns and proof of payment of the subject Taxes. In the event that the Sellers fail to prepare and file or cause to be prepared or filed any Tax Return they are required to file pursuant to this Section 6.1(c), the Purchaser shall have the right, but not the obligation, to prepare and file such Tax Returns at its expense.

(d) The Purchaser shall prepare and file (or cause to be prepared and filed) all Tax Returns with respect to the Company and its Subsidiaries for all taxable periods ending after the Closing Date (as well as any Tax Returns for taxable periods ending on or before the Closing Date that it elects to file under Section 6.1(c)).

Section 6.2 Payment of Taxes.

(a) To the extent that Taxes of the Company and its Subsidiaries for all taxable periods and portions of periods through the Closing Date (including all such Taxes payable with respect to Tax Returns filed under this ARTICLE 6 and any Taxes assessed after the Closing with respect to taxable periods or portions of periods through the Closing Date) are accrued or expressly reserved for as current Liabilities in line items on the Closing Balance Sheet and taken into account in determining the Closing Net Working Capital or Closing Indebtedness, the Purchaser will pay or cause to be paid such Taxes. To the extent such Taxes for all taxable periods and portions of periods through the Closing Date are not so reflected as current Liabilities on the Closing Balance Sheet and not taken into account in determining the Closing Net Working Capital or Closing Indebtedness, the Sellers will pay all such Taxes. Taxes that are payable with respect to a taxable period that begins before the Closing Date and ends after the Closing Date will be allocated to the portion of the period that ends on the Closing Date in accordance with Section 6.3.

(b) In the case of Tax Returns filed by the Purchaser under this ARTICLE 6 and as to which the Purchaser expects payment from the Sellers, the Purchaser may elect to deliver the pertinent Tax Return to the Sellers and inform the Sellers of any amounts due from the Sellers at least ten days prior to the due date of the pertinent Tax Return and the Sellers will pay such amounts to the Purchaser in

immediately available funds at least two Business Days prior to the due date of the Tax Return. In the case of any Tax Returns filed by the Sellers, the Sellers will pay the amount of Taxes due with respect to such Tax Returns (with the Purchaser being required to supply any amounts payable by the Purchaser by the due date of the subject Tax Return).

Section 6.3 Tax Apportionment. In the case of Taxes that are payable with respect to a taxable period that begins before the Closing Date and ends after the Closing Date, the portion of any such Tax that is allocable to the portion of the period ending on the Closing Date will be:

(a) in the case of Taxes that are either (i) based upon or related to income or receipts or (ii) imposed in connection with any sale or other transfer or assignment of property (real or personal, tangible or intangible) (other than any transaction Taxes contemplated by Section 6.6), deemed equal to the amount which would be payable if the taxable period ended as of the close of business on the Closing Date; and

(b) in the case of Taxes imposed on a periodic basis with respect to the assets of the Company or any of its Subsidiaries, or otherwise measured by the level of any item, deemed to be the amount of such Taxes for the entire period (or, in the case of such Taxes determined on an arrears basis, the amount of such Taxes for the immediately preceding period), multiplied by a fraction the numerator of which is the number of calendar days in the period ending on the Closing Date and the denominator of which is the number of calendar days in the entire period.

Section 6.4 Tax Proceedings.

(a) After the Closing Date, the Purchaser shall notify the Sellers in writing within fifteen days of the receipt of any proposed assessment or the commencement of any Tax audit or other administrative or judicial proceeding or of any demand or claim that relates to the Taxes of the Company or any Subsidiary for any taxable periods or portions of taxable periods through the Closing Date ("**Tax Proceeding**"). Any such notice shall contain factual information describing any such Tax Proceeding in reasonable detail and shall include copies of any notice or other document received from any Governmental Authority in respect of any such asserted Tax Proceeding.

(b) The Sellers shall have the right, at the Sellers' sole expense, to control the conduct of any Company Tax Proceeding (but only to the extent the Sellers conduct the defense of such Company Tax Proceeding actively, diligently and in good faith); provided, that if the Sellers are entitled to control such Company Tax Proceeding pursuant to the foregoing sentence, the Purchaser shall have the right, at the Purchaser's sole expense, to participate in (but not control) such Company Tax Proceeding and the Sellers shall not settle such Company Tax Proceeding without the written consent of the Purchaser, which such consent shall not be unreasonably withheld, delayed or conditioned.

Section 6.5 Cooperation. The Sellers and the Purchaser shall reasonably cooperate, as and to the extent reasonably requested by the other party, in connection with the preparation and filing of Tax Returns pursuant to Section 6.1 and any Tax Proceeding. Such cooperation may include signing Tax returns, amended Tax Returns, claims or other documents necessary to settle any Tax Proceeding, the retention and (upon the other party's request) the provision of records and information which are reasonably relevant to any such Tax Proceeding or other proceeding and making themselves or their employees available on a mutually convenient basis to provide additional information and explanation of any material or information provided hereby.

Section 6.6 Transactional Taxes. Notwithstanding any other provision of this Agreement, except to the extent related to the Restructuring, all transfer, documentary, recording, notarial, sales, use, registration, stamp and other similar Taxes or fees imposed by any taxing authority in connection with the transactions contemplated by this Agreement will be borne 50% by the Purchaser and 50% by the Sellers, pro rata in accordance with each Seller's Pro Rata Shares ("**Transactional Taxes**"). All Transactional Taxes related to the Restructuring and the transactions contemplated by the Asset Transfer Agreement described in Section 7.2(g) shall be borne by the Sellers, pro rata in accordance with each Seller's Pro Rata Shares. The Sellers will, at their own expense, file all necessary Tax Returns and other documentation with respect to all such Taxes and, if required by applicable Law, the Purchaser will, and will cause its Affiliates to, join in the execution of any such Tax Returns or other documentation.

Section 6.7 Amended Tax Returns; Tax Elections; Other Tax Matters. Unless otherwise required by applicable Law, the Sellers shall not, and will not cause or permit the Company to, without the prior written consent of the Purchaser (which consent will not be unreasonably withheld, conditioned

