



# Data & Analytics Investment Banking Group

## Mobility, Supply Chain, and Logistics Technology

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MARKET UPDATE | OCTOBER 2021

# Mobility, Supply Chain, and Logistics Technology—Market Update

Dear Clients and Friends,

Houlihan Lokey is pleased to present the Q3 '21 edition of its Mobility, Supply Chain, and Logistics Technology Market Update. We have continued adapting to a recovering market and remain active in advising our clients as they navigate M&A, financing, and other strategic initiatives. We have included industry insights, select recent transaction announcements, and a public markets overview to help you stay ahead in our dynamic and constantly evolving industry.

**Macro-Level Themes and Industry Trends:**

- Companies at all stages in the mobility, supply chain, and logistics technology industry have historically been late adopters of technology and software solutions, but they are increasingly prioritizing capital investment and retooling operations to improve workflow efficiencies, drive digital transformation, and build out competencies to create competitive advantages.
- However, despite historical softness in the level of technology adoption by incumbents, there continues to be technological innovation spurred by new startup activity across the landscape that continues to disrupt more established operating models and capabilities.
- The collective mobility, supply chain, and logistics technology industry represents a massive market category with subsectors that are impacted differently depending on go-to-market strategies, end-market focus, distribution channels, and revenue models.

**Market Activity:**

- M&A and financing activity across the sector demonstrated incredible resiliency throughout Q2 2021 despite COVID-19 and macro headwinds.
  - ~\$31.0 billion in Q2 2021 financing volume was ~46% higher than 2020 levels
  - ~\$56.0 billion in Q2 2021 M&A, putting the industry on track to far exceed the ~\$106.3 billion in value achieved in 2020
- Houlihan Lokey believes that M&A and financing activity across the mobility, supply chain, and logistics technology industry will continue unabated through the remainder of 2021, as technology adoption has accelerated and is anticipated to continue through the COVID-19 recovery and beyond.

We hope you enjoy this report and welcome the opportunity to connect or brainstorm on any current needs or sector topics. We look forward to staying in touch.

Regards,



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Select Additional Team Members



**Craig Muir**  
 Managing Director



**Joe Watson**  
 Senior Vice President



**Max Schramm**  
 Vice President



**Kris Hopkins**  
 Managing Director



**Tim Macholz**  
 Senior Vice President



**Andrew Adams**  
 Group Head



**Tara Anand Carter**  
 Managing Director

**Representative Industry Subsectors Covered**

Dealership Technology and Software

Aftermarket Repair / Parts Data and Marketplaces

Ground Transportation Fleet Management

Logistics and Supply Chain Technology

Telematics and Connected Car

Digital Freight Matching Platforms

Mobility and Public Transportation Planning

Maritime Fleet Management

Sources: PitchBook.com, S&P Capital IQ.

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# Houlihan Lokey Sector Expertise

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# Leading Independent Advisory Firm

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



**1,500+**  
Employees

**23**  
Locations

**~25%**  
Employee-Owned

**~\$7 Billion**  
Market Cap

**>\$1 Billion**  
Annual Revenue

**No**  
Debt

## Corporate Finance

### 2020 M&A Advisory Rankings All U.S. Transactions

Advisor	Deals
<b>1 Houlihan Lokey</b>	<b>210</b>
2 Goldman Sachs & Co	172
3 JP Morgan	132
4 Evercore Partners	126
5 Morgan Stanley	123

Source: Refinitiv (formerly known as Thomson Reuters)

**No. 1 U.S. M&A Advisor**

**Top 5 Global M&A Advisor**

**Leading Capital Markets Advisor**

## Financial Restructuring

### 2020 Global Distressed Debt & Bankruptcy Restructuring Rankings

Advisor	Deals
<b>1 Houlihan Lokey</b>	<b>106</b>
2 PJT Partners Inc	63
3 Lazard	50
4 Rothschild & Co	46
5 Moelis & Co	39

Source: Refinitiv (formerly known as Thomson Reuters)

**No. 1 Global Restructuring Advisor**

**1,400+** Transactions Completed Valued  
at More Than \$3.0 Trillion Collectively

## Financial and Valuation Advisory

### 2001 to 2020 Global M&A Fairness Advisory Rankings

Advisor	Deals
<b>1 Houlihan Lokey</b>	<b>956</b>
2 JP Morgan	876
3 Duff & Phelps	802
4 Morgan Stanley	599
5 BofA Securities Inc	542

Refinitiv (formerly known as Thomson Reuters). Announced  
or completed transactions.

**No. 1 Global M&A Fairness Opinion  
Advisor Over the Past 20 Years**

**1,000+** Annual Valuation Engagements



# How Houlihan Lokey Can Help

Our firm is extremely well equipped to help our clients navigate uncertain times. We respond quickly to challenging situations and are constantly helping clients to analyze, structure, negotiate, and execute the best possible solutions from both strategic and financial perspectives.

## What We Offer

1  **Corporate Finance**

- Mergers and Acquisitions
- Capital Markets
- Private Funds Advisory
- Board Advisory Services

We are widely recognized as a leading M&A advisor to the mid-cap and have long-standing relationships with capital providers, including commercial banks and other senior credit providers, insurance funds, asset managers, and mezzanine fund investors. Few other investment banks maintain the breadth of relationships and capital markets intelligence that we do.

2  **Financial Restructuring**

- Company Advisory
- Special Situations
- Distressed M&A
- Liability Management
- Creditor Advisory

We have the largest restructuring practice of any global investment bank. Since 1988, we have advised on more than 1,400 restructuring transactions (with aggregate debt claims in excess of \$3.0 trillion). We served as an advisor in 12 of the largest 15 bankruptcies from 2000 to 2020.

3  **Financial and Valuation Advisory**

- Portfolio Valuation and Fund Advisory
- Transaction Opinions
- Corporate Valuation Advisory Services
- Transaction Advisory Services
- Real Estate Valuation and Advisory
- Dispute Resolution Consulting

Over nearly four decades, we have established ourselves as one of the largest financial and valuation advisory firms. Our transaction expertise and leadership in the field of valuation help inspire confidence in the financial executives, boards of directors, special committees, investors, and business owners we serve.

## Why We Are Different

 Dominant in Special Situations and Restructuring

 Significant Experience With Financing Markets

 Senior-Level Commitment and Dedication

 Deep, Industry-Specific Expertise

 Superior Work Product/ Technical Abilities

 Creativity, Imagination, Tenacity, and Positivity

Our product knowledge, industry expertise, and global reach deliver superior results.

### Product Expertise

Mergers and Acquisitions

Capital Markets

Financial Restructuring

Financial and Valuation Advisory

### Dedicated Industry Groups

Business Services

Consumer, Food, and Retail

Data and Analytics

Energy

Financial Institutions

Healthcare

Industrials

Real Estate, Lodging, and Leisure

Technology, Media, and Telecom

### Financial Sponsors

Active Dialogue  
With a Diverse Group of  
1,000+ Sponsors



















Private Equity Firms

Hedge Funds

Capital Alliances

# Best-in-Class Global Data and Analytics Franchise

Across the data and analytics horizontal, we focus on nine primary verticals and have developed entrenched relationships with the most prominent strategics and financial sponsors.

	 <b>Mobility, Supply Chain, and Logistics</b>	 <b>Fintech</b>	 <b>Financial Information, Data, and Analytics</b>	 <b>Governance, Risk, and Compliance</b>	 <b>Natural Resources</b>	 <b>Real Estate, Retail, and Facilities</b>	 <b>B2B Information Services</b>	 <b>Research, IP, and Legal</b>	 <b>Education and Training</b>
Expertise and Capabilities	<ul style="list-style-type: none"> <li>Dealership technology and software</li> <li>Fleet management and transportation logistics</li> <li>Telematics and mobility risk management</li> <li>Mobility and transportation planning</li> <li>Aftermarket parts and services marketplaces</li> </ul>	<ul style="list-style-type: none"> <li>Asset and wealth management</li> <li>Banking and lending</li> <li>Capital markets software</li> <li>Exchanges and execution</li> <li>Insurance</li> <li>Payments</li> </ul>	<ul style="list-style-type: none"> <li>Financial data and analytics</li> <li>Insurance data and analytics</li> <li>Regtech, risk, and compliance</li> <li>Buyside and sellside data and analytics</li> <li>Wealth and alternatives data and analytics</li> </ul>	<ul style="list-style-type: none"> <li>Regtech, risk, and compliance</li> <li>Fraud, AML, KYC, and sanctions</li> <li>Enterprise and operational risk</li> <li>EHS&amp;S</li> <li>ESG</li> <li>CSR</li> <li>Certification</li> </ul>	<ul style="list-style-type: none"> <li>Oil and gas</li> <li>Power, renewables, and water</li> <li>Agriculture and food</li> <li>Weather</li> </ul>	<ul style="list-style-type: none"> <li>Mortgage data, analytics, and software</li> <li>Commercial and residential data and analytics</li> <li>Construction and facilities</li> <li>Retail analytics</li> </ul>	<ul style="list-style-type: none"> <li>Business data and analytics</li> <li>Private company data and analytics</li> <li>Macroeconomic research and forecasting</li> <li>Marketing data, analytics, and software</li> <li>B2B media and events</li> <li>Pharma and healthcare</li> </ul>	<ul style="list-style-type: none"> <li>E-discovery</li> <li>Litigation technology</li> <li>IP management/research</li> <li>Document management</li> <li>Contract management</li> <li>Compliance software</li> <li>Information governance</li> </ul>	<ul style="list-style-type: none"> <li>Education technology</li> <li>K-12</li> <li>Post-secondary</li> <li>Professional and continuing education</li> <li>LMS</li> <li>CMS</li> <li>Workforce</li> </ul>
Representative Relationships									

Note: Categories are populated with illustrative companies and are not exhaustive.



# Proven Track Record With Exceptional Momentum

We have extensive transaction execution experience with deep sector knowledge.

