



# TRANSPORTATION AND LOGISTICS

Market Update

Q1 2023



Houlihan Lokey

# ABOUT OUR FIRM



**Houlihan  
Lokey**

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.

We invite you to learn more about how our bankers can serve your needs:

Learn More About  
Corporate Finance

Learn More About  
Financial Restructuring

Learn More About  
Financial and Valuation Advisory

Learn More About  
Our Industry Coverage

## Key Facts and Figures



**36**  
LOCATIONS  
WORLDWIDE

**~2,000**  
TOTAL FINANCIAL  
PROFESSIONALS

**309**  
MANAGING  
DIRECTORS<sup>(1)</sup>

**2,000+**  
CLIENTS SERVED  
ANNUALLY

**~\$6B**  
MARKET  
CAPITALIZATION<sup>(2)</sup>

**\$1.8B**  
REVENUE<sup>(3)</sup>

## Our Ranking by Service

### Corporate Finance

#### 2022 M&A Advisory Rankings Global Transactions Under \$1 Billion

Advisor	Deals
<b>1 Houlihan Lokey</b>	<b>381</b>
2 Rothschild & Co	369
3 JP Morgan	217
4 Lazard	206
5 Goldman Sachs & Co	203

Source: Refinitiv. Excludes accounting firms and brokers.

**No. 1** Global M&A Advisor for  
Transactions Under \$1 Billion

**Leading** Capital Markets Advisor

### Financial Restructuring

#### 2022 Global Distressed Debt & Bankruptcy Restructuring Rankings

Advisor	Deals
<b>1 Houlihan Lokey</b>	<b>58</b>
2 PJT Partners Inc	30
3 Lazard	29
4 Rothschild & Co	25
5 Moelis & Co	21

Source: Refinitiv.

**No. 1** Global Restructuring Advisor

**1,500+** Transactions Completed Valued  
at More Than \$3.0 Trillion Collectively

### Financial and Valuation Advisory

#### 1998 to 2022 Global M&A Fairness Advisory Rankings

Advisor	Deals
<b>1 Houlihan Lokey</b>	<b>1,232</b>
2 JP Morgan	1,030
3 Duff & Phelps, A Kroll Business	938
4 Morgan Stanley	725
5 BofA Securities Inc	710

Source: Refinitiv. Announced or completed transactions.

**No. 1** Global M&A Fairness Opinion  
Advisor Over the Past 25 Years

**1,000+** Annual Valuation Engagements

## Fully Integrated Financial Sponsors Coverage

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

**1,000+** Sponsors covered, providing  
market insights and  
knowledge of buyer behavior

**700+** Companies sold to financial  
sponsors over the last five years

## Houlihan Lokey Is a Global Firm

### Americas

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

### Europe and Middle East

Amsterdam Madrid Stockholm  
Antwerp Manchester Tel Aviv  
Dubai Milan Zurich  
Frankfurt Munich  
London Paris

### Asia-Pacific

Beijing Mumbai Sydney  
Fukuoka Nagoya Tokyo  
Gurugram Osaka  
Hong Kong Shanghai  
SAR Singapore

(1) As of December 31, 2022. Excludes corporate managing directors. (2) As of April 2023. (3) LTM ended March 31, 2023.

# 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.

Based on number of transactions and according to data provided by Refinitiv, Houlihan Lokey was ranked the No. 1 investment bank for all global business services M&A transactions in 2022.\*

\*Excludes accounting firms and brokers.

## Key Facts and Figures

**130+**

Dedicated Business Services bankers

**69**

Completed business services M&A/  
private placement transactions in CY22

**\$2.9B**

In financing deals in CY22

## 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



Specialty Consulting and Risk Services



Testing, Inspection, Certification, and Compliance



Training and Education



Transportation and Logistics

## Selected Business Services Industry Transactions

**VLS**  
ENVIRONMENTAL SOLUTIONS  
a portfolio company of  
**I SQUARED CAPITAL**  
has acquired  
**Texas Molecular**  
Devs commitment  
Bayside Advisor

**OPEN HFA**  
a portfolio company of  
**AMULET CAPITAL**  
has been acquired by  
**astorg**  
Sellside Advisor

**GANNETT FLEMING**  
has received a strategic investment from  
**OCEANSOUND PARTNERS**  
Sellside Advisor

**HILL International**  
has been acquired by  
**GISI**  
Sellside Advisor & Fairness Opinion

**Odyssey**  
has acquired  
**MAGNA**  
LEGAL SERVICES  
a portfolio company of  
**CLIVE**  
Bayside Advisor

**HOST HEALTHCARE**  
has been acquired by  
**Medical Solutions**  
a portfolio company of  
**Centerbridge** **CDPQ**  
Sellside Advisor

**WILLIAMS MARSTON**  
a portfolio company of  
**ALION CAPITAL PARTNERS**  
has been acquired by  
**KELSO**  
Sellside Advisor

**PHENNA GROUP**  
a portfolio company of  
**inflexion**  
has received secondary investment from  
**Oakley Capital**  
Sellside Advisor

**us ecology**  
has been acquired by  
**REPUBLIC SERVICES**  
Sellside Advisor

**REVHEALTH**  
has received an investment from  
**WINDROSE**  
Sellside Advisor

**OCEAN TOMO**  
a portfolio company of  
**D WILVER**  
has been acquired by  
**JSHELD**  
a portfolio company of  
**KELSO**  
Sellside Advisor

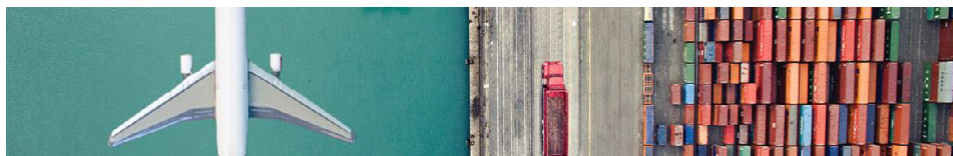
**Universal Pure**  
a portfolio company of  
**tilia**  
has been acquired by  
**AURORA CAPITAL PARTNERS**  
Sellside Advisor

2022 M&A Advisory Rankings All Global Business Services Transactions		
	Advisor	Deals
1	Houlihan Lokey	69
2	Rothschild & Co	50
3	Lincoln International	37
4	Goldman Sachs & Co	34
5	GCG	26

Source: Refinitiv. Excludes accounting firms and brokers.

Learn More About Our Business Services Industry Coverage

# 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.

## U.S. Leadership



**Burke Smith**  
Managing Director  
[Burke.Smith@HL.com](mailto:Burke.Smith@HL.com)  
310.712.6535



**Philip Keffer, CFA**  
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212.497.7851



**Nathan Feldman**  
Vice President  
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212.497.4269

## International Leadership



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+81 80 5904 0729



**Timo Maier**  
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[Timo.Maier@HL.com](mailto:Timo.Maier@HL.com)  
+49 (0) 89 413 121 18

## 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

## Subsector Coverage



- Asset-Based Trucking
- Asset-Light/Third-Party Logistics
- Helicopter Ops and Other Aviation
- Marine Services and Transportation
- Passenger Transportation Rail and Related Services
- Tech-Enabled Services
- Transportation Equipment Leasing

## Featured Transactions

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

Tombstones included herein represent transactions closed from 2020 forward.

