



**TRANSPORTATION & LOGISTICS**  
**SECTOR UPDATE AND M&A TRENDS**

Q2 2022

**ALMA**.advisors

# M&A activity as a cushion against deteriorating macroeconomic outlook and fierce competition

## Sector overview

### Macroeconomic developments

- Central banks across the globe are **shifting away from accommodating monetary policies to curb elevated inflation**, increasing recessionary fears
- The ongoing **Russian invasion of Ukraine** and the **harsh "zero-Covid" policy** implemented by the Chinese government are exacerbating global supply chain disruptions
- High oil prices and cost-push inflationary pressures are **eroding the sector's thin profit margins**
- Recession fears fuelled by heightened inflation and hawkish central banks together with the ongoing geopolitical tensions have frightened investors → **driving valuation multiples lower**

### Transportation & logistics sector trends

#### Covid-19 impact

- The 2020 lockdowns lead in **paralysis of global supply chains**, weighing on the sector's competitiveness and growth

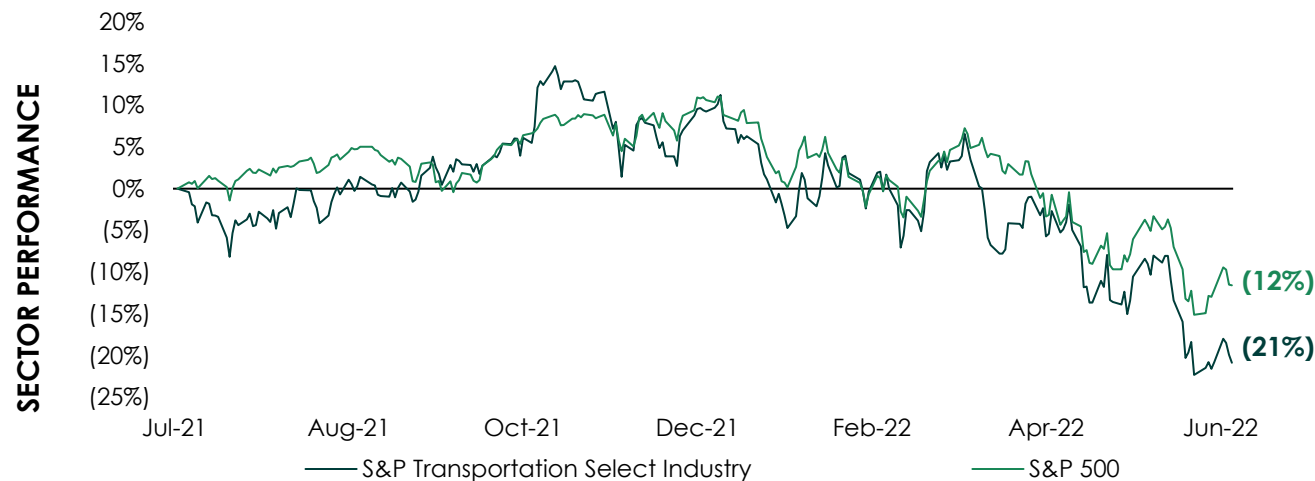
#### Normalization

- Supply chains have **not yet rebounded to pre-pandemic operational fluidity**
- Regionalization of supply chains** to keep up with customer demands