## Select Mobility, Supply Chain, and Logistics Experience

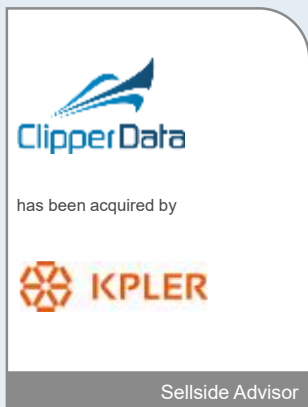
<p>Ongoing</p> <p><b>Project Jayhawk</b> Tech-enabled platform providing vehicle relocation logistics solutions</p> <p>Sellside Advisor</p>	<p>Ongoing</p> <p><b>Project Heat</b> Tech-enabled automotive logistics solutions provider</p> <p>Sellside Advisor</p>	<p>Ongoing</p> <p><b>Project Impact</b> Supply chain and procurement software platform</p> <p>Sellside Advisor</p>	<p>Signed and Announced</p> <p><b>Project Lego</b> Equipment lifecycle and procurement software</p> <p>Sellside Advisor</p>
<p><b>Clipper Data</b> has been acquired by <b>KPLER</b></p> <p>Sellside Advisor</p>	<p><b>sambasafety</b> a portfolio company of <b>ABRY PARTNERS</b> has been acquired by <b>STONE POINT CAPITAL</b></p> <p>Sellside Advisor</p>	<p><b>e-driving</b> a portfolio company of <b>CIP CAPITAL</b> has been acquired by <b>Sotera</b></p> <p>Sellside Advisor</p>	<p><b>LEADVENTURE</b> a portfolio company of <b>TRUE WIND</b> &amp; <b>ATA ASSOCIATES</b> has acquired <b>CRS</b> Consumer Research Solutions</p> <p>Buyside Advisor</p>
<p><b>GEOTrac</b> has been acquired by <b>Trimble</b></p> <p>Sellside Advisor*</p>	<p><b>Elemica</b> has been acquired by <b>THOMA BRAVO</b></p> <p>Sellside Advisor</p>	<p><b>iGPS</b> LIVESTRONG TECHNOLOGIES MARKET ORIENTED has sold substantially all of its assets pursuant to Section 363 of the U.S. Bankruptcy Code to <b>iGPS Logistics LLC</b></p> <p>Company Advisor</p>	<p><b>MARATHON DATA SYSTEMS</b> has been acquired by <b>cgp</b> Chicago Growth Partners</p> <p>Sellside Advisor*</p>
<p><b>BEELINE</b> has been acquired by <b>Hemisphera</b></p> <p>Sellside Advisor*</p>	<p><b>Grammer Industries</b> a portfolio company of <b>stellex</b> THE MANAGEMENT GROUP has acquired <b>Sterling Transport</b></p> <p>Buyside Advisor</p>	<p><b>Merchants</b> AUTOMOTIVE GROUP Series A Senior Secured Notes Growth Capital \$50,000,000 Exclusive Financial Advisor &amp; Placement Agent</p>	<p><b>DRIVECAM</b> TRACKING SOLUTIONS FOR THE TRUCKING INDUSTRY \$19,000,000 Series D Preferred Stock Financial Advisor and Placement Agent*</p>

## Select Data and Analytics Experience Across All Verticals

<p><b>informa</b> &amp; <b>inflexion</b> have partnered to combine <b>FBX</b> Informa Financial Intelligence &amp; <b>NOVANTAS</b> to form a new financial data intelligence business</p> <p>Buyside &amp; Financing Advisor</p>	<p><b>StormGeo</b> a portfolio company of <b>EQT</b> has been acquired by <b>NOVANTAS</b></p> <p>Sellside Advisor</p>	<p><b>astorg</b> has acquired <b>CORSEARCH</b> a portfolio company of <b>Audix Group</b></p> <p>Buyside Advisor</p>	<p><b>CGE PARTNERS</b> has acquired <b>enhesa</b></p> <p>Buyside Advisor</p>
<p><b>Tecnon OrbiChem</b> has been acquired by <b>IONIS CAPITAL</b> &amp; <b>Fisher INVESTMENT</b> portfolio companies of <b>Battery</b></p> <p>Sellside Advisor</p>	<p><b>ikon Science</b> has been acquired by <b>Great Hill 20 PARTNERS IYRS</b></p> <p>Sellside Advisor</p>	<p><b>RIO DATA</b> has been acquired by <b>S&amp;P Global Platts</b> portfolio companies of</p> <p>Sellside Advisor*</p>	<p><b>Evaluate</b> has received an investment from <b>HG Capital</b></p> <p>Sellside Advisor*</p>
<p><b>FULCRUM FINANCIAL DATA</b> a portfolio company of <b>LEEDS Equity Partners</b> has been acquired by <b>FitchGroup</b></p> <p>Sellside Advisor</p>	<p><b>Derrick</b> has been acquired by <b>drillinginfo</b> better, faster decisions</p> <p>Sellside Advisor</p>	<p><b>ipan</b> has been acquired by <b>CASTLE CAPITAL</b></p> <p>Sellside Advisor</p>	<p><b>PowerAdvocate</b> has been acquired by <b>Verisk Analytics</b></p> <p>Sellside Advisor*</p>
<p><b>IBCA</b> a portfolio company of <b>HG Capital</b> has been acquired by <b>Verisk Analytics</b></p> <p>Sellside Advisor*</p>	<p><b>DYNAMO</b> has received an investment from <b>Francisco Partners</b></p> <p>Sellside Advisor*</p>	<p><b>BUREAU VAN DIJK</b> a portfolio company of <b>EQT</b> has been acquired by <b>Moody's Corporation</b></p> <p>Sellside Advisor*</p>	<p><b>Wood Mackenzie</b> has been acquired by <b>Hellman &amp; Friedman</b></p> <p>Sellside Advisor*</p>

\*Selected transactions were executed by Houlihan Lokey professionals while at other firms acquired by Houlihan Lokey or by professionals from a Houlihan Lokey joint venture company. Tombstones included herein represent transactions closed from 2009 forward.

# Houlihan Lokey Advises ClipperData on Its Sale to Kpler



## TRANSACTION DETAILS

Closed September 2021

## SECTORS

Mobility, Maritime Fleet  
Management

## Client Profile

ClipperData provides unique data offerings for the global commodity markets with specialties in petroleum liquids coverage, particularly in the United States. Its proprietary data is used by hundreds of industry professionals, including leading oil and gas companies, traders, utilities, and financial institutions. ClipperData was founded in 2013 by leading executives in the commodities and energy data analytics industry, together with an affiliate of Nassau Point Investors LLC.

## Our Role

Houlihan Lokey served as ClipperData's exclusive sellside M&A advisor in the sale to Kpler.

## Transaction Snapshot

ClipperData has developed a unique data offering for the global commodity markets, with a long pedigree in petroleum liquids coverage, particularly in the United States. Its proprietary data is used by hundreds of industry professionals, including leading oil and gas companies, traders, utilities, and financial institutions. By integrating the best of the two businesses (proprietary data, technology, analysis, and people), the ambition of Kpler is to provide commodity professionals with the highest level of market transparency and allow them to further increase their understanding of the market. Through this acquisition, Kpler is fulfilling one of its strategic objectives by consolidating its leadership in the markets it already serves and accelerating its growth.

# Houlihan Lokey Advises SambaSafety on Its Sale to Stone Point Capital



## TRANSACTION DETAILS

Closed September 2021

## SECTORS

Mobility, Fleet Management,  
and Telematics

## Client Profile

SambaSafety is the leading North American provider of cloud-based mobility risk management software solutions for organizations with commercial and noncommercial drivers. Through the collection, correlation, and analysis of driver data and information, SambaSafety helps employers identify high-risk drivers and enforce safety policies, helps insurers to make informed decisions, and helps background screeners to perform accurate, efficient pre-hire checks. SambaSafety is the digital driver risk management partner of choice for many of the world's largest organizations with more than 15,000 customers.

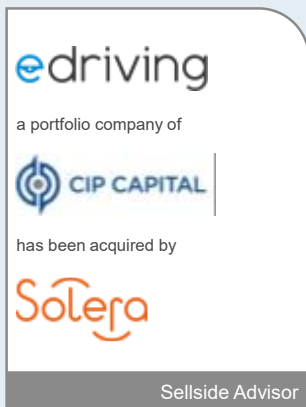
## Our Role

Houlihan Lokey served as SambaSafety's exclusive sellside M&A advisor in the sale to Stone Point Capital.

## Transaction Snapshot

Houlihan Lokey served as the exclusive financial advisor to ABRY Partners and SambaSafety and assisted in initiating, marketing, structuring, and negotiating the transaction. This deal highlights Houlihan Lokey's long-standing reputation as a leading advisor within the data and analytics, risk and compliance, insurance, and mobility and transportation sectors.

# Houlihan Lokey Advises eDriving on Its Sale to Solera Holdings



## TRANSACTION DETAILS

Closed June 2021

## SECTORS

Mobility, Fleet Management,  
and Telematics

## Client Profile

eDriving, a portfolio company of CIP Capital, is the market-leading SaaS provider of driver risk management and remediation solutions, helping organizations around the world improve safety and reduce injuries, license violations, carbon emissions, and total cost of fleet ownership through its patented digital driver risk management programs. eDriving is the digital driver risk management partner of choice for many of the world's largest organizations, supporting more than 1,200,000 drivers in 125 countries. Over the past 25 years, eDriving's research-validated programs have been recognized with more than 100 awards around the world.

## Our Role

Houlihan Lokey served as eDriving's exclusive sellside M&A advisor in the sale to Solera Holdings.

## Transaction Snapshot

eDriving has reached an agreement to be acquired by Solera Holdings, the preeminent global data intelligence and technology leader serving all constituents engaged in vehicle lifecycle management. Solera's solutions empower smarter decision-making through software, enriched data, proprietary algorithms, and machine learning, which come together to deliver insights and better business outcomes to its more than 235,000 global customers and partners in more than 90 countries across six continents. The acquisition of eDriving allows Solera to deepen its focus beyond the vehicle into driver behavior and risk analytics by offering customers access to end-to-end fleet management solutions via eDriving's suite of smartphone telematics.

