



Houlihan
Lokey

Transportation and Logistics

Market Update—Q4 2023



About Our Firm

Houlihan Lokey is a leading global investment bank with expertise in mergers and acquisitions, capital markets, financial restructuring, and financial and valuation advisory.

Our firm is the trusted advisor to more top decision-makers than any other independent global investment bank.

CORPORATE FINANCE

2023 M&A Advisory Rankings
All Global Transactions

Advisor	Deals
1 Houlihan Lokey	352
2 Rothschild & Co	349
3 Goldman Sachs & Co	300
3 JP Morgan	300
5 Morgan Stanley	253

Source: LSEG (formerly Refinitiv).
Excludes accounting firms and brokers.

No. 1

Global M&A Advisor

Leading

Capital Markets Advisor

FINANCIAL RESTRUCTURING

2023 Global Distressed Debt &
Bankruptcy Restructuring Rankings

Advisor	Deals
1 Houlihan Lokey	73
2 PJT Partners Inc	64
3 Rothschild & Co	51
4 Lazard	37
5 Evercore Partners	27

Source: LSEG (formerly Refinitiv).

No. 1

Global Restructuring Advisor

1,700+

Transactions Completed Valued at
More Than **\$3.5 Trillion** Collectively

FINANCIAL AND VALUATION ADVISORY

1999–2023 Global M&A
Fairness Advisory Rankings

Advisor	Deals
1 Houlihan Lokey	1,247
2 JP Morgan	1,035
3 Duff & Phelps, A Kroll Business	977
4 UBS	884
5 Morgan Stanley	716

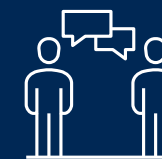
Source: LSEG (formerly Refinitiv).
Announced or completed transactions.

No. 1

Global M&A Fairness Opinion
Advisor Over the Past 25 Years

2,000+

Annual Valuation Engagements



Learn more about how
our advisors can serve
your needs

Corporate Finance →

Financial Restructuring →

Financial and
Valuation Advisory →

Our Industry Coverage →

Our clients benefit from our local presence and global reach



36 Locations Worldwide ~2,000 Total Financial Professionals⁽¹⁾ 312 Managing Directors⁽¹⁾ 2,000+ Clients Served Annually \$8.3B Market Cap⁽²⁾ \$1.8B Annual Revenue⁽³⁾

AMERICAS Atlanta, Baltimore, Boston, Charlotte, Chicago, Dallas, Houston, Los Angeles, Miami, Minneapolis, New York, San Francisco, São Paulo, Washington, D.C.

EUROPE AND MIDDLE EAST Amsterdam, Antwerp, Dubai, Frankfurt, London, Madrid, Manchester, Milan, Munich, Paris, Stockholm, Tel Aviv, Zurich

ASIA-PACIFIC Beijing, Fukuoka, Gurugram, Hong Kong SAR, Mumbai, Shanghai, Singapore, Sydney, Tokyo

(1) As of December 31, 2023; excludes corporate managing directors.

(2) As of January 31, 2024.

(3) LTM ended December 31, 2023.

Fully Integrated Financial Sponsor Coverage

29

Senior officers dedicated to the sponsor community in the Americas and Europe

1,000+

Sponsors covered, providing market insights and knowledge of buyer behavior

750+

Companies sold to financial sponsors over the past five years



About Our Business Services Industry Group

Houlihan Lokey's Business Services Group combines extensive industry relationships with substantial experience to offer a broad array of M&A, corporate finance, restructuring, and financial and valuation advisory services to the business services industry.

2023 M&A Advisory Rankings
All Global Business Services Transactions

Advisor	Deals
1 Houlihan Lokey	63
2 Rothschild & Co	46
3 Lincoln International	32
4 Clearwater International	31
5 Goldman Sachs & Co	27

Source: LSEG (formerly Refinitiv).
Excludes accounting firms and brokers.

Based on number of transactions and according to data provided by LSEG (formerly Refinitiv), Houlihan Lokey was ranked the **No. 1** investment bank for global business services M&A transactions in 2023.



Selected Business Services Industry Transactions

Industry Sector Coverage

We cover a broad array of sectors, with bankers dedicated to each of our primary coverage areas.



BPO Services



Engineering and Infrastructure



Environmental Services



Equipment-as-a-Service



Facility and Residential Services



HCM Services



IT Services



Marketing Services



Pharma Commercialization



Specialty Consulting and Risk Services



Testing, Inspection, Certification, and Compliance



Training and Education



Transportation and Logistics

Key Facts and Figures

170+

Dedicated business services bankers

63

Completed business services M&A/private placement transactions in CY23

About Our Transportation and Logistics Team

The transportation and logistics (T&L) sector operates within Houlihan Lokey's Business Services Group, which has earned a reputation for providing superior service and achieving outstanding results in M&A advisory, capital raising, restructuring, and financial and valuation advisory services.

Our clients run the gamut from early-stage businesses and mid-sized companies to large, market-leading corporations. We understand that an industry driven by innovation and change requires the sophistication of an advisor who can think ahead of the market and utilize solid industry relationships to help advance your vision. We optimize client outcomes by running well-executed, competitive processes, by focusing on deep domain knowledge to position for synergy and scarcity value, and by leveraging our world-class strategic and private equity access to bring the right senior decision-makers to the negotiation table.

Featured Transactions

 a joint-venture between has acquired Buyside Advisor	 has been acquired by a portfolio company of Sellside Advisor	 has been acquired by a portfolio company of Sellside Advisor	 has been acquired by Sellside Advisor	 a portfolio company of has been acquired by and Sellside Advisor	 has received a majority investment from and Sellside Advisor
 has been acquired by Sellside Advisor	 a portfolio company of has completed a recapitalization and acquired Intermodal & Drayage Division Fairness Opinion	 a portfolio company of €225,000,000 Senior Secured Bridge Facility Acquisition Financing Exclusive Placement Agent	 has been acquired by Sellside Advisor	 Term Loan & Delayed Draw Term Loan Refinancing & Growth Financing \$85,000,000 Exclusive Placement Agent	 a portfolio company of Dividend Recapitalization & Acquisition Financing Revolver & Term Loan Exclusive Placement Agent

Tombstones included herein represent transactions closed from 2020 forward.

Subsector Coverage



Aviation and Related Services



Passenger Transportation



Freight Brokerage



Rail Transportation and Services



Freight Forwarding



Specialized Asset-Based Trucking



Four Walls Logistics (Warehousing, Fulfillment, etc.)



Tech-Enabled Services



Marine Transportation and Services



Transportation Equipment Leasing

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Contact us

Please reach out to us to schedule a call to discuss this quarter's market update or to explore how we can serve your business needs.

Request a Meeting

Learn More About Us

Join Us at Our Upcoming Spring and Fall Conferences

Attendees will gain insights into the market dynamics and strategies employed within a variety of business services sectors and participate in insightful discussions on the state of the market and current issues.