#### New reality

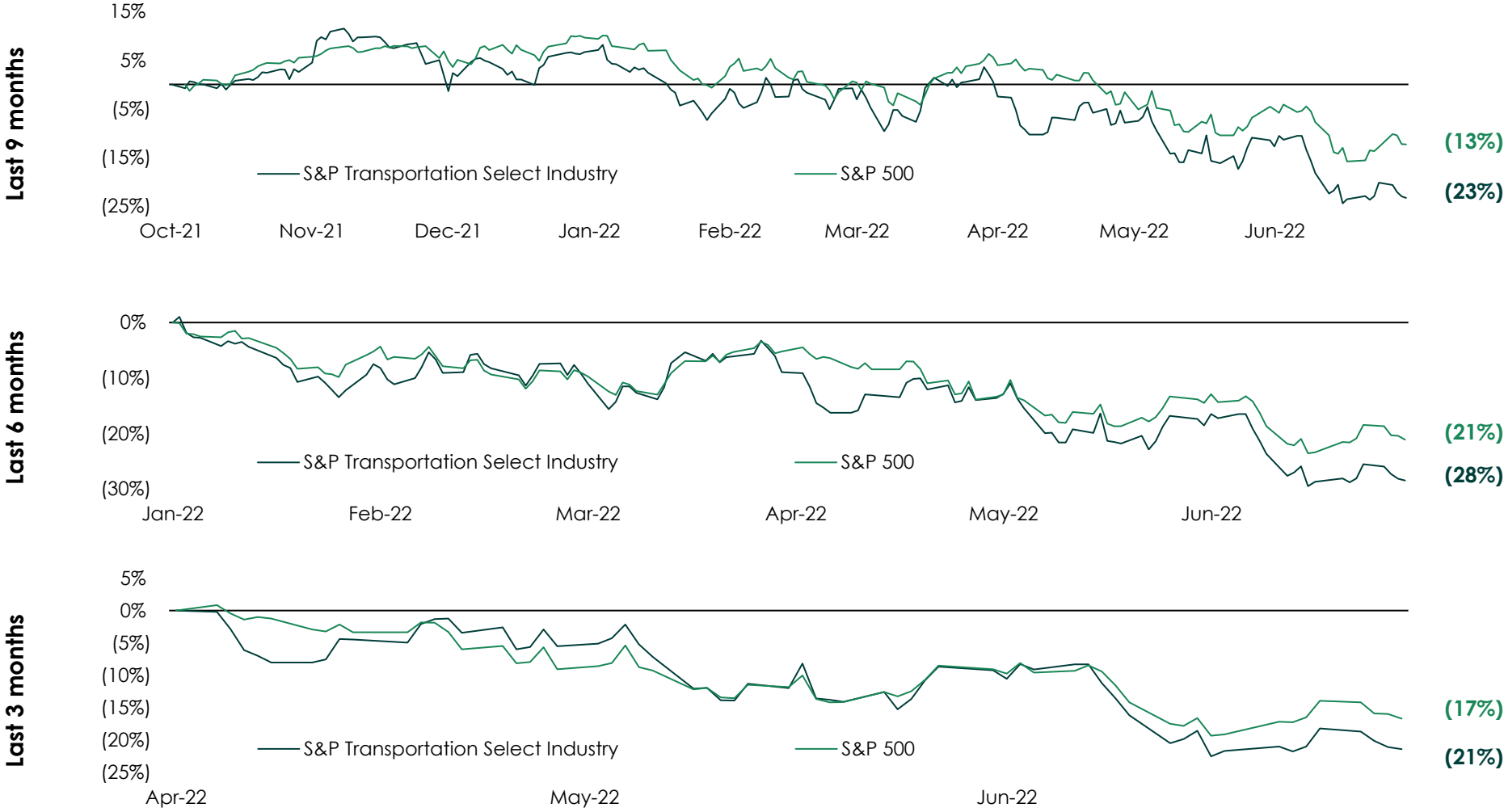
- Current market conditions are expected to **push companies**:
  - Adopt **technological solutions** such as logistic management software
  - Create collaborations** to tackle thin margins, as smaller players try to stay afloat