# TRANSPORTATION AND LOGISTICS MARKET UPDATE

## Introduction

While freight volumes and rates continue to be relatively bearish through Q1, and even April, there is cause for optimism in the transportation and logistics industry—especially for M&A.

The generational market for freight—from the start of COVID-19 through Q2/Q3 2022—left many strategic companies with stockpiles of cash on their balance sheets. This has enabled strong levels of M&A even “at the bottom of the cycle, which we find ourselves today,” said Knight-Swift (KNX) President, David Jackson. KNX has used this moment in time to aggressively add additional capacity for its truckload division with the announced acquisition of publicly traded U.S. Express as well as in its LTL division. Other major publicly traded logistics companies are following suit with TFI’s Alain Bedard commenting, “We love this environment for M&A. So, you’ll see some more tuck-ins. And I said in my discussion, we’re going to be spending at least \$300 million on M&A and on buybacks.”

The opportunity for private equity to pursue a buy-and-build strategy in logistics is now compelling with EBITDA starting to normalize along with seller valuation expectations. Substantial dry powder and near-term hopes for opening debt capital markets should accelerate this trend.

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## Q1 2023 Quick Facts

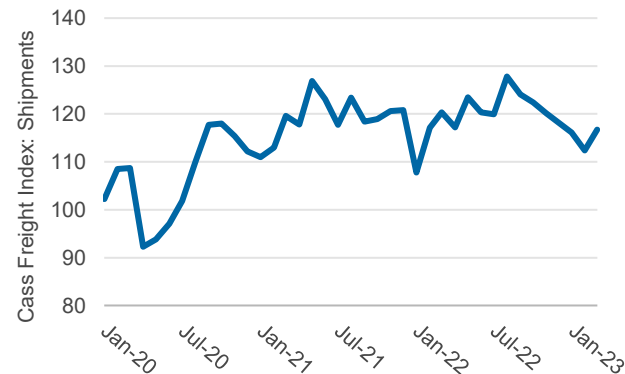
### Transportation and Logistics Global M&A Transaction Volume

**246**

Transactions Q1 2023



### Transportation and Logistics Sector Freight Index<sup>(1)</sup>



Sources: Refinitiv, S&P Global Knight-Swift FQ1 2023 Earnings Call Transcripts, Federal Reserve Economic Data. Data as of March 31, 2023.

(1) The Cass Freight Index is updated with monthly freight expenditures and shipment volumes from the entire Cass client base.

# WHAT WE ARE READING

Freight volumes continue to stagnate while market participants look for ways to lower costs, with nearshoring being a popular focus. Yet, even in this down freight cycle, industry-changing M&A deals continue to occur, including the acquisitions of Bolloré Logistics, Triton, and Kansas City Southern.

Date	Subject	Description	Article Link
5/4/2023	E-Commerce	<b>Shopify Divests Logistics Arm to Flexport</b> “Shopify Inc (SHOP.TO) has divested the logistics arm it built over the past few years, in a reversal of its strategy of aggressively investing in fulfillment networks, the Canadian e-commerce platform said on Thursday. It has sold its logistics unit, including Deliverr Inc, a company it acquired for \$2.1 billion less than a year ago, to freight forwarder Flexport in an all-stock deal in exchange for a 13% stake in the startup it has previously invested in. The company on Thursday also said it would let go 20% of its staff, its second round of large layoffs within a year. It also reported stronger-than-expected earnings. Shopify shares were up nearly 20% in early trading on Thursday.”	<a href="#">Read More</a>
4/25/2023	Parcel Delivery	<b>UPS Issues Downbeat Outlook for Shipping Volumes</b> “The carrier is forecasting its first decline in annual revenue since 2009 after earnings and revenue both fell in the first quarter from a year ago, declines UPS said were driven by sagging consumer spending that pushed fewer packages through its U.S. and international networks. The company said in its first-quarter earnings report that it now expects full-year revenue to come in at around \$97 billion, at the low end of earlier guidance and about 3% behind revenue during 2022.”	<a href="#">Read More</a>
4/18/2023	Forwarding	<b>CMA CGM Offers to Buy Bolloré Logistics for \$5.5 Billion</b> “Maritime transport giant CMA CGM SA has entered exclusive talks to buy Bolloré SE’s logistics arm for an enterprise value of 5 billion euros (\$5.5 billion), in a sign shipping billionaire Rodolphe Saade isn’t through with an acquisitions spree.”	<a href="#">Read More</a>
4/18/2023	Nearshoring	<b>Redwood Logistics Doubles Down in Mexico as Nearshoring Investments Signal Manufacturing Revolution</b> “Redwood Logistics (Redwood), one of the fastest-growing supply chain and logistics companies in North America, today announced an expansion of their operations into new offices in Monterrey, Mexico. Redwood Mexico already operates south of the border, with boots on the ground for over 5 years, but the expansion of Monterrey operations reflects the investment businesses are making in nearshoring efforts as they look to reduce manufacturing and cash-to-cash cycles.”	<a href="#">Read More</a>
4/12/2023	Asset-Leasing	<b>Brookfield Infrastructure to Buy Triton in \$4.7 Billion Deal</b> “Brookfield Infrastructure Partners agreed to buy Triton International, the world’s largest owner of intermodal shipping containers, for \$4.7 billion to expand in transportation logistics supporting the global supply chain.”	<a href="#">Read More</a>
4/10/2023	LTL Trucking	<b>XPO Positive on LTL Focus, Investments Amid Rocky Market</b> “We love LTL. It’s a stable playing field, both in terms of pricing discipline and the competitive landscape,’ Faghri said. ‘We’re one of a handful of players that has a nationwide network, which is critical from a customer perspective.’”	<a href="#">Read More</a>

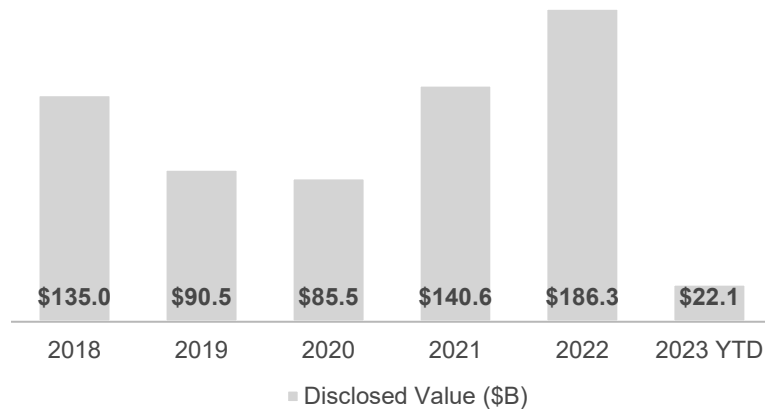
# WHAT WE ARE READING (CONT.)

