



**Holley**

**INVESTOR  
PRESENTATION**

# Disclaimer

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### Disclosures

Holley Inc. ("Holley" or the "Company") has filed a registration statement on Form S-1 (including a preliminary prospectus) with the Securities and Exchange Commission (the "SEC") for the offering to which this presentation relates. Before you invest, you should read the preliminary prospectus and the other documents Holley files with the SEC for more complete information about Holley and this offering. You can obtain these documents for free by visiting EDGAR on the SEC website at [www.sec.gov](http://www.sec.gov). This presentation shall not constitute an offer to sell or the solicitation of an offer to buy these securities, nor shall there be any sale of these securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction. The information in this presentation is current only as of the date of this presentation and may have changed. We undertake no obligation to update any such information in light of new information, future events or otherwise.

### Forward-Looking Statements

Certain statements made in this presentation are "forward looking statements" within the meaning of the "safe harbor" provisions of the United States Private Securities Litigation Reform Act of 1995. When used in this press release, the words "estimates," "projected," "expects," "anticipates," "forecasts," "plans," "intends," "believes," "seeks," "may," "will," "would," "should," "future," "propose," "target," "goal," "objective," "outlook" and variations of these words or similar expressions (or the negative versions of such words or expressions) are intended to identify forward-looking statements. These forward-looking statements are not guarantees of future performance, conditions or results, and involve a number of known and unknown risks, uncertainties, assumptions and other important factors, many of which are outside Holley's control that could cause actual results or outcomes to differ materially from those discussed in the forward-looking statements. Any such forward-looking statements are made pursuant to the safe harbor provisions available under applicable securities laws and speak only as of the date of this presentation. Holley assumes no obligation to update or revise any such forward-looking statements except as required by law. Important factors, among others, that may affect actual results or outcomes include the inability to recognize the anticipated benefits of the recently completed business combination; costs related to the recently completed business combination; Holley's ability to manage growth; Holley's ability to execute its business plan and meet its projections; potential litigation involving Holley; changes in applicable laws or regulations; the possibility that Holley may be adversely affected by other economic, business, and competitive factors; the impact of the continuing COVID-19 pandemic on Holley's business as well as those factors described in the "Risk Factors" section of our filings with the SEC.

### Non-GAAP Financial Measures

This Presentation includes certain financial measures not presented in accordance with generally accepted accounting principles ("GAAP") including, but not limited to, Pro Forma Adjusted EBITDA, EBITDA, Pro Forma Free Cash Flow, Pro Forma Net Sales, Gross Profit, Pro Forma Net Leverage and certain ratios and other metrics derived therefrom. These non-GAAP financial measures are not measures of financial performance in accordance with GAAP and may exclude items that are significant in understanding and assessing Holley's financial results. Therefore, these measures should not be considered in isolation or as an alternative to net income, cash flows from operations or other measures of profitability, liquidity or performance under GAAP. You should be aware that Holley's presentation of these measures may not be comparable to similarly-titled measures used by other companies.

Holley believes these non-GAAP measures of financial results provide useful information to management and investors regarding certain financial and business trends relating to Holley's financial condition and results of operations. Holley believes that the use of these non-GAAP financial measures provides an additional tool for investors to use in evaluating ongoing operating results and trends in and in comparing Holley's financial measures with other similar companies, many of which present similar non-GAAP financial measures to investors. These non-GAAP financial measures are subject to inherent limitations as they reflect the exercise of judgments by management about which expense and income are excluded or included in determining these non-GAAP financial measures.

The Appendix to this Presentation provides all non-GAAP measures and reconciliations of these non-GAAP measures to the corresponding most closely related GAAP measures.

### Industry and Market Data

In this Presentation, the Company relies on and refers to certain information and statistics obtained from third-party sources which it believes to be reliable. Holley has not independently verified the accuracy or completeness of any such third-party information.

# Offering Summary

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Issuer	Holley, Inc.
Ticker / Exchange	"HLLY" / NYSE
Common Stock Offered	Up to \$75m (100% Secondary)
Over-Allotment Option	15% (100% Secondary)
Use of Proceeds	No proceeds to Holley from the sale of secondary shares
Selling Stockholders	Holley Parent Holdings, LLC, an affiliate of Sentinel Capital Partners, L.L.C.
Lock-Up	90 days
Expected Pricing	Wednesday April 20th, 2022
Active Bookrunners	Jefferies, J.P. Morgan, Bank of America

# Today's Presenters

**Tom Tomlinson**

*President and  
Chief Executive Officer*



President & CEO of Holley since  
2009 / CFO from 2003 - 2009

35 years of financial and business  
experience

*19 Years of Holley  
Experience*



**Dominic Bardos**

*Chief Financial Officer*



Chief Financial Officer since 2021

30+ years of global finance and  
accounting experience

*Previous Experience*



CAMBRIDGE  
FRANCHISE  
HOLDINGS, LLC



**Sean Crawford**

*Chief Marketing Officer*



Chief Marketing Officer since 2020

~20 years of automotive  
aftermarket industry experience

*Previous Experience*



**Vinny Nimmagadda**

*EVP, Corporate Development  
& New Ventures*



Joined Holley family in 2021 as  
EVP of Corporate Development &  
New Ventures

8+ years of finance and  
investment banking experience

*Previous Experience*

**Jefferies**

**BB&T**







A Ford Bronco off-road vehicle is captured mid-air, jumping over a dirt mound. The vehicle is white with orange accents and features various sponsor logos, including Ford, Mahle, and Monster. The number 67 is visible on the front. The background shows a rural setting with a silo and trees. A person in a yellow vest is visible in the distance, crouching down. The overall scene is dynamic and action-oriented.

# Holley®

ULTIMATE ENTHUSIAST PLATFORM



*A leading and fast-growing platform for automotive enthusiasts...*

#### An Industry Leader

**~\$692M**

of net sales  
in 2021

**2-3x**

Annual revenue  
of nearest  
competitor

#### Market Leading Brands

**#1 or #2**

market position measured by social  
media engagement

#### New Product Development Engine

**~35%**

of 2021 gross sales from products  
introduced since 2016

#### DTC Powerhouse

**~42%**

organic CAGR in  
DTC from  
2014 – 2021

**\$117M**

2021 DTC sales

#### Proven M&A Platform

**16**

acquisitions  
completed since  
2014

**\$35M+**

in growth and cost  
synergies since  
2014

#### Strong Financial Profile

**~25%**

2021 Adj. EBITDA  
Margin

**91%**

Adj. EBITDA less  
CapEx conversion<sup>(1)</sup>






*...reaching consumers with iconic brands, continuous product innovation and a powerful distribution network*

Source: Third-party report by a market leading consulting firm, 2020.  
1) Conversion defined as Adj. EBITDA less CapEx divided by Adj. EBITDA.



