

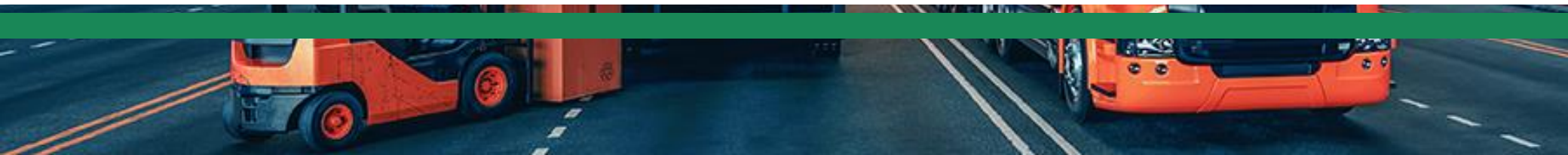


TRANSPORTATION & LOGISTICS SECTOR UPDATE

M&A REPORT

Q2 2024

ALMA.advisors



Q2 market and sector overview

The growing Greek logistics sector continues to attract foreign investors; Greek companies are facing severe staff shortages

Macroeconomic developments

- During its June meeting, the European Central Bank has decided to **lower the interest rates by 25bp to 4.25%**
 - ECB remains cautious about signalling further reductions
- The ECB notes progress in controlling inflation and expresses **increased confidence** in a gradual decline of inflation over the next few quarters
 - Further rate cuts will **depend on continued evidence** of a benign inflation scenario
- Economic recovery in the Eurozone **faced a setback** at the end of Q2 2024 due to a decrease in new orders
 - Economic conditions in the EU were impacted by **uncertainties surrounding future economic policies** in France
- Ongoing attracts on commercial vessels in the Red Sea are **increasing voyage distances by c. 30%**
 - Disruptions are **expected to continue throughout 2024**

Transportation & logistics sector trends

Greece attracts foreign investments

- The growing Greek logistic sector continues to attract foreign investors due to the country's **strategic geographic position**
 - Greece as a gateway to the European Union
- **German investors** are increasingly eyeing the Greek logistics sector amid **ongoing upgrades to ports** and other infrastructure across the country

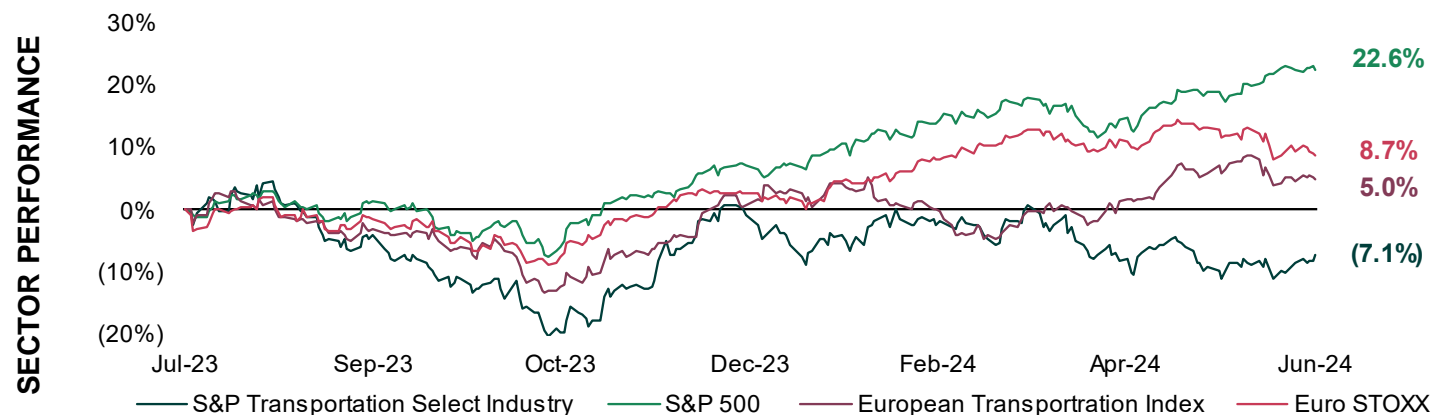
Increasing technological spending

- Greek logistics companies are ramping up **investments in technology to boost efficiency**:
 - Sea transportation companies are improving internet connectivity
 - Logistics companies are **integrating AI** into their last-mile services
- Key players are **installing innovative storage systems** to improve productivity