Main driver for market consolidation



# Transportation and logistics sector has significantly underperformed the broader market

## Sector performance

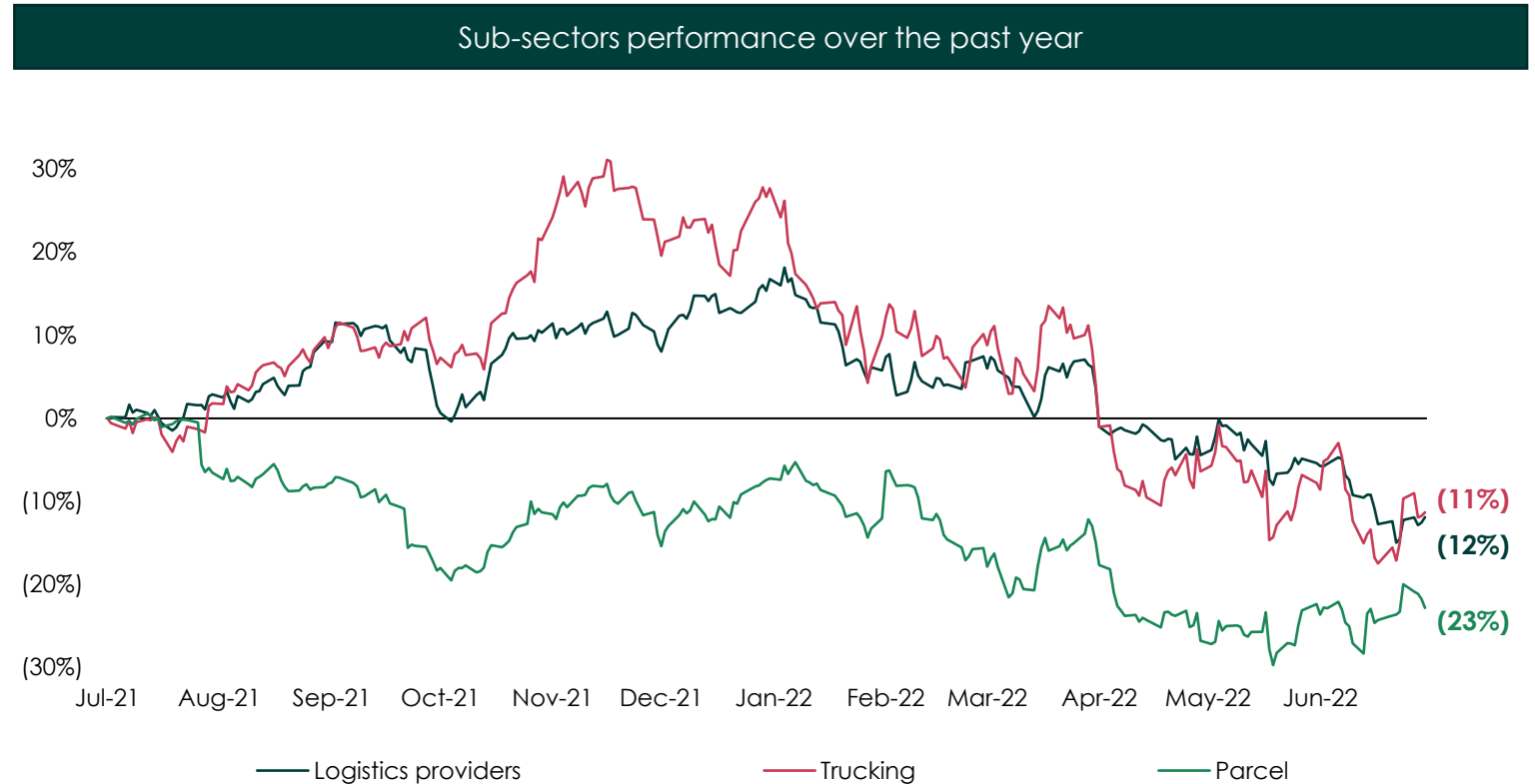


Notes: Data as of 30/06/2022  
Sources: FactSet

# Logistics providers and trucking segments move in tandem; parcel sector continues to lag

Publicly traded companies overview per sub-sector

- *Logistic providers and trucking segments followed the broad steep market sell-off, recording losses of 12% and 11% LTM, respectively*
- *Parcel publicly traded companies continue to underperform as the reopening of the economy slowed down demand, while recessionary fears are expected to decrease consumer spending*