Date	Subject	Description	Article Link
4/5/2023	Parcel	<b>FedEx Restructures to Combine Ground and Express Delivery Networks</b> <i>"FedEx is combining its Express and Ground delivery units into a single business, changing an operating structure championed by founder Fred Smith and criticized by investors and analysts."</i>	<a href="#">Read More</a>
3/23/2023	Rail	<b>\$31B Merger Will Make Rail Industry Even More Consolidated</b> <i>"What's most interesting to me, a neophyte rail observer, is that it's a sign that rail (or at least one major player) actually wants to grow volumes. Generally, one assumes that an industry wants increasing revenues. That has not been the case with rail, which has become more keen on shrinking costs in the past decade."</i>	<a href="#">Read More</a>
3/23/2023	Nearshoring	<b>Why Nearshoring Is Closer Than Ever: How Mexico Is Becoming the Next Big Thing in Global Markets</b> <i>"With nearshoring nipping at the heels of the Mexican economy, industrial developers increased the speed of building new projects during 2022 (70% more than in 2021). However, more than twice as much space would still be needed to be built in 2022. Mexico is becoming the hottest market in the region, in terms of production, skilled professionals, and advanced facilities. This is going to renew the private sector in the country with long-lasting positive consequences."</i>	<a href="#">Read More</a>
2/14/2023	Asset-Light Logistics	<b>Falling Truck Rates Give Supply Chains Chance to Cut Costs</b> <i>"Conditions fueled by the pandemic and shippers seeking any means necessary to meet customer orders have waned. The experts say soft economic conditions at least through the first half of the year won't be great for carriers in an environment, which now is a shipper's market."</i>	<a href="#">Read More</a>
1/29/2023	Trucking	<b>Volume Returning to Trucking Market, but Carriers Aren't Feeling It (Yet)</b> <i>"There are encouraging signs that demand is returning to the U.S. trucking market, based on high-frequency truckload volume data from FreightWaves SONAR. Its Outbound Tender Volume Index, or OTVI, measures the volume of truckload tender requests in the North American freight market."</i>	<a href="#">Read More</a>

# TRANSPORTATION AND LOGISTICS M&A HIGHLIGHTS

## Transaction Deal Value

\$ in billions



## Key Takeaways

- Strategic acquirers continue to drive M&A volume through Q1 with notable acquisitions of U.S. Express, Taylored Services, Frontline Freight, Clear Lane, and Amware.
- While the debt markets remain challenged and have hindered private equity dealmaking to some degree, notable platforms have been acquired including RBW Logistics, RoadOne Intermodal, and Flash Global.
- Core+ Infrastructure firms have increasingly sought to access the logistics market as evidenced by the acquisition of Lazer Logistics, a provider of outsourced yard management and trailer spotting services.
- A substantial backlog of deals remains waiting in the wings and is expected to go to market once the debt capital and freight markets have settled.

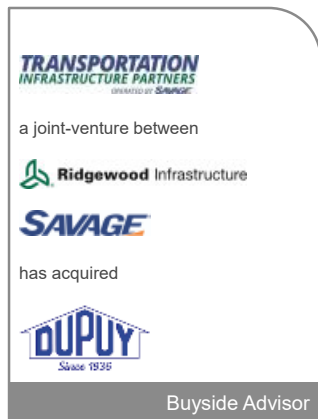
## Notable Transactions to Date

Date	Acquirer	Target	Subsector
03/29/23	IEQT	LAZER	Facility Logistics
03/24/23	HORIZON AIR FREIGHT WE KEEP SHIPS AT SEA	Swift Marine	Freight Forwarding
03/21/23	KNIGHT TRANSPORTATION	U.S. XPRESS	Trucking
03/16/23	LVC LONGUEVUE CAPITAL	RBW LOGISTICS	Four-Walls Logistics
03/01/23	staci FLEX-MADE LOGISTICS	AMWARE	Four-Walls Logistics
03/01/23	Yusen Logistics	TAYLORED	Four-Walls Logistics
02/13/23	HORIZON AIR FREIGHT WE KEEP SHIPS AT SEA	TRANSMARINE A LUKOIL COMPANY	Marine Logistics
02/02/23	BEACON MOBILITY	Kendrick Coach Corp.	Passenger Transport
01/17/23	RoadOne IntermodalLogistics	Transporter IntermodalLogistics	Intermodal
01/05/23	Ridgmont EQUITY PARTNERS	RoadOne IntermodalLogistics	Intermodal
01/05/23	STG Logistics Our People. Not the Difference	Frontline Freight	LTL Consolidation
01/05/23	STG Logistics Our People. Not the Difference	Clear Lane Freight Systems	LTL Consolidation
12/08/22	COMVEST PARTNERS	FlashGlobal	Freight Forwarding
12/03/22	ARMADA	SUNSET TRANSPORTATION	Freight Brokerage



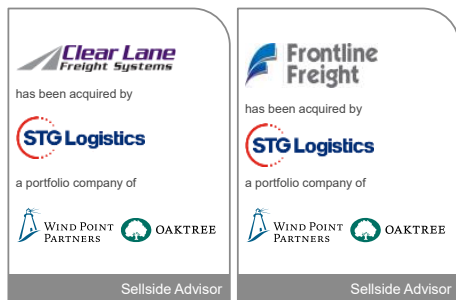
# FEATURED M&A TRANSACTIONS

## Houlihan Lokey Advises Ridgewood Infrastructure



- Transportation Infrastructure Partners (TIP), a joint venture between Ridgewood Infrastructure and Savage Services (Savage), has acquired The Dupuy Group (Dupuy), a provider of near-port logistics infrastructure and services for customers in the food and agriculture sector. The transaction closed on April 28, 2023.
- Dupuy was founded in 1936 and owns and operates strategically advantaged intermodal infrastructure near the ports of Houston, Texas; Jacksonville, Florida; Charleston, South Carolina; and New Orleans, Louisiana. Dupuy plays a vital role in the supply chains of some of the largest coffee and tea companies in the U.S. with significant opportunities to expand and enhance operations, as well as the potential to realize synergies with other ports owned by the buyer.
- Dupuy serves as an addition to TIP's joint venture portfolio and strengthens the Savage network of nearly 50 ports and terminals, with continued focus on enhancing Dupuy's reputation for delivering critical supply chain services for current and future customers.
- Ridgewood Infrastructure is a leading investor in essential infrastructure in the U.S. lower middle market. It is part of the affiliated Ridgewood Companies, a leading real asset investment manager with approximately \$5 billion in total capital and commitments.
- Established in 1946, Savage is a privately held, global provider of supply chain infrastructure and solutions, with more than 4,000 employees in over 200 locations. Industry expertise and employee discipline enable Savage to deliver safe, reliable, and efficient services. From designing, building, and operating facilities to assisting customers in their plant retirement or transition plans, the team strives to provide the best overall value and safety in supply chain services.
- Houlihan Lokey served as the exclusive financial advisor to Ridgewood Infrastructure.