or delayed): (a) make or revoke, or cause or permit to be made or revoked, any Tax election pertaining to the Company or any of its Subsidiaries, or the ownership of any capital equity of the Company, if such election could result in the Purchaser or any of its Affiliates being liable for any amounts, including under this Agreement or to any Governmental Authority in respect of Taxes; (b) file, or allow to be filed, any amended Tax Return of the Company or any of its Subsidiaries for any taxable periods or portions of taxable periods beginning before the Closing Date through the Closing Date, unless otherwise required by applicable Law, if such amendment could result in the Purchaser or any of its Affiliates being liable for any amounts, including under this Agreement or to any Governmental Authority in respect of Taxes; or (c) apply to any Governmental Authority for any binding or non-binding opinion, ruling, or other determination with respect to the Company or any of its Subsidiaries in relation to any act, matter or transaction that occurred on or before the Closing Date or that relates to any taxable periods or portions of taxable periods beginning before the Closing Date through the Closing Date. Unless otherwise required by applicable Law, the Purchaser shall not, without the prior written consent of the Seller Representative (which consent will not be unreasonably withheld, conditioned or delayed) cause or permit the Company or any of its Subsidiaries, to (v) file (other than in accordance with Section 6.1(d)) or amend any Tax Return of the Company or any of its Subsidiaries for any taxable period that begins on or prior to the Closing Date, (w) make any election for or with respect to the Company or any of its Subsidiaries that has retroactive effect to any taxable period that ends on or prior to the Closing Date, (x) voluntarily approach any taxing authority regarding taxable periods of the Company or any of its Subsidiaries ending on or prior to the Closing Date, or (y) apply to any Governmental Authority for any binding or non-binding opinion, ruling, or other determination with respect to the Company or any of its Subsidiaries in relation to any act, matter or transaction that occurred on or before the Closing Date or that relates to any taxable periods or portions of taxable periods ending on or before the Closing Date, or (z) waive or extend the statute of limitations relating to any Taxes or Tax Returns of the Company for any taxable periods or portions of taxable periods ending on or before the Closing Date (each a “*Restricted Tax Action*”).

Section 6.8 Tax Refunds. Except to the extent reflected as an asset in the calculation of the Final Purchase Price, HoldCo will be entitled to any Tax refunds of the Company and its Subsidiaries that are received by the Purchaser, the Company or a Subsidiary (in each case, including any amounts credited against Tax) to which the Purchaser, the Company or a Subsidiary, as applicable, become entitled in any post-Closing taxable period, but excluding any Tax refunds related to any carryback of losses attributable to a post-Closing taxable period, that relate to any pre-Closing taxable period. In determining the portion of a Tax refund or credit relating to a pre-Closing taxable period, any refund of Taxes relating to a straddle period shall be equitably apportioned between the portion of such straddle period ending on the Closing Date and that portion of such straddle period beginning on the day after the Closing Date in accordance with the principles set forth in Section 6.3. The Purchaser shall, within five days after actual receipt of such refund or credit against Taxes, pay over to HoldCo any such refund or the amount of any such credit within five days after actual receipt of such refund or credit against Taxes.

ARTICLE 7 CONDITIONS TO CLOSING

Section 7.1 Conditions to the Obligations of All Parties. The obligations of each party to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment, at or prior to the Closing, of each of the following conditions:

(a) The filings of the Purchaser and the Sellers pursuant to the HSR Act, if any, shall have been made and the applicable waiting period and any extensions thereof shall have expired or been terminated.

(b) No Governmental Authority shall have enacted, issued, promulgated, enforced or entered any Order which is in effect and has the effect of making the transactions contemplated by this Agreement illegal, otherwise restraining or prohibiting consummation of such transactions or causing any of the transactions contemplated hereunder to be rescinded following completion thereof.

Section 7.2 Conditions to the Obligations of Purchaser. The obligations of the Purchaser to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment or the Purchaser’s waiver, at or prior to the Closing, of each of the following conditions:

(a) Other than the Seller Fundamental Representations, the representations and warranties of the Company and the Sellers contained in this Agreement, the Ancillary Agreements and

any certificate or other writing delivered pursuant hereto shall be true and correct in all respects (in the case of any representation or warranty qualified by materiality or Material Adverse Effect) or in all material respects (in the case of any representation or warranty not qualified by materiality or Material Adverse Effect) on and as of the date hereof and on and as of the Closing Date with the same effect as though made at and as of such date (except those representations and warranties that address matters only as of a specified date, the accuracy of which shall be determined as of that specified date in all respects), subject to updates provided pursuant to Section 5.15. The representations and warranties of the Company and the Sellers contained in the Seller Fundamental Representations shall be true and correct in all respects on and as of the date hereof and on and as of the Closing Date with the same effect as though made at and as of such date (except those representations and warranties that address matters only as of a specified date, the accuracy of which shall be determined as of that specified date in all respects).

(b) The Sellers and the Company shall have duly performed and complied in all material respects with all agreements, covenants and conditions required by this Agreement and each of the Ancillary Agreements to be performed or complied with by them prior to or on the Closing Date.

(c) All approvals, consents and waivers that are listed on Section 7.2(c) of the Sellers Disclosure Schedule shall have been received, and executed counterparts thereof shall have been delivered to the Purchaser at or prior to the Closing.

(d) From the date of this Agreement, there shall not have occurred any Material Adverse Effect, nor shall any event or events have occurred that, individually or in the aggregate, with or without the lapse of time, could reasonably be expected to result in a Material Adverse Effect.

(e) The Sellers, HoldCo, and the Company shall have duly performed all steps of the Restructuring as required by this Agreement prior to or on the Closing Date.

(f) At least five Business Days before Closing, the Seller Representative shall have delivered to the Purchaser the Estimated Calculation Statement.

(g) The Company shall have executed and delivered an asset transfer agreement, in form and substance reasonably satisfactory to the Purchaser, by and among the Company and certain Affiliates of the Company, pursuant to which (1) such Affiliates transferred certain assets and liabilities related to the Business, as set forth on Schedule 7.2(g), to the Company and (2) the Company transferred certain assets and liabilities unrelated to the Business, as set forth on Schedule 7.2(g), to such Affiliates (the "**Asset Transfer Agreement**"), and true and complete copies thereof shall have been delivered to the Purchaser.

(h) The Company shall have delivered evidence, in form and substance reasonably satisfactory to the Purchaser, of the release of all Encumbrances on the assets and equity of the Company, other than Permitted Encumbrances and Encumbrances referenced in the payoff letters from the applicable creditor evidencing the aggregate amount of Closing Indebtedness outstanding as of the Closing Date and an agreement that, if such aggregate amount so identified is paid in accordance with such payoff letters on the Closing Date, such Closing Indebtedness shall be repaid in full and that all Encumbrances shall be released.

(i) The Noncompetition Agreements (including any provision therein) shall not have been repudiated or rescinded by any party thereto.

(j) The Seller Employment Agreements (including any provision therein) shall not have been repudiated or rescinded by any party thereto.

(k) At least five Business Days before Closing, the Seller Representative shall have delivered to the Purchaser an updated Section 3.18(b) of the Sellers Disclosure Schedule as of the Closing.

(l) The Company shall have adopted resolutions and taken such corporate action as is reasonably necessary to terminate the Company's 401(k) Plan and each other qualified plan sponsored by the Company, effective prior to the Closing Date. The Company shall provide Purchaser with evidence of such action (the form and substance of which shall be subject to review and approval by Purchaser, which approval shall not be unreasonably withheld) not later than the day immediately preceding the Closing Date. The Company shall be responsible for paying all costs associated with terminating any such Company Plans.

(m) The other Ancillary Agreements shall have been executed and delivered by the parties thereto and true and complete copies thereof shall have been delivered to the Purchaser.