Data as of 30/06/2022

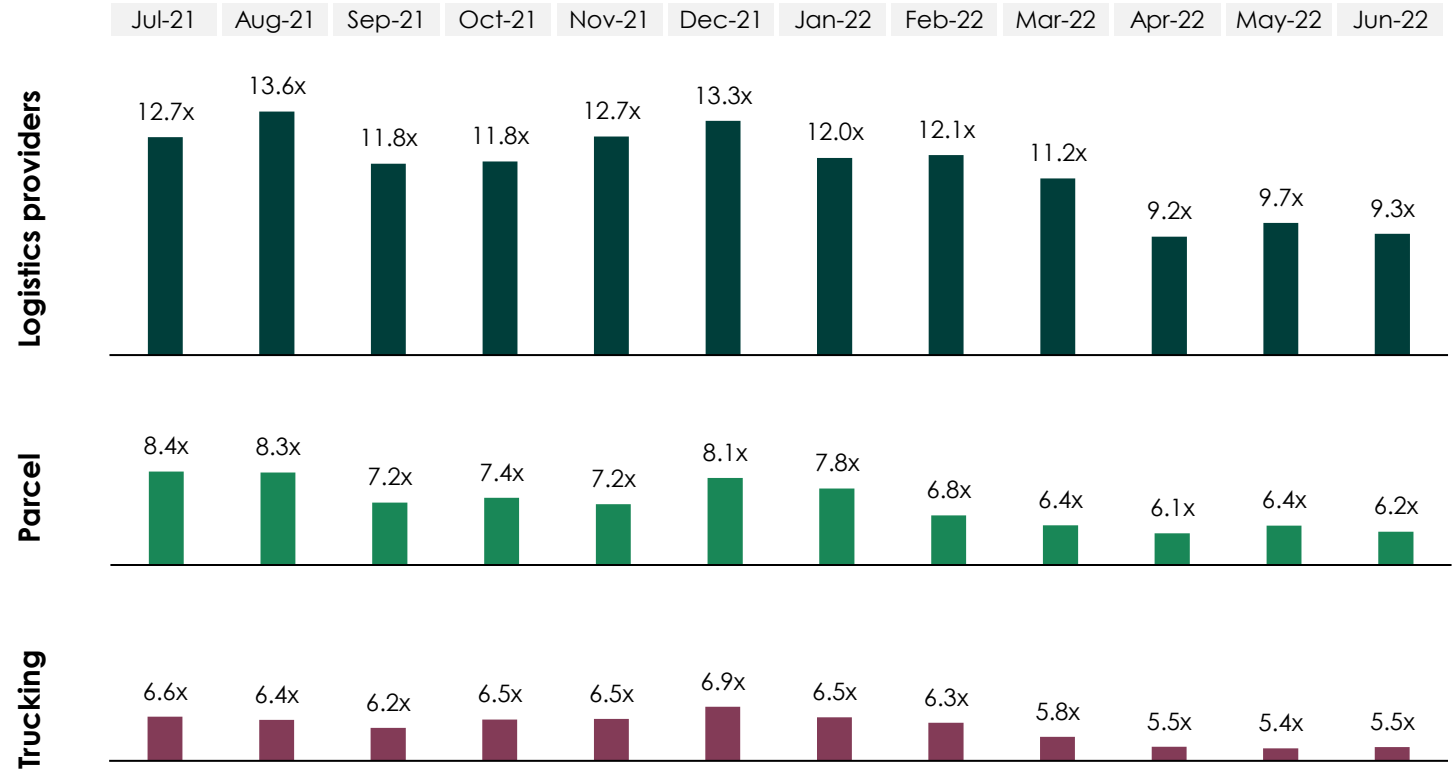
Notes: Trading comparable companies per segment were used to create three equally weighted indices denominated