## Houlihan Lokey Advises Frontline Freight and Clear Lane Freight Systems

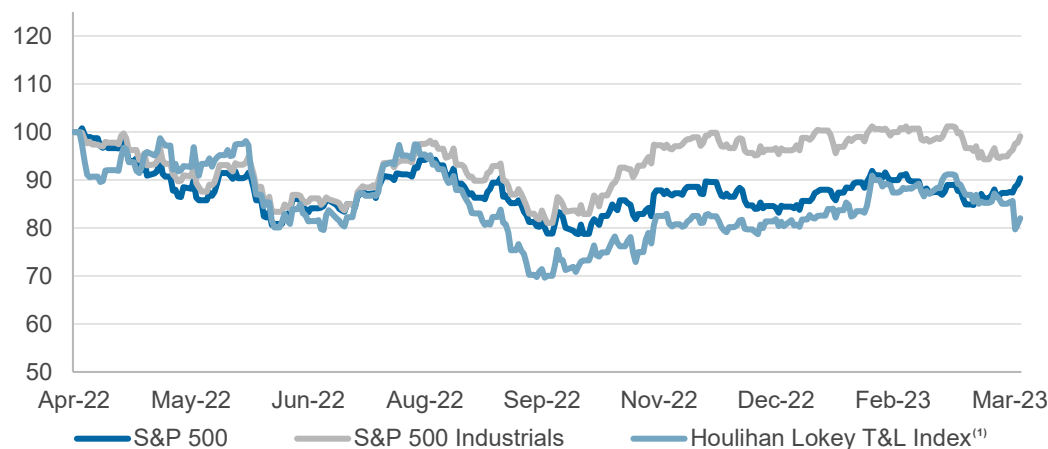


- Frontline Freight and Clear Lane Freight Systems (Clear Lane) are leading virtual, deferred less-than-truckload (LTL) consolidators based in Southern California. The two companies provide specialized freight forwarding and consolidation services to most states across the U.S., offering a cost-competitive option for LTL shippers with shipments suited to longer transit times.
- Frontline Freight was founded in 1989 by Rick Jodzio and partners, while Clear Lane, founded in 2011, operated as an affiliate of Estes Express Lines, the largest privately held freight transportation company in North America.
- The Houlihan Lokey transportation banking team identified the opportunity to market the two companies together given overlapping freight networks, complementary operations, and additive freight volume. This creative approach drove substantial incremental value for both shareholder groups.
- On January 3, 2023, the two companies were acquired by STG Logistics, a portfolio company of Wind Point Partners and Oaktree Capital Management.
- Houlihan Lokey served as the exclusive financial advisor to both Frontline Freight and Clear Lane Freight Systems.

# EQUITY MARKET INDEX PERFORMANCE

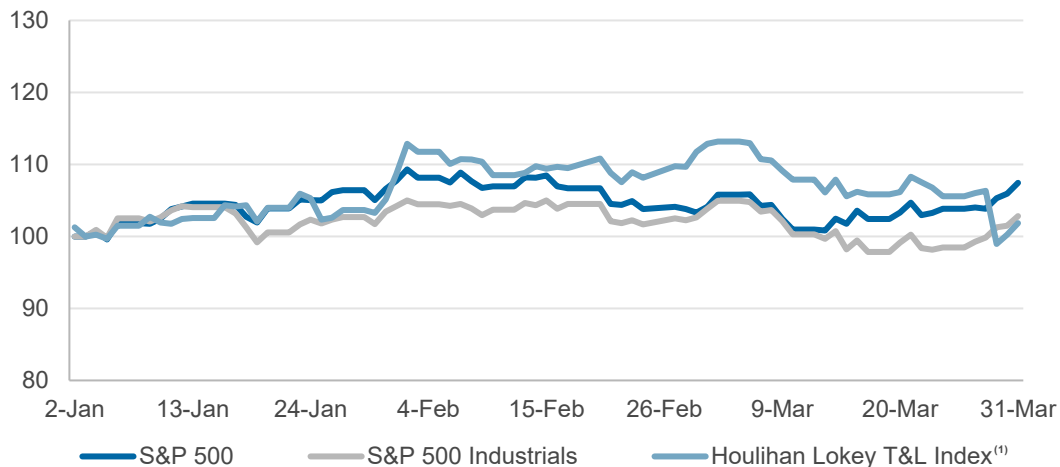
- The Houlihan Lokey T&L Market Index (-18.0%) trailed both the S&P 500 (-9.6%) and the S&P 500 Industrials Index (-0.9%) as of LTM March 31, 2023.
- On a quarterly basis, the Houlihan Lokey T&L Market Index saw a lift of 1.9%, largely due to asset-based trucking and logistics sectors.
- Asset-light logistics and asset-based trucking have seen the best performance over the LTM as public markets are hopeful that rates and volume have hit their floors.<sup>(2)</sup>
- Passenger transportation was the worst performing sector amid low demand, with largest market cap player, Uber, publicly contemplating a spin-off of its Uber Freight division.<sup>(2)</sup>

## LTM March 2023 Performance



S&P Industrials	(0.9%)
S&P 500	(9.6%)
Houlihan Lokey T&L Index	(18.0%)

## January–March 2023 Performance



S&P 500	7.5%
S&P Industrials	2.8%
Houlihan Lokey T&L Index	1.9%

Source: S&P Capital IQ. Data as of March 31, 2023. All share prices 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 13–15 for a complete list.