Staff shortage in Greek logistics






- Despite the rapid growth in the sector, Greek logistic companies are **facing severe staff shortages**, particularly in Northern Greece
 - Key issues include a **scarcity of drivers** and **lifting machine operators**
 - **Challenges in retaining employees** are exacerbated by low salaries

European and US transportation & logistics indices vs the broader market



Greek transportation & logistics companies' key updates

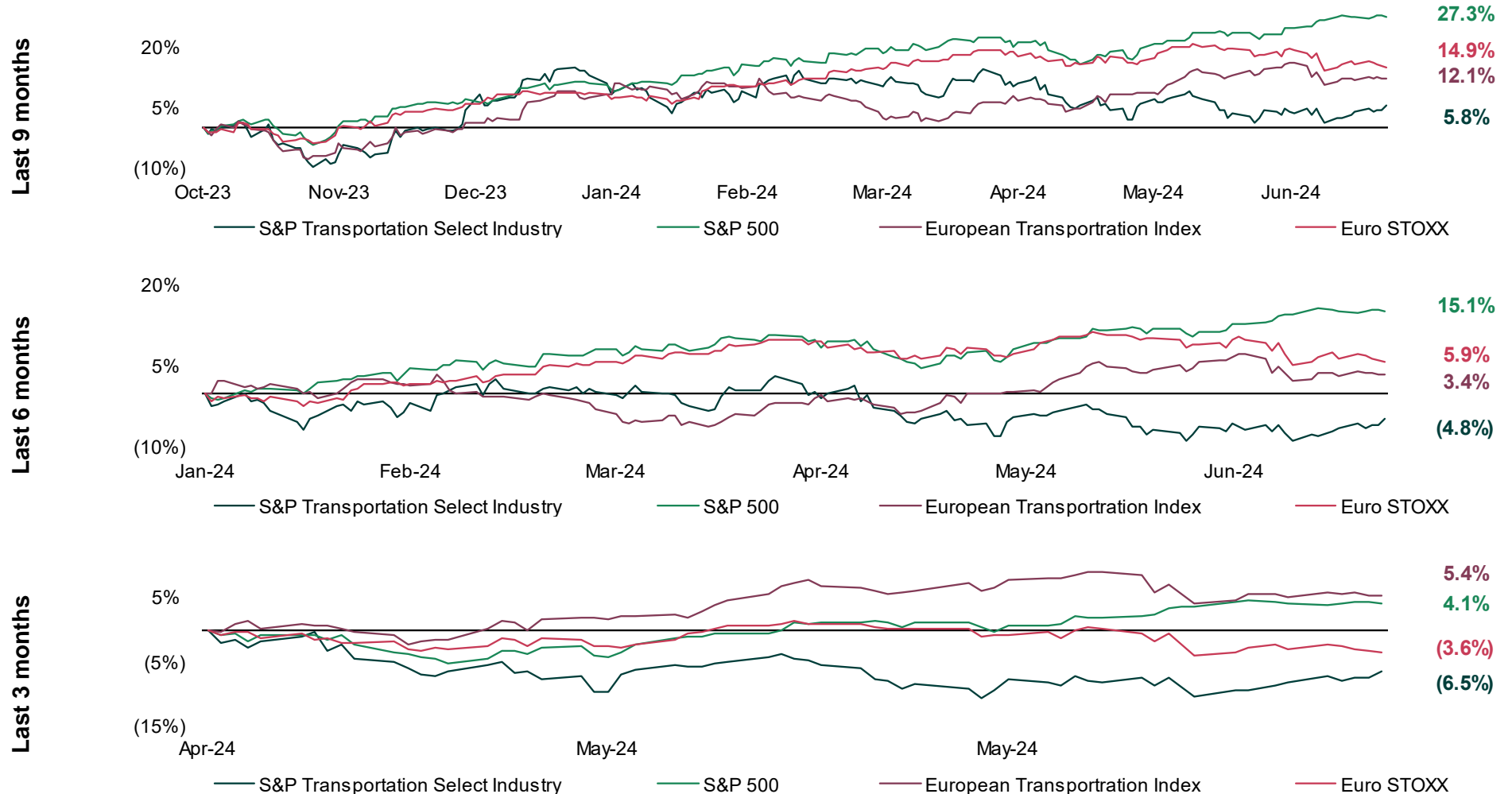
Greek transportation & logistics companies are increasingly investing in technology to enhance efficiency