BPO
Services



Engineering and
Infrastructure



Environmental
Services



Equipment-
as-a-Service



Facility and
Residential Services



HCM
Services



IT Services



Marketing
Services



Pharma
Commercialization



Specialty Consulting
and Risk Services



Testing, Inspection,
Certification, and
Compliance



Training and
Education



Transportation
and Logistics



Presentations from highly
successful companies



Targeted one-on-one
meetings

1,000+
Registered
conference attendees

2024 Global Business Services Spring Summit

April 17 and 18, 2024
Virtual Conference



Register today

2024 Global Business Services Conference

October 10, 2024
Lotte New York Palace



Request an invite

Interested in presenting your
company at our conferences?



Email us



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Disclaimer

Introduction Transportation and Logistics Market Update

There is growing optimism among buyers and sellers that 2024 freight markets will settle and even improve slightly in the first half of the year, therein creating a better M&A deal environment.

Q4 2023 provided reason for optimism in the 2024 outlook for the transportation and logistics market and for M&A. While the cycle has not yet turned definitively, freight rates seem to have finally bottomed. Key indicators signal an improving market in 2024 as capacity tightens and demand improves. Macroeconomic factors point to a stronger economy as consumers drove retail sales in November and December 3.1% higher YoY.

Many C-suite professionals in logistics are bullish that the second half of 2024 will be a turning point for rates as over-the-road (OTR) carriers leave the market and shipper inventory starts to refill. The U.S. carrier population decreased by more than 20,500 between October 2022 and October 2023.⁽²⁾ Inventories across retail sectors were down 7.8% year over year in Q3 overall, compared to 38.2% growth in the same period the year prior.⁽⁴⁾

Geopolitical tensions, attacks in the Red Sea, and issues in the Suez and Panama canals have caused a momentary increase in ocean and air rates. Domestically, volume appears to be shifting back to West Coast ports now that dockworkers have ratified a new multi-year labor contract.

Warehousing companies—relatively stable in 2023 as compared to brokers, forwarders, and carriers—are now seeing the impact of de-stocking and of record levels of new developments working their way through the market. The national Q4 vacancy rate of 5.2% is up from 3.1% a year earlier and broke 5% for the first time since 2020.⁽³⁾

Overall, though the market is experiencing issues due to momentary geopolitical events, macro and long-term trends are turning positive, suggesting tailwinds in 2024. As earnings normalize, we expect M&A activity to pick up later in the year. Private equity has amassed significant dry powder with less opportunities to invest over the past 12–18 months, and strategics are looking to deploy capital for M&A. Sellers will also look to exit well ahead of the election in November, which can be a source of uncertainty in deals.

(1) Refinitiv as of December 31, 2023.

(2) Uber Freight – Q4 Freight Market Update.

(3) The Wall Street Journal, *Warehouse Availability Surges to Highest Level Since the Pandemic*.

(4) SupplyChainDive, January 29, 2024: *Retailers Have Finally Tamed Their Inventories: Report*.

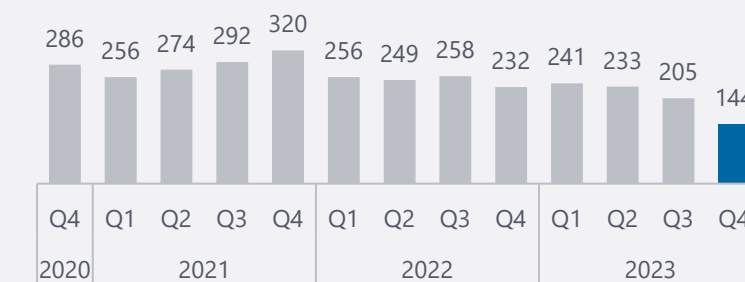
Q4 2023 Quick Facts

Transportation and Logistics

Global M&A Transaction Volume⁽¹⁾

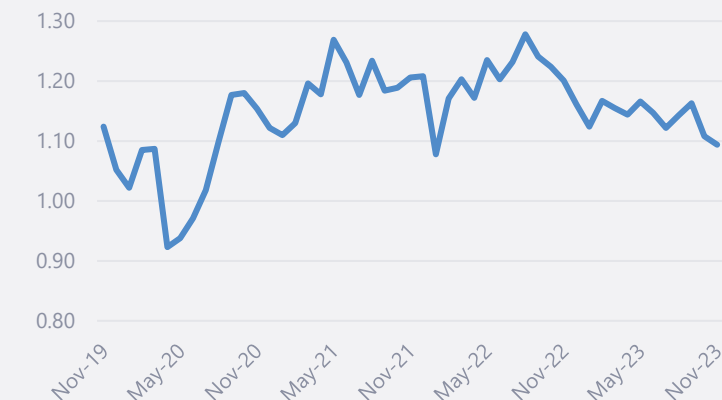
144

Transactions Q4 2023



Cass Freight Index – Shipments

(Seasonally Adjusted, as of November 30, 2023)



Key Trend: Healthcare Logistics M&A

Strategics across the supply chain are focused on adding capabilities in time-critical, high-value logistics, with healthcare being a key vertical.

The global healthcare logistics sector was valued at \$77 billion in 2022 and is projected to more than double over the next 10 years, reaching ~\$179 billion by 2032.⁽¹⁾ Aftershocks of the COVID-19 pandemic, aging populations, and increasing costs for drugs, medical devices, and services are all contributing to market tailwinds.

With the growing market, logistics providers are benefitting. 3PLs need highly specialized capabilities to manage the time-critical nature, cold-chain requirements, and complicated compliance and regulatory environment of healthcare-related freight, creating high barriers to entry. The combination of these factors make healthcare logistics an attractive area of investment for both strategics and private equity groups alike.

One strategic in particular that has pushed further into healthcare logistics via M&A has been UPS (NYSE:UPS), having done three acquisitions in the space over the past 18 months. Today, UPS' healthcare portfolio has more than \$10 billion in revenue and consists of 17 million square feet of healthcare-compliant distribution space. Below are profiles of its recent acquisitions.

UPS Expands Healthcare Segment Through a Series of Acquisitions



September 2023

UPS expands capabilities in time-critical healthcare logistics through the international freight forwarding capabilities of MNX, a previously owned portfolio company of Quad-C Management.

"UPS already brings extensive capability and industry-leading on-time delivery...With MNX, we will further [our] reliability and speed globally, especially for our UPS Healthcare customers."



– Kate Gutmann, EVP/President of UPS International, Healthcare and Supply Chain Solutions

Selected Other Transactions

Date	Buyer	Target
March 2023	 GEODIS	trans-o-flex 
September 2022		NTA  <small>With Division Health</small>
September 2022	 LOGISTEED <small>(While Hitachi)</small>	cft 
December 2021	 erisbeg	DIXON <small>EXPERIENCE IN MOTION</small>
November 2021	Blackstone 	LifeScience Logistics 
October 2019	 SQUARE	KnipperHEALTH  <small>Leading the Way to Smarter Solutions™</small>
June 2019	 EXCEL GROUP <small>COURIER • LOGISTICS</small> <small>Moving lives forward</small>	Custom Courier Systems

TRANSPORTS CHABAS 
May 2023

Strengthens UPS Healthcare's ability to deliver pharma and biologic treatments across Europe, particularly in southern France.