# **Mobility, Supply Chain, and Logistics Technology**

## **Vertical Coverage**

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# Mapping the Houlihan Lokey Mobility, Supply Chain, and Logistics Technology Landscape

We have robust subsector coverage with transaction execution experience across emerging and disruptive technology categories within the ecosystem.

## Dealership Technology and Software



## Aftermarket Repair/Parts Data and Marketplaces



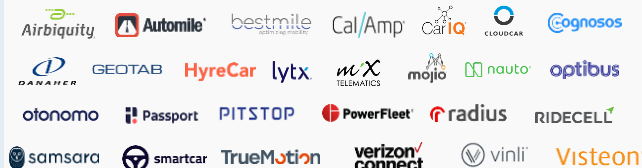
## Ground Transportation Fleet Management



## Logistics and Supply Chain Technology



## Telematics and Connected Car



## Digital Freight Matching Platforms



## Mobility and Public Transportation Planning



## Maritime Fleet Management



## Converging Business Models

Tech-Enabled Services • Information Services • Data and Analytics • Transactional • Subscription • SaaS

Note: Categories are populated with illustrative companies and are not exhaustive.

# Key Industry Trends and Observations

Strong fundamentals characterized by opportunities from large addressable markets, a boom in e-commerce sales, and a rise in passenger kilometers travelled present lucrative opportunities for the mobility, supply chain, and logistics technology providers.

	<h3>Huge Market Opportunity With Significant White Space</h3>	<ul style="list-style-type: none"> <li>▪ The U.S. connected car market is expected to reach \$37.3 billion, growing at a CAGR of 20.3% from 2017 to 2023.</li> <li>▪ Additionally, supply chain tech is a highly fragmented \$1.0 trillion ecosystem driven by \$29 trillion in B2C and B2B e-commerce, growing at 20%–28% per year.</li> </ul>
	<h3>Macro Industry Tailwinds Supporting Demand</h3>	<ul style="list-style-type: none"> <li>▪ E-commerce retail sales in the U.S. are expected to grow at an astounding rate, surpassing \$1.2 trillion by 2024.</li> <li>▪ With growing e-commerce sales, supply chain functions such as warehousing, logistics networks, and transport are getting impacted and are becoming less efficient, with an increase in handling requirements and a decline in transport fill rates.</li> </ul>
	<h3>Rise in Adoption of Technology Across the Logistics and Mobility Sectors</h3>	<ul style="list-style-type: none"> <li>▪ With the future of mobility shifting toward connected and autonomous cars, investors are pouring large sums of money into mobility technology verticals such as e-hailing, semiconductors, and AV sensors.</li> <li>▪ From warehouse robotics to blockchain to real-time supply chain visibility, the logistics and supply chain sphere is witnessing big changes.</li> </ul>
	<h3>High Demand From Various End Markets</h3>	<ul style="list-style-type: none"> <li>▪ The share of electric vehicles as a percentage of total light vehicles in the U.S. is expected to grow from the current 3% to ~36% by 2030.</li> <li>▪ The introduction of autonomous technology across the supply chain sector is expected to reduce trucking cost per mile and bolster growth in freight matching platforms in the U.S.</li> </ul>
	<h3>Surge in Attention of Venture Capitalists Toward the Space</h3>	<ul style="list-style-type: none"> <li>▪ Over the past year, the mobility tech market experienced increased investments as the COVID-19 crisis exposed many underlying problems within the existing transportation systems.</li> <li>▪ VC activity across supply chain tech showed strength in 2021, largely driven by late-stage winners in the downstream logistics and delivery spaces on the back of a surge in demand for e-commerce and food delivery services.</li> </ul>

Sources: McKinsey & Co., IBISWorld, industry research.

# Macro Dynamics Propelling Market Growth

With increasing penetration of internet across the U.S. and growing urbanization, the e-commerce market is set to boom, thereby driving the number of shipments and logistics services in the state.

## Macro Factors Fueling Demand for Mobility, Supply Chain, and Logistics Market



**Increasing Urbanization Trends Across the U.S.**

- The U.S. urban population is expected to grow on the back of increasing employment opportunities across the region and rising per capita income.
- This is expected to further drive the demand for various products, especially manufacturing, giving a boost to the logistics, mobility, and supply chain market.



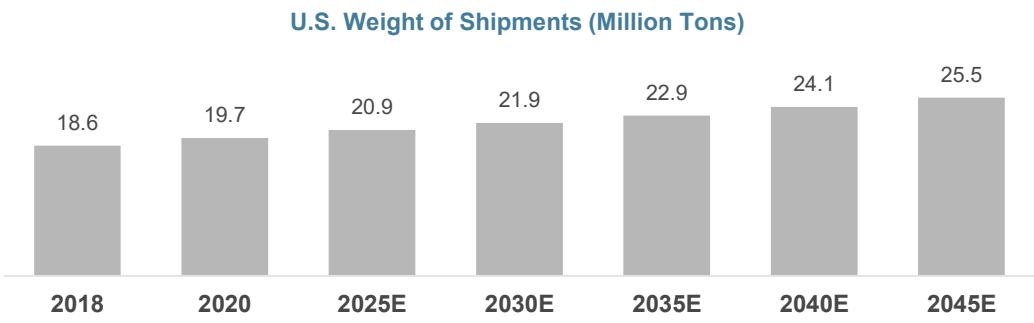
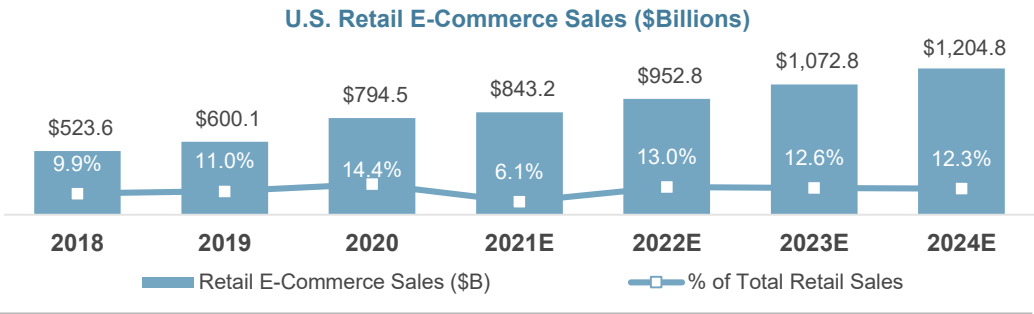
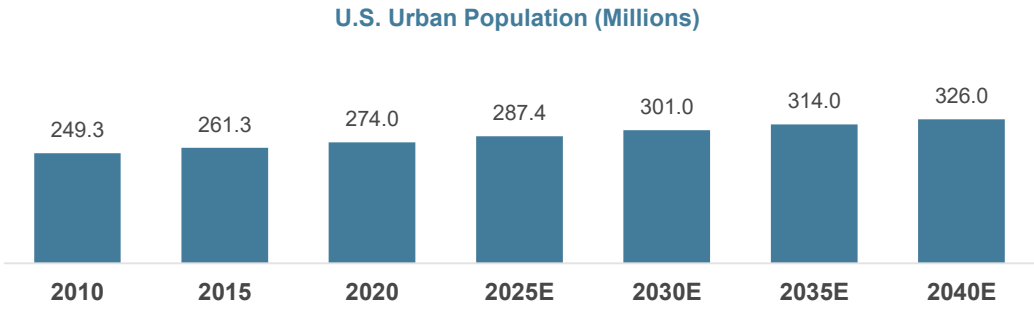
**Growing E-commerce Sales in the U.S.**

- The U.S. has witnessed an incremental growth in e-commerce as shoppers have become more comfortable purchasing items online.
- With the outbreak of the COVID-19 pandemic, online shopping has increased significantly, thereby driving revenue across the logistics market.



**Anticipated Growth in Shipments Across the U.S.**

- Across the U.S., the shipment of high-value, low-weight commodities is growing at a faster rate than that of low-value, high-weight commodities.
- Retailers have further fine-tuned e-commerce operations to deliver products quickly through efficient logistics and supply chain.



Sources: eMarketer, Bureau of Transportation Statistics, industry research.

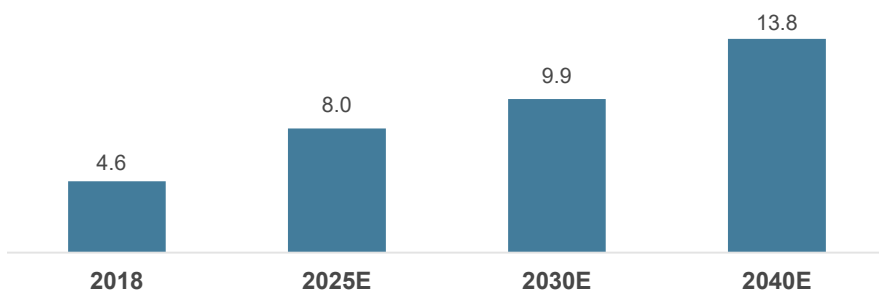


# Accelerated Use of Technology Across Mobility Market

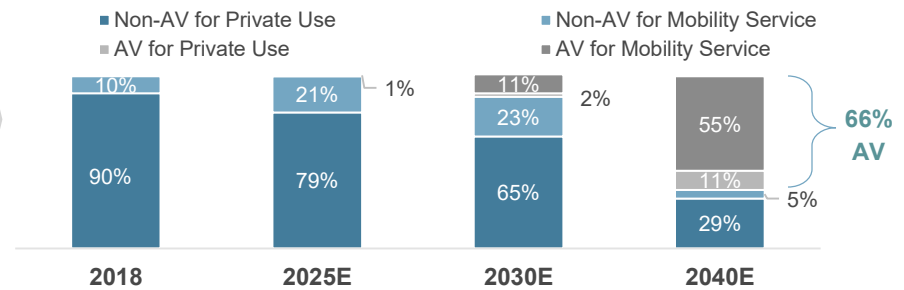
Mobility technology is gaining significant traction as it facilitates environmentally friendly, connected, autonomous, and personalized commutes. Over the past decade, ~\$200 billion have been invested in mobility technology across the globe.