Company	Q2 2024 key updates
	<ul style="list-style-type: none">Completed the construction of its innovative multi-level storage system within its existing facilities to offer improved e-commerce logistics services<ul style="list-style-type: none">Quadrupled capacity, improved picking efficiency and increased productivity by 25%Announced new collaborations with local and international companies in the F&B and e-commerce sectors
	<ul style="list-style-type: none">Acquired Serbian logistics company, Nami to further strengthen its network in Serbia and expand its presence in Southeast Europe
	<ul style="list-style-type: none">Acquired 20 new trucks to reinforce its vehicle fleet and expand its transport capacity
	<ul style="list-style-type: none">Partnered with Navarino to facilitate the deployment and integration of the Starlink system, offering reliable internet connectionsStrategic move to enhance efficiency by offering faster access to the fleet for updates and troubleshooting
	<ul style="list-style-type: none">Expanded to Corfu by establishing 500 boxesIntegrated AI into last-mile services to streamline the entire process of receiving and sending parcelsAnnounced a partnership with the international e-commerce giant Temu, which is expected to significantly increase its volume

Key takeaways
<p>Industry players continue their investments to increase capacity</p> <ul style="list-style-type: none">Greek logistics companies are adopting innovative storage systems that increase capacity without expanding physical storage space, improving efficiencyTransportation companies are also reinforcing their fleet to expand capacity
<p>Greek transportation companies are increasing their technology spending</p> <ul style="list-style-type: none">Industry players are increasingly investing in technology to enhance efficiency<ul style="list-style-type: none">Sea transportation companies are enhancing internet connectivity to enable faster access to fleets updatesLogistics companies are integrating AI in their last mile services
<p>Greek logistics companies are expanding their geographical reach</p> <ul style="list-style-type: none">Parcel delivery companies are strengthening their domestic network to increase market share

Sector performance

In Q2 2024 the European transportation index has outperformed both its US counterpart and the broader market