Sources: FactSet

# Industry multiples have decreased over the past year as market turmoil continues

## Median LTM EV/EBITDA multiples

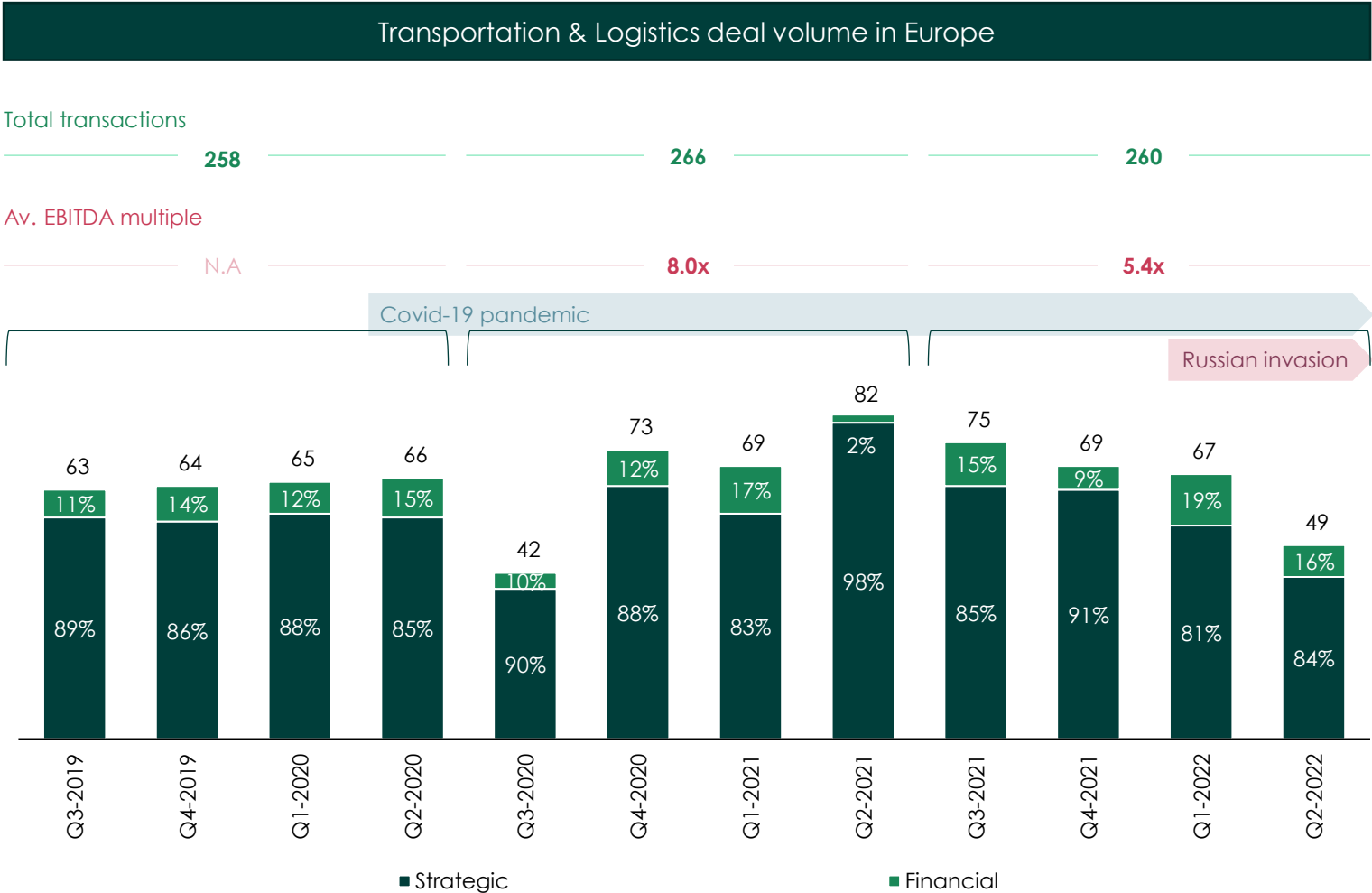
- All three segments of the transportation and logistics industry have witnessed a significant decrease in their valuation multiples over the LTM
- Logistic providers EV to EBITDA multiple remains elevated compared to the rest of the sector despite dropping to 9.3x in June 2022 compared to 12.7x in July 2021



# M&A activity has decreased as the macroeconomic environment in Europe deteriorates

## Europe M&A update

- Industry's M&A transactions have reached their lowest point since the beginning of the pandemic as buyers and sellers postpone transactions amid the deteriorating macroeconomic environment
- Strategic buyers consistently accounted for over 80% of the deal count over the last 3 years
- This is expected to continue as strategic acquirers look for remedies to combat the squeezed profit margins through market consolidation



Data as of 30/06/2022  
Sources: FactSet

# European transportation and logistics M&A transactions (1/2)<sup>(1)</sup>

Q2 2022



(Figures in €m)