## Anticipated Rise in Distance Travelled and Growing Market Share of Autonomous Vehicles (AVs)

Estimated Passenger Kilometers Traveled Globally (T)



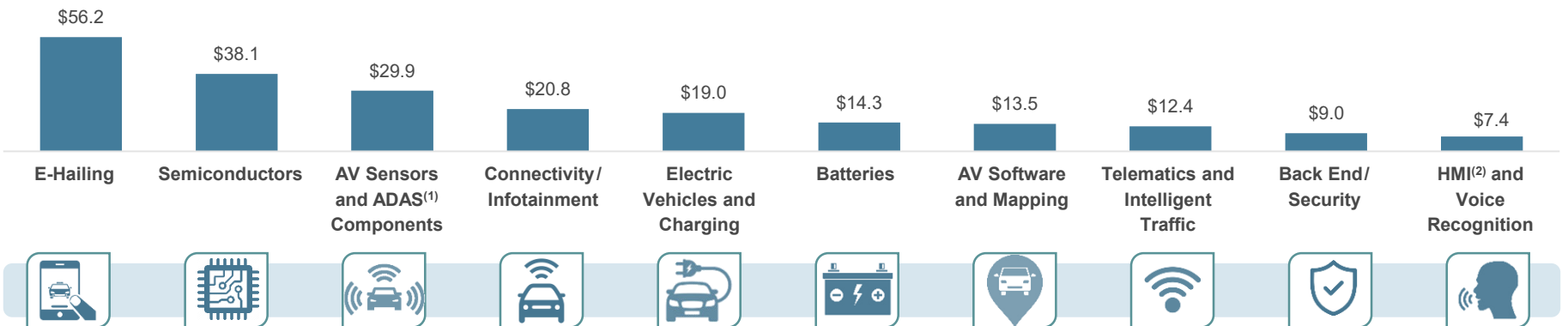
Estimated Passenger Kilometers Traveled By Vehicle Type (%)



AVs are expected to account for as much as 66% of passenger kilometers travelled in 2040, generating a market revenue of \$1.1 trillion from mobility services and \$0.9 trillion from sales of autonomous vehicles by that year. Additionally, in unit terms, autonomous vehicles will make up just over 40% of new vehicle sales in 2040 and 12% of the vehicle installed base.

## Strong Investment Activity Across the Global Mobility Technology Space

Total Disclosed Investment Amount, 2010–2019 (\$B)



Sources: McKinsey & Co., industry research.

(1) Advanced driver-assistance systems.

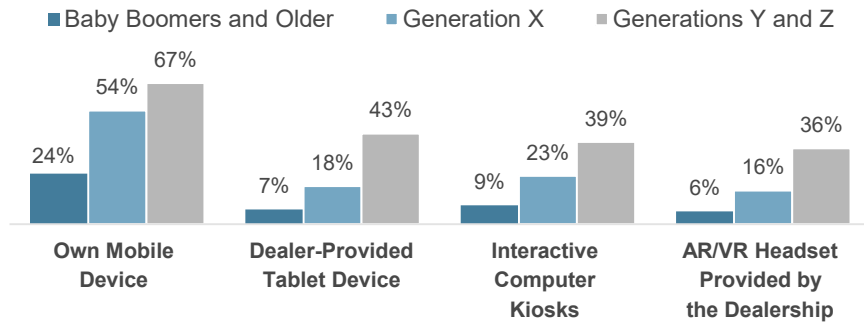
(2) Human machine interface.

# Evolving Dynamics in Mobility Technology Space

The rising adoption of smart technology, growing use of digital channels at automotive dealers by the younger generation, and budding market for electric vehicles across the globe are expected to facilitate market growth for mobility technology.

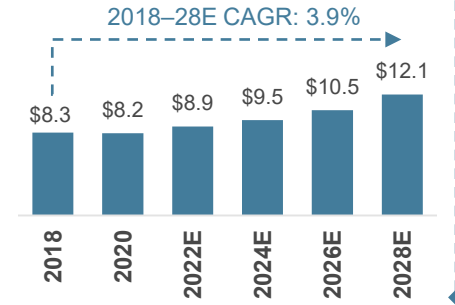
## Millennials and Zoomers Preferring Digital Channels

% of People That Rated Each Information Source as Somewhat/Very Useful<sup>(1)</sup>

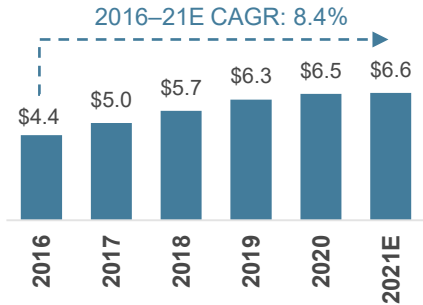


## Increasing Adoption of Smart Technology

U.S. Intelligent Transportation System Market (\$B)

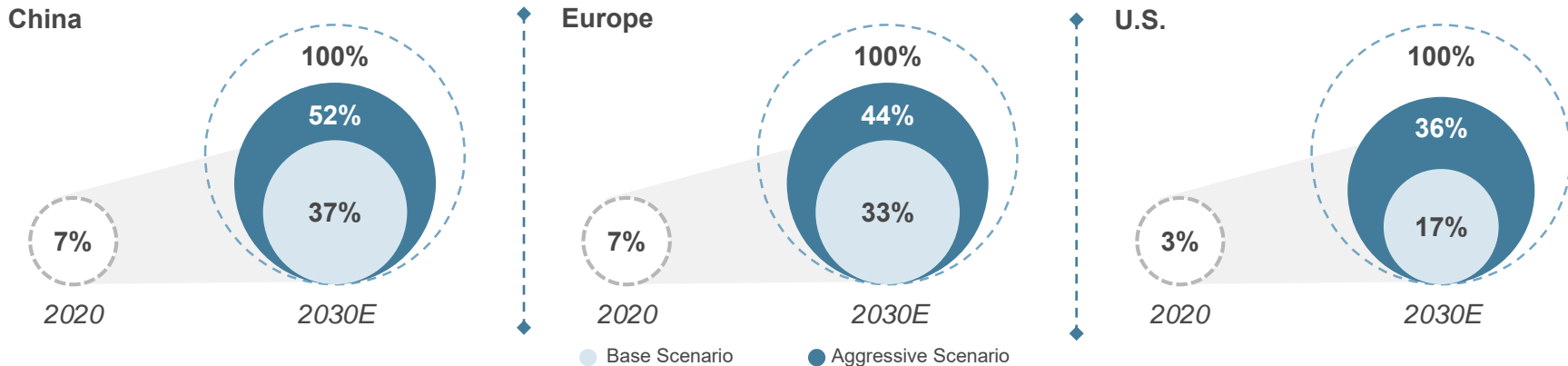


U.S. Fleet Telematics Systems Market (\$B)



## Soaring Market for Electric Vehicles

Projected Share of Electric Vehicles in the Light Vehicle Market (%)



**Base Scenario:** Assumptions include China meeting State Council emission targets, Europe missing 2020 emission-reduction targets and accelerating regulatory targets after 2025, and the United States increasing adoption of California Air Resources Board (CARB) mandates, with consumer demand slowing adoption after 2025.

**Aggressive Scenario:** Assumptions include China meeting State Council emissions targets, Europe missing 2020 emission-reduction targets and extending CO<sub>2</sub> limits proposed in November 2017 beyond 2025, and the United States increasing adoption of CARB mandates.

Sources: PitchBook, McKinsey & Co., Grand View Research, IBISWorld, industry research.

(1) Based on Deloitte Global Automotive Consumer Study, 2018.

# Evolving Dynamics in Supply Chain Technology Space

Greater efficiency in supply chain processes, a need for improved supply chain communication, and easier adherence to government requirements have resulted in greater demand for use of technology across the supply chain market.

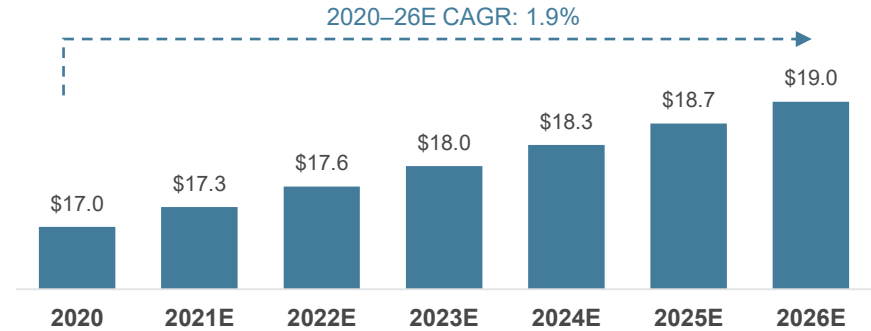
## Demand Growth Across Transportation and Other Industrial Sectors to Offer Lucrative Opportunities

North American Supply Chain-as-a-Service Market (\$B)



*The momentous growth of the retail industry, driven by the proliferation of mobile devices and internet penetration, is supporting growth of the North American Supply Chain-as-a-Service (SCaaS) market.*