BOMI 
August 2022

UPS expands time-critical, temperature-sensitive capabilities and global footprint with Bomi facilities in 14 countries across Europe and Latin America.

(1) Market Research Future.

(2) Centers for Medicare & Medicaid Services: *Historical* | CMS.

What We Are Reading

Date	Subject	Description	Article Link
February 2024	Freight Rates	Demand Is Growing and Freight Rates Are Rising in a Sign Retailers Are Restocking Inventories Again "Freight activity in the U.S. is picking up to start 2024, signaling the logistics industry may be nearing the end of a nearly two-year-long slump. Containerized imports recorded the highest month-over-month growth for January in seven years...Transportation prices rose during the month for the first time since June 2022, according to a widely used measure of U.S. logistics activity, and retailers appear to be boosting inventories after a long period of retrenchment... Intermodal rail volumes, in which goods move by truck and rail in operations heavily used by retailers, rose 5.5% in the first five weeks of the year."	Read More
January 2024	Truckload Rates	Truckload Linehaul Rates Stabilizing "The index inched 0.4% higher from November to December, which was just the second sequential increase in 19 months. The index was down just 6.1% YoY, the smallest decline since February. Cass' linehaul rates have continued to stabilize, with the index now on par with August and just 1% lower than May..."With spot rates steady over the past several months, downward pressure on the larger contract market is lessening, with some instances of contract rate increases bucking the downtrend of late."	Read More
January 2024	Import Volume	California's Long-Embattled Ports Are Winning Back Imports "Labor peace, canal disruptions are helping bring back supply chains that had tilted toward Gulf Coast and East Coast gateways...More recently, disruptions at the Panama Canal and the Suez Canal, both of which feed East Coast and Gulf Coast ports, have led importers to route their goods through California to avoid longer transit times and higher costs...Importers are concerned about labor disruptions across the [East/Gulf Coast] region as the ports now take their turn on contract talks."	Read More
January 2024	Ocean Shipping	Red Sea Attacks: Ocean Shipping Rates Jump More Than 50% in Key Lanes "Attacks in the Red Sea led carriers to reroute their vessels...When compared to pre-diversion announcements, rates from Asia to the U.S. East Coast had climbed 52% to \$3,900 per FEU by Jan. 3, according to Freightos. Meanwhile, rates from Asia to the Mediterranean had more than doubled since January 2019...However, several sources said that contrary to what shippers saw during the pandemic, carriers now have the capacity to manage the disruption—which may help manage the rate spikes."	Read More
January 2024	Warehousing	Warehouse Availability Surges to Highest Level Since the Pandemic "The fourth-quarter vacancy rate of 5.2% reported by Cushman & Wakefield was up from 3.1% in the same period a year earlier...That marked the first time the vacancy rate surpassed 5% since 2020, when a pandemic-driven surge in e-commerce sales kicked off a frenzied expansion in warehousing construction and leasing. The availability of warehouse space remains low by historical standards. The 5.2% vacancy rate in the fourth quarter was only slightly above the 4.7% vacancy rate at the end of 2019 before the pandemic and remained well below the 15-year average of 6.4%, according to Cushman & Wakefield."	Read More

Sources: Publicly available information/news publications.


































What We Are Reading (Cont.)

Date	Subject	Description	Article Link
December 2023	Four Walls Logistics	Mexico's Booming Exports Expected to Boost Cross-Border Trade in 2024 "Nearshoring—the relocation of production and manufacturing operations from one country to another to be closer to end consumers—has fueled manufacturing growth across Mexico as shippers look for supply chains that are closer, cheaper, and more favorable to doing business with the U.S. The increased focus on bringing supply chains back to North America helped Mexico replace China as the top U.S. trading partner in 2023. Mexico has been the top U.S. trading partner since the beginning of [2023], reporting \$656 billion in two-way trade from January through November."	Read More
December 2023	Freight Brokerage	Trucker TFI Is Buying Flatbed Heavyweight Daseke for ~\$386 Million "TFI International is buying trucking company Daseke in an all-cash deal for about \$386 million that will make the company the largest operator by revenue of flatbed rigs targeting the construction industry. TFI said it would also consider separating itself into two companies. One would house its truckload segment while the other would include its less-than-truckload unit, package-and-courier business, and logistics segment."	Read More
December 2023	Truckload	XPO in Line for 28 Yellow Properties for \$870 Million "128 of Yellow's 169 owned properties sold to 21 buyers for \$1.9 billion as [the] auction continues...Richmond, Virginia-based Estes landed the second-largest number of terminals in the auction, securing 24 owned terminals for a combined \$248.72 million. Two other bidders won multiple properties with combined bids topping \$200 million—Saia Motor Freight Line and real estate investor Ramar Land Corp. Saia Inc. ranks No. 21 on the TT 100 for-hire carriers list and No. 9 on the LTL list."	Read More
October 2023	Rail	Convoy Shuts Down After Failing to Find Buyer "Alongside this unprecedented freight market collapse, the dramatic monetary tightening we've seen over the last 18 months has dramatically dampened investment appetite and shrunk flows into unprofitable late-stage private companies. Add to that, amidst these freight and financial conditions M&A activity has shrunk substantially, and most of logical strategic acquirers of Convoy are also suffering from the freight market collapse, making the deal-doing that much harder."	Read More

Sources: Publicly available information/news publications.