Section 7.3 Conditions to the Obligations of Sellers. The obligations of the Sellers to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment or the Sellers' waiver, at or prior to the Closing, of each of the following conditions:

(a) Other than the representations and warranties of the Purchaser contained in the Purchaser Fundamental Representations, the representations and warranties of the Purchaser contained in this Agreement, the Ancillary Agreements and any certificate or other writing delivered pursuant hereto shall be true and correct in all respects (in the case of any representation or warranty qualified by materiality or Material Adverse Effect) or in all material respects (in the case of any representation or warranty not qualified by materiality or Material Adverse Effect) on and as of the date hereof and on and as of the Closing Date with the same effect as though made at and as of such date (except those representations and warranties that address matters only as of a specified date, the accuracy of which shall be determined as of that specified date in all respects). The Purchaser Fundamental Representations shall be true and correct in all respects on and as of the date hereof and on and as of the Closing Date with the same effect as though made at and as of such date.

(b) The Purchaser shall have duly performed and complied in all material respects with all agreements, covenants and conditions required by this Agreement and each of the Ancillary Agreements to be performed or complied with by it prior to or on the Closing Date.

(c) The Ancillary Agreements shall have been executed and delivered by the parties thereto and true and complete copies thereof shall have been delivered to the Sellers.

ARTICLE 8 TERMINATION

Section 8.1 Termination. This Agreement may be terminated at any time prior to the Closing:

(a) by mutual agreement of the Purchaser and the Sellers;

(b) by either the Purchaser or the Seller Representative, by giving written notice to the other party, if (i) a court of competent jurisdiction or other Governmental Authority shall have issued a nonappealable final order, decree or ruling having the effect of permanently restraining, enjoining or otherwise prohibiting the transactions contemplated by this Agreement, including the HSR Act, or (ii) any Governmental Authority shall institute any lawsuit challenging the validity or legality, or seeking to restrain the consummation of, the transactions contemplated by this Agreement;

(c) by the Purchaser in accordance with Section 5.9, if Environmental Issues resulting in an Environmental Adjustment Amount equal to or exceeding the Threshold are identified;

(d) by the Purchaser, by giving written notice to the Seller Representative, if the Seller Employment Agreements have not been executed and delivered to the Purchaser;

(e) by the Purchaser, (i) if Sellers or the Company have breached or failed to perform any of its covenants or other agreements contained in this Agreement required to be complied with by them, which breach or failure to perform would give rise to the failure of a condition set forth in ARTICLE 7 or (ii) there exists a breach of or inaccuracy in a representation or warranty of Seller or the Company contained in this Agreement, which breach or failure to perform would give rise to the failure of a condition set forth in Section 7.2, and in the case of either (i) or (ii) above, such breach or failure is not cured within 30 days after receipt of written notice thereof or is incapable of being cured by the Sellers or the Company before the Outside Date; provided, however, that the Purchaser shall not have the right to terminate this Agreement pursuant to this Section 8.1(e) if the Purchaser is then in material breach of this Agreement;

(f) by the Sellers, (i) if the Purchaser has breached or failed to perform any of its covenants or other agreements contained in this Agreement required to be complied with by it, which breach or failure to perform would give rise to the failure of a condition set forth in ARTICLE 7 or (ii) there exists a breach of or inaccuracy in a representation or warranty of the Purchaser contained in this Agreement, which breach or failure to perform would give rise to the failure of a condition set forth in Section 7.3, and in the case of either (i) or (ii) above, such breach or failure is not cured within 30 days after receipt of written notice thereof or is incapable of being cured by the Purchaser before the Outside

Date; provided, however, that the Sellers shall not have the right to terminate this Agreement pursuant to this Section 8.1(f) if the Sellers are then in material breach of this Agreement;

(g) by the Sellers, by giving written notice to the Purchaser, if the Closing shall not have occurred on or before the Outside Date (or such later date as the Purchaser and the Seller Representative may mutually agree) by reason of the failure of any condition precedent under Section 7.1 or Section 7.3 (unless the failure results primarily from a breach by the Purchaser of any representation, warranty or covenant of the Purchaser contained in this Agreement or the Purchaser's failure to fulfill a condition precedent to the Closing or other default or acts or omissions to act by the Purchaser that has the effect of delaying the Closing); or

(h) by the Purchaser, by giving written notice to the Seller Representative, if the Closing shall not have occurred on or before the Outside Date (or such later date as the Purchaser and the Seller Representative may mutually agree) by reason of the failure of any condition precedent under Section 7.1 or Section 7.2 (unless the failure results primarily from a breach by any Seller or the Company of any representation, warranty or covenant of the Sellers or the Company contained in this Agreement or the Sellers' or the Company's failure to fulfill a condition precedent to the Closing or other default or acts or omissions to act by the Sellers or the Company that has the effect of delaying the Closing).

(i) By either the Sellers or the Purchaser, by giving written notice to the other party, if the Closing shall not have occurred on or before March 10, 2027 (the "**Drop-Dead Date**"), and, as of the Drop-Dead Date, all of the conditions precedent set forth in Section 7.1 and Section 7.2 are satisfied, except for those conditions that, by their nature, are to be satisfied at the Closing (but were capable of being satisfied as of the Drop-Dead Date if the Closing were to occur on the Drop-Dead Date.

Section 8.2 Effect of Termination.

(a) In the event of termination of this Agreement, the Purchaser shall pay to the Sellers the Antitrust Fees incurred by the Company and/or the Sellers.

(b) Except as set forth in Section 8.2(a) above or in the event of termination of this Agreement pursuant to Section 8.1(i) above, in the event of termination of this Agreement as provided in Section 8.1(a)-(h) above, this Agreement shall immediately become void and there shall be no Liability or obligation on the part of any party or their respective officers, directors, stockholders or Affiliates, except for any breach of this Agreement prior to such termination and obligations under Section 13 of the Letter of Intent dates October 11, 2024.

ARTICLE 9 INDEMNIFICATION

Section 9.1 Indemnification by the Sellers. Subject to the limitations expressly set forth in Section 9.5 and Section 9.6, the Sellers shall jointly and severally indemnify and hold harmless the Purchaser and its Affiliates (including, following the Closing, the Company) and their respective directors, officers, equity owners, employees, agents, consultants and other advisors and representatives (collectively, the "**Purchaser Indemnified Parties**") from and against, and will pay and reimburse them for, any and all Losses incurred or suffered by the Purchaser Indemnified Parties directly or indirectly arising out of, relating to or resulting from any of the following:

(a) any inaccuracy in or breach of any representation or warranty of any Seller of the Company contained in this Agreement, any Ancillary Agreement or in any certificate or instrument delivered by or on behalf of any Seller pursuant to this Agreement or any Ancillary Agreement, but specifically excluding the Seller Employment Agreements and employment agreements with any other person;

(b) any nonperformance or other breach of any covenant or agreement of any Seller or the Company contained in this Agreement or any Ancillary Agreement or in any certificate or instrument delivered by or on behalf of any Seller pursuant to this Agreement or any Ancillary Agreement, but specifically excluding the Seller Employment Agreements and employment agreements with any other person;

(c) except to the extent accrued or reserved for as current Liabilities in line items on the Closing Balance Sheet or otherwise taken into account in determining the Purchase Price and except

for Taxes resulting from a Restricted Tax Action that was not consented to by Seller Representative, (i) any Taxes of Sellers or HoldCo, (ii) any Taxes of the Company or any of its Subsidiaries, with respect to taxable periods ending on or before the Closing Date, (iii) with respect to taxable periods beginning before the Closing Date and ending after the Closing Date, any Taxes of the Company or any of its Subsidiaries which are allocable, pursuant to Section 6.3, to the portion of such period ending on the Closing Date, (iv) any Taxes relating to any member of an affiliated group with which the Company or any of its Subsidiaries has filed a Tax Return on a consolidated, combined or unitary basis, (v) the Sellers' portion of Transactional Taxes pursuant to Section 6.6, and (vi) any Taxes of any Person (other than the Company) for which the Company or any of its Subsidiaries may be liable as a transferee or successor, by contract, agreement or otherwise.