Date	Target	Buyer	EV	EV/Revenue	EV/EBITDA
Jun-2022	Quadiant / Shipping Solutions Business	Quadiant	-	-	-
Jun-2022	ZSK Customs	Customs Support; Castik Capital Partners	-	-	-
Jun-2022	Globaltrans Internationale Logistik	Invision; Schneider + Cie	-	-	-
Jun-2022	Transportes El Mosca	Compañía de Distribución Integral Logista	176.7	-	-
Jun-2022	OTX Logistics	Uniserve Holdings	10.8	-	-
Jun-2022	Chris Huxtable Vehicle Collection & Delivery	Anglia	-	-	-
Jun-2022	Dp Express	Courier Service Express	-	-	-
Jun-2022	OptimNet Solutions	Hellmann Worldwide Logistics	-	-	-
Jun-2022	CLM Fleet Management	CIm Fleet Management	-	-	-
Jun-2022	Cargo Holland	Global Transport Solutions Holding	-	-	-
Jun-2022	Distribution De Produits Agricoles Magallon	Cube Infrastructure Managers	-	-	-
Jun-2022	Carlboom Shipping	Pentagon Freight Services	-	-	-
Jun-2022	Contain Svenska	Skaraslättens Transport	-	-	-
Jun-2022	Delivery By Express DBE	Worldnet International Couriers	-	-	-
Jun-2022	Asesores De Flete	Global Critical Logistics	-	-	-
May-2022	Vlkova Partners	ESA	-	-	-
May-2022	Koole Tanktransport / Shipping Division	Volharding Tankrederij	-	-	-
May-2022	Gmp Exploitatie	Renewi	53.5	1.2x	5.4x
May-2022	Group Van Loon	Van Moer Group	-	-	-
May-2022	KSI Portlink	Customs Support Group; Castik Capital	-	-	-
May-2022	Verhagen	Verhagen / Carlo de Haas	-	-	-
May-2022	primeRail	DFDS	-	-	-
May-2022	Thermica	Storskogen Group	7.9	0.1x	-
May-2022	May Transporte	Combex	-	-	-

Notes: (1) Transactions also include non-EU European countries  
Sources: FactSet

# European transportation and logistics M&A transactions (2/2)<sup>(1)</sup>

Q2 2022



(Figures in €m)

Date	Target	Buyer	EV	EV/Revenue	EV/EBITDA
May-2022	Avtotransportnoe Predpriyatie 2606	Avtotransportnoe Predpriyatie 2606 / Chernaya	-	-	-
May-2022	FAM	BEUMER Group	-	-	-
May-2022	Schröder + Schierenberg Spedition	MEYER-JUMBO Logistics	-	-	-
Apr-2022	Addink Distributie	Bos Partnership In Logistics	-	-	-
Apr-2022	A&G Couriers	Elysian Capital	-	-	-
Apr-2022	Dedicated Transport Solutions	Winch & Co. Holdings	-	-	-
Apr-2022	Red Diamond Distribution	Mitsubishi Logisnext Europe	-	-	-
Apr-2022	Volt Lines Akilli Ulasim Teknolojileri ve Tasimacilik	Swvl Holdings Corp.	-	-	-
Apr-2022	A2B-Online	A2b-Online / Private Group	-	-	-
Apr-2022	Polar Frakt	Mutares	-	-	-
Apr-2022	A. Roemaat Transport	A Roemaat Transport / Private Group	-	-	-
Apr-2022	Bosma Transport & Opslag	Veenstra   Fritom	-	-	-
Apr-2022	Kool Transport	FST Group	-	-	-
Apr-2022	essDOCS	Intercontinental Exchange	-	-	-
Apr-2022	GEFCO	CMA CGM	-	-	-
Apr-2022	Reimler Logistics	Shot Logistics	-	-	-
Apr-2022	Waltons of Oban	Maclennan Distribution	-	-	-
Apr-2022	Cadogan Tate Group	TSG Consumer Partners	-	-	-
Apr-2022	Proserve Logistics	North West Logistics	-	-	-
Apr-2022	WISSKIRCHEN Handling Services	dnata	-	-	-
Apr-2022	Districon	Royal HaskoningDHV	-	-	-
Apr-2022	FDW Holding	Boasso Global Netherlands	-	-	-
Apr-2022	Hedenskogs Akeri & Tankeri	Den Hartogh Holding	-	-	-
Apr-2022	James Nuttall (Transport)	WH Bowker	-	-	-