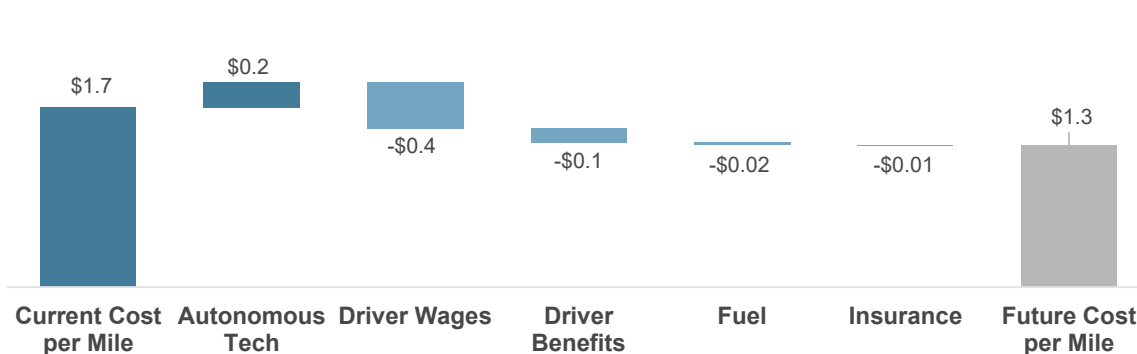
U.S. Aftermarket Automotive Parts and Components Market (\$B)



*The increasing availability of automotive parts on e-commerce portals and the advantages of using original replacement parts are driving the U.S. automotive aftermarket parts and components market growth.*

## Autonomous Technology to Reduce Cost per Mile

Current Trend and Future Trucking Costs per Mile



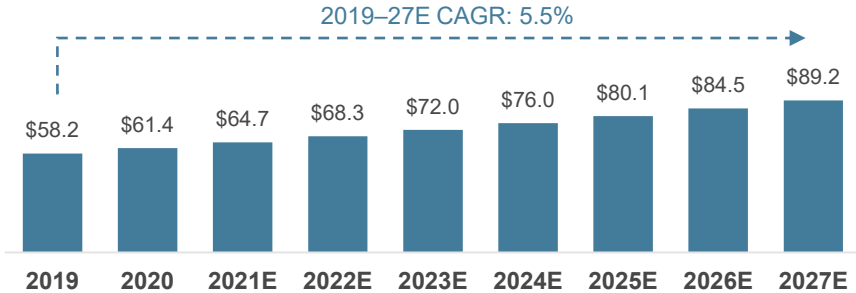
- Businesses and consumers are demanding better visibility along with same-day delivery, leading to greater demand for technology solutions.
- Growing demand for hybrid and all-electric vehicles in supply chain is expected to fuel the market for supply chain technology.
- Additionally, factors such as labor shortage, rising fuel and insurance costs, constrained transportation capacity, and the low-margin nature of the trucking market are expected to propel the demand for autonomous trucking technology.

# Evolving Dynamics in Logistics Technology Space

With a greater number of consumers demanding quick shipping, real-time visibility, flexibility, and great customer service, companies have started making greater use of technology.

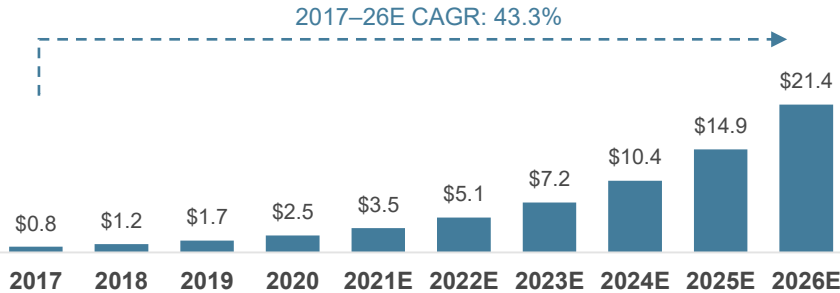
## Technological Advancements Across the Logistics Landscape

U.S. Smart Fleet Management Market (\$B)



The growth of the smart fleet management market is largely driven by the rise in use of real-time fleet monitoring systems and cloud-based technology for fleet management.

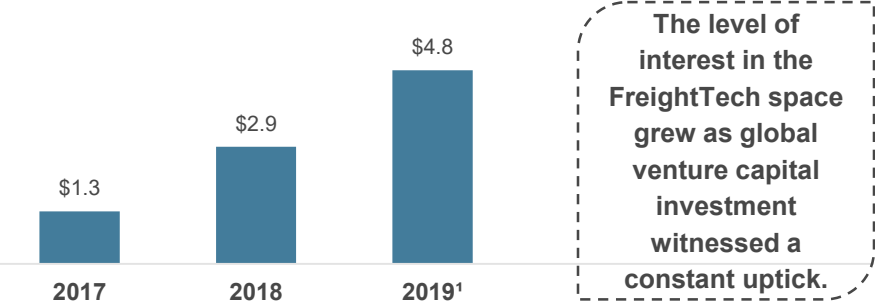
U.S. Digital Freight Brokerage Market (\$B)



Instant quotes, transparent pricing, comparison between carriers, tracking, and easy documentation—the benefits of using digital freight brokerage platforms—are expected to bolster market growth.

## Growing Investor Interest in VC Funding

Global Freight Tech VC Funding (\$ BN)



Tech-enabled players in the 3PL market are gaining significant traction, and investments within the space are expected to grow at a significant rate of 5%–6%, with asset tracking, inventory/order management, intelligence providers, and blockchain being major subsegments for focus.

## Large and Growing Domains Across Logistics Sector

	Market Size <sup>(2)</sup> (\$B)	CAGR 2017–23E	Total Funding <sup>(3)</sup> (\$B)
Tech	\$40.0	5%–6%	2.1
Storage and Physical Supply Chain Solutions	\$340.0	3%–5%	5.4
Transport	\$2,249.0	2%–4%	7.6
Courier, Express, and Parcel	\$319.0	8%–9%	11.1

Sources: McKinsey & Co., Allied Market Research, PR Newswire, industry research.

(1) 2019 data through Q1 annualized

(2) As of 2017.

(3) Until 2019.

# Key Drivers of Financing and M&A Activity Across the Landscape

## Market Consolidation

- **Verticalization:** Expand end-market applicability by acquiring assets with deep vertical expertise.
- **Accelerate Scale:** Combining product portfolios and core solutions is an efficient way for incumbents to scale quickly and reach new market segments.

### Representative Transactions and Investments



## Product and Geographic Expansion

- **Add Complementary Offerings:** Strengthen the existing product suite through the addition of inorganic add-ons.
- **Add New Offerings:** For some companies, it is easier to acquire technology rather than develop it internally.



## Employing Data and Analytics to Drive Enhanced Capabilities

- **Business Intelligence:** Gain specialized expertise in analytics, telematics, and predictive modeling.
- **Additional Data:** Integrate incremental datasets to enhance existing data layers, or create new ones to drive diversification of capabilities.



## Digital Channels Replacing Physical Channels

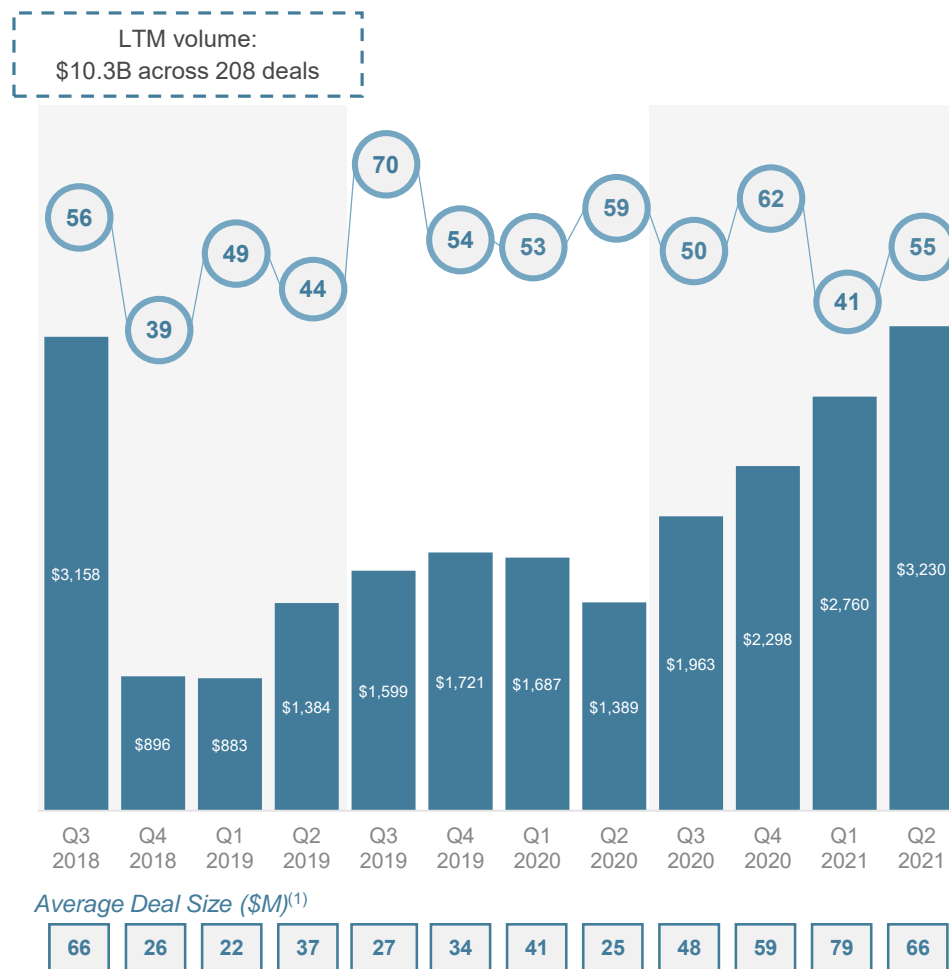
- **Modernization:** Category constituents that have operated their businesses on paper and legacy filing systems are investing in more advanced technology platforms.
- **Talent Acquisition:** New software development capabilities accompany the acquisition of technology startups.



# Financing Activity Continues Across Value Chain Categories

Fundraising activity remained robust throughout the quarter, both for high-profile, later-stage companies as well as earlier-stage startups. Recent financing activity has remained relatively distributed across key subsectors, with volumes and average deal size continuing to increase.