(d) any Indebtedness of the Company or any of its Subsidiaries existing prior to the Closing that is not fully extinguished prior to or as of the Closing;

(e) any amount by which the actual cost of Environmental Issue(s) exceeds the Environmental Adjustment Amount (the "***Environmental Excess***");

(f) the Fraud of the Sellers or the Seller Representative at any time or the Company at or prior to the Closing; or

(g) the matters set forth on Schedule 9.1(g).

For the purposes of this Section 9.1, (A) any inaccuracy in, or breach of any representation or warranty, or nonperformance or other breach of any covenant or agreement by any Seller or the Company in this Agreement and (B) the amount of Loss resulting from any such inaccuracy, nonperformance or breach of this Agreement shall be determined without regard to any reference to materiality, Material Adverse Effect or similar qualifications.

Section 9.2 Indemnification by the Purchaser. Subject to the limitations expressly set forth in Section 9.6, the Purchaser will indemnify and hold harmless the Sellers from and against, and will pay and reimburse them for, any and all Losses incurred or suffered by the Sellers directly or indirectly arising out of, relating to or resulting from any of the following:

(a) any inaccuracy in or breach of any representation or warranty or other statement of the Purchaser contained in this Agreement, any Ancillary Agreement or in any certificate or instrument delivered by the Purchaser pursuant to this Agreement or any Ancillary Agreement;

(b) any nonperformance or other breach of any covenant or agreement of the Purchaser contained in this Agreement, any Ancillary Agreement or in any certificate or instrument delivered by the Purchaser pursuant to this Agreement or any Ancillary Agreement;

(c) the enforcement of the Guaranties or the Letters of Credit after the Closing; and

(d) the Fraud of the Purchaser.

For the purposes of this Section 9.2, (A) any inaccuracy in, or breach of any representation or warranty, or nonperformance or other breach of any covenant or agreement by the Purchaser and (B) the amount of Loss resulting from any such inaccuracy, nonperformance or breach shall be determined without regard to any reference to materiality, Material Adverse Effect or similar qualifications.

Section 9.3 Claim Procedure.

(a) A party that seeks indemnity under this ARTICLE 9 (an "***Indemnified Party***") will give written notice (a "***Claim Notice***") to the party from whom indemnification is sought (an "***Indemnifying Party***") containing (i) a description and, if known, the estimated amount of any Losses incurred or reasonably expected to be incurred by the Indemnified Party, and (ii) a reasonable explanation of the basis for the Claim Notice to the extent of the facts then known by the Indemnified Party. For purposes of this ARTICLE 9, the Seller Representative, as representative of the Sellers, shall receive all notices and take all actions on behalf of the Sellers.

(b) Within 30 days after delivery of a Claim Notice, the Indemnifying Party will deliver to the Indemnified Party a written response to such Claim Notice. During such 30 day period, the

Indemnifying Party and its professional advisors shall have the opportunity to investigate the matter or circumstance alleged to give rise to the Claim Notice, and whether and to what extent any amount is payable in respect of the Claim Notice and the Indemnified Party shall assist the Indemnifying Party's investigation by giving such reasonably requested information in the possession of the Indemnified Party with respect to such Claim Notice upon prior written notice and during normal business hours as the Indemnifying Party or any of its professional advisors may reasonably request. If the Indemnifying Party fails to so respond within 30 days after delivery of the Claim Notice, then the Indemnifying Party will be deemed to have irrevocably accepted the Claim Notice and agreed to pay the Losses at issue in the Claim Notice.

(c) If, within 30 days after delivery of the Claim Notice, the Indemnifying Party delivers a written notice disputing the Indemnified Party's entitlement to indemnification for the Losses described in the Claim Notice, then the dispute may be resolved by any legally available means consistent with the provisions of Section 10.11.

(d) Any indemnification payment pursuant to this ARTICLE 9 will be effected by wire transfer of immediately available funds from the Indemnifying Party to an account designated by the Indemnified Party, and will be made within five Business Days after the date on which (i) the amount of such payments are determined by mutual agreement of the parties, (ii) the amount of such payments are determined pursuant to Section 9.3 if a written response has not been timely delivered in accordance with Section 9.3(b) or (iii) both such amount and the Indemnifying Party's obligation to pay such amount have been finally determined by a final judgment of a court having jurisdiction over such proceeding, as permitted by Section 10.11 if a written response has been timely delivered in accordance with Section 9.3(b).

Section 9.4 Third Party Claims.

(a) If any Indemnified Party receives notice of a claim or demand, whether or not involving a Proceeding, by any Person who is not a party to this Agreement or an Affiliate of a party to this Agreement (a "**Third Party Claim**") against such Indemnified Party with respect to which the Indemnifying Party is obligated to provide indemnification under this Agreement, the Indemnified Party will give the Indemnifying Party a Claim Notice within 30 days following receipt of such notice of such Third Party Claim, and the Indemnified Party shall provide the Indemnifying Party with such other information with respect thereto as the Indemnifying Party may reasonably request. Such Claim Notice will describe the facts constituting the basis for such Third Party Claim and the amount of the damages claimed by the other Person, in each case to the extent known to the Indemnified Party. Notwithstanding the foregoing, no delay or deficiency on the part of the Indemnified Party in so notifying the Indemnifying Party will relieve the Indemnifying Party of any Liability or obligation under this Agreement except to the extent the Indemnifying Party has suffered actual Losses directly caused by the delay or other deficiency.

(b) Within 30 days after the Indemnified Party's delivery of a Claim Notice under this Section 9.4, the Indemnifying Party may assume control of the defense of such Third Party Claim by giving to the Indemnified Party written notice of the intention to assume such defense, but if and only if the Indemnifying Party further:

(i) acknowledges in writing to the Indemnified Party that any Losses that may be assessed in connection with the Third Party Claim constitute Losses for which the Indemnified Party will be indemnified pursuant to, and subject to the limitations in, this ARTICLE 9 without contest or objection and that the Indemnifying Party will advance all expenses and costs of defense; and

(ii) retains counsel for the defense of the Third Party Claim reasonably satisfactory to the Indemnified Party and furnishes to the Indemnified Party evidence satisfactory to the Indemnified Party that the Indemnifying Party has and will have sufficient financial resources to fund on a current basis the cost of such defense and pay all Losses that may arise under the Third Party Claim.