Notes: (1) Transactions also include non-EU European countries  
Sources: FactSet



# Notable transportation and logistics M&A transactions in Greece

2019 to Q1 2022



(Figures in €m)

Date	Target	Buyer	EV	EV/Revenue	EV/EBITDA
Jan-2022	Mantis	Ecovium	-	-	-
Jan-2022	Anchor Shipbroking	Simpson Spence Young	-	-	-
Apr-2021	Tenberco	Eurobank	-	-	-
Jan-2021	MAKIOS Logistics	HIG Capital	-	-	-
Dec-2020	Sarmed Warehouse	BriQ Properties	29.5	1.4	10.5
Jul-2019	Victini Logistics	Brooklane Capital	12.5	8.7	22.7
Nov-2019	Pearl	Ocean Rail Logistics	-	-	-
Dec-2018	Irina Ktimatiki	Prodea Investments	-	-	-

# Trading comps (1/2)

## LOGISTICS PROVIDERS

Company <i>(figures in €m)</i>	Market cap.	EV	Sales 2022E	EBITDA 2022E	EV / Sales			EV / EBITDA		
					LTM	2022E	2023E	LTM	2022E	2023E
Agility Publ Warehousing	6,781	7,985	1,631	440	5.1x	5.1x	4.8x	53.6x	18.8x	17.7x
C.H. Robinson Worldwide	12,340	14,349	25,833	1,349	0.6x	0.6x	0.6x	11.4x	11.1x	12.7x
CJ Logistics	1,916	4,477	8,967	650	0.5x	0.5x	0.5x	N.M.	6.7x	6.1x
Expeditors	15,639	14,143	17,562	1,821	0.8x	0.8x	1.0x	7.0x	8.0x	10.5x
Forward Air	2,363	2,599	1,938	287	1.5x	1.4x	1.3x	11.0x	9.7x	9.1x
GXO Logistics	4,754	7,004	8,693	706	0.9x	0.8x	0.8x	9.3x	10.3x	9.1x
Kerry Logistics Network	3,719	4,168	10,083	882	0.4x	0.4x	0.5x	4.7x	5.0x	5.5x
Kintetsu World Express	2,114	2,604	6,069	502	0.4x	0.4x	0.5x	4.4x	5.2x	6.7x
Radiant Logistics	351	459	1,424	74	0.4x	0.3x	0.3x	6.6x	6.6x	6.1x
Hub Group	2,352	2,455	5,293	571	0.6x	0.5x	0.5x	5.5x	4.4x	5.4x
ID Logistics Group	1,504	2,227	2,442	348	1.2x	0.9x	0.8x	8.3x	6.5x	5.7x
CTS	1,877	1,828	3,935	226	0.5x	0.5x	0.5x	9.6x	8.2x	7.0x
Mainfreight	4,186	4,569	3,493	481	1.5x	1.3x	1.3x	10.8x	9.8x	9.6x
Sankyu	1,696	1,700	4,123	414	0.4x	0.4x	0.4x	4.5x	4.2x	4.1x
Jiayou Intl Logistics	1,074	1,045	700	93	1.9x	1.7x	1.4x	16.3x	12.5x	9.1x
JWD InfoLogistics	381	555	156	40	3.8x	3.6x	3.2x	19.4x	13.6x	12.5x
JB Hunt Transport Svcs	15,783	16,758	14,656	1,977	1.3x	1.2x	1.2x	9.3x	8.8x	8.5x
<b>Average</b>					<b>1.3x</b>	<b>1.2x</b>	<b>1.2x</b>	<b>12.0x</b>	<b>8.8x</b>	<b>8.6x</b>
<b>Median</b>					<b>0.8x</b>	<b>0.8x</b>	<b>0.8x</b>	<b>9.3x</b>	<b>8.2x</b>	<b>8.5x</b>