Transportation and Logistics M&A Highlights

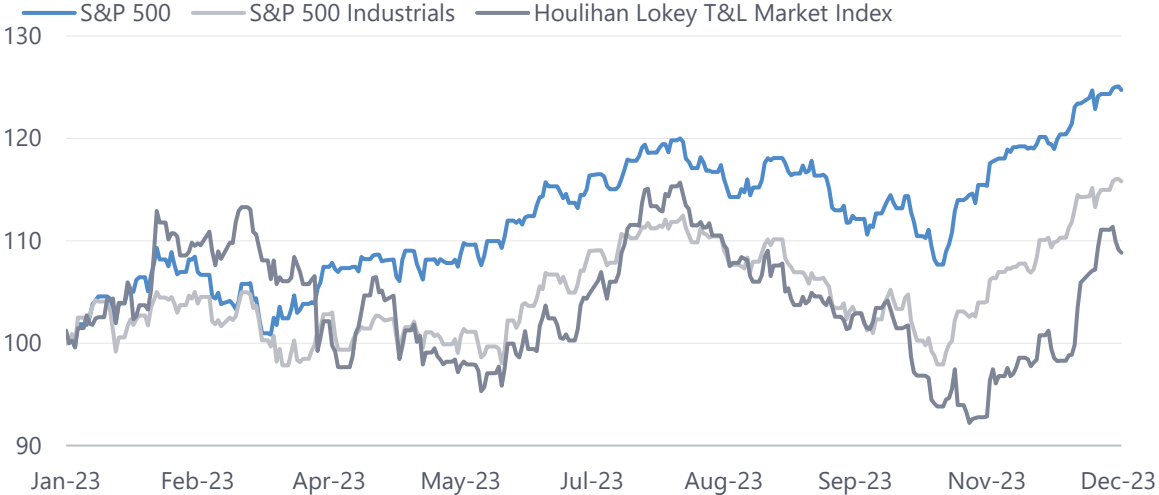
Recent Notable M&A Transactions

Date	Acquirer	Target	Subsector	Target Description
Feb-24	 Ryder Ever better.	 CARDINAL Logistics	Logistics	Cardinal provides dedicated fleets and drivers to service complex route structures across distribution centers, suppliers, and stores
Jan-24	 METRO SUPPLY CHAIN GROUP	 SCI We'll make you even better.	Logistics	Provides outsourced supply chain services to manufacturing and retail industries in Canada
Jan-24	 KENCO	 SG THE SHIPPERS GROUP	Four Walls Logistics	The Shippers Group offers supply chain, third-party logistics, warehousing, and distribution services in the U.S. Southwest
Jan-24	 PS Logistics	 Buddy Moore Trucking	Asset-Based Trucking	Provides flatbed trucking services in the United States
Dec-23	 TFI International	 DASEKE	Asset-Based Trucking	Daseke provides transportation and logistics across North America through two segments, Flatbed Solutions and Specialized Solutions
Dec-23	 Hub Group	 Forward	Asset-Based Trucking	Forward Air Final Mile LLC engages in residential final mile delivery and installation of big and bulky goods
Dec-23	 DACHSER Intelligent Logistics	 FRIGOSCANDIA	Freight Forwarding	Frigoscandia is a full-service provider of temperature-controlled and frozen food transportation and warehousing across the Nordic region
Dec-23	 BWT LOGISTICS	 IXT	Logistics	International Express Trucking is a regional 3PL leader in the North Carolina market providing contract logistics capabilities
Dec-23	 WAGNER LOGISTICS	 FL	Four Walls Logistics	Portland, Oregon-based regional provider of warehousing services, specializing in food and beverage storage and handling
Dec-23	 NOVA INFRASTRUCTURE	 A&R bulkpak	Four Walls Logistics	South Carolina-based provider of contract packaging, transloading, warehousing, and other critical supply chain services for the petrochemical industry
Dec-23	 Star Bulk	 EAGLE BULK	Marine	Ocean transportation company that owns, charters, and operates dry bulk vessels that transport a range of cargoes worldwide
Dec-23	 Mach II Shipping & Pharmat freight	 Mach 2 Shipping & Pharmat freight	Freight Forwarding	Mach II Shipping specializes in worldwide distribution of pharmaceuticals and related products
Nov-23	 KUEHNE+NAGEL	 FARROW LOGISTICS	Freight Forwarding	Farrow Group provides customs compliance and logistics solutions for importers and exporters in the United States and Canada
Nov-23	THE JORDAN COMPANY	 GTS GROUP GLOBAL TRANSPORT SOLUTIONS	Freight Forwarding	Global Transport Solutions Holding provides supply chain and forwarding solutions to the maritime industry
Nov-23	 Mach II Shipping & Pharmat freight	 Lubbers logistics group	Asset-Based Trucking	Lubbers Logistics Group provides road transportation, special transportation, and dangerous goods transportation services in Europe
Sep-23	 UPS	 MNX GLOBAL LOGISTICS	Freight Forwarding	MNX provides expedited transportation and logistics services with a focus on healthcare and life sciences supply chain and logistics
Aug-23	 Forward	 Omni Logistics	Freight Forwarding	Global third-party logistics provider offering air and ocean freight forwarding, customs brokerage, warehousing and distribution, and reverse logistics

Source: Company filings.

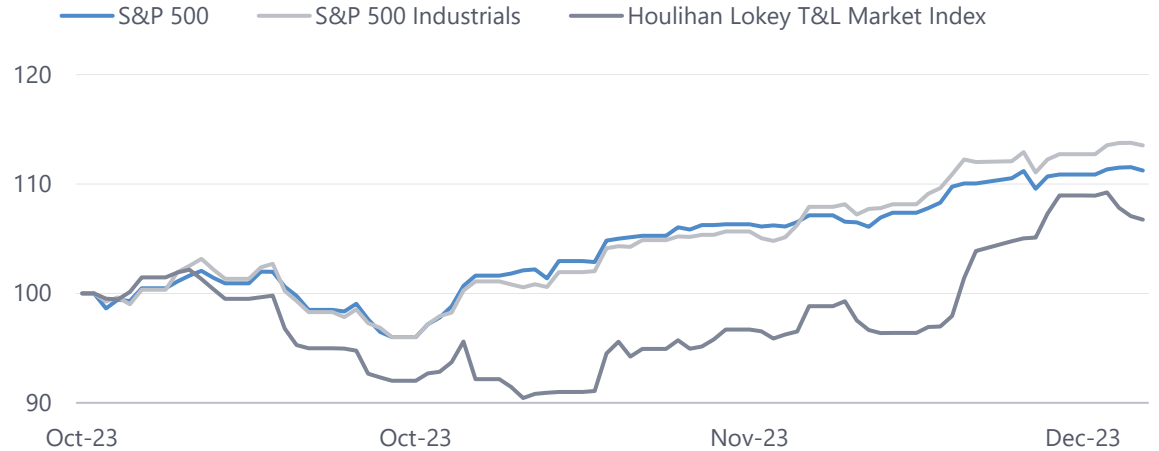
Equity Market Index Performance

LTM December 2023 Performance



S&P 500	24.7%
S&P 500 Industrials	15.8%
Houlihan Lokey T&L Market Index ⁽¹⁾	8.8%

October–December 2023 Performance



S&P 500	11.2%
S&P 500 Industrials	13.5%
Houlihan Lokey T&L Market Index ⁽¹⁾	6.7%

Market Commentary

The Houlihan Lokey T&L Market Index (+8.8%) trailed both the S&P 500 (+24.7%) and the S&P 500 Industrials Index (+15.8%) LTM as of December 31, 2023.