However, if the Sellers are the Indemnifying Party, in no event may the Indemnifying Party assume, maintain control of, or participate in, the defense of any Third Party Claim (A) involving criminal liability, (B) in which any relief other than monetary damages is sought against the Indemnified Party, (C) in which the Purchaser Indemnified Party reasonably concludes that the Indemnifying Party and the Purchaser Indemnified Party have conflicting interests or different defenses available with respect

to the Third Party Claim or (D) in which the outcome of any judgment or settlement in the matter could reasonably be expected to adversely affect the Indemnified Party's Tax Liability or the ability of the Indemnified Party to conduct its business other than as a result of monetary damages for which it would be entitled to indemnification under this Agreement (collectively, clauses (A) – (D), the “**Special Claims**”). An Indemnifying Party will lose any previously acquired right to control the defense of any Third Party Claim if for any reason the Indemnifying Party ceases to actively, competently and diligently conduct the defense.

(c) If the Indemnifying Party does not, or is not able to, assume or maintain control of the defense of a Third Party Claim in compliance with Section 9.4(b), the Indemnified Party will have the right to control the defense of the Third Party Claim. To the extent that the Third Party Claim does not constitute a Special Claim, the party not controlling the defense (the “**Noncontrolling Party**”) may participate therein at its own expense. The party controlling the defense (the “**Controlling Party**”) will reasonably advise the Noncontrolling Party of the status of the Third Party Claim and the defense thereof and, with respect to any Third Party Claim that does not relate to a Special Claim, the Controlling Party will consider in good faith recommendations made by the Noncontrolling Party. The Noncontrolling Party will furnish the Controlling Party with such information as it may have with respect to such Third Party Claim and related Proceedings (including copies of any summons, complaint or other pleading which may have been served on such party and any written claim, demand, invoice, billing or other document evidencing or asserting the same) and will otherwise cooperate with and assist in the defense of the Third Party Claim.

(d) If the Indemnified Party is controlling the defense of a Third Party Claim, the Indemnified Party will not consent to any compromise or settlement of, or the entry of any judgment arising from, the Third Party Claim without prior written consent of the Indemnifying Party, which consent will not be unreasonably withheld or delayed. All amounts paid or payable under such settlement or judgment are Losses that the Indemnifying Party owes to the Indemnified Party under this ARTICLE 9. The Indemnifying Party will not agree to any compromise or settlement of, or the entry of any judgment arising from, the Third Party Claim without the prior written consent of the Indemnified Party, which consent the Indemnified Party will not unreasonably withhold or delay. The Indemnified Party and Indemnifying Party will have no Liability with respect to any compromise or settlement of, or the entry of any judgment arising from, any Third Party Claim effected without its consent.

Section 9.5 Survival. All representations and warranties contained in this Agreement, any Ancillary Agreement or in any certificate or instrument delivered pursuant to this Agreement (but excluding the Seller Employment Agreements) will survive the Closing, for a period of eighteen months from the Closing Date; provided, that (i) the representations and warranties set forth in Section 3.17 (Tax Matters) will survive until 90 days following the expiration of the statute of limitations applicable to the underlying matters covered by such provision, taking into account any tolling periods or extensions and (ii) the Seller Fundamental Representations will survive indefinitely. Fraud claims shall survive until 90 days following the expiration of the statute of limitations applicable, taking into account any tolling periods or extensions. In addition, notwithstanding the foregoing, any claims for indemnification for which a Claim Notice has been delivered by the Person seeking indemnification to the Person from whom indemnification is sought before the expiration of the applicable survival period will not thereafter be barred by the expiration of the relevant representation or warranty and such claims will survive until finally resolved.

Section 9.6 Limitations on Liability.

(a) With respect to the Sellers' indemnification obligations, notwithstanding anything to the contrary set forth in this Agreement:

(i) Except in the case of Fraud or a breach of a Seller Fundamental Representation or of the representations and warranties contained in Section 3.17 and Section 3.18 (but only to the extent relating to Taxes or the Code), the Sellers shall not have any obligation to indemnify any Purchaser Indemnified Party under Section 9.1(a) unless and until (A) such claim or series of related claims involves Losses in excess of \$25,000 and (B) the aggregate amount of Losses that would otherwise be subject to indemnification pursuant to Section 9.1(a) exceeds \$500,000 (the “**Deductible Amount**”),

whereupon the Purchaser Indemnified Party shall be entitled to receive the aggregate amount of Losses in excess of the Deductible Amount; and

(ii) Except in the case of Fraud or a breach of a Seller Fundamental Representation or of the representations and warranties contained in Section 3.17 and Section 3.18 (but only to the extent relating to Taxes or the Code), and subject to the other limitations in this Section 9.6, in no event shall the cumulative indemnification obligations of the Sellers under Section 9.1(a) in the aggregate exceed \$18,000,000 (the “*Cap*”).

(b) Subject to the other limitations imposed by this ARTICLE 9, including the Deductible Amount and the Cap (to the extent applicable), all indemnification claims (A) shall first be paid and satisfied as an offset against the First Anniversary Payment, Second Anniversary Payment and the Third Anniversary Payment; and (B) shall then be paid and satisfied directly from the Sellers. With respect to claims by a Purchaser Indemnified Party for Losses with respect to breaches of any of the Seller Fundamental Representations or the representations and warranties in Section 3.17 (*Taxes*), in no event may the Purchaser Indemnified Parties seek recourse against the Sellers for an aggregate amount in excess of the Purchase Price, with any and all indemnification payments made by the Sellers taken into consideration when determining whether such cap has been met, including without limitation Losses with respect to breaches of any of the Seller Fundamental Representations or the representations and warranties in Section 3.17 (*Taxes*), for an aggregate amount in excess of the Purchase Price.

(c) With respect to the Purchaser’s indemnification obligations, notwithstanding anything to the contrary set forth in this Agreement:

(i) Except in the case of Fraud or a breach of a Purchaser Fundamental Representation, the Purchaser shall not have any obligation to indemnify the Seller under Section 9.2(a) unless and until the aggregate amount of Losses that would otherwise be subject to indemnification pursuant to Section 9.2(a) exceeds the Deductible Amount, whereupon the Seller shall be entitled to receive the aggregate amount of Losses in excess of the Deductible Amount; and

(ii) Except in the case of Fraud or a breach of a Purchaser Fundamental Representation, in no event shall the cumulative indemnification obligations of the Purchaser under Section 9.2(a) in the aggregate exceed the Cap.