# We Are the Disrupters in the Performance Aftermarket



 Core Focus	We focus on our <u>consumers</u>
 Consumer Engagement	Direct digital and experiential engagement with enthusiasts
 Channel Strategy	DTC strategy is core to what we do
 Product Innovation	Inspired by consumer wants and desires
 Scale	~\$692M of net sales

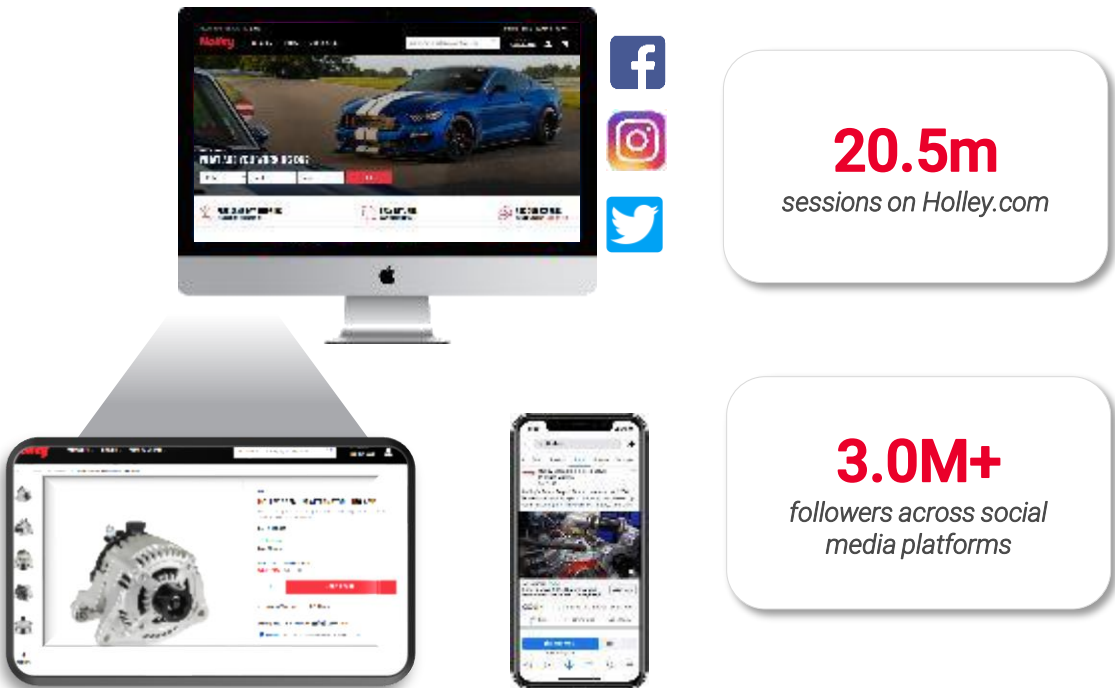
*Transforming the sector with a consumer-first approach driven by innovation*





# Holley is a Community-Building & Content-Creation Machine for Enthusiasts

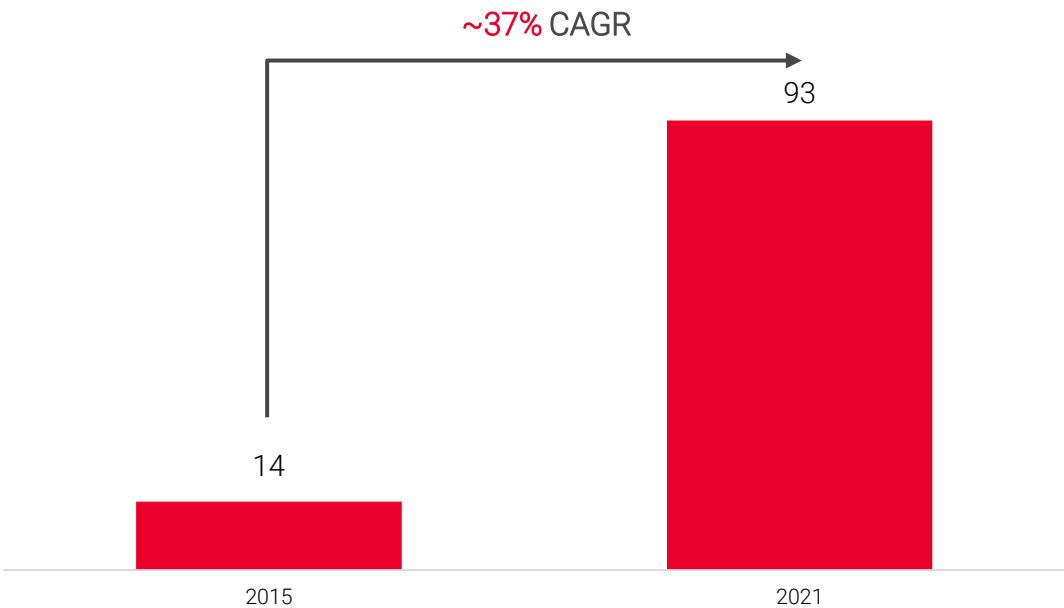
## Personalizing the Digital Experience



## Building the “Holley Tribe”

### Directly Engaging Enthusiasts

(Attendees in thousands)



Events are rooted in popular engine and car platforms and drive extensive media coverage

We have grown our **DTC channel** to **~17%** of company sales with a **CAGR of ~42%** since 2014<sup>(1)</sup>

Source: Third-party report by a market leading consulting firm, 2020.  
1) DTC channel growth calculated using total DTC sales for 2021 (\$117m) divided by total gross sales (\$692m).



# Holley We Are a Performance Aftermarket Powerhouse & Category Innovator

We are a leader in all of our major categories:

- ✓ **Electronic Fuel Injection**
- ✓ **Electronic Tuning**
- ✓ **Carburetor**
- ✓ **Electronic Ignition**
- ✓ **Exhaust**
- ✓ **Safety**

**Brands for Every Enthusiast**



We are a **market leader** in our core product segments of the performance aftermarket and are **continuously striving to expand into attractive adjacencies**

Q2 2021



**EV Conversions**

Q4 2021



**Wheels & Accessories**

Q4 2021



**Off-Road Shocks**

Q4 2021




















**Performance Brakes**



# ...While Providing Products for the Entire Enthusiast Build

Performance enthusiasts can spend upwards of **\$7,000** on Holley products over the course of a multi-year project...

Classic Vehicles		<div>Electronics</div> <div></div> <div><b>MSD</b></div> <div>~\$700 Ignition Kit</div>	<div>Exhaust</div> <div></div> <div><b>HOOKEE</b></div> <div>~\$1,000 Exhaust System</div>	<div>Fuel / Intake</div> <div></div> <div><b>Holley</b> <b>Holley EFI</b></div> <div>~\$450 Carburetor</div> <div></div> <div>~\$2,500 EFI Kit</div>	✓ Expansive product offering at varying price points enables unique enthusiast journeys
Modern Vehicles		<div>Electronic Tuning</div> <div></div> <div><b>DIABLOSPORT</b></div> <div>~\$600 Engine Tuner</div>	<div>Exhaust</div> <div></div> <div><b>HOOKEE</b> <b>BLACKHEART</b></div> <div>~\$2,000 Exhaust System</div>	<div>Air Intake</div> <div></div> <div><b>Holley INTECH</b></div> <div>~\$250 Cold Air Intake</div>	✓ Platform approach to vehicles and continuous new product development provides multiple enthusiast touchpoints
Trucks		<div>Electronic Tuning / Digital Instrumentation</div> <div></div> <div><b>EDGE</b> <b>TUNING</b></div> <div>~\$300 - \$600 Tuning Device</div>	<div>Exhaust</div> <div></div> <div><b>HOOKEE</b> <b>BLACKHEART</b></div> <div>~\$600 - \$2,000 Exhaust System</div>	<div>Brakes</div> <div></div> <div><b>BAER</b></div> <div>~\$3,600 Front Brake Systems</div>	✓ Each Holley acquisition compounds touchpoint opportunities through greater category depth or TAM expansion
Race Vehicles		<div>EFI and Fuel Pump</div> <div></div> <div><b>Holley EFI</b></div> <div>~\$500 - \$5,000 Electronics Systems</div>	<div>Headers</div> <div></div> <div><b>HOOKEE</b> <b>BLACKHEART</b></div> <div>~\$750 - \$2,000 Racing Headers</div>	<div>Forced Induction or Nos</div> <div></div> <div><b>NOS</b> <b>WEILAND</b></div> <div>~\$500 - \$8,000 NOS</div>	

...with Holley's iconic brands and extensive product offerings enabling the enthusiast's journey and fostering customer loyalty

Note: Classics defined as 25-years old and older, modern vehicles are less than 25-years old. Illustrative customer journey based on select Holley product offerings.  
Source: Company site.