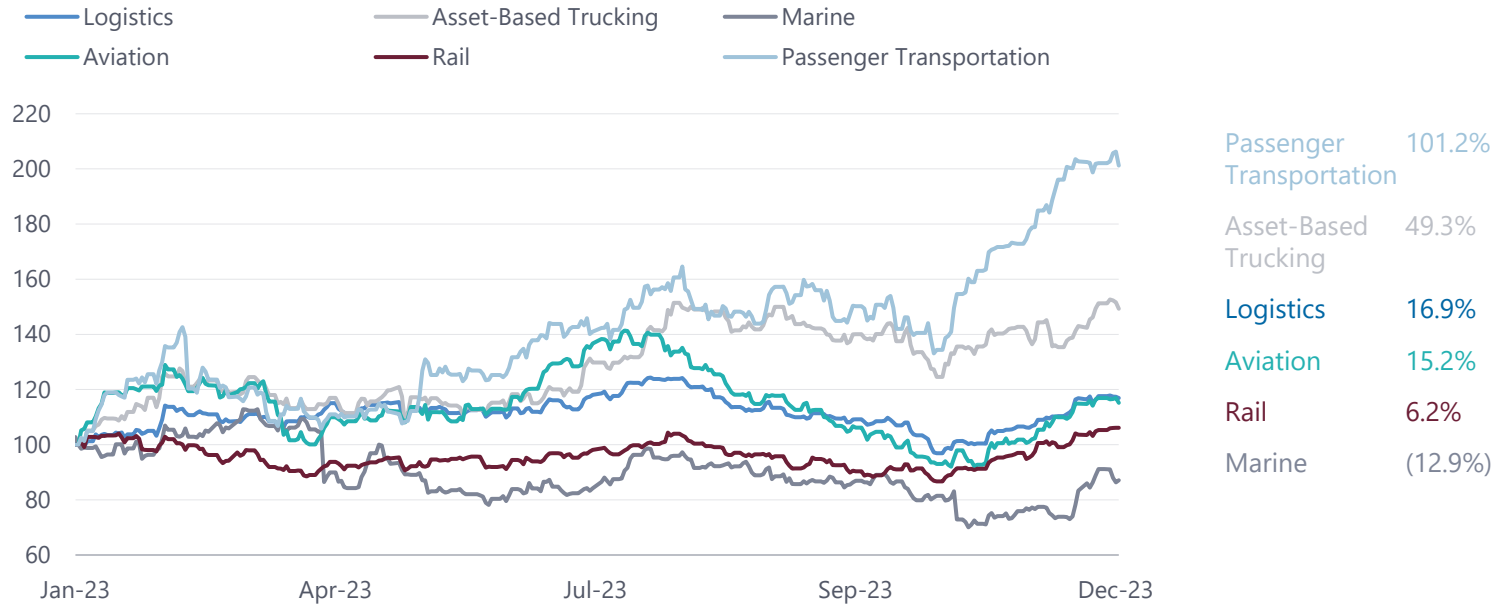
However, all three indices followed a similar pattern, reversing losses experienced in Q3 by end of year due to encouraging jobs data, predictions of interest rate cuts, optimism for a “soft landing,” and growth in consumer spending.

On a quarterly basis, the Houlihan Lokey T&L Market Index saw an uplift of 6.7%, less than the S&P 500 Indices.

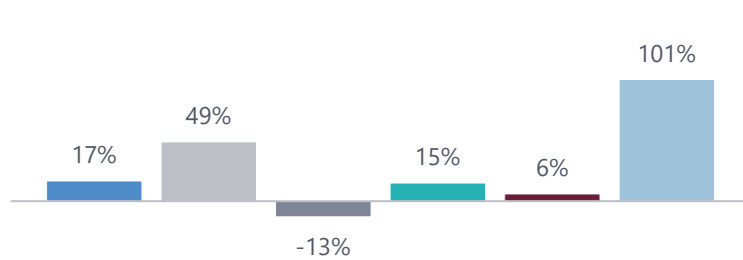
Source: S&P Capital IQ.
 Notes: Data as of December 31, 2023. All share prices are rebased to 100.
 (1) The Houlihan Lokey T&L Market Index consists of a diversified set of companies across the transportation and logistics sector. See pages 14–20 for a complete list.

Equity Market Index Performance Transportation and Logistics Subsectors

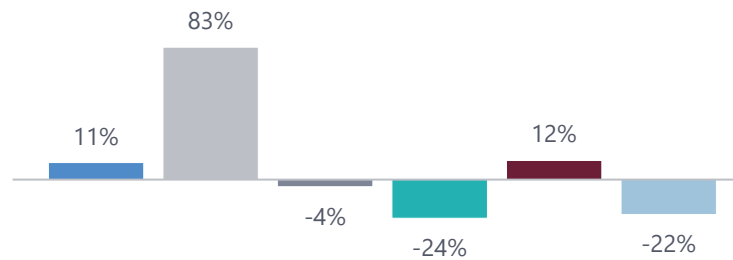
LTM December 2023 Performance by Subsector



2023 Performance



Three-Year Performance



Sector Commentary

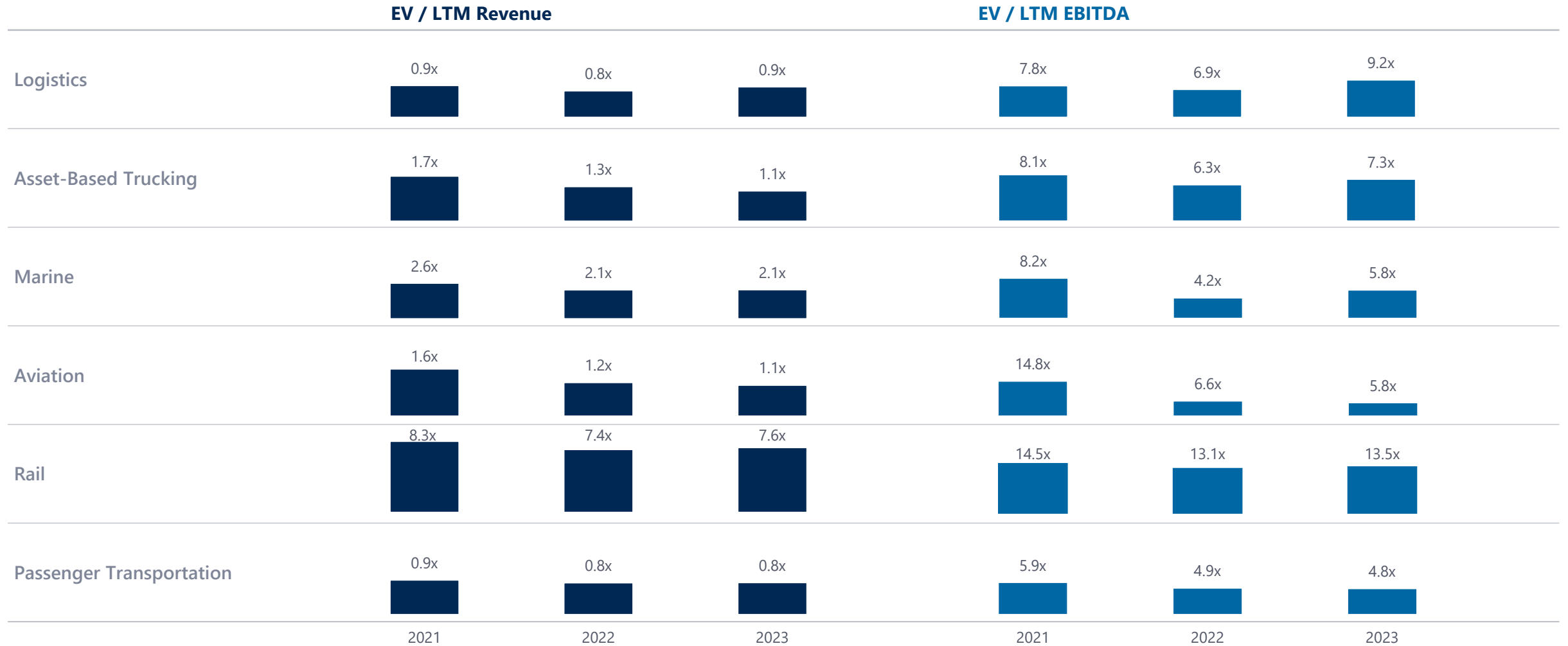
There is increasing optimism for 2024 across the passenger transportation (+101.2%) and asset-based trucking sectors (+49.3%), which has buoyed public markets through Q4 where other sectors have also grown YoY, if not as strongly.