(iii) With respect to claims by a Seller Indemnified Party for Losses with respect to breaches of any of the Purchaser Fundamental Representations, in no event may the Seller Indemnified Parties seek recourse against the Purchaser for an aggregate amount in excess of the Purchase Price (without taking into account the payment of the Purchase Price), with any and all indemnification payments made by the Purchaser taken into consideration when determining whether such cap has been met, including without limitation Losses with respect to breaches of any of the Purchaser Fundamental Representations, for an aggregate amount in excess of the Purchase Price (without taking into account the payment of the Purchase Price).

(iv) For the avoidance of doubt, the indemnification obligations of the Purchaser for any nonperformance or other breach of any covenant or agreement in ARTICLE 5 by the Purchaser shall not be subject to the limitations set forth in this Section 9.6(c) or failure to pay the Purchase Price under ARTICLE 2.

Section 9.7 No Right of Indemnification or Contribution. No Seller has any right of indemnification or contribution against the Company with respect to any breach by the Sellers or the Company of any of their representations, warranties, statements, covenants or agreements contained in this Agreement, any Ancillary Agreement or in any certificate, instrument or other document delivered by or on behalf of any Seller or the Company pursuant to this Agreement or any Ancillary Agreement, whether by virtue of any contractual or statutory right of indemnity or otherwise, and all claims to the contrary are hereby waived and released.

Section 9.8 Insurance Proceeds and Other Payments. The amount of any and all Losses for which indemnification is provided pursuant to this ARTICLE 9 will be net of (i) any Tax benefit actually realized by the applicable Indemnified Party in or with respect to the taxable period or year in which the determination is being made or in any prior taxable period or year (taking into account any Tax cost or reduction in Tax benefit by reason of the receipt of the indemnification payment) and (ii) any amounts of any insurance proceeds, indemnification payments, contribution payments or reimbursements receivable

by, or payable in kind to, the Indemnified Party with respect to such Losses or any of the circumstances giving rise thereto. In connection therewith, if, at any time following payment in full by the Indemnifying Party of any amounts of Losses due under this Agreement, the Indemnified Party receives any insurance proceeds, indemnification payments, contribution payments or reimbursements relating to the circumstances giving rise to such Losses, the Indemnified Party will promptly remit to the Indemnifying Party such proceeds, payments or reimbursements in an amount not to exceed the amount of the corresponding indemnification payment made by the Indemnifying Party. The Purchaser will use (and will cause its Affiliates to use) commercially reasonable efforts to mitigate any Loss and to collect the proceeds of any available insurance which would have the effect of reducing any Losses (in which case the net proceeds thereof will reduce the Losses). The Purchaser agrees that until the date that is twelve months after the Closing Date it shall maintain casualty and liability insurance policies, employment practices liability insurance, and other insurance policies in each case, such policies being substantially equivalent in coverage, coverage amount, quality of carrier, and covered claims to the insurance policies maintained by the Company immediately preceding the Closing Date.

Section 9.9 Indemnity Offset Against First, Second and Third Anniversary Payments. Subject to the terms and conditions of this ARTICLE 9, any payments to be made pursuant to Section 9.1 shall first be paid to any Purchaser Indemnified Party as an offset evenly allocated against the First Anniversary Payment (to the extent that the First Payment Date has not passed), the Second Anniversary Payment (to the extent that the Second Payment Date has not passed), and the Third Anniversary Payment (to the extent that the Third Payment Date has not passed) and then, and only to the extent there is no amount remaining with respect to the First Anniversary Payment, the Second Anniversary Payment and the Third Anniversary Payment, shall be paid directly by the Sellers.

Section 9.10 Exclusive Remedy. From and after the Closing, the sole and exclusive remedy of the Purchaser against the Sellers for any breach of any representation, warranty or covenant under this Agreement (other than claims or causes of action arising from Fraud) will be pursuant to the indemnification obligations set forth in this ARTICLE 9 and, except to the extent the Purchaser has asserted a claim for indemnification by giving a Claim Notice in accordance with Section 9.3 or Section 9.4 prior to the expiration of the applicable survival period set forth in Section 9.5, the Purchaser will have no remedy against the Sellers for any breach of any provision of this Agreement. Each of the Sellers and the Purchaser hereby waives any and all other remedies (other than claims or causes of action arising from Fraud) that may be available at Law or equity for any breach of any representation, warranty or covenant under this Agreement. Notwithstanding the foregoing, nothing herein will limit the right of any party to seek injunctive or equitable relief for any breach or threatened breach of any covenant in this Agreement or any Ancillary Agreement.

Section 9.11 Tax Treatment of Indemnification Payments. Any payment under this ARTICLE 9 shall be treated as an adjustment to the Purchase Price for Tax purposes.

Section 9.12 Sellers' Release. Effective as of the Closing, except with respect to any claim, right or obligation under this Agreement and the Ancillary Agreements, each of the Sellers, as an equityholder, manager, officer, or director of, or as a holder of Shares in, the Company or any of its Subsidiaries, or otherwise, and on behalf of itself, its Affiliates, and the successors and assigns of each of them, hereby irrevocably waives, releases, remises, and forever discharges the Company and each of its respective past, present and future members, managers, directors, officers, employees, equityholders, Subsidiaries, and Affiliates, and the successors and assigns of each of them, from any and all Liabilities of the Company and its Subsidiaries owed to such Seller, any of its Affiliates, or any successor or assign of any of them or any claims, actions or Liabilities of any kind which such Seller, any of its Affiliates, or any successor or assign of any of them currently have against, or which are in any way connected to, the Company to the extent arising on or prior to the Closing and related to such Seller's ownership of the Membership Interests, services provided to the Company or other contractual relationship with the Company, in each case whether known or unknown, suspected or unsuspected, absolute or contingent, direct or indirect or nominally or beneficially possessed or claimed by such Seller, any of its Affiliates, or any successor or assign of any of them. Notwithstanding the foregoing, the foregoing does not waive or release the Company or any of its Subsidiaries from (i) any obligation to indemnify a Seller in such Seller's capacity as an employee, officer or manager of the Company pursuant to the Governing Documents of the Company or any of its Subsidiaries or any applicable Laws, (ii) any rights and obligations arising under this Agreement or the other Ancillary Agreements, (iii) any receivables or employee compensation earned or accrued as of the Closing from the Company to any such Seller from

the Company or its Subsidiaries to the extent such receivables were included in the calculation of Closing Net Working Capital, (iv) any benefits payable under Company Plans in the ordinary course of business of the Company, or (v) any rights of any officers or directors to indemnification and exculpation, pursuant to insurance policies of the Company. Each releasing party hereunder represents and warrants that there has been no assignment or other transfer of any interest in any claim released pursuant to Section 10.5.

Section 9.13 No Double Recovery. Notwithstanding the fact that any Indemnified Party may have the right to assert claims for indemnification under or in respect of more than one provision of this Agreement in respect of any fact, event, condition or circumstance, no Indemnified Party shall be entitled to recover the amount of any Losses suffered by such Person more than once from an Indemnifying Party pursuant to this Agreement, regardless of whether such Losses may be as a result of a breach of more than one representation or warranty or covenant.