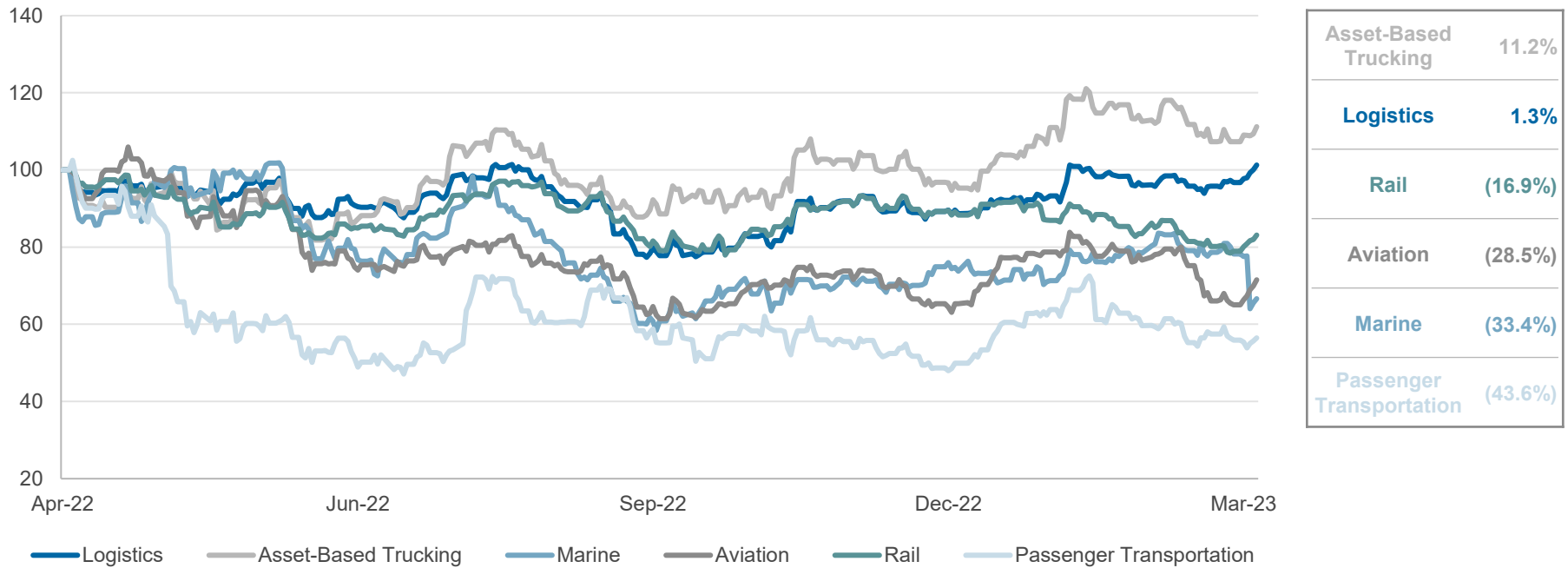
(2) Refer to the LTM March 2023 Performance by Subsector chart on page 11.

# EQUITY MARKET INDEX PERFORMANCE

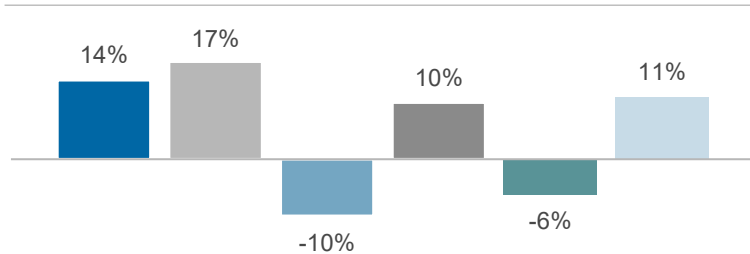
## TRANSPORTATION AND LOGISTICS SUBSECTORS

There is moderated optimism within the general trucking and asset-light logistics sectors for the back half of 2023, which has buoyed public markets through Q1, while other sectors have not fared as strongly.

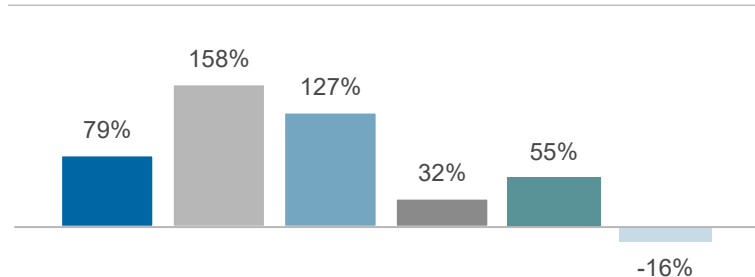
### LTM March 2023 Performance by Subsector