# Holley®

INVESTOR HIGHLIGHTS



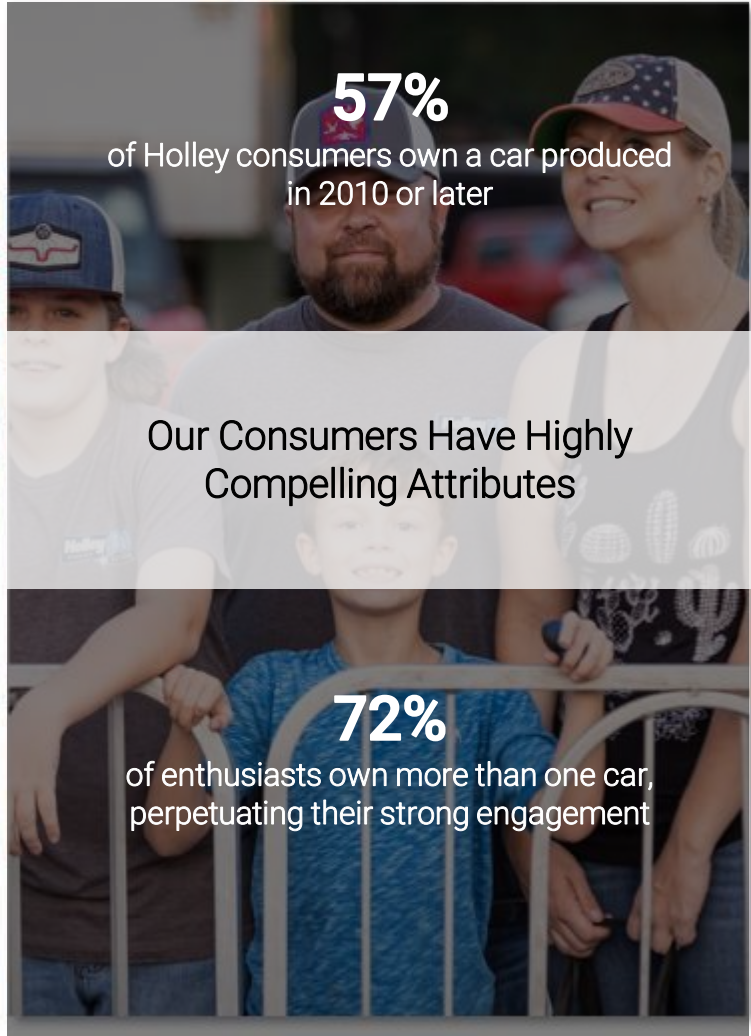
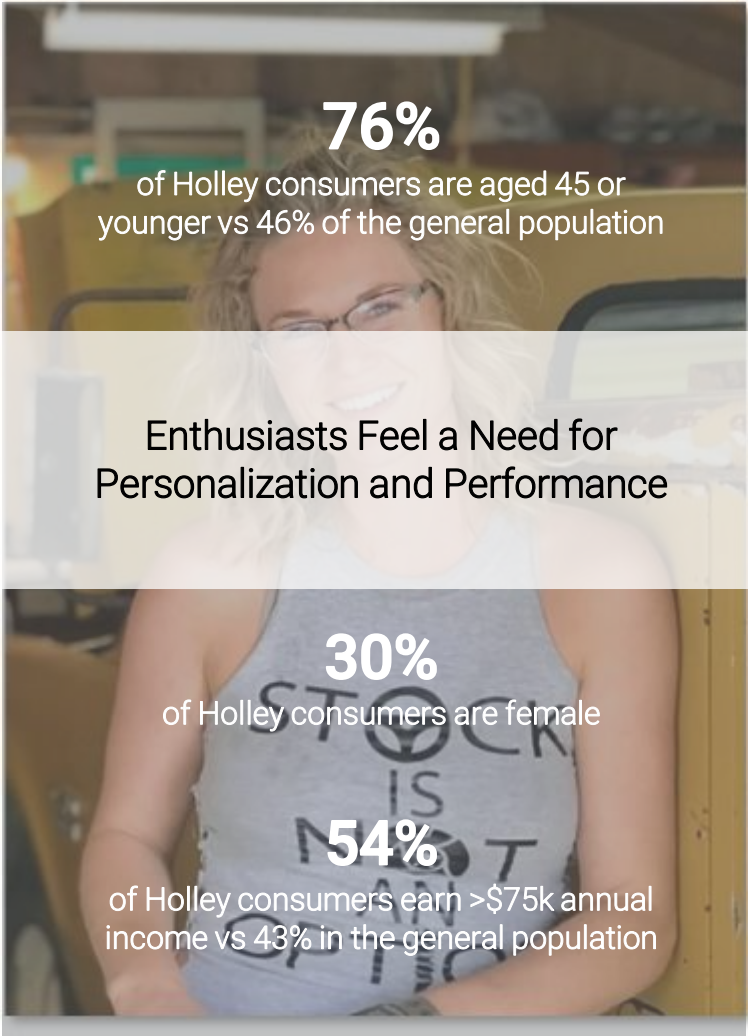


# Key Investor Highlights

- 1 Large base of passionate and highly engaged enthusiast consumers with attractive demographics
- 2 \$36B U.S. market with decades of strong growth
- 3 Powerhouse of product innovation with iconic brands driving long-term growth
- 4 Proven performance aftermarket consolidator with a robust M&A pipeline
- 5 Transformational digital and DTC opportunity
- 6 Experienced team with a track record of execution
- 7 Flexible operating model with attractive growth, margins, and cash flow

Source: SEMA data; Performance aftermarket based on select accessories, performance engines, exhaust, wheels, tires, brakes, and suspension categories.

# 1 Large Base of Passionate, Highly-Engaged Enthusiasts with Attractive Demographics



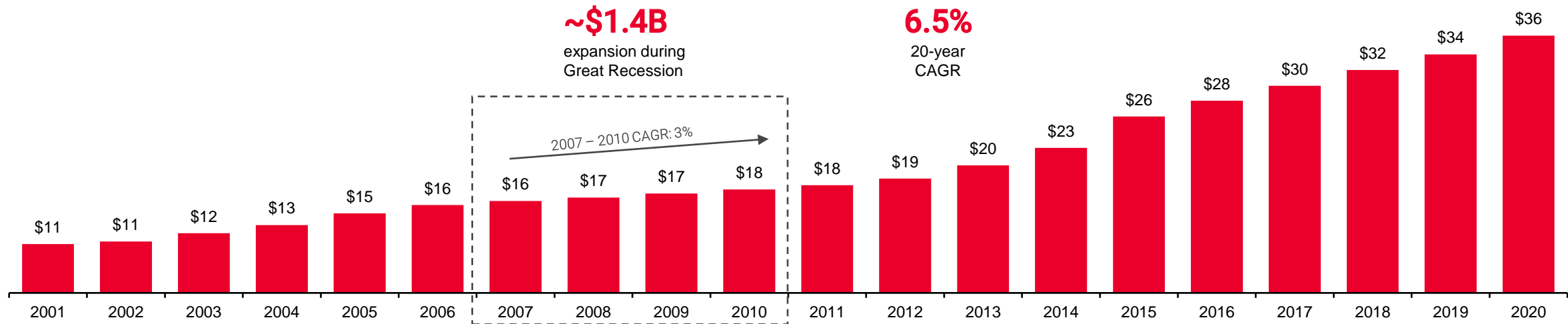
Source: Third-party report by a market leading consulting firm, 2020.