ARTICLE 10 GENERAL PROVISIONS

Section 10.1 Notices. All notices and other communications under this Agreement must be in writing and are deemed duly delivered when (a) delivered if delivered personally or by nationally recognized overnight courier service (costs prepaid), or (b) received or rejected by the addressee, if sent by certified or registered mail, return receipt requested; in each case to the following addresses and marked to the attention of the individual (by name or title) designated below (or to such other address or individual as a party may designate by notice to the other parties):

If to the Seller Representative:

Bryant S. Wood
3475 Ashley Road
Montgomery, AL 36108
Attn: Bryant S. Wood
E-mail: [* * *]

With a copy (which shall not constitute notice) to:

Bradley Arant Boult Cummings LLP
200 Clinton Avenue, Suite 900
Huntsville, Alabama 35801
Attn: Hall B. Bryant III
E-mail: hbryant@bradley.com

If to the Company:

J.M. Wood Auction Co., Inc.
3475 Ashley Road
Montgomery, AL 36108
Attn: Bryant S. Wood
E-mail: [* * *]

With a copy (which shall not constitute notice) to:

Bradley Arant Boult Cummings LLP
200 Clinton Avenue, Suite 900
Huntsville, Alabama 35801
Attn: Hall B. Bryant III

E-mail: hbryant@bradley.com

If to the Purchaser:

Ritchie Bros. Auctioneers (America) Inc.
9500 Glenlyon Parkway
Burnaby, British Columbia, Canada V5J 0C6
Attention: Legal Department

With a copy (which shall not constitute notice) to:

Dorsey & Whitney LLP
50 South Sixth Street
Suite 1500
Minneapolis, Minnesota 55402-1498
Attention: Morgan Helme
E-mail: helme.morgan@dorsey.com

Section 10.2 Amendment. This Agreement may not be amended, supplemented or otherwise modified except in a written document signed by the Purchaser and the Seller Representative.

Section 10.3 Waiver and Remedies. The parties may (a) extend the time for performance of any of the obligations or other acts of any other party to this Agreement, (b) waive any inaccuracies in the representations and warranties of any other party to this Agreement contained in this Agreement or in any certificate, instrument or document delivered pursuant to this Agreement or (c) waive compliance with any of the covenants, agreements or conditions for the benefit of such party contained in this Agreement. Any such extension or waiver by any party to this Agreement will be valid only if set forth in a written document signed on behalf of the party or parties against whom the waiver or extension is to be effective. No extension or waiver will apply to any time for performance, inaccuracy in any representation or warranty, or noncompliance with any covenant, agreement or condition, as the case may be, other than that which is specified in the written extension or waiver. No failure or delay by any party in exercising any right or remedy under this Agreement or any of the documents delivered pursuant to this Agreement, and no course of dealing between the parties, operates as a waiver of such right or remedy, and no single or partial exercise of any such right or remedy precludes any other or further exercise of such right or remedy or the exercise of any other right or remedy.

Section 10.4 Entire Agreement. This Agreement (including the Schedules and Exhibits and the documents and instruments referred to in this Agreement that are to be delivered at the Closing) constitutes the entire agreement among the parties and supersedes any prior understandings, agreements or representations by or among the parties, or any of them, written or oral, with respect to the subject matter of this Agreement, other than the obligations under Section 13 of the Letter of Intent dated October 11, 2024.

Section 10.5 Assignment and Successors and No Third Party Rights. This Agreement binds and benefits the parties and their respective successors and assigns. Neither this Agreement nor any of the rights or obligations under this Agreement shall be assignable or transferable by any party without the prior written consent of the Purchaser and the Seller Representative; provided, that nothing herein shall prohibit the Purchaser from assigning and transferring all or part of this Agreement and any of its rights thereunder to one of its Affiliates; provided that Purchaser provides the Seller Representative written notice of such assignment and any such assignor remains jointly and severally bound with such assignee by the terms and conditions of this Agreement so assigned. Nothing expressed or referred to in this Agreement will be construed to give any Person, other than the parties to this Agreement, any legal or equitable right, remedy or claim under or with respect to this Agreement or any provision of this Agreement except such rights as may inure to a successor or permitted assignee under this Section 10.5. No assignment of this Agreement shall release any party of its obligations hereunder.

Section 10.6 Severability. If any provision of this Agreement is held invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions of this Agreement are not affected or impaired in any way and the parties agree to negotiate in good faith to replace such invalid, illegal and unenforceable provision with a valid, legal and enforceable provision that achieves, to the greatest lawful extent under this Agreement, the economic, business and other purposes of such invalid, illegal or unenforceable provision.

Section 10.7 Exhibits and Schedules. The Exhibits and Schedules to this Agreement (including the Sellers Disclosure Schedule and the Purchaser Disclosure Schedule) are incorporated herein by reference and made a part of this Agreement. The Sellers Disclosure Schedule and the Purchaser Disclosure Schedule are arranged in sections and paragraphs corresponding to the numbered and lettered sections and paragraphs of ARTICLE 3 and ARTICLE 4, as applicable. The disclosure in any section or paragraph of the Sellers Disclosure Schedule or the Purchaser Disclosure Schedule qualifies other sections and paragraphs in this Agreement only to the extent it is clear by appropriate cross-references that a given disclosure is applicable to such other sections and paragraphs or to the extent that the relevance of any such disclosure to any other Schedule is reasonably apparent from the text of such disclosure. The listing or inclusion of a copy of a document or other item is not adequate to disclose an exception to any representation or warranty in this Agreement unless the representation or warranty relates to the existence of the document or item itself. Any item of information, matter, or document disclosed or referenced in, or attached to, the Purchaser Disclosure Schedule or Seller Disclosure Schedule shall not (a) be used as a basis for interpreting the terms “material,” “Material Adverse Effect,” or other similar terms in this Agreement or to establish a standard of materiality, (b) be deemed or interpreted to expand the scope of any party’s representations and warranties, obligations, covenants, conditions, or agreements contained herein, (c) constitute, or be deemed to constitute, an admission of liability or obligation regarding such matter, or (d) constitute, or be deemed to constitute, an admission to any third party concerning such item or matter. No disclosure in the Seller Disclosure Schedule or the Purchaser Disclosure Schedule relating to any possible breach or violation of any agreement or Law shall be construed as an admission or indication that any such breach or violation exists or has actually occurred.

Section 10.8 Interpretation. In the negotiation of this Agreement, each party has received advice from his or its own attorney. The language used in this Agreement is the language chosen by the parties to express their mutual intent, and no provision of this Agreement will be interpreted for or against any party because that party or its attorney drafted the provision.

Section 10.9 Governing Law. Unless any Exhibit or Schedule specifies a different choice of Law, the internal Laws of the State of Delaware (without giving effect to any choice or conflict of law provision or rule (whether of the State of Delaware or any other jurisdiction) that would cause the application of Laws of any other jurisdiction) govern all matters arising out of or relating to this Agreement and its Exhibits and Schedules and all of the transactions it contemplates, including its validity, interpretation, construction, performance and enforcement and any disputes or controversies arising therefrom or related thereto.

