

Press Release

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Dealer Tire Announces Significant Investment in SimpleTire

Company's technology platform is driving innovation in the tire business.

CLEVELAND, May 9, 2018 /PRNewswire/ — Dealer Tire, LLC, a national leader in replacement tire distribution for automotive dealerships, is making a significant investment in SimpleTire, a Philadelphia-based online tire retailer that has developed an innovative e-commerce platform and network of independent tire distributors. Terms of Dealer Tire's investment were not disclosed.

"The business of selling tires continues to evolve," said Scott Mueller, Partner and CEO of Dealer Tire. "We've built our business by consistently driving innovation in the tire distribution business and by providing automotive dealers with the tools and services they need to be successful selling tires. While our core business remains focused on supporting the dealer channel and our OEM customers, our investment in SimpleTire is part of our effort to continue bringing innovation and technology to the tire industry."

In 2012, brothers Andy and Josh Chalofsky developed the concept for SimpleTire while working in their family's brick and mortar tire store. With business partner Kenny Pratt, they successfully converted a traditional tire sales business model into a technology-driven model, linking independent tire distributors across the country into one seamless e-commerce network. All three founders will continue to lead the company.

"Dealer Tire has built its business by developing an innovative position in the tire industry focusing on the OEM dealer channel," said SimpleTire CEO Andy Chalofsky. "Likewise, we've built our business by driving innovation in the growing e-commerce channel. We're confident this investment will help both companies, our customers and our suppliers continue to grow and evolve."

"We've developed strong core expertise in logistics, technology, merchandising, marketing and more," said Mueller. "We will leverage our expertise and SimpleTire's capabilities to create new opportunities for both companies. And as we move into our second century in the tire business, investments in companies like SimpleTire and Tyrata ensure that we remain an innovative leader in the tire industry's ever-changing landscape."

Debevoise & Plimpton LLP served as legal counsel to Dealer Tire and Perkins Coie LLP served as legal counsel to SimpleTire in connection with the transaction.

About Dealer Tire

Dealer Tire LLC is a family business that was founded in 1999 by the then owners of the former Mueller Tire & Brake, a Cleveland-based retail chain founded in 1918. Dealer Tire manages

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replacement tire and parts programs for more than 20 automotive OEMs in the U.S. and China. It serves more than 10,000 automotive dealerships from 39 distribution centers across the U.S. For more information about Dealer Tire, visit www.dealertire.com.

About SimpleTire

SimpleTire was founded in 2012 by brothers Andy and Josh Chalofsky and friend Kenny Pratt. The trio successfully converted the traditional tire retailing business model into a technology driven model that links independent tire distributors across the country into one seamless e-commerce network. SimpleTire's network includes more than 3,000 independent supply points. For more information, visit <https://simpletire.com/>