## 2 \$36B U.S. Market with Decades of Strong Growth...

The Performance Automotive Aftermarket Shows No Signs of Slowing Down

(industry revenue in \$ billions)



Representing One of the Largest Enthusiast Markets

(number of U.S. participants)



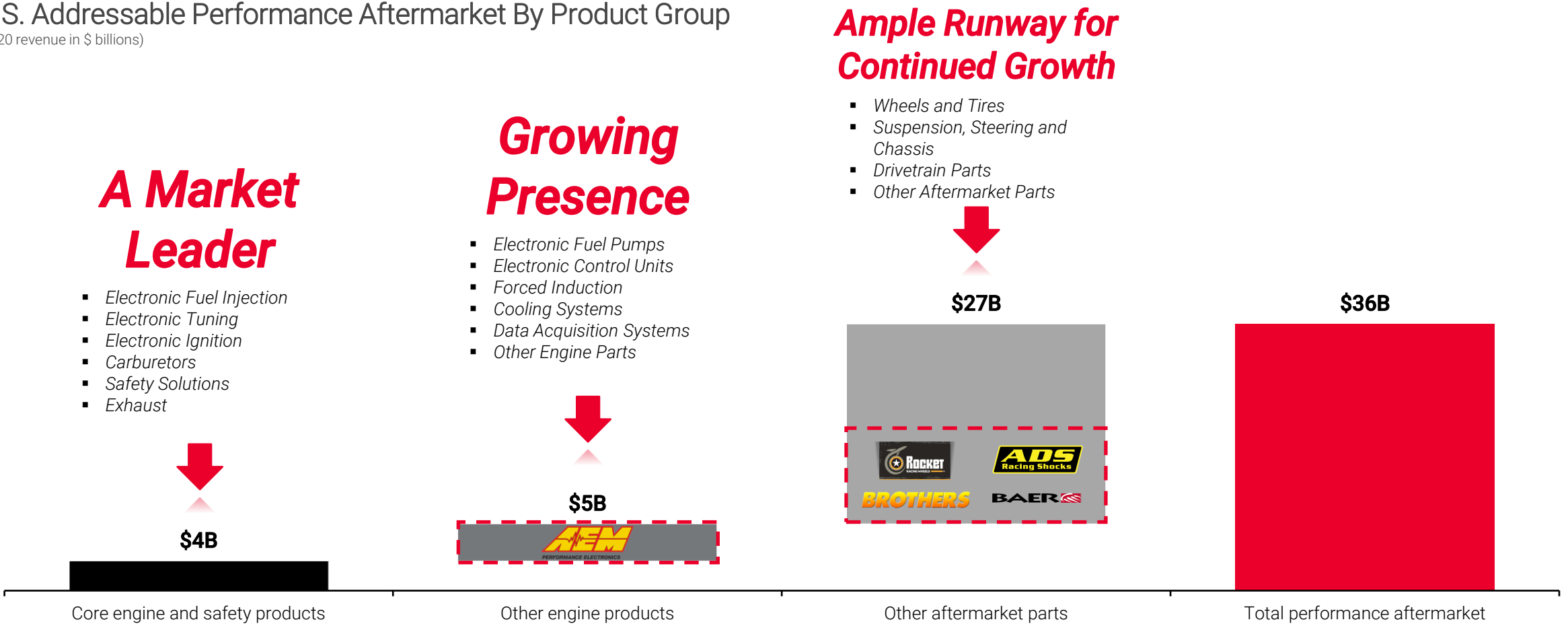
Source: SEMA data; Performance aftermarket based on select accessories, performance engines, exhaust, wheels, tires, brakes, and suspension categories; 2021 Outdoor Participation Trends Report; National Golf Foundation (number of on-course golfers); Fitness Industry Market Report; 2020-2021 APPA National Pet Owners Survey.



## 2 ... Providing Substantial Room To Grow In Our Market

*A leader in our current categories, and well-positioned to expand into the broader performance automotive aftermarket*

U.S. Addressable Performance Aftermarket By Product Group  
(2020 revenue in \$ billions)

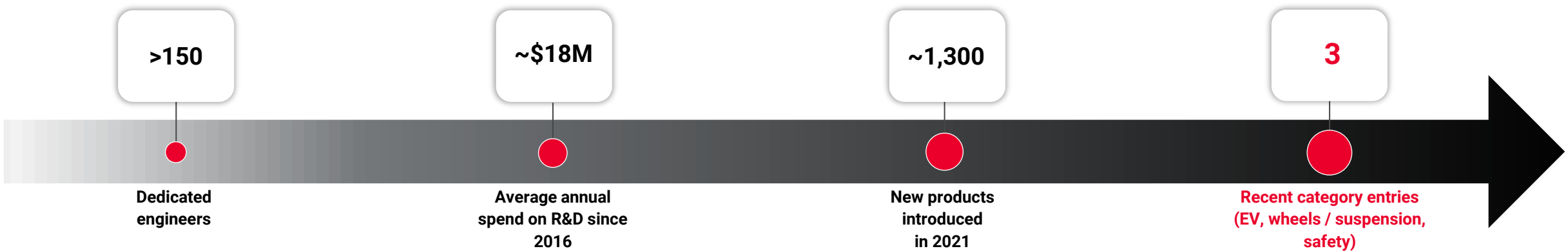


Source: SEMA data; Performance aftermarket based on select accessories, performance engines, exhaust, wheels, tires, brakes, and suspension categories.