## Data and Analytics Quarterly Financing Activity (\$M)



## Selected Mobility, Supply Chain, and Logistics Technology Financings (\$M)

Ann. Date	Company	Selected Investor(s)	Amount Invested	Post-Money Valuation	Segment/ Value Chain
9/21	3Gtms	SEI, SURGEON GENERAL INVESTMENT	\$15.0	N/A	Truck
9/21	STORD	KLEINER PERKINS	\$90.0	N/A	Global Logistics
9/21	CARS24	AlphaVestor, DST GLOBAL, Tencent	\$258.6	N/A	Car
7/21	netradyne	SoftBank	\$150.0	N/A	Connected Car
7/21	RoDo	Redwood Ventures	\$18.0	N/A	Car
6/21	Cleo	HTG Capital	N/A	N/A	Global Logistics
6/21	forfo	SoftBank	\$240.0	\$1,400.0	Global Logistics
6/21	KEEP TRUCK IN	G2 VENTURE PARTNERS	\$190.0	\$2,300.0	Truck, Connected Car
6/21	OVERHAUL	MACQUARIE	\$35.0	N/A	Global Logistics
6/21	sender	SCANIA	\$240.0	N/A	Truck

## Mobility, Supply Chain, and Logistics Technology Subsectors

Dealership Technology and Software	Aftermarket Repair/Parts Data and Marketplaces	Ground Transportation Fleet Management	Logistics and Supply Chain Technology	Telematics and Connected Car	Digital Freight Matching Platforms	Mobility and Public Transportation Planning	Maritime Fleet Management
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Sources: PitchBook.com, S&P Capital IQ. Market data as of September 27, 2021.

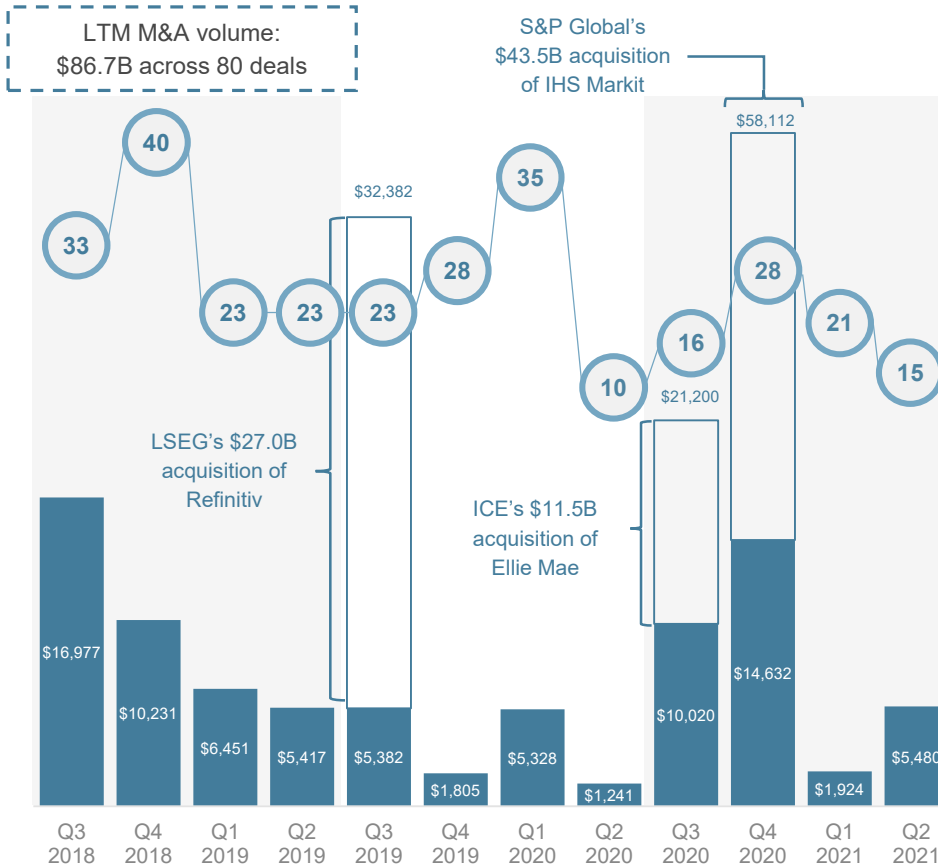
Note: Includes early-stage and later-stage venture investments from funds and strategics.

(1) Average deal sizes exclude outlier transactions.

# M&A Activity Continues Across the Ecosystem

M&A activity across strategics and private equity continues at premium valuations for businesses offering best-of-breed technology and data analytics solutions, establishing favorable precedent benchmarks.

## Data and Analytics Quarterly M&A Activity (\$M)



## Average Deal Size (\$M)<sup>(1)</sup>



Sources: PitchBook.com, S&P Capital IQ. Market data as of September 27, 2021.

Note: Includes merger/acquisition of current subsidiaries.

(1) Average deal sizes exclude outlier transactions.

## Selected Mobility, Supply Chain, and Logistics Technology M&A Transactions

Ann. Date	Acquirer	Target	Transaction Value (\$M)	Segment/ Value Chain
9/21	rb RITCHIE BROS. <small>Acquirers</small>	SmartEquip <small>Be Ready.</small>	\$175.0	
9/21	project44	convey	\$255.0	
8/21	QUARTERHILL	ETC	\$150.0	
8/21	BRIDGESTONE	azūga	\$391.0	
7/21	STONE POINT CAPITAL	sambasafety	\$520.0	
7/21	Uber Freight	TRANSPACE	\$2,250.0	
7/21	DESCARTES	greenmile <small>Technology. Delivered.</small>	\$40.0	
6/21	LLR	IntelliShift	\$70.0	
6/21	gopuff	rideOS	\$115.0	
6/21	Solera	edriving	\$275.0	

## Mobility, Supply Chain, and Logistics Technology Subsectors

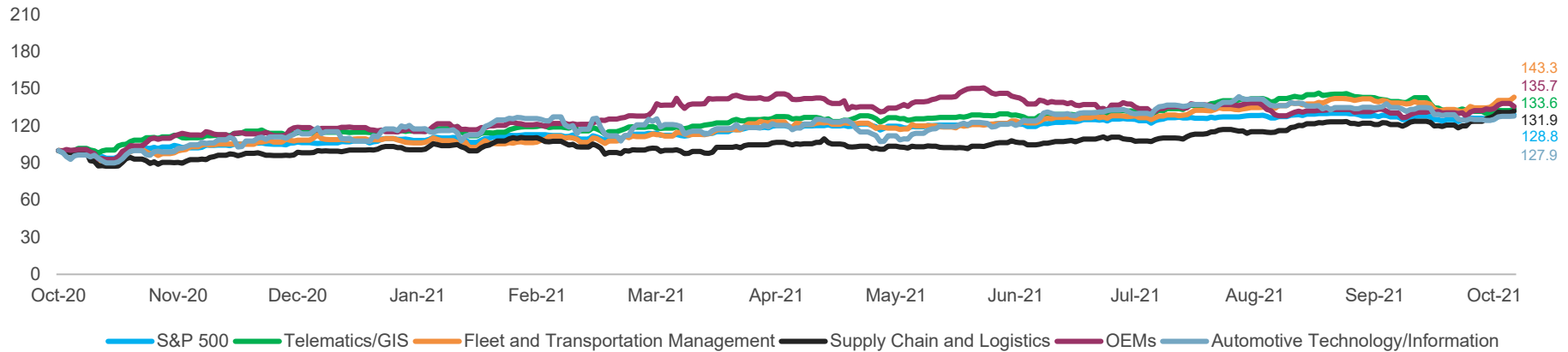


  Houlihan Lokey advisory transaction.

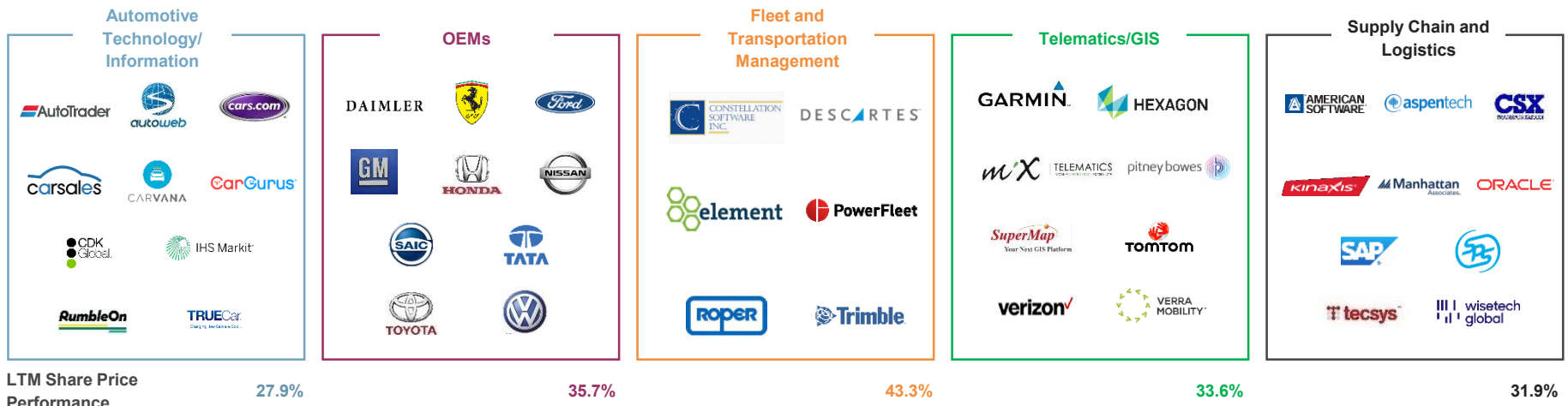
# Mixed Public Company Performance...

Consistent with trends across the broader market, key subsectors within the transportation, supply chain, and logistics technology category have sharply rebounded from the March 2020 trough and continue to trade at a premium to pre-COVID-19 levels.