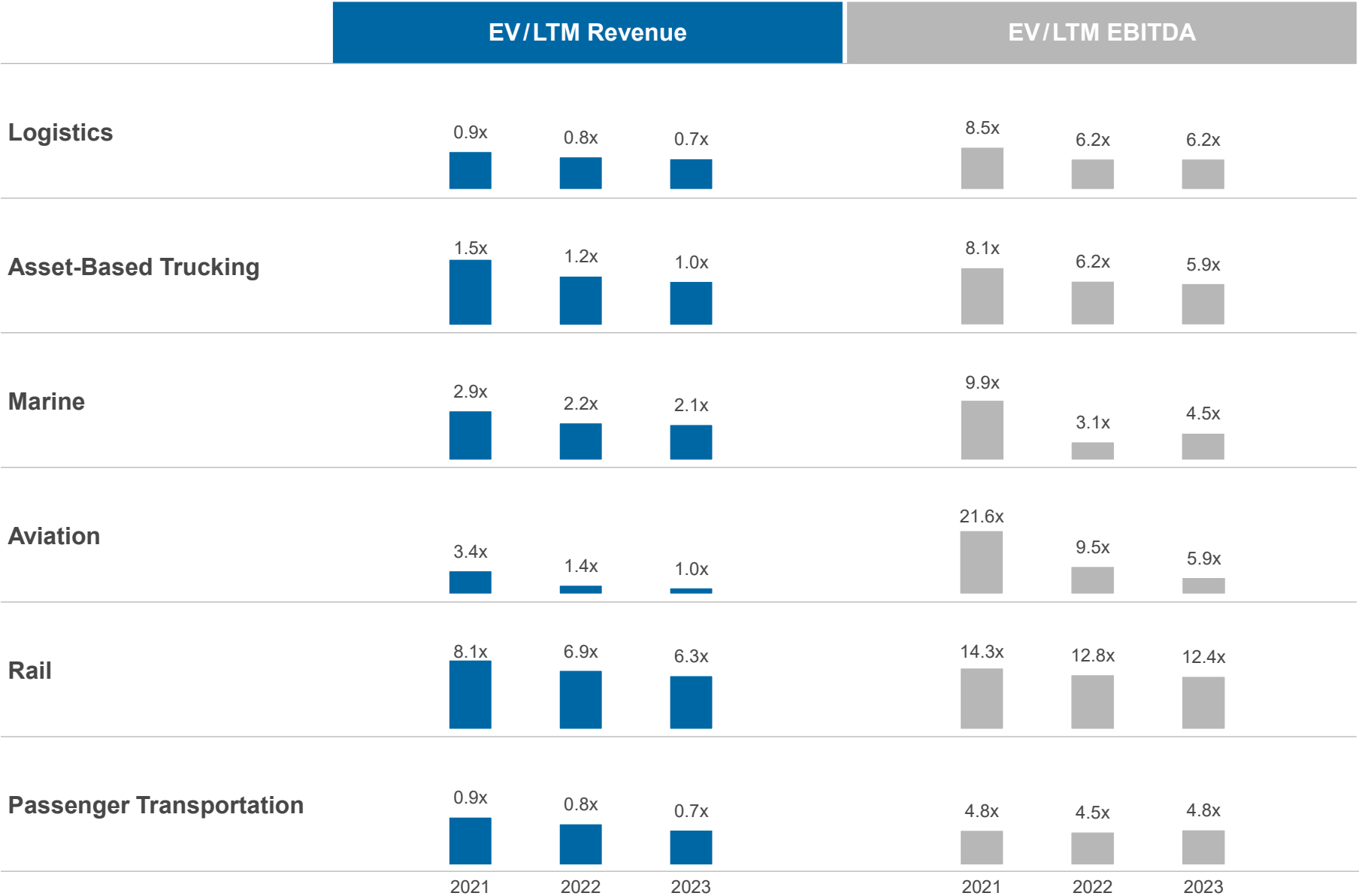
### 2023 Performance



### Three-Year Performance



# PUBLIC COMPANY VALUATIONS (LTM PAST THREE YEARS)



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

# PUBLIC COMPARABLES (LTM MARCH 2023)

## 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	
<b>Logistics</b>												
Asset-Light/Third-Party Logistics	Aglity Public Warehousing Company K.S.C.P.	\$5,166.4	\$8,708.7	\$3,136.8	5.9x	\$2,813.7	\$532.1	18.9%	\$0.1	21.1x	16.4x	3.1x
	C.H. Robinson Worldwide, Inc.	11,575.3	13,719.0	1,756.2	1.2x	24,696.6	1,464.2	5.9%	7.4	21.8x	9.4x	0.6x
	CJ Logistics Corp.	1,222.2	3,587.7	2,083.9	2.9x	9,645.8	724.9	7.5%	6.5	8.5x	4.9x	0.4x
	DSV A/S	41,733.5	45,968.7	4,140.7	1.0x	33,860.0	4,320.6	12.8%	10.9	23.7x	10.6x	1.4x
	Expeditors International of Washington, Inc.	17,008.7	15,496.6	(2,034.1)	N/M	17,071.3	2,102.1	12.3%	8.3	20.3x	7.4x	0.9x
	Forward Air Corp.	2,838.3	3,070.3	86.1	0.1x	1,973.4	849.0	43.0%	7.1	16.8x	3.6x	1.6x
	GXO Logistics, Inc.	5,993.4	9,750.4	1,311.0	0.8x	8,993.0	1,618.0	18.0%	1.7	20.9x	6.0x	1.1x
	Hub Group, Inc.	2,801.9	2,967.0	57.0	0.1x	5,340.5	652.9	12.2%	10.6	11.0x	4.5x	0.6x
	Kerry Logistics Network Ltd.	2,809.0	3,484.7	318.5	0.4x	11,112.8	737.8	6.6%	0.3	9.5x	4.7x	0.3x
	Kuehne + Nagel International AG	35,638.4	33,308.9	(2,306.8)	N/M	42,607.6	4,868.8	11.4%	23.8	24.6x	6.8x	0.8x
	Landstar System, Inc.	6,457.4	6,262.3	(197.2)	N/M	7,439.7	625.6	8.4%	11.8	20.0x	10.0x	0.8x
	Radiant Logistics, Inc.	316.1	374.0	(6.8)	N/M	1,433.3	92.5	6.5%	0.9	8.1x	4.0x	0.3x
	RXO, Inc.	2,290.1	2,809.1	357.0	0.9x	4,796.0	381.0	7.9%	0.8	25.2x	7.4x	0.6x
	Universal Logistics Holdings, Inc.	766.2	1,193.3	321.3	0.9x	2,015.5	367.4	18.2%	6.4	6.9x	3.2x	0.6x
Wincanton plc	328.4	570.8	218.3	1.7x	1,654.4	127.3	7.7%	0.4	5.9x	4.5x	0.3x	
Parcel Delivery	Deutsche Post AG	\$56,120.9	\$74,743.2	\$17,818.7	1.4x	\$101,288.9	\$12,980.7	12.8%	\$4.6	12.8x	5.8x	0.7x
	FedEx Corp.	57,431.4	90,146.4	14,896.0	1.1x	92,619.0	14,165.0	15.3%	11.6	13.1x	6.4x	1.0x
	PostNL N.V.	886.2	1,422.9	525.8	N/M	3,361.1	(1,267.5)	(37.7%)	(2.1)	13.1x	N/M	0.4x
	International Distributions Services plc	2,628.8	4,475.9	1,632.2	1.8x	13,641.8	931.5	6.8%	0.3	NM	4.8x	0.3x
	United Parcel Service, Inc.	166,189.1	182,137.1	12,072.0	0.6x	100,338.0	19,477.0	19.4%	13.2	17.0x	9.4x	1.8x
	ZTO Express (Cayman) Inc.	23,157.9	22,566.6	(763.0)	N/M	5,129.2	1,581.6	30.8%	1.2	19.1x	14.3x	4.4x
<b>Median</b>				<b>1.0x</b>	<b>\$8,993.0</b>	<b>\$849.0</b>	<b>12.2%</b>	<b>\$6.4</b>	<b>16.9x</b>	<b>6.2x</b>	<b>0.7x</b>	
<b>Mean</b>				<b>1.4x</b>	<b>\$23,420.5</b>	<b>\$3,206.3</b>	<b>11.7%</b>	<b>\$6.0</b>	<b>16.0x</b>	<b>7.2x</b>	<b>1.0x</b>	
<b>Asset-Based Trucking</b>												
Less-Than-Truckload	ArcBest Corp.	\$2,242.0	\$2,354.6	(\$61.4)	N/M	\$5,324.1	\$562.3	10.6%	\$11.7	9.3x	4.2x	0.4x
	Old Dominion Freight Line, Inc.	37,501.4	37,463.8	(135.7)	N/M	6,260.1	2,136.7	34.1%	12.2	28.5x	17.5x	6.0x
	Saia, Inc.	7,199.1	7,166.3	(156.4)	N/M	2,792.1	678.0	24.3%	13.4	21.8x	10.6x	2.6x
	XPO Logistics, Inc.	3,684.5	6,481.5	2,084.0	1.7x	7,718.0	1,244.0	16.1%	1.6	12.5x	5.2x	0.8x
	Yellow Corp.	105.2	1,555.8	1,302.9	4.0x	5,244.7	329.6	6.3%	0.4	NM	4.7x	0.3x
Specialty Trucking	Marten Transport, Ltd.	\$1,700.1	\$1,620.3	(\$80.6)	N/M	\$1,263.9	\$253.3	20.0%	\$1.4	16.1x	6.4x	1.3x
	Mullen Group Ltd.	1,006.6	1,526.6	519.8	2.1x	1,477.3	243.7	16.5%	1.2	12.8x	6.3x	1.0x
	TFI International Inc.	10,332.8	11,915.0	1,581.7	1.2x	8,812.5	1,361.6	15.5%	9.0	15.7x	8.8x	1.4x
Truckload	Covenant Logistics Group, Inc.	\$469.0	\$580.0	\$46.4	0.3x	\$1,216.9	\$172.3	14.2%	\$7.0	9.8x	3.4x	0.5x
	Daseke, Inc.	348.8	1,102.7	507.3	2.2x	1,773.3	229.6	12.9%	0.7	9.0x	4.8x	0.6x
	Heartland Express, Inc.	1,257.5	1,642.0	363.5	1.3x	968.0	278.8	28.8%	1.7	16.5x	5.9x	1.7x
	J.B. Hunt Transport Services, Inc.	18,207.5	19,726.9	1,209.8	0.1x	14,814.0	9,456.0	63.8%	9.2	19.1x	2.1x	1.3x
	Knight-Swift Transportation Holdings Inc.	9,105.9	11,008.4	1,705.3	1.0x	7,428.6	1,716.8	23.1%	4.7	14.2x	6.4x	1.5x
	P.A.M. Transportation Services, Inc.	633.7	783.5	149.4	0.8x	946.9	185.7	19.6%	4.0	9.2x	4.2x	0.8x
	Schneider National, Inc.	4,762.3	4,614.7	(216.5)	N/M	6,604.4	1,021.0	15.5%	2.6	12.2x	4.5x	0.7x
	U.S. Xpress Enterprises, Inc.	312.3	1,137.0	485.8	3.2x	2,161.2	152.2	7.0%	(0.9)	NM	7.5x	0.5x
	Werner Enterprises, Inc.	2,877.2	3,544.7	586.5	1.1x	3,290.0	543.0	16.5%	3.7	14.2x	6.5x	1.1x
<b>Median</b>				<b>1.2x</b>	<b>\$3,290.0</b>	<b>\$543.0</b>	<b>16.5%</b>	<b>\$3.7</b>	<b>14.2x</b>	<b>5.9x</b>	<b>1.0x</b>	
<b>Mean</b>				<b>1.6x</b>	<b>\$4,593.9</b>	<b>\$1,209.7</b>	<b>20.3%</b>	<b>\$4.9</b>	<b>14.7x</b>	<b>6.4x</b>	<b>1.3x</b>	