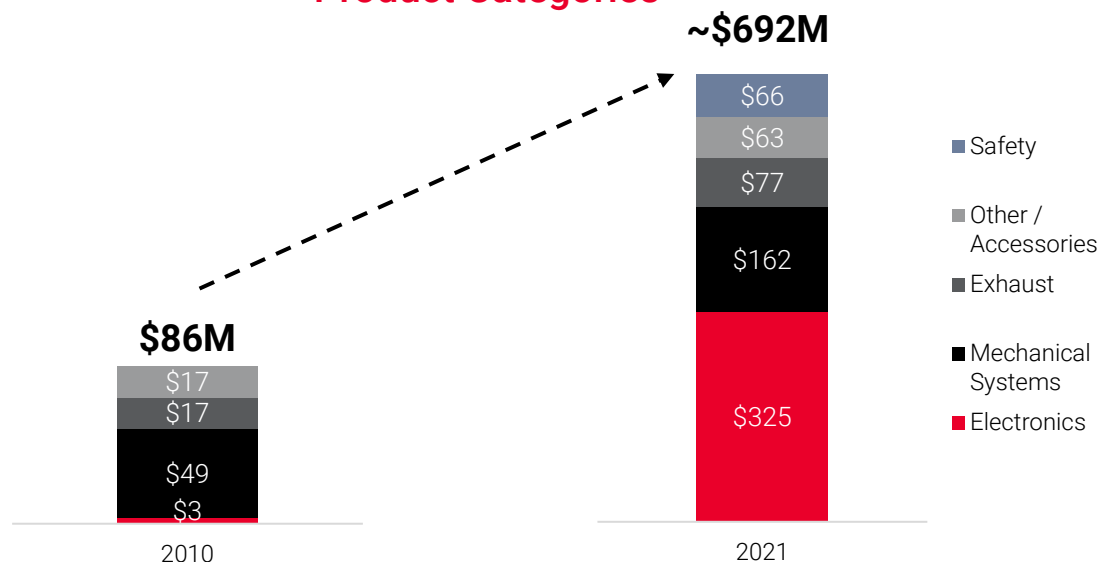


# 3 Powerhouse of Innovation with Iconic Brands Driving Long-Term Growth...

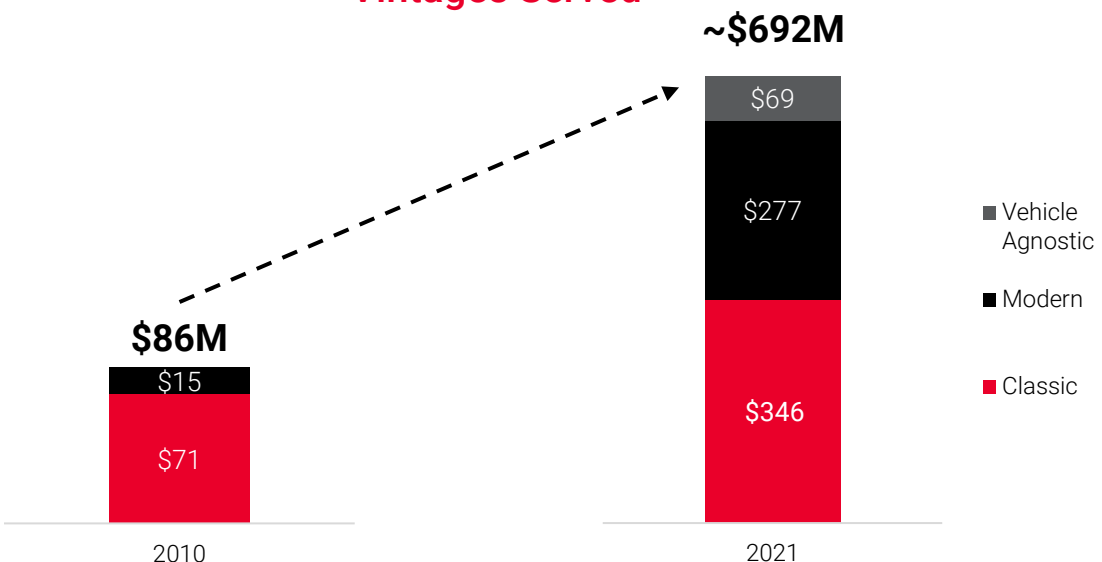
*We constantly invest in our product pipeline to meet performance enthusiasts' needs and the results speak for themselves – new categories are our growth drivers of tomorrow*



Product Categories



Vintages Served



Note: Classics defined as 25-years old and older, modern vehicles are less than 25-years old.

3

## ...and New Products Expanding Our EV Presence



Substantial expertise in  
electronic control systems



**Holley**



Deep understanding of  
performance enthusiast  
customers



Demonstrated success in  
modern powertrain conversions

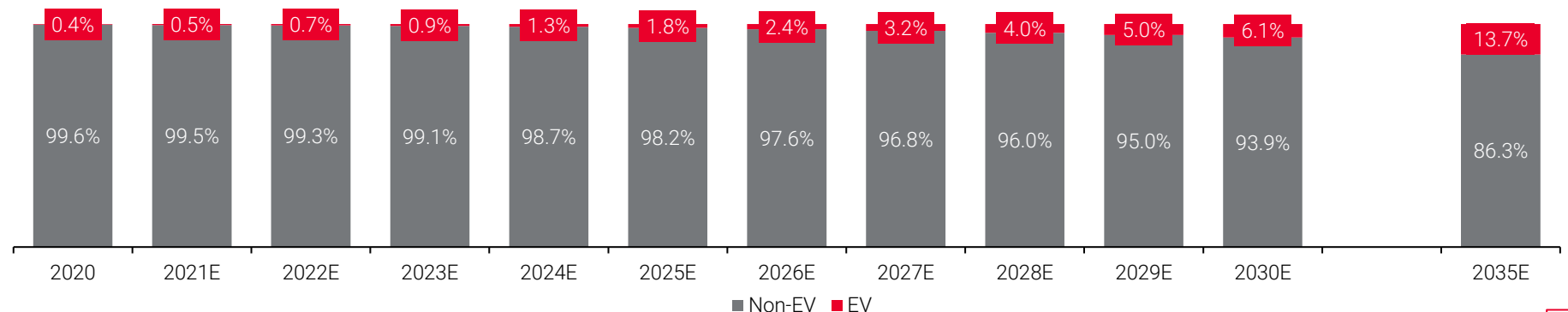
**Engineered to Outperform**



We have the scale &  
expertise to meaningfully  
attack performance EV

***Our demonstrated product development expertise uniquely positions us to seize the EV opportunity even if meaningful EV penetration of the car parc will take years***

% U.S. Total Vehicles in Operation by Powertrain (2020-35)



Source: Third-party report by a market leading consulting firm, 2021



# 4 Proven Acquisition Platform With A Robust M&A Pipeline

Powerful Acquisition Platform



16

Focused on Highly Synergistic

acquisitions executed since 2014

platform acquisitions

Source: Company filings; management estimates.

Proven Integration Expertise



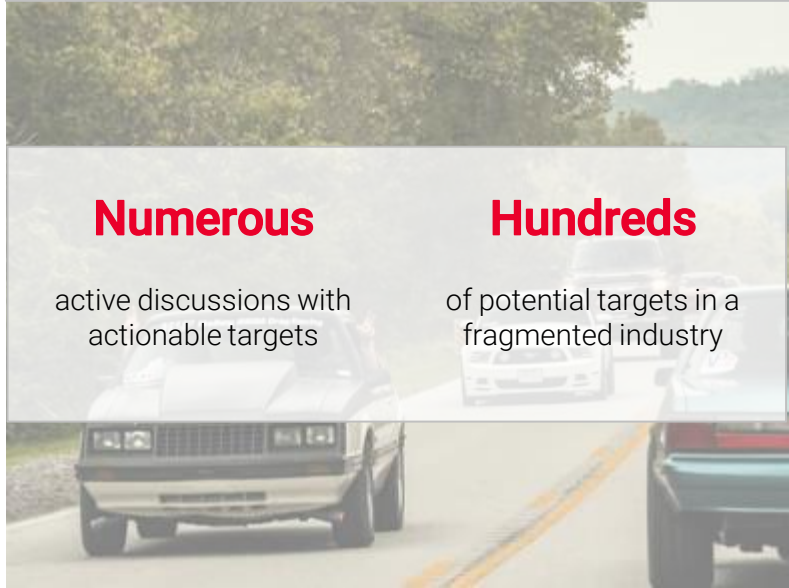
\$35M+

Highly Accretive

growth and cost savings synergies realized since 2014

driven by exceptional cost discipline and ability to integrate new systems

Robust Pipeline of Targets



Numerous

Hundreds


active discussions with actionable targets

of potential targets in a fragmented industry

## Focused Strategy



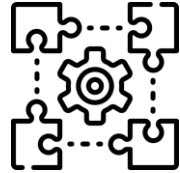
Enter New Product Categories



Increase DTC Scale and Connection



Expand Share in Current Categories



Consolidate the Consolidators



Cross-Sell All Brands

# Established Integration Playbook Drives Value Accretion

Portfolio



(2018)

Fuel Management



(2019)

Appearance Parts



(2020)

Safety



(2020)

Suspension



(2020)

Electric Powertrains



(2021)

Brakes



(2021)

Wheels



(2021)

Appearance Parts



(2021)

Off-Road Shocks



(2021)

## Recent Enthusiast-Driven Acquisitions in Highly Strategic Categories



April 2021

**EV and  
EV-Conversion Categories**

AEM is a leading developer and supplier of electronic control and monitoring systems for performance auto applications; enhancing our product offering and push into EV conversions / electronic control solutions

Deal Economics (at Closing):

Transaction Value: ~\$51 million



Q4 2021

**New  
Powertrain-Agnostic  
Categories**

Four acquisitions that add to the growing portfolio of categories such as brakes, suspension wheels and tires, as well as enhancing our offerings in trucks and SUVs.