Marine alone closed the year at a lower level than it began (-12.9%), driven by overcapacity and geopolitical factors.

The three-year performance captures the severe dislocations wrought by the COVID-19 pandemic.

Source: S&P Capital IQ. Data as of December 31, 2023. All share prices are rebased to 100.

Public Company Valuations LTM Past Three Years



Source: S&P Capital IQ. Data as of December 31, 2023.

Public Comparables (LTM December 2023)

Transportation and Logistics

(\$ in millions, except per-share prices)

As of 12/31/23

	Market Cap USDm	EV USDm	Net Debt USDm	Net Debt/ LTM EBITDA	LTM				TEV/		
					Revenue USDm	EBITDA USDm	EBITDA Margin	EPS	Forward P/E	LTM EBITDA	LTM Revenue
Logistics											
Agility Public Warehousing Company K.S.C.P.	\$4,227.3	\$8,099.1	\$3,429.4	5.1x	\$4,353.4	\$679.0	15.6%	\$0.1	14.7x	11.9x	1.9x
C.H. Robinson Worldwide, Inc.	10,077.5	11,854.9	1,409.0	1.8x	18,441.4	793.6	4.3%	3.3	23.3x	14.9x	0.6x
CJ Logistics Corporation	1,956.4	4,393.2	1,992.6	2.8x	8,714.1	724.6	8.3%	6.3	12.4x	6.1x	0.5x
DSV A/S	36,785.1	41,492.5	4,464.0	1.3x	23,472.3	3,346.8	14.3%	8.6	23.5x	12.4x	1.8x
Expeditors International of Washington, Inc.	18,493.5	17,375.3	(1,639.4)	N/M	10,463.9	1,355.1	12.9%	5.3	26.1x	12.8x	1.7x
Forward Air Corporation	1,613.4	1,891.3	138.5	0.2x	1,723.9	754.6	43.8%	4.1	14.5x	2.5x	1.1x
GXO Logistics, Inc.	7,275.3	10,843.3	1,174.0	0.6x	9,655.0	1,825.0	18.9%	1.7	22.1x	5.9x	1.1x
Hub Group, Inc.	2,920.6	3,074.5	(51.0)	N/M	4,503.1	513.0	11.4%	6.7	18.0x	6.0x	0.7x
Kerry Logistics Network Limited	1,901.9	2,693.1	444.5	0.9x	8,158.0	520.3	6.4%	0.1	13.2x	5.2x	0.3x
Kuehne + Nagel International AG	41,167.5	41,033.3	(131.2)	N/M	29,474.4	3,248.8	11.0%	14.9	27.5x	12.6x	1.4x
Landstar System, Inc.	6,961.0	6,589.5	(373.3)	N/M	5,781.7	447.7	7.7%	8.3	26.5x	14.7x	1.1x
NTG Nordic Transport Group A/S	927.0	1,123.8	178.0	1.5x	1,252.8	121.8	9.7%	2.4	16.4x	9.2x	0.9x
Radiant Logistics, Inc.	311.5	340.0	(31.4)	N/M	965.3	54.8	5.7%	0.3	13.3x	6.2x	0.4x
RXO, Inc.	2,721.4	3,246.4	350.0	1.4x	4,069.0	246.8	6.1%	(0.0)	N/M	13.2x	0.8x
Universal Logistics Holdings, Inc.	736.5	1,195.4	359.9	1.2x	1,729.9	289.1	16.7%	4.0	6.3x	4.1x	0.7x
Wincanton plc	485.4	737.6	241.6	1.7x	1,712.2	139.2	8.1%	0.3	10.0x	5.3x	0.4x
Parcel Delivery											
Deutsche Post AG	\$58,616.6	\$78,887.4	\$19,030.5	1.7x	\$89,464.4	\$11,113.5	12.4%	\$3.5	14.7x	7.1x	0.9x
FedEx Corporation	63,215.3	94,668.3	13,798.0	0.8x	87,945.0	16,293.0	18.5%	16.9	13.1x	5.8x	1.1x
PostNL N.V.	771.9	1,460.5	657.3	N/M	3,344.6	(1,242.6)	N/M	(2.1)	8.9x	N/M	0.4x
International Distributions Services plc	3,315.4	5,266.7	1,877.5	4.6x	14,789.9	405.7	2.7%	(1.3)	N/M	13.0x	0.4x
United Parcel Service, Inc.	133,948.3	152,122.3	13,847.0	0.9x	93,074.0	15,760.0	16.9%	9.9	17.1x	9.7x	1.6x
ZTO Express (Cayman) Inc.	17,124.4	17,259.3	(18.2)	N/M	5,162.8	1,786.3	34.6%	1.4	12.6x	9.7x	3.3x
Median			\$402.2	1.4x	\$6,969.8	\$701.8	11.4%	\$3.4	14.7x	9.2x	0.9x
Mean			\$2,779.4	1.8x	\$19,466.0	\$2,689.8	13.6%	\$4.3	16.7x	9.0x	1.0x

Source: S&P Capital IQ. Data as of December 31, 2023.

Public Comparables (LTM December 2023) (Cont.)