## LTM Share Price Performance



## Public Company Ecosystem Segmentation



Source: S&P Capital IQ.

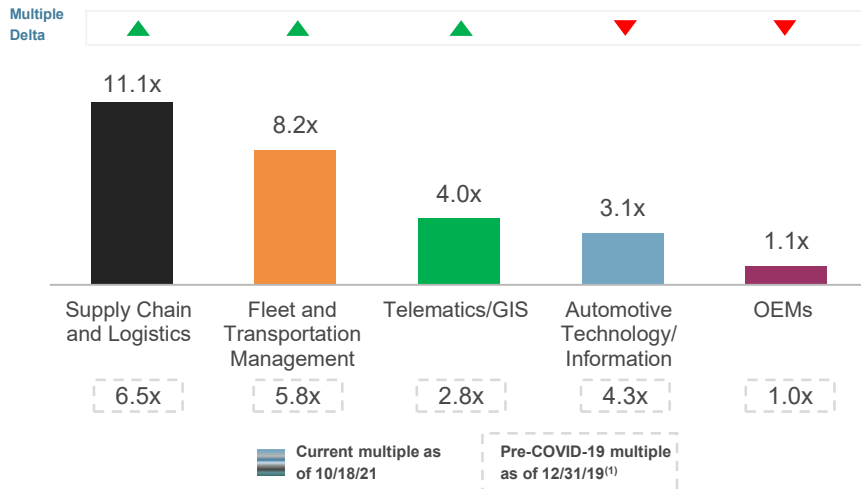
Note: Growth and multiples shown are median values for comp group. Market data as of October 18, 2021.



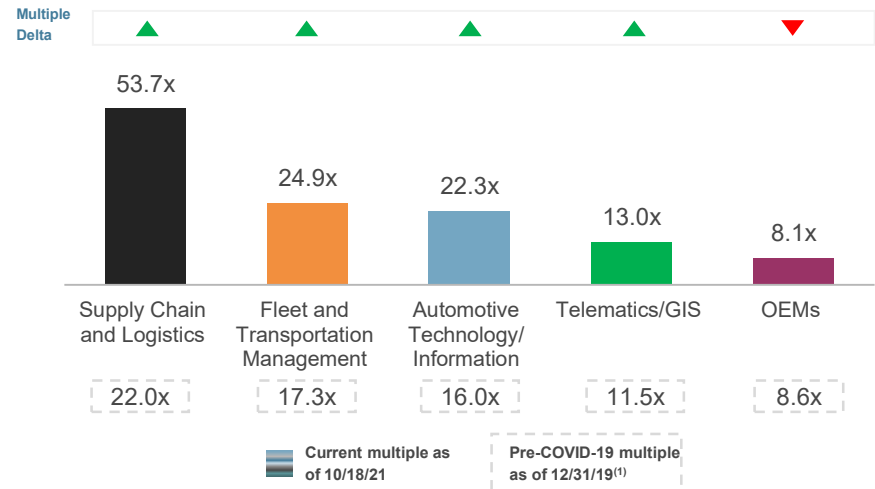
# ...Drives Valuation Differentiation in Certain Categories

Forward multiples across most subsectors have expanded YoY, as public markets seek stability of growth and profitability given market volatility.

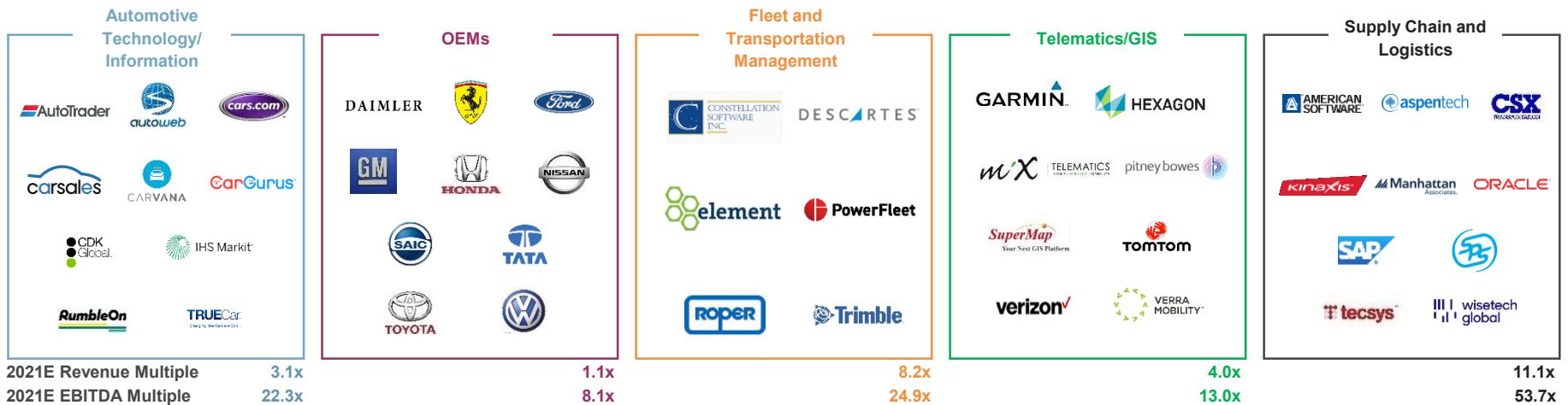
## Enterprise Value/2021E Revenue



## Enterprise Value/2021E EBITDA



## Public Company Ecosystem Segmentation



Source: S&P Capital IQ.

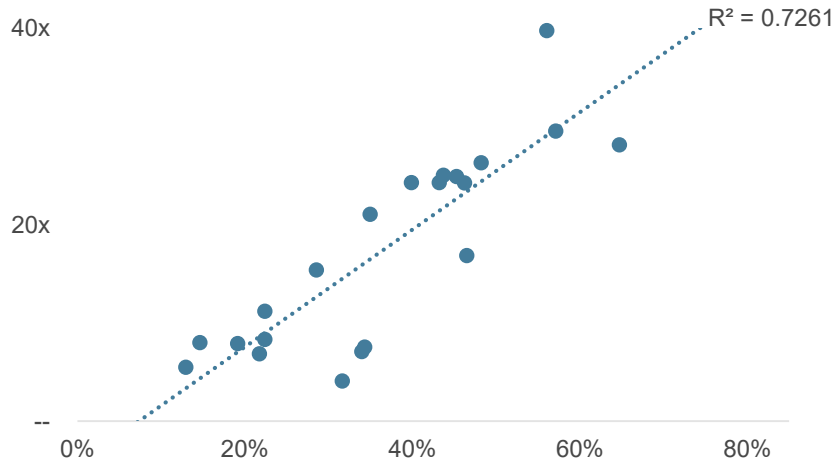
Note: Growth and multiples shown are median values for comp group. Market data as of October 18, 2021.

(1) Reflects enterprise value and FY20E metric as of December 31, 2019.

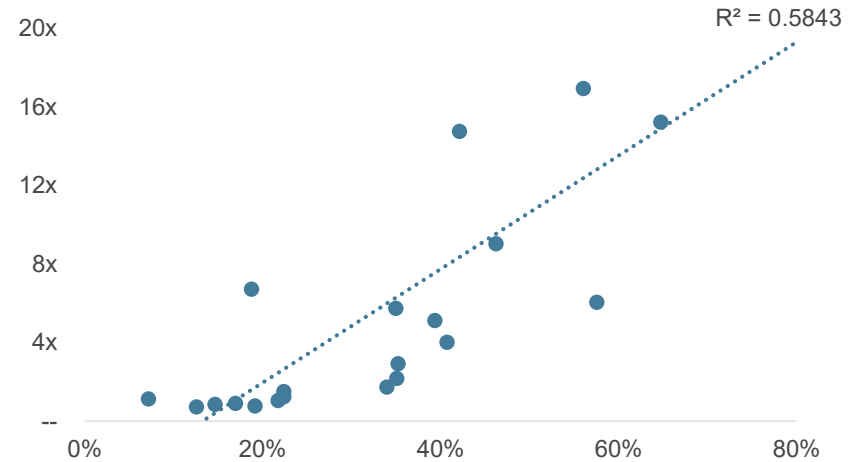
# Valuation Is Correlated to Revenue Growth and EBITDA Margin

Markets continue to favor growth, but the combination of growth and profitability yields the highest valuations.

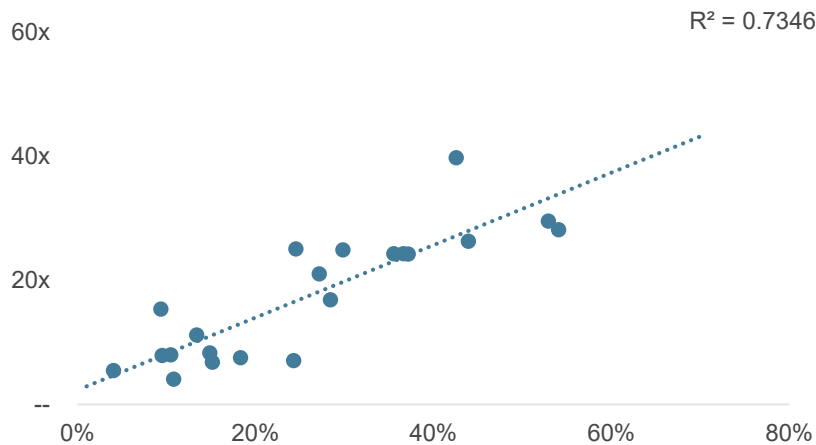
## Rule of 40 vs. EV/2021E EBITDA



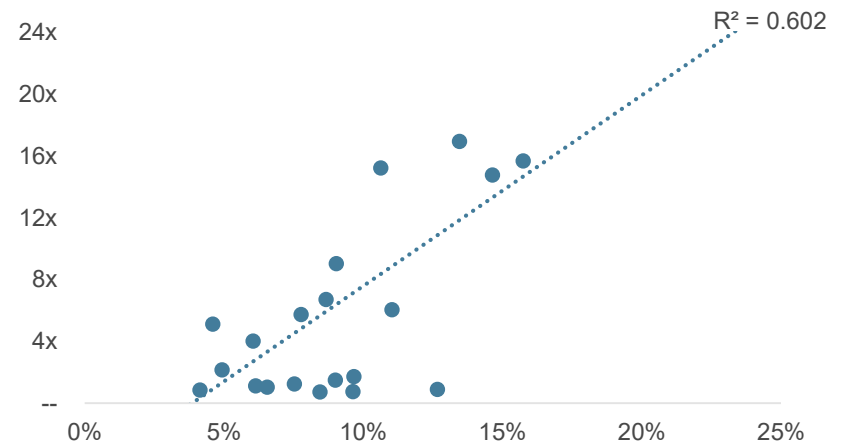
## Rule of 40 vs. EV/2021E Revenue



## 2021E EBITDA Margin vs. EV/2021E EBITDA



## 2021E–2022E Revenue Growth vs. EV/2021E Revenue



Source: S&P Capital IQ.