Deal Economics (at Closing):

Transaction Value: ~\$56 million



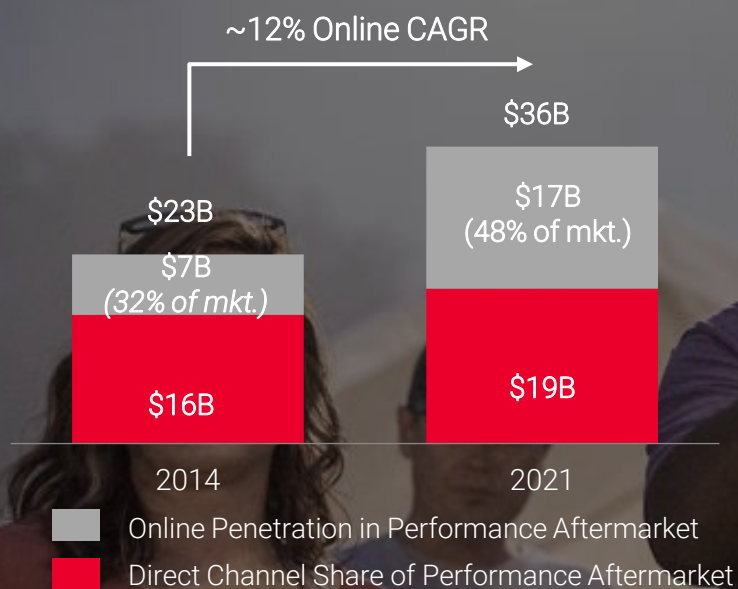
# 5 Transformational Digital and DTC Opportunity



DTC Creates Greater Visibility and Engagement with Enthusiast Consumers

## The Performance Aftermarket is Moving Online...

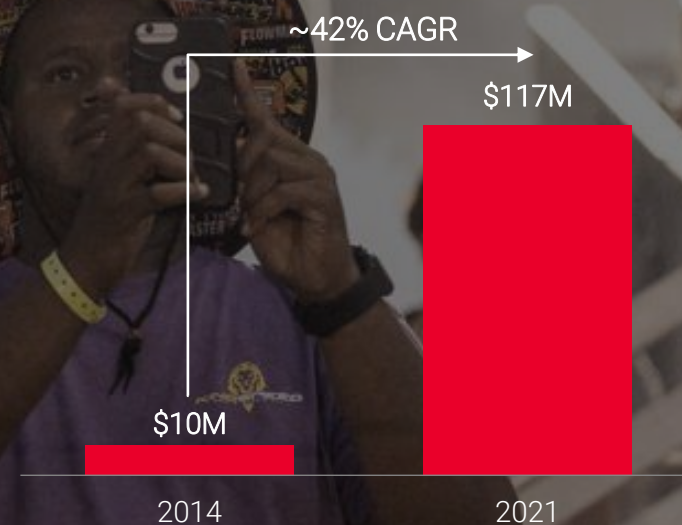
Industry is seeing ongoing transformational shift to digital



**~40%**  
Consumers expect to increase DTC spend

## ... and We are Well-Positioned to Continue Driving the Shift Online

Our eCommerce business is growing ~3.5x faster than the market<sup>(1)</sup>



**~\$117M**  
DTC sales 2021

Source: Third-party report by a market leading consulting firm, 2020; SEMA data.  
1) Comparing Holley DTC CAGR to total performance aftermarket CAGR.

# 6 Experienced Team With A Track Record Of Execution



**Tom Tomlinson**  
President & Chief Executive Officer

President & CEO of Holley since 2009

Prior to assuming his current role, he served as  
CFO since 2003

19 Years of Holley Experience



**Dominic Bardos**  
Chief Financial Officer

Chief Financial Officer since 2021

30+ years of global finance and accounting  
experience

Previous experience at Tractor Supply,  
ServiceMaster, and Cambridge Franchise  
Holdings



**Sean Crawford**  
Chief Marketing Officer

Chief Marketing Officer since 2020

20 years of automotive industry experience  
under both private and public ownership

Previous experience at Race Winning Brands  
and Performance Motorsports



**Vinny Nimmagadda**  
EVP, Corporate Development &  
New Ventures

Joined Holley family in 2021 as EVP of corporate  
development & new ventures

8+ years of finance and investment banking  
experience in the automotive aftermarket

Previous experience at Jefferies and  
BB&T



**Steve Trussell**  
VP, Finance

VP of finance since 2009

Prior to assuming his current role, served as  
corporate controller since 2003

19 Years of Holley Experience



**Jason Bruce**  
VP, Business Development

Joined the Holley family in 1999

30+ years of experience in the performance  
automotive aftermarket

Previous experience at Hooker Headers, Street  
Scene Equipment, and Advanced Flow  
Engineering

Note: Represents selected team members.



# 7 Proven, Efficient, and Flexible Operating Model

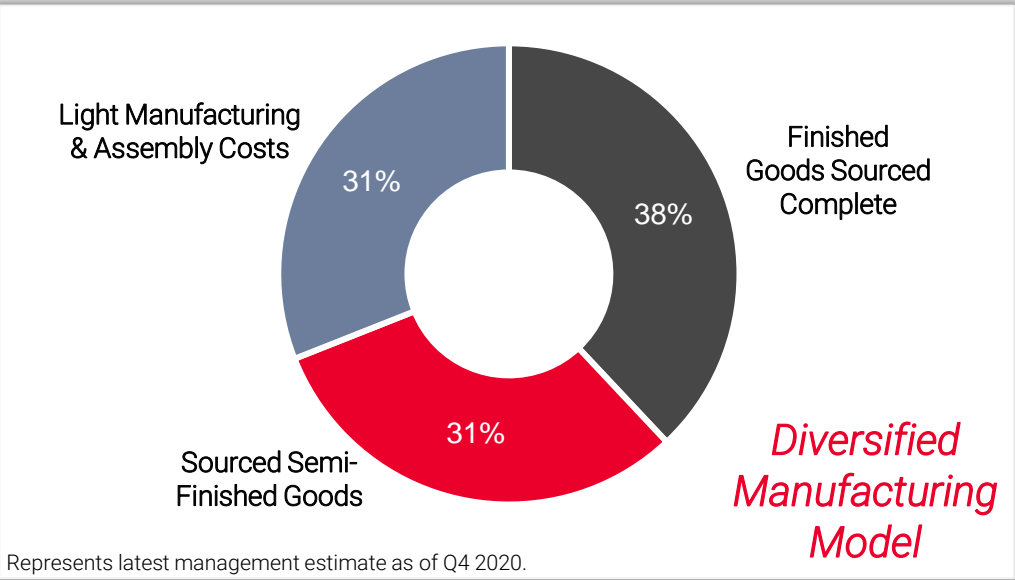
## Manufacturing / Distribution

Continue to diversify supplier base and front-load inventory when deemed necessary