Section 10.10 Specific Performance. The parties agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. The parties accordingly agree that, in addition to any other remedy to which they are entitled at Law or in equity, the parties are entitled to injunctive relief to prevent breaches of this Agreement and otherwise to enforce specifically the provisions of this Agreement. Each party expressly waives any requirement that any other party obtain any bond or provide any indemnity in connection with any action seeking injunctive relief or specific enforcement of the provisions of this Agreement.

Section 10.11 Jurisdiction and Service of Process. Any action or proceeding arising out of or relating to this Agreement or the transactions contemplated by this Agreement must be brought in the courts of the Delaware Court of Chancery, or, if the Delaware Court of Chancery does not have jurisdiction, any other federal or state court in the State of Delaware. Each of the parties knowingly, voluntarily and irrevocably submits to the exclusive jurisdiction of each such court in any such action or proceeding and waives any objection it may now or hereafter have to venue or to convenience of forum. Any party to this Agreement may make service on another party by sending or delivering a copy of the process to the party to be served at the address and in the manner provided for the giving of notices in

Section 10.1. Nothing in this Section 10.11, however, affects the right of any party to serve legal process in any other manner permitted by Law.

Section 10.12 Waiver of Jury Trial. Each of the parties knowingly, voluntarily and irrevocably waives, to the fullest extent permitted by Law, all right to trial by jury in any action, proceeding or counterclaim (whether based on contract, tort or otherwise) arising out of or relating to this Agreement or the transactions contemplated by this Agreement or the actions of any party to this Agreement in negotiation, administration, performance or enforcement of this Agreement.

Section 10.13 Expenses. Except as otherwise provided in this Agreement, whether or not the transactions contemplated by this Agreement are consummated, the Sellers, on the one hand, and the Purchaser, on the other hand, will pay all of their own expenses (including, but not limited to, all compensation and expenses of counsel, financial advisors, consultants, actuaries and independent accountants) incurred in connection with the preparation and negotiation of this Agreement and the consummation of the transactions contemplated by this Agreement; provided, that (i) the Sellers will bear all Transaction Expenses of the Company, which the Purchaser will pay on behalf of the Sellers and/or the Company as provided in Section 2.4(d) and (ii) the Purchaser will bear the Antitrust Fees and the HSR filing fee and any other fee for filing with the antitrust or competition authority of any other jurisdiction.

Section 10.14 Representation of Stockholders; Privileged Deal Communications. Following the Closing, in any dispute or proceeding arising solely in connection with this Agreement or the Transaction Documents, Sellers and their respective Affiliates (individually and collectively, the “**Seller Group**”) shall have the right, at their respective election, to retain Bradley Arant Boult Cummings LLP (the “**Law Firm**”) to represent one or more of the members of the Seller Group in such matter, and the Purchaser hereby irrevocably waives and consents to (and will cause its Affiliates (including, after the Closing, the Company) to waive and consent to), any such representation in any such matter and the communication by such counsel to such members of the Seller Group in connection with any such representation of any fact known to such counsel arising by reason of such counsel’s prior representation of the Company solely in connection with this Agreement or the Transaction Documents (the “**Privileged Deal Communications**”). The Purchaser irrevocably acknowledges and agrees that all Privileged Deal Communications would not be subject to disclosure to the Purchaser or its Affiliates in connection with any process relating to a dispute arising under or related to, this Agreement or the Transaction Documents, shall continue after the Closing and for all purposes be deemed to be privileged communications between each Law Firm and members of the Seller Group, and none of the Purchaser or its Affiliates (including, after Closing, the Company) nor any Person purporting to act on behalf of or through any of the foregoing shall knowingly and intentionally (a) seek to obtain the same by any process on the grounds that the privilege attaching to such communications belongs to the Company and not to any member of the Seller Group, (b) take any action which could cause any Privileged Deal Communication to cease being a confidential communication or to otherwise lose protection under the attorney-client privilege or any other evidentiary privilege, including waiving such protection in any dispute with a Person that is not in the Seller Group, (c) use or rely on any of the Privileged Deal Communications whether located in the records or e-mail servers of the Company, or otherwise, in any action against or involving the parties after the Closing, or (d) assert that the privilege has been waived as to the Privileged Deal Communications that may be located in the records or e-mail servers of the Company; provided that, if there is a dispute between the Purchaser or any of its Affiliates (including the Company), on the one hand, and a third party other than any of the Seller Group or any of their respective Affiliates, on the other hand, the Purchaser or any of its Affiliates (including the Company) may assert the attorney-client privilege, work product doctrine, or any other applicable privilege to prevent the disclosure of any such documents or information.

Section 10.15 Counterparts. The parties may execute this Agreement in multiple counterparts, each of which constitutes an original as against the party that signed it, and all of which together constitute one agreement. This Agreement is effective upon delivery of one executed counterpart from each party to the other parties. The signatures of all parties need not appear on the same counterpart. The delivery of signed counterparts by email transmission in portable document format or .tiff format that includes a copy of the sending party’s signature(s) is as effective as signing and delivering the counterpart in person.

****Signature page follows****

The parties have executed and delivered this Agreement as of the date indicated in the first sentence of this Agreement.

**RITCHIE BROS. AUCTIONEERS
(AMERICA) INC.**

By: /s/ Jim Kessler
Name: Jim Kessler
Title: Chief Executive Officer

J.M. WOOD AUCTION CO., INC.

By: /s/ Bryant S. Wood
Name: Bryant S. Wood
Title: President

BRYANT S. WOOD

By: /s/ Bryant S. Wood

RUSTON R. WOOD

By: /s/ Ruston R. Wood

KIMBERLY WOOD COX

By: /s/ Kimberly Wood Cox

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO RULE 13a-14(a) OF THE
SECURITIES EXCHANGE ACT OF 1934**

I, Jim Kessler, certify that:

1. I have reviewed this quarterly report on Form 10-Q of RB Global, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 7, 2025

/s/ Jim Kessler

Jim Kessler
Chief Executive Officer

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO RULE 13a-14(a) OF THE
SECURITIES EXCHANGE ACT OF 1934

I, Eric J. Guerin, certify that:

1. I have reviewed this quarterly report on Form 10-Q of RB Global, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 7, 2025

/s/ Eric J. Guerin

Eric J. Guerin
Chief Financial Officer

CERTIFICATION PURSUANT TO
18 U.S.C. §1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of RB Global, Inc. (the "Company") on Form 10-Q for the period ended March 31, 2025, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Jim Kessler, Chief Executive Officer, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 7, 2025

/s/ Jim Kessler

Jim Kessler
Chief Executive Officer

**CERTIFICATION PURSUANT TO
18 U.S.C. §1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of RB Global, Inc. (the "Company") on Form 10-Q for the period ended March 31, 2025, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Eric J. Guerin, Chief Financial Officer, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 7, 2025

/s/ Eric J. Guerin

Eric J. Guerin
Chief Financial Officer