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

# PUBLIC COMPARABLES (LTM MARCH 2023)

## TRANSPORTATION AND LOGISTICS (CONT.)

	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	
<i>Marine</i>												
Container	A.P. Møller - Mærsk A/S	\$31,038.2	\$36,808.6	\$4,644.0	0.1x	\$81,529.0	\$36,726.0	45.0%	\$1,595.0	8.6x	1.0x	0.5x
	COSCO SHIPPING Development Co., Ltd.	4,029.3	4,040.4	11.1	0.0x	3.7	305.4	8,270.9%	0.0	NA	13.2x	N/M
	Evergreen Marine Corporation (Taiwan) Ltd.	10,996.3	2,728.9	(9,196.9)	N/M	20,418.7	13,067.4	64.0%	2.8	24.4x	0.2x	0.1x
	Hapag-Lloyd Aktiengesellschaft	57,670.2	44,013.7	(13,452.1)	N/M	36,916.4	20,624.2	55.9%	103.5	16.3x	2.1x	1.2x
	Yang Ming Marine Transport Corp.	7,360.6	1,051.2	(6,292.1)	N/M	12,235.9	7,840.1	64.1%	1.7	NM	0.1x	0.1x
Dry Bulk & Offshore Vessel Operators	Diana Shipping Inc.	\$384.4	\$792.8	\$408.4	2.3x	\$290.0	\$175.6	60.6%	\$1.4	6.2x	4.5x	2.7x
	Eagle Bulk Shipping Inc.	623.7	787.8	138.8	0.4x	719.8	343.5	47.7%	15.6	6.3x	2.3x	1.1x
	Genco Shipping & Trading Ltd.	662.8	770.4	100.5	0.4x	536.9	248.5	46.3%	3.7	6.1x	3.1x	1.4x
	Navios Maritime Holdings Inc.	41.2	712.4	606.2	6.8x	255.4	88.7	34.7%	(3.9)	NA	8.0x	2.8x
	Safe Bulkers, Inc.	438.7	739.7	301.0	1.3x	349.7	234.2	67.0%	1.4	3.5x	3.2x	2.1x
	Tidewater Inc.	2,229.0	2,241.5	4.8	0.0x	647.7	110.6	17.1%	(0.5)	20.8x	20.3x	3.5x
Jones Act	AMSC ASA	\$285.1	\$828.7	\$577.1	6.5x	\$93.7	\$88.6	94.6%	\$0.3	9.3x	9.4x	8.8x
	Kirby Corp.	4,183.0	5,363.0	999.0	2.1x	2,784.8	473.9	17.0%	2.0	19.5x	11.3x	1.9x
	Matson, Inc.	2,152.3	2,813.2	254.8	0.2x	4,343.0	1,585.0	36.5%	27.1	13.8x	1.8x	0.6x
	SEACOR Marine Holdings Inc.	204.0	500.3	288.9	N/M	217.3	4.4	2.0%	(2.7)	NA	N/M	2.3x
Tanker	Ardmore Shipping Corp.	\$609.6	\$775.8	\$118.8	0.6x	\$445.7	\$195.9	44.0%	\$3.5	5.1x	4.0x	1.7x
	Capital Product Partners LP	258.9	1,403.3	1,144.4	5.3x	299.1	216.7	72.5%	6.2	3.7x	6.5x	4.7x
	Frontline Ltd.	3,686.6	5,569.6	1,880.0	3.2x	1,430.2	587.0	41.0%	2.2	5.8x	9.5x	3.9x
	Navigator Holdings Ltd.	1,065.6	1,782.0	701.2	4.2x	473.8	165.3	34.9%	0.7	11.7x	10.8x	3.8x
	Scorpio Tankers Inc.	3,172.0	4,727.2	1,555.2	1.5x	1,562.9	1,035.5	66.3%	10.3	5.6x	4.6x	3.0x
	Teekay Corp.	607.6	1,444.0	34.1	0.1x	1,190.2	335.2	28.2%	1.0	NA	4.3x	1.2x
	Tsakos Energy Navigation Ltd.	556.3	1,824.7	1,268.4	3.3x	860.4	383.6	44.6%	6.0	2.0x	4.8x	2.1x
<b>Median</b>			<b>\$295.0</b>	<b>1.4x</b>	<b>\$683.8</b>	<b>\$320.3</b>	<b>45.7%</b>	<b>\$2.1</b>	<b>6.3x</b>	<b>4.5x</b>	<b>2.1x</b>	
<b>Mean</b>			<b>(\$632.0)</b>	<b>2.1x</b>	<b>\$7,618.4</b>	<b>\$3,856.2</b>	<b>420.7%</b>	<b>\$80.8</b>	<b>9.9x</b>	<b>5.9x</b>	<b>2.4x</b>	