Asset-light model with precision, high-speed manufacturing capabilities

Modern, narrow aisle, high bay distribution center in Bowling Green, KY, the primary DTC distribution hub

## Manufactured vs. Sourced Products



## Best-Value Sourcing Model

Global & domestic support staff

Diverse, global supplier network

## Best-Value Sourcing Model

Holley leverages a “best-value sourcing” model to create operational flexibility and optimal responsiveness



## Fixed vs. Variable Costs

High variable COGS



Low variable OpEx



## Distribution Expertise

Automated Order Processing

Exceptional DTC Fulfillment

16

Distribution Locations

## In-House Manufacturing and R&D

17

Facilities across the U.S. and Canada

15

R&D / engineering facilities designed to grow new product innovations

# 7 Our Impressive Financial Profile

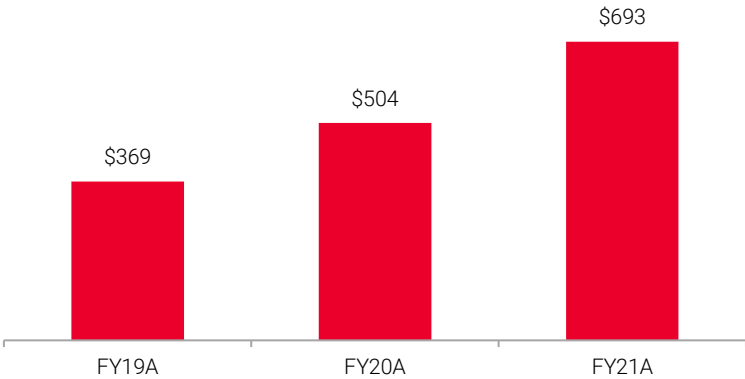


## Recent Trends

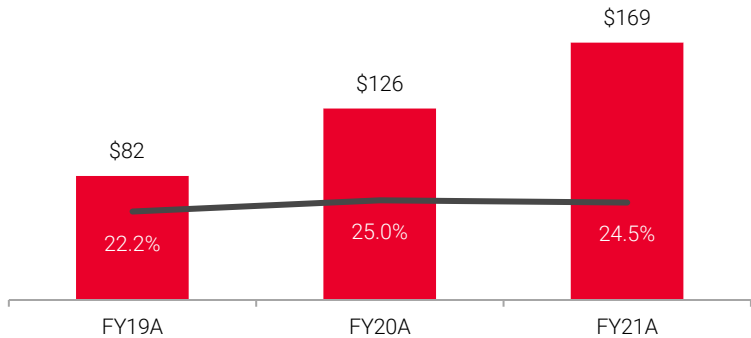
- 2021 Reported Net Sales (GAAP) increased at a **37% CAGR** to 693 million, up from \$369 million in 2019
- PF Net Sales increased at a CAGR of **26%<sup>(1)</sup>** from 2019 to 2021 driven by growth in new product innovation and direct-to-consumer
- Adjusted EBITDA grew at a CAGR of **44%** from 2019 to 2021 with margins expanding **230 bps** over the period
  - The increase in Adj. EBITDA was driven by consistent sales growth, margin expansion, and accretive acquisitions
- 2021 Adj. Net Income increased by **88%** over 2020
- Steady Adj. EBITDA – Capex and conversion of **~92%** throughout the historical period

(\$Millions)

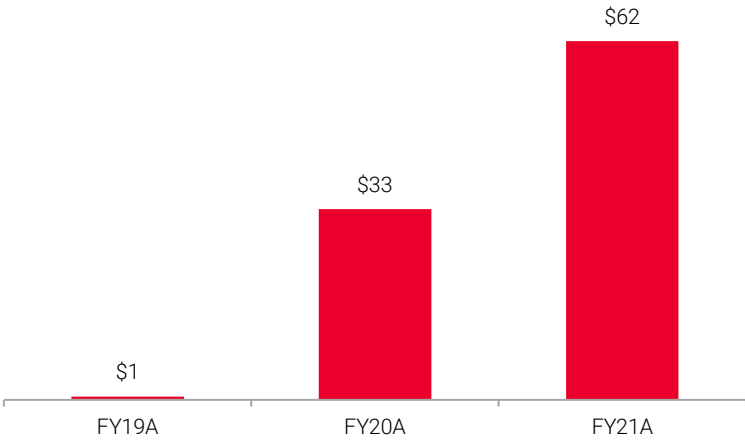
### Reported Net Sales



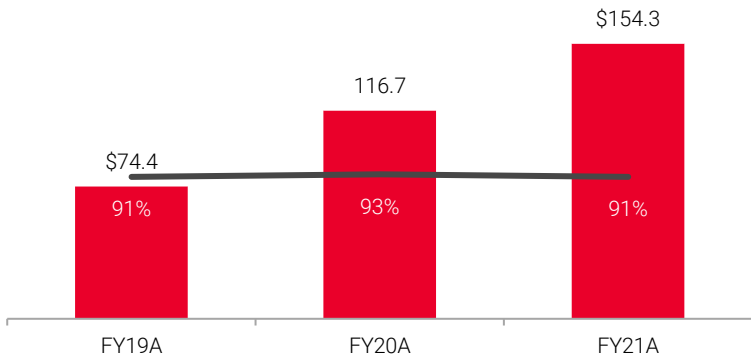
### Adj. EBITDA and Margin (%)



### Adj. Net Income



### Adj. EBITDA less Capex and Conversion(%)(<sup>2</sup>)



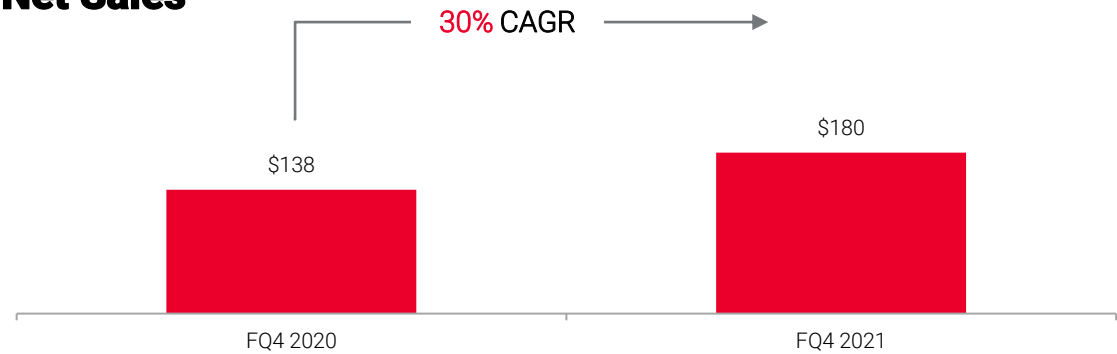
Source: Company filings.  
Note: Capex (\$15.2m in 2021) related to ongoing maintenance & improvements to information technology systems, tooling for new products, vehicles, for product development, and machinery and equipment for operations.  
1) PF Net sales calculated as if Baer, Brothers, AEM, Drake, Simpson, and Detroit Speed had been acquired as of January 1, 2020. CAGR attributable to acquisitions.  
2) Conversion defined as Adj. EBITDA less CapEx divided by Adj. EBITDA.