Transportation and Logistics

(\$ in millions, except per-share prices)

As of 12/31/23

		Market Cap USDm	EV USDm	Net Debt USDm	Net Debt/ LTM EBITDA	LTM				TEV/		
						Revenue USDm	EBITDA USDm	EBITDA Margin	EPS	Forward P/E	LTM EBITDA	LTM Revenue
Asset-Based Trucking												
Less-Than- Truckload	ArcBest Corporation	\$2,844.4	\$2,949.9	(\$97.7)	N/M	\$4,796.4	\$350.6	7.3%	\$5.4	12.1x	8.4x	0.6x
	Old Dominion Freight Line, Inc.	44,227.0	44,100.4	(126.6)	N/M	5,862.3	1,981.7	33.8%	11.2	31.8x	22.3x	7.5x
	Saia, Inc.	11,602.5	11,501.9	(230.3)	N/M	2,786.0	673.5	24.2%	12.6	28.3x	17.1x	4.1x
	XPO, Inc.	10,158.1	13,019.1	2,166.0	1.7x	7,635.0	1,278.8	16.7%	0.8	26.0x	10.2x	1.7x
Specialty Trucking	Marten Transport Ltd.	\$1,705.9	\$1,638.4	(\$68.1)	N/M	\$1,185.8	\$224.4	18.9%	\$1.0	23.3x	7.3x	1.4x
	Mullen Group Ltd.	938.1	1,547.5	595.0	2.4x	1,477.5	247.5	16.8%	1.3	10.2x	6.3x	1.0x
	TFI International Inc.	11,566.7	13,551.2	1,937.4	1.7x	7,509.2	1,146.0	15.3%	6.0	18.1x	11.8x	1.8x
Truckload	Covenant Logistics Group, Inc.	\$596.1	\$829.6	\$183.4	1.3x	\$1,125.6	\$139.7	12.4%	\$3.8	11.2x	5.9x	0.7x
	Daseke, Inc.	376.7	1,172.9	576.2	2.8x	1,617.6	204.3	12.6%	0.1	N/M	5.7x	0.7x
	Heartland Express, Inc.	1,126.9	1,462.2	323.8	0.9x	1,287.0	358.1	27.8%	0.3	N/M	4.1x	1.1x
	J.B. Hunt Transport Services, Inc.	20,601.7	22,360.4	1,370.4	0.8x	13,175.6	1,787.0	13.6%	7.4	25.9x	12.5x	1.7x
	Knight-Swift Transportation Holdings Inc.	9,302.9	12,341.8	2,485.2	2.0x	6,953.5	1,265.6	18.2%	2.3	23.1x	9.8x	1.8x
	P.A.M. Transportation Services, Inc.	457.6	541.8	84.0	0.7x	868.3	116.4	13.4%	1.7	15.2x	4.7x	0.6x
	Schneider National, Inc.	4,490.6	4,664.7	174.1	0.2x	5,688.9	796.4	14.0%	1.8	21.1x	5.9x	0.8x
Werner Enterprises, Inc.	2,686.0	3,410.5	647.2	1.3x	3,323.0	487.3	14.7%	2.3	20.1x	7.0x	1.0x	
Median						\$3,323.0	\$487.3	15.3%	\$2.3	21.1x	7.3x	1.1x
Mean						\$4,352.8	\$737.2	17.3%	\$3.9	20.5x	9.3x	1.8x

Source: S&P Capital IQ. Data as of December 31, 2023.

Public Comparables (LTM December 2023) (Cont.)

Transportation and Logistics

(\$ in millions, except per-share prices)

As of 12/31/23

	Market Cap USDm	EV USDm	Net Debt USDm	Net Debt/ LTM EBITDA	LTM				TEV/			
					Revenue USDm	EBITDA USDm	EBITDA Margin	EPS	Forward P/E	LTM EBITDA	LTM Revenue	
Marine												
Container												
A.P. Møller - Mærsk A/S	\$28,584.9	\$22,334.6	(\$7,077.0)	N/M	\$57,144.0	\$15,205.0	26.6%	\$533.0	N/M	1.5x	0.4x	
COSCO SHIPPING Development Co., Ltd.	3,628.3	13,985.0	10,331.6	11.8x	2,356.7	872.8	37.0%	0.0	N/A	16.0x	5.9x	
Evergreen Marine Corporation (Taiwan) Ltd.	9,912.7	9,124.5	(1,814.4)	N/M	9,883.5	2,910.8	29.5%	0.9	24.5x	3.1x	0.9x	
Hapag-Lloyd Aktiengesellschaft	26,227.1	25,290.9	(947.7)	N/M	23,250.3	8,367.5	36.0%	38.6	N/M	3.0x	1.1x	
Yang Ming Marine Transport Corporation	5,847.1	1,900.5	(3,779.1)	N/M	5,215.5	1,303.1	25.0%	0.2	N/M	1.5x	0.4x	
Dry Bulk & Offshore Vessel Operators												
Diana Shipping Inc.	\$315.6	\$799.4	\$483.8	3.5x	\$277.8	\$137.4	49.5%	\$0.6	28.3x	5.8x	2.9x	
Eagle Bulk Shipping Inc.	550.2	936.2	373.1	3.7x	440.7	101.8	23.1%	3.2	14.6x	9.2x	2.1x	
Genco Shipping & Trading Limited	705.7	803.0	91.4	0.8x	395.3	120.0	30.3%	0.3	13.8x	6.7x	2.0x	
Safe Bulkers, Inc.	438.6	805.2	366.6	2.4x	288.8	151.7	52.5%	0.7	8.6x	5.3x	2.8x	
Tidewater Inc.	3,810.4	4,277.8	468.6	2.1x	894.1	219.2	24.5%	1.4	15.9x	19.5x	4.8x	
Jones Act												
AMSC ASA	\$190.2	\$291.7	\$96.5	1.1x	\$116.4	\$84.2	72.4%	\$0.4	N/M	3.5x	2.5x	
Kirby Corporation	4,638.2	5,839.5	1,025.7	1.8x	3,022.6	586.1	19.4%	3.3	16.5x	10.0x	1.9x	
Matson, Inc.	3,828.9	4,424.6	281.9	0.4x	3,107.3	683.3	22.0%	8.7	14.8x	6.5x	1.4x	
SEACOR Marine Holdings Inc.	341.9	611.7	264.1	4.8x	260.4	55.2	21.2%	(1.1)	N/M	11.1x	2.3x	
Tanker												
Ardmore Shipping Corporation	\$581.9	\$670.9	\$45.8	0.2x	\$429.9	\$196.6	45.7%	\$3.3	6.1x	3.4x	1.6x	
Capital Product Partners L.P.	781.6	2,288.3	1,493.9	6.2x	345.0	239.4	69.4%	2.7	8.4x	9.6x	6.6x	
Frontline plc	4,463.6	6,205.5	1,742.4	1.7x	1,917.3	1,036.3	54.0%	3.5	7.6x	6.0x	3.2x	
Navigator Holdings Ltd.	1,066.3	1,895.5	783.5	3.5x	532.4	220.9	41.5%	1.0	10.1x	8.6x	3.6x	
Scorpio Tankers Inc.	2,977.1	4,378.1	1,401.0	1.4x	1,498.7	1,013.0	67.6%	12.2	6.5x	4.3x	2.9x	
Teekay Corporation	650.3	1,375.2	(366.5)	N/M	1,519.3	702.2	46.2%	1.5	N/A	2.0x	0.9x	
Tsakos Energy Navigation Limited	655.6	1,821.7	1,166.1	2.3x	939.6	507.4	54.0%	11.3	3.2x	3.6x	1.9x	
Median			\$366.6	2.2x	\$939.6	\$507.4	37.0%	\$1.5	11.9x	5.8x	2.1x	
Mean			\$306.2	3.0x	\$5,420.7	\$1,653.0	40.4%	\$29.8	12.8x	6.7x	2.5x	

Source: S&P Capital IQ. Data as of December 31, 2023.