# PUBLIC COMPARABLES (LTM MARCH 2023)

## TRANSPORTATION AND LOGISTICS (CONT.)

	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	
<b>Aviation</b>												
Airlines & Helicopter Operators	Air Canada	\$5,072.8	\$11,505.8	\$6,431.1	6.4x	\$12,232.7	\$1,010.0	8.3%	(\$3.5)	27.7x	11.4x	0.9x
	Alaska Air Group, Inc.	5,348.4	6,703.4	(266.0)	N/M	9,646.0	1,479.0	15.3%	0.5	7.4x	4.5x	0.7x
	Allegiant Travel Company	1,627.3	2,884.2	1,141.9	3.9x	2,301.8	293.4	12.7%	0.1	15.6x	9.8x	1.3x
	American Airlines Group Inc.	9,629.1	44,351.1	26,698.0	3.0x	48,971.0	8,872.0	18.1%	0.2	6.8x	5.0x	0.9x
	Delta Air Lines, Inc.	22,283.5	47,459.5	17,596.0	2.0x	50,582.0	8,747.0	17.3%	2.1	6.5x	5.4x	0.9x
	Frontier Group Holdings, Inc.	2,145.7	4,312.7	(332.0)	N/M	3,326.0	591.0	17.8%	(0.2)	8.9x	7.3x	1.3x
	Hawaiian Holdings, Inc.	471.3	1,253.3	356.4	1.9x	2,641.3	183.1	6.9%	(4.7)	NM	6.8x	0.5x
	JetBlue Airways Corp.	2,382.5	5,373.5	2,255.0	2.2x	9,158.0	1,008.0	11.0%	(1.1)	15.6x	5.3x	0.6x
	SkyWest, Inc.	1,082.3	3,575.7	2,333.1	3.4x	3,004.9	681.7	22.7%	1.4	NM	5.2x	1.2x
	Southwest Airlines Co.	19,338.1	16,477.1	(4,204.0)	N/M	23,814.0	2,597.0	10.9%	0.9	11.9x	6.3x	0.7x
	Spirit Airlines, Inc.	1,874.3	6,612.0	2,093.8	3.5x	5,068.4	604.9	11.9%	(5.1)	42.6x	10.9x	1.3x
	Sun Country Airlines Holdings, Inc.	1,175.2	1,533.8	332.5	2.4x	894.4	137.6	15.4%	0.3	13.2x	11.1x	1.7x
	United Airlines Holdings, Inc.	14,473.9	35,359.9	15,866.0	1.9x	44,955.0	8,368.0	18.6%	2.2	5.2x	4.2x	0.8x
Bristow Group Inc.	627.5	1,140.8	347.7	1.6x	1,173.5	223.7	19.1%	0.3	10.3x	5.1x	1.0x	
Airport Services	Air Transport Services Group, Inc.	\$1,490.2	\$3,004.8	\$1,439.7	2.1x	\$2,045.5	\$685.1	33.5%	\$2.3	10.7x	4.4x	1.5x
	Fraport AG	4,648.7	13,843.5	8,806.7	9.1x	3,456.6	970.5	28.1%	1.5	13.9x	14.3x	4.0x
	SATS Ltd.	3,120.6	3,458.2	184.1	3.3x	1,178.1	55.7	4.7%	(0.0)	22.3x	N/M	2.9x
<b>Median</b>			<b>\$1,439.7</b>	<b>2.7x</b>	<b>\$3,456.6</b>	<b>\$685.1</b>	<b>15.4%</b>	<b>\$0.3</b>	<b>11.9x</b>	<b>5.9x</b>	<b>1.0x</b>	
<b>Mean</b>			<b>\$4,769.4</b>	<b>3.3x</b>	<b>\$13,202.9</b>	<b>\$2,147.5</b>	<b>16.0%</b>	<b>(\$0.2)</b>	<b>14.6x</b>	<b>7.3x</b>	<b>1.3x</b>	
<b>Rail</b>												
Rail	Canadian National Railway Company	\$78,679.9	\$90,185.4	\$11,157.7	1.5x	\$12,639.8	\$7,282.3	57.6%	\$5.5	20.4x	12.4x	7.1x
	Canadian Pacific Railway Ltd.	71,600.2	85,990.3	14,186.3	4.0x	6,512.4	3,522.9	54.1%	2.8	23.0x	24.4x	13.2x
	CSX Corp.	61,330.0	77,975.0	16,078.0	2.1x	14,853.0	7,499.0	50.5%	2.0	16.0x	10.4x	5.2x
	Norfolk Southern Corp.	48,257.2	63,927.2	15,260.0	2.3x	12,745.0	6,513.0	51.1%	13.9	15.5x	9.8x	5.0x
	Union Pacific Corp.	123,145.6	157,083.6	32,307.0	2.6x	24,875.0	12,448.0	50.0%	11.2	17.5x	12.6x	6.3x
<b>Median</b>			<b>\$15,260.0</b>	<b>2.3x</b>	<b>\$12,745.0</b>	<b>\$7,282.3</b>	<b>51.1%</b>	<b>\$5.5</b>	<b>17.5x</b>	<b>12.4x</b>	<b>6.3x</b>	
<b>Mean</b>			<b>\$17,797.8</b>	<b>2.5x</b>	<b>\$14,325.0</b>	<b>\$7,453.0</b>	<b>52.7%</b>	<b>\$7.1</b>	<b>18.5x</b>	<b>13.9x</b>	<b>7.4x</b>	
<b>Passenger Transportation</b>												
Passenger Transportation	ComfortDelGro Corporation Ltd.	\$1,922.1	\$1,897.0	(\$346.0)	N/M	\$2,819.7	\$440.0	15.6%	\$0.1	14.1x	4.3x	0.7x
	FirstGroup plc	911.8	2,749.8	1,612.8	2.8x	5,099.4	570.2	11.2%	0.1	13.5x	4.8x	0.5x
	Lyft, Inc.	3,504.8	2,804.7	(922.3)	0.8x	4,095.1	(1,142.9)	(27.9%)	(4.5)	NM	N/M	0.7x
	National Express Group plc	922.7	2,489.2	1,473.9	3.2x	3,382.7	460.9	13.6%	(0.5)	8.4x	5.4x	0.7x
	Uber Technologies, Inc.	63,839.7	70,178.7	5,478.0	N/M	31,877.0	(449.0)	(1.4%)	(4.6)	NM	N/M	2.2x
<b>Median</b>			<b>\$1,473.9</b>	<b>2.8x</b>	<b>\$4,095.1</b>	<b>\$440.0</b>	<b>11.2%</b>	<b>(\$0.5)</b>	<b>13.5x</b>	<b>4.8x</b>	<b>0.7x</b>	
<b>Mean</b>			<b>\$1,459.3</b>	<b>2.3x</b>	<b>\$9,454.8</b>	<b>(\$24.2)</b>	<b>2.2%</b>	<b>(\$1.9)</b>	<b>12.0x</b>	<b>4.8x</b>	<b>1.0x</b>	
<b>Overall Median</b>			<b>\$513.6</b>	<b>1.7x</b>	<b>\$3,775.8</b>	<b>\$597.9</b>	<b>17.5%</b>	<b>\$1.7</b>	<b>13.1x</b>	<b>5.8x</b>	<b>1.1x</b>	
<b>Overall Mean</b>			<b>\$2,599.7</b>	<b>2.1x</b>	<b>\$12,282.7</b>	<b>\$2,799.8</b>	<b>118.1%</b>	<b>\$22.8</b>	<b>13.9x</b>	<b>7.0x</b>	<b>1.8x</b>	

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