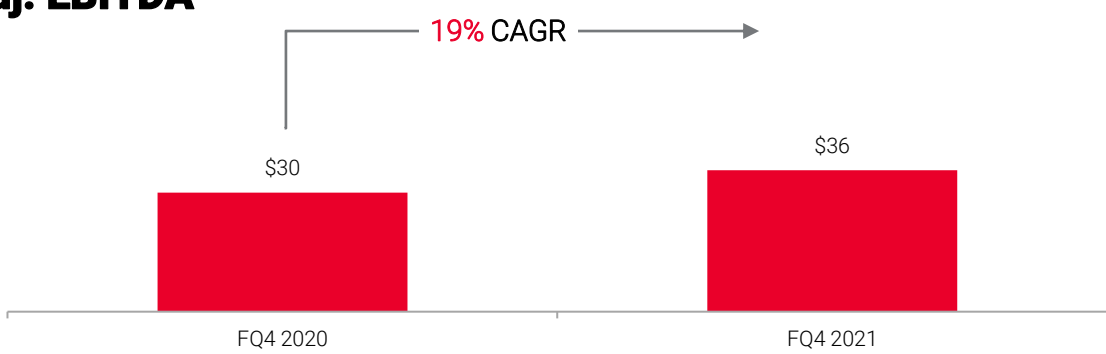
We demonstrated strong top-line performance YoY through our iconic legacy brands and established integration playbook

(\$Millions)

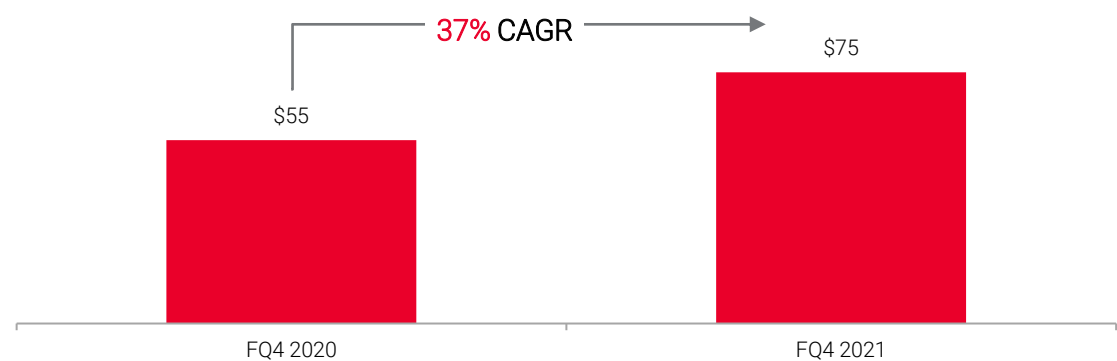
Net Sales



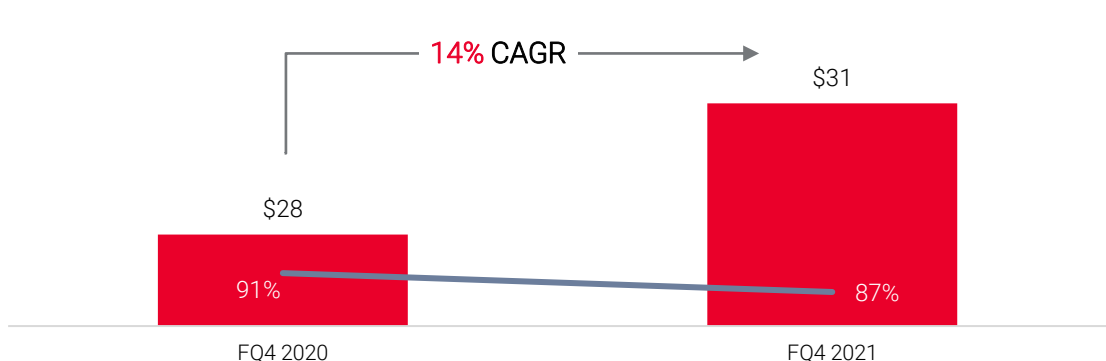
Adj. EBITDA



Gross Profit



Adj. EBITDA less Capex and Conversion(%)



Source: Company filings.  
Note: CAGRs include revenue attributable to acquisitions. Historical financials are pro forma for acquisitions, including Range Technologies (acquired October 2019), Drake (acquired November 2020), Simpson (acquired November 2020) and Detroit Speed (acquired December 2020). These numbers do not include the acquisitions of AEM, Arizona Desert Shocks, Baer Brakes, Brothers Trucks, and Rocket Racing Wheels.

# 7 Q1 Preliminary Update

(\$Millions)	Q1 Preliminary Estimates
Net Sales	\$199 - \$200
Gross Profit	\$81 - \$82
Net Income	\$16 - \$17
Adjusted EBITDA	\$45 - \$46



# Holley's Growth Story Is Only Ramping Up

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## *Growing Wallet Share with Automotive Fanatics*

*The aftermarket enthusiast demographic skews young, affluent, and sees part purchases as a recurring investment*

## *Bringing New Products & Categories To The "Holley Tribe"*

*With over 120 years of history, Holley enthusiasts continue to purchase new products and categories*

## *Investing in the Future of Performance EV*

*A deep understanding of enthusiasts' preferences and demonstrated product development expertise means growing EV penetration presents new, exciting opportunities*

## *Leveraging DTC Platform To Engage Enthusiasts*

*We have pole-position in ramping sales and content creation as performance aftermarket eCommerce has accelerated;  
We expect to continue that growth in our high-margin, frequent-touchpoint channel*

## *Continuing to Build our Stable of Iconic Brands*

*We are a proven integrator with dozens of additional identified targets representing new product categories, consolidation plays, and opportunities to gain wallet share within our enthusiast communities*





# Holley®

APPENDIX



# Reconciliation of GAAP Financial Measures

(\$Millions)	Fiscal Year Ended December 31,			Quarter Ended December 31,		1Q22 Preliminary Update	
	2019	2020	2021	4Q20	4Q21	Low Range	High Range
<b>Net Income</b>	\$1	\$33	(\$27)	\$2	(\$18)	\$16	\$17
Depreciation	9	8	12	2	4	2	2
Amortization of Intangible Assets	10	11	14	3	4	4	4
Interest Expense	50	44	39	12	8	7	7
Income Tax expense (benefit)	(5)	9	10	(1)	3	8	8
<b>Reported EBITDA</b>	<b>\$65</b>	<b>\$104</b>	<b>\$48</b>	<b>\$18</b>	<b>\$1</b>	<b>\$37</b>	<b>\$38</b>
Notable Items	7	4	11	2	1	1	1
Equity-based compensation expense	0	0	5	0	2	2	2
Acquisition and restructuring costs	5	10	24	4	2	-	-
Change in fair value of warrant liability	-	-	33	-	15	2	2
Change in fair value of earn-out liability	-	-	9	-	2	3	3
Loss on early extinguishment of debt	-	-	14	-	12	-	-
Related party acquisition and management fees	4	6	26	3	-	-	-
Other expense	1	2	1	3	1	-	-
<b>Adjusted EBITDA</b>	<b>\$82</b>	<b>\$126</b>	<b>\$169</b>	<b>\$30</b>	<b>\$36</b>	<b>\$45</b>	<b>\$46</b>

	Fiscal Year Ended December 31,			Quarter Ended December 31,	
	2019	2020	2021	4Q20	4Q21
<b>Net Income (loss)</b>	\$1	\$33	(\$27)	\$2	(\$18)
Change in fair value of warrant liability	-	-	33	-	15
Change in fair value of earn-out liability	-	-	9	-	2
Change in fair value of acquisition contingent consideration payable	-	-	17	-	-
Loss on early extinguishment of debt	-	-	11	-	10
Fees paid related to the Business Combination	-	-	20	-	-
<b>Adjusted Net Income</b>	<b>\$1</b>	<b>\$33</b>	<b>\$62</b>	<b>\$2</b>	<b>\$9</b>