Note: Growth and multiples shown are median values for comp group. Market data as of October 18, 2021.

# Appendix

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# Selected Publicly Listed Comparables

	Company Name	Market Cap USDm	EV USDm	EV / Revenue		EV / EBITDA		EBITDA margin		2020A-22E CAGR	
				2021	2022	2021	2022	2021	2022	Revenue	EBITDA
Automotive Technology/Information	Auto Trader	7,754	7,740	15.7x	13.5x	22.3x	18.6x	70.2%	72.7%	20.2%	27.9%
	AutoWeb	39	41	0.6x	0.5x	34.9x	15.7x	1.6%	3.1%	5.8%	na
	CarGurus	4,115	3,976	4.8x	4.1x	16.8x	16.6x	28.4%	24.5%	33.3%	44.6%
	Cars.com	848	1,348	2.2x	2.1x	7.2x	6.8x	30.1%	30.2%	9.4%	18.9%
	Carsales.com	5,243	5,113	15.2x	13.8x	28.1x	23.8x	54.1%	57.9%	10.5%	21.3%
	Carvana	24,005	27,184	2.2x	1.7x	nm	88.2x	0.6%	1.9%	68.5%	na
	CDK	5,453	6,948	4.0x	3.8x	11.6x	10.1x	34.7%	37.6%	5.3%	9.9%
	IHS Markit	48,802	53,682	11.6x	11.1x	26.3x	24.1x	44.0%	46.0%	5.9%	18.7%
	RumbleOn	584	625	0.8x	0.4x	27.2x	4.9x	2.8%	7.5%	102.4%	na
	TrueCar	415	183	0.7x	0.7x	17.4x	13.4x	4.1%	4.9%	(0.4%)	53.1%
	<b>Mean</b>			5.8x	5.2x	21.3x	22.2x	27.1%	28.6%	26.1%	27.8%
	<b>Median</b>			3.1x	2.9x	22.3x	16.2x	29.3%	27.4%	9.9%	21.3%
Telematics/GIS	Garmin	30,243	28,347	5.7x	5.3x	21.1x	19.2x	27.2%	27.7%	12.9%	11.9%
	Hexagon	44,378	46,806	9.4x	8.6x	25.2x	23.0x	37.2%	37.3%	11.7%	23.2%
	MIX Telematics	272	235	1.7x	1.6x	7.1x	6.5x	24.3%	24.2%	6.8%	(1.7%)
	Pitney Bowes	1,254	3,092	0.8x	0.8x	8.0x	7.4x	10.5%	10.9%	4.0%	16.5%
	SuperMap Software	1,730	1,607	5.1x	4.1x	26.5x	20.7x	19.3%	19.9%	24.8%	35.0%
	TomTom	983	659	1.1x	1.0x	nm	30.9x	1.0%	3.3%	2.3%	na
	Verizon	214,955	391,553	2.9x	2.9x	8.1x	7.9x	36.0%	37.2%	1.8%	1.3%
	Verra Mobility	2,324	3,186	6.0x	5.4x	13.0x	11.1x	46.5%	49.0%	21.9%	36.7%
	<b>Mean</b>			4.1x	3.7x	15.6x	15.8x	25.3%	26.2%	10.8%	17.6%
	<b>Median</b>			4.0x	3.5x	13.0x	15.1x	25.8%	26.0%	9.3%	16.5%
Fleet and Transportation	Constellation Software	37,217	38,114	7.4x	6.4x	24.9x	22.5x	29.9%	28.6%	22.1%	40.4%
	Descartes	7,144	7,027	16.9x	14.9x	39.8x	34.6x	42.6%	43.1%	16.5%	23.1%
	Element Fleet Mgmt.	4,564	11,638	15.0x	14.2x	na	na	--	--	(15.8%)	na
	PowerFleet	238	234	1.8x	1.5x	20.5x	9.9x	8.7%	15.1%	17.5%	130.6%
	Roper	48,789	57,153	8.9x	8.6x	24.3x	23.2x	36.7%	37.1%	9.5%	12.3%
	Trimble	21,040	22,034	6.2x	5.2x	25.1x	20.2x	24.6%	25.5%	16.3%	28.2%
	<b>Mean</b>			9.4x	8.5x	26.9x	22.1x	23.7%	24.9%	11.0%	46.9%
	<b>Median</b>			8.2x	7.5x	24.9x	22.5x	27.2%	27.1%	16.4%	28.2%

Sources: S&P Capital IQ, company information.

Note: Trading multiples are based on share price, other market data, and broker consensus future earnings estimates from S&P Capital IQ as of October 18, 2021. All financials calendarized to a December year-end.

# Selected Publicly Listed Comparables (cont.)

	Company Name	Market Cap USDm	EV USDm	EV / Revenue		EV / EBITDA		EBITDA margin		2020A-22E CAGR	
				2021	2022	2021	2022	2021	2022	Revenue	EBITDA
Supply Chain and Logistics	American Software	894	787	6.7x	6.2x	66.5x	44.5x	10.1%	13.9%	6.4%	63.8%
	Aspen Technology	11,266	11,216	15.6x	15.0x	29.5x	27.9x	52.9%	53.8%	6.9%	12.2%
	CSX	75,268	89,087	7.4x	6.8x	13.6x	12.7x	54.2%	53.5%	11.1%	9.8%
	Kinaxis	4,206	3,988	16.2x	12.7x	nm	60.7x	13.9%	20.9%	18.3%	43.6%
	Manhattan Associates	10,128	9,950	15.3x	14.1x	56.6x	54.6x	27.1%	25.9%	9.6%	21.7%
	Oracle	260,466	304,285	7.3x	7.0x	15.3x	14.0x	47.8%	50.3%	4.2%	12.4%
	SAP	170,779	162,494	5.1x	4.9x	14.7x	14.1x	34.7%	34.6%	2.4%	14.6%
	SPS Commerce	5,849	5,637	14.8x	12.9x	53.7x	44.7x	27.5%	28.8%	18.3%	35.4%
	Tecsys	694	677	6.3x	5.5x	68.9x	50.7x	9.1%	10.9%	14.1%	24.4%
	WiseTech Global Limited	12,816	12,607	30.1x	24.6x	75.3x	54.8x	39.9%	44.9%	21.5%	48.9%
	<b>Mean</b>			12.5x	11.0x	43.8x	37.9x	31.7%	33.8%	11.3%	28.7%
	<b>Median</b>			11.1x	9.9x	53.7x	44.6x	31.1%	31.7%	10.4%	23.1%
OEMs	Daimler AG	103,153	238,510	1.2x	1.1x	8.3x	8.3x	14.9%	13.7%	7.9%	35.5%
	Ferrari	41,120	42,786	8.6x	8.0x	24.3x	21.8x	35.5%	36.9%	15.3%	34.5%
	Ford	61,719	185,022	1.4x	1.2x	15.4x	13.0x	9.4%	9.3%	9.6%	72.0%
	General Motors	83,750	177,093	1.4x	1.2x	7.5x	6.9x	18.3%	17.3%	10.2%	37.4%
	Honda	51,970	97,904	0.8x	0.7x	7.9x	8.2x	9.5%	8.4%	9.2%	(14.8%)
	Nissan Motor Company	19,986	71,399	0.9x	0.8x	20.9x	14.1x	4.3%	5.7%	10.4%	85.3%
	SAIC Motor Corp	36,939	27,246	0.2x	0.2x	5.5x	4.5x	4.1%	4.5%	7.9%	8.6%
	Tata	25,351	16,786	0.4x	0.4x	4.1x	2.8x	10.8%	13.3%	16.8%	61.2%
	Toyota	242,002	395,858	1.5x	1.4x	11.2x	10.0x	13.4%	13.8%	8.4%	12.3%
	Volkswagen	113,873	299,414	1.0x	1.0x	6.8x	6.5x	15.2%	14.9%	9.2%	31.2%
	<b>Mean</b>			1.8x	1.6x	11.2x	9.6x	13.5%	13.8%	10.5%	36.3%
	<b>Median</b>			1.1x	1.1x	8.1x	8.3x	12.1%	13.5%	9.4%	35.0%
	<b>Overall - Mean</b>			<b>6.6x</b>	<b>5.9x</b>	<b>23.5x</b>	<b>21.7x</b>	<b>24.3%</b>	<b>25.5%</b>	<b>14.3%</b>	<b>30.8%</b>
	<b>Overall - Median</b>			<b>5.1x</b>	<b>4.5x</b>	<b>20.7x</b>	<b>15.7x</b>	<b>24.4%</b>	<b>24.3%</b>	<b>9.9%</b>	<b>24.4%</b>

Sources: S&P Capital IQ, company information.

Note: Trading multiples are based on share price, other market data, and broker consensus future earnings estimates from S&P Capital IQ as of October 18, 2021. All financials calendarized to a December year-end.

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