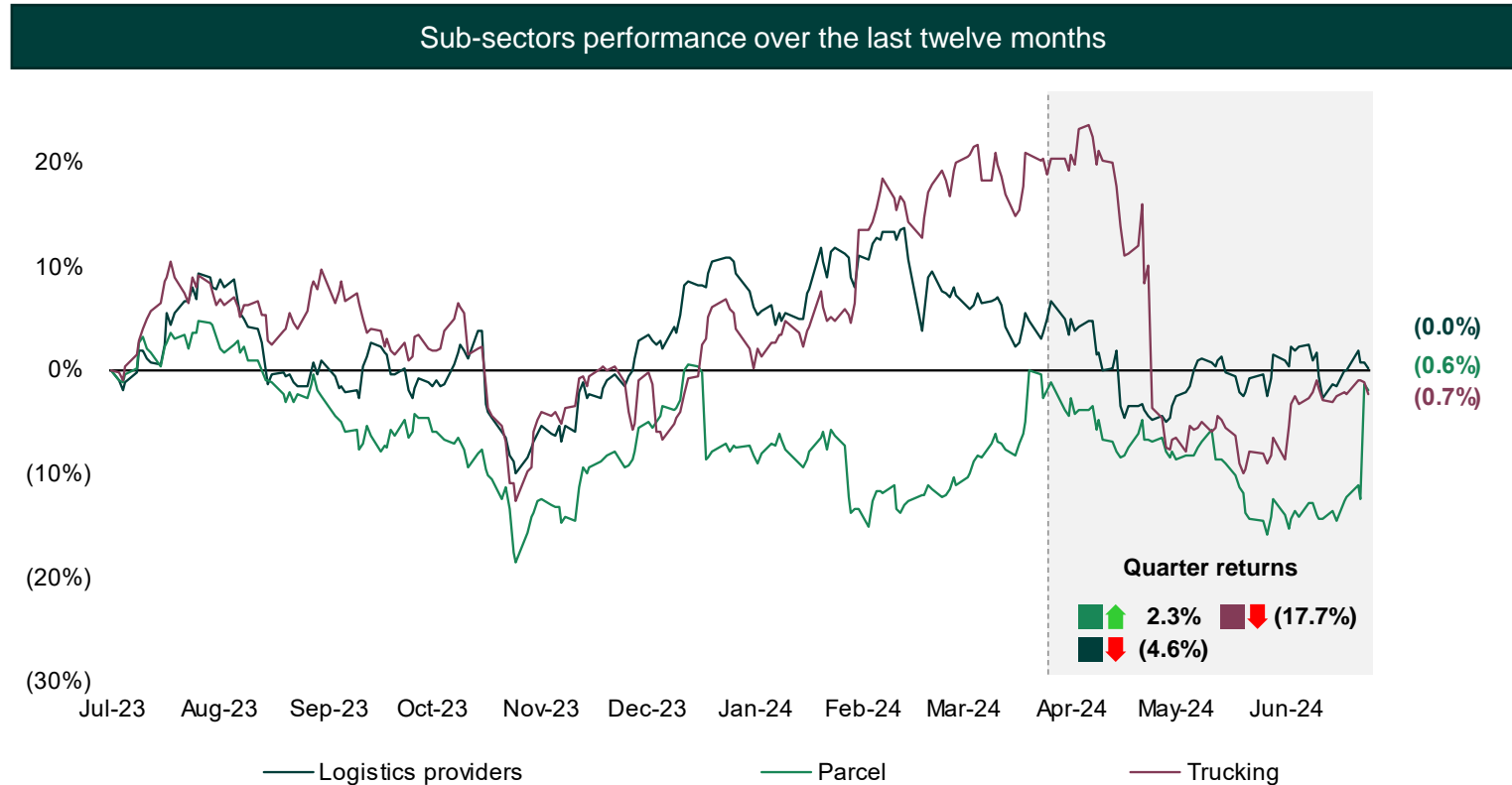


Data as of 30/06/2024
Sources: FactSet

Publicly traded companies overview per sub-sector

In Q2 2024, all logistics sub-sectors except parcel experienced negative returns

- In Q2 2024, Parcel was the only sub-sector to record positive returns
- Despite the slight increase in parcel volume, the sub-sector has recorded losses over the LTM
- Both over the LTM and in Q2 2023, the sub-sectors of logistics and trucking have recorded losses, affected by lower demand
- The trucking sector has witnessed significant declines in LTL weight per shipment, affecting profitability
- Ongoing attacks on commercial vessels in the Red Sea are forcing carriers to reroute ships, increasing voyage distance by c.30%, reducing effective capacity by c.7% therefore increasing costs



Data as of 30/06/2024

Notes: Market-weighted sub-sector indices constituents can be found on slides 8-10