## PARCEL DELIVERY

Company <i>(figures in €m)</i>	Market cap.	EV	Sales 2022E	EBITDA 2022E	EV / Sales			EV / EBITDA		
					LTM	2022E	2023E	LTM	2022E	2023E
Deutsche Post	44,284	58,659	87,302	12,320	0.7x	0.7x	0.7x	4.9x	4.8x	4.8x
FedEx	56,204	84,630	96,308	11,585	1.0x	0.9x	0.9x	6.9x	7.5x	7.0x
PostNL	1,486	1,619	3,343	356	0.5x	0.5x	0.5x	5.5x	4.7x	4.0x
Royal Mail	2,996	4,092	14,858	1,116	0.3x	0.3x	0.3x	2.8x	3.2x	2.9x
United Parcel Service	152,563	164,160	99,941	16,695	1.7x	1.7x	1.6x	10.2x	10.1x	9.6x
ZTO Express	20,483	19,064	5,292	1,505	4.0x	3.7x	3.2x	16.2x	13.0x	10.5x
<b>Average</b>					<b>1.4x</b>	<b>1.3x</b>	<b>1.2x</b>	<b>7.8x</b>	<b>7.2x</b>	<b>6.5x</b>
<b>Median</b>					<b>0.8x</b>	<b>0.8x</b>	<b>0.8x</b>	<b>6.2x</b>	<b>6.2x</b>	<b>5.9x</b>

Data as of 30/06/2022

# Trading comps (2/2)

## TRUCKING

Company <i>(figures in €m)</i>	Market cap.	EV	Sales 2022E	EBITDA 2022E	EV / Sales			EV / EBITDA		
					LTM	2022E	2023E	LTM	2022E	2023E
Werner Enterprises	2,398	2,735	3,077	622	1.0x	0.9x	0.9x	4.7x	4.5x	4.6x
Universal Logistics Hldgs	691	1,142	1,980	246	0.7x	0.6x	0.6x	5.0x	4.9x	4.7x
USA Truck	271	417	806	89	0.6x	0.5x	0.5x	5.5x	4.6x	5.8x
PAM Transportation Svcs	583	711	872	197	1.0x	0.8x	0.8x	4.2x	3.7x	4.1x
Saia Inc	4,749	4,758	2,743	614	2.0x	1.8x	1.7x	9.1x	7.9x	7.4x
Knight Swift Trans Hldgs	7,257	8,695	7,431	1,796	1.3x	1.2x	1.2x	4.9x	5.0x	5.4x
Marten Transport	1,303	1,238	1,234	254	1.1x	1.1x	1.0x	5.8x	5.2x	5.0x
Old Dominion Freight Line	27,787	27,391	6,265	2,023	5.1x	4.5x	4.2x	15.8x	13.9x	13.0x
ArcBest	1,648	1,907	5,364	590	0.4x	0.4x	0.4x	4.0x	3.4x	3.6x
Covenant Logistics Group	374	426	967	132	0.4x	0.4x	0.4x	3.2x	3.3x	4.1x
Heartland Express	1,050	957	717	207	1.6x	1.6x	1.7x	5.6x	5.2x	5.2x
DSV	31,189	34,046	30,529	3,747	1.2x	1.1x	1.3x	10.5x	8.9x	10.4x
Schneider National	3,809	3,710	6,571	973	0.6x	0.6x	0.6x	4.2x	3.9x	4.1x
Landstar System	5,164	5,167	7,335	619	0.7x	0.7x	0.8x	8.4x	8.4x	10.3x
Wincanton	502	735	1,759	135	0.4x	0.4x	0.4x	6.0x	5.5x	5.2x
Yellow	144	1,479	5,367	361	0.3x	0.3x	0.3x	5.2x	4.4x	4.6x
XPO Logistics	5,298	8,328	12,851	1,347	0.6x	0.7x	0.7x	6.2x	6.4x	6.1x
<b>Average</b>					<b>1.1x</b>	<b>1.0x</b>	<b>1.0x</b>	<b>6.4x</b>	<b>5.8x</b>	<b>6.1x</b>
<b>Median</b>					<b>0.7x</b>	<b>0.7x</b>	<b>0.8x</b>	<b>5.5x</b>	<b>5.0x</b>	<b>5.2x</b>

# Tailored corporate finance services for the European mid-market

## Our firm

Alma Advisors is an independent financial services firm serving the European mid-market. We offer corporate finance solutions to corporates, family businesses and entrepreneurs.



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**Capital raising**

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**Undisclosed**

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**Undisclosed**

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