Public Comparables (LTM December 2023) (Cont.)

Transportation and Logistics

(\$ in millions, except per-share prices)

As of 12/31/23

	Market Cap USDm	EV USDm	Net Debt USDm	Net Debt/ LTM EBITDA	LTM				TEV/			
					Revenue USDm	EBITDA USDm	EBITDA Margin	EPS	Forward P/E	LTM EBITDA	LTM Revenue	
Aviation												
	Air Canada	\$5,073.2	\$9,677.0	\$4,494.5	1.6x	\$15,773.8	\$2,779.5	17.6%	\$4.5	6.0x	3.5x	0.6x
	Alaska Air Group, Inc.	5,003.0	6,679.0	413.0	0.3x	10,352.0	1,599.0	15.4%	2.0	9.9x	4.2x	0.6x
	Allegiant Travel Company	1,484.6	2,943.5	1,350.6	2.7x	2,510.4	506.0	20.2%	9.3	20.1x	5.8x	1.2x
	American Airlines Group Inc.	8,979.6	39,602.6	22,907.0	2.0x	52,914.0	11,604.0	21.9%	2.3	9.5x	3.4x	0.7x
	Delta Air Lines, Inc.	25,761.5	48,655.5	15,608.0	1.4x	57,260.0	10,797.0	18.9%	5.3	6.8x	4.5x	0.8x
Airlines & Helicopter Operators	Frontier Group Holdings, Inc.	1,207.0	3,905.0	(154.0)	N/M	3,604.0	733.0	20.3%	0.3	N/M	5.3x	1.1x
	Hawaiian Holdings, Inc.	733.2	1,645.9	515.8	2.9x	2,778.2	179.5	6.5%	(4.1)	N/M	9.2x	0.6x
	JetBlue Airways Corporation	1,849.8	5,143.8	2,619.0	1.8x	9,705.0	1,427.0	14.7%	(0.6)	N/M	3.6x	0.5x
	SkyWest, Inc.	2,137.3	4,480.4	2,257.4	4.4x	2,864.9	508.8	17.8%	(0.7)	11.7x	8.8x	1.6x
	Southwest Airlines Co.	17,215.8	14,755.8	(3,719.0)	N/M	25,440.0	2,131.0	8.4%	0.8	27.8x	6.9x	0.6x
	Spirit Airlines, Inc.	1,789.3	7,458.7	2,350.0	3.5x	5,432.1	676.1	12.4%	(4.9)	N/M	11.0x	1.4x
	Sun Country Airlines Holdings, Inc.	851.5	1,389.0	518.1	2.3x	1,031.2	225.2	21.8%	1.2	12.7x	6.2x	1.3x
	United Airlines Holdings, Inc.	13,534.0	33,154.0	14,529.0	1.2x	52,491.0	11,906.0	22.7%	8.6	4.8x	2.8x	0.6x
	Bristow Group Inc.	798.5	1,421.3	336.5	2.3x	1,262.8	146.0	11.6%	0.1	12.3x	9.7x	1.1x
		Air Transport Services Group, Inc.	\$1,141.7	\$2,846.5	\$1,644.5	2.7x	\$2,086.6	\$619.7	29.7%	\$1.5	11.9x	4.6x
Airport Services	Fraport AG	5,592.3	15,125.1	8,835.2	7.7x	4,128.2	1,142.5	27.7%	4.4	12.1x	13.2x	3.7x
	SATS Ltd.	3,105.6	6,021.7	2,678.4	8.5x	2,515.1	316.3	12.6%	(0.0)	38.8x	19.0x	2.4x
Median					2.3x	\$4,128.2	\$733.0	17.8%	\$1.2	11.9x	5.8x	1.1x
Mean					3.0x	\$14,832.3	\$2,782.2	17.7%	\$1.8	14.2x	7.2x	1.2x
Rail												
Rail	Canadian National Railway Company	\$81,431.3	\$95,303.4	\$13,225.7	1.8x	\$12,492.3	\$7,200.9	57.6%	\$5.5	21.5x	13.2x	7.6x
	Canadian Pacific Kansas City Limited	73,971.9	92,371.5	16,986.9	3.8x	8,309.7	4,459.1	53.7%	3.3	24.5x	20.7x	11.1x
	CSX Corporation	68,512.5	86,185.5	17,182.0	2.3x	14,707.0	7,349.0	50.0%	1.9	18.1x	11.7x	5.9x
	Norfolk Southern Corporation	53,361.0	68,973.0	15,612.0	3.1x	12,320.0	5,094.0	41.3%	9.1	19.0x	13.5x	5.6x
	Union Pacific Corporation	149,729.3	183,446.3	32,111.0	2.7x	24,140.0	11,705.0	48.5%	10.4	22.3x	15.7x	7.6x
Median					2.7x	\$12,492.3	\$7,200.9	50.0%	\$5.5	21.5x	13.5x	7.6x
Mean					2.8x	\$14,393.8	\$7,161.6	50.2%	\$6.0	21.1x	15.0x	7.6x

Source: S&P Capital IQ. Data as of December 31, 2023.

Public Comparables (LTM December 2023) (Cont.)

Transportation and Logistics

	Market Cap USDm	EV USDm	Net Debt USDm	Net Debt/ LTM EBITDA	LTM				TEV/		
					Revenue USDm	EBITDA USDm	EBITDA Margin	EPS	Forward P/E	LTM EBITDA	LTM Revenue
Passenger Transportation											
ComfortDelGro Corporation Limited	\$2,297.1	\$2,355.3	(\$256.0)	N/M	\$2,807.7	\$424.6	15.1%	\$0.0	16.1x	5.5x	0.8x
FirstGroup plc	1,427.5	2,904.4	1,397.3	1.6x	5,796.0	869.4	15.0%	(0.0)	14.1x	3.3x	0.5x
Lyft, Inc.	5,890.9	5,345.0	(730.2)	1.0x	4,354.0	(728.0)	N/M	(2.4)	34.0x	N/M	1.2x
Mobico Group Plc	660.4	2,251.7	1,532.8	3.3x	3,879.2	469.7	12.1%	(0.6)	7.5x	4.8x	0.6x
Uber Technologies, Inc.	126,702.3	131,006.3	4,232.0	2.6x	35,952.0	1,624.3	4.5%	0.5	N/M	N/M	3.6x
Median			\$1,397.3	2.1x	\$4,354.0	\$469.7	13.6%	(\$0.0)	15.1x	4.8x	0.8x
Mean			\$1,235.2	2.1x	\$10,557.8	\$532.0	11.7%	(\$0.5)	17.9x	4.6x	1.4x
Overall Median			\$576.2	1.8x	\$4,128.2	\$679.0	18.5%	\$1.9	14.7x	6.6x	1.2x
Overall Mean			\$3,012.7	2.4x	\$11,579.8	\$2,243.7	24.0%	\$9.8	16.5x	8.3x	2.0x

Source: S&P Capital IQ. Data as of December 31, 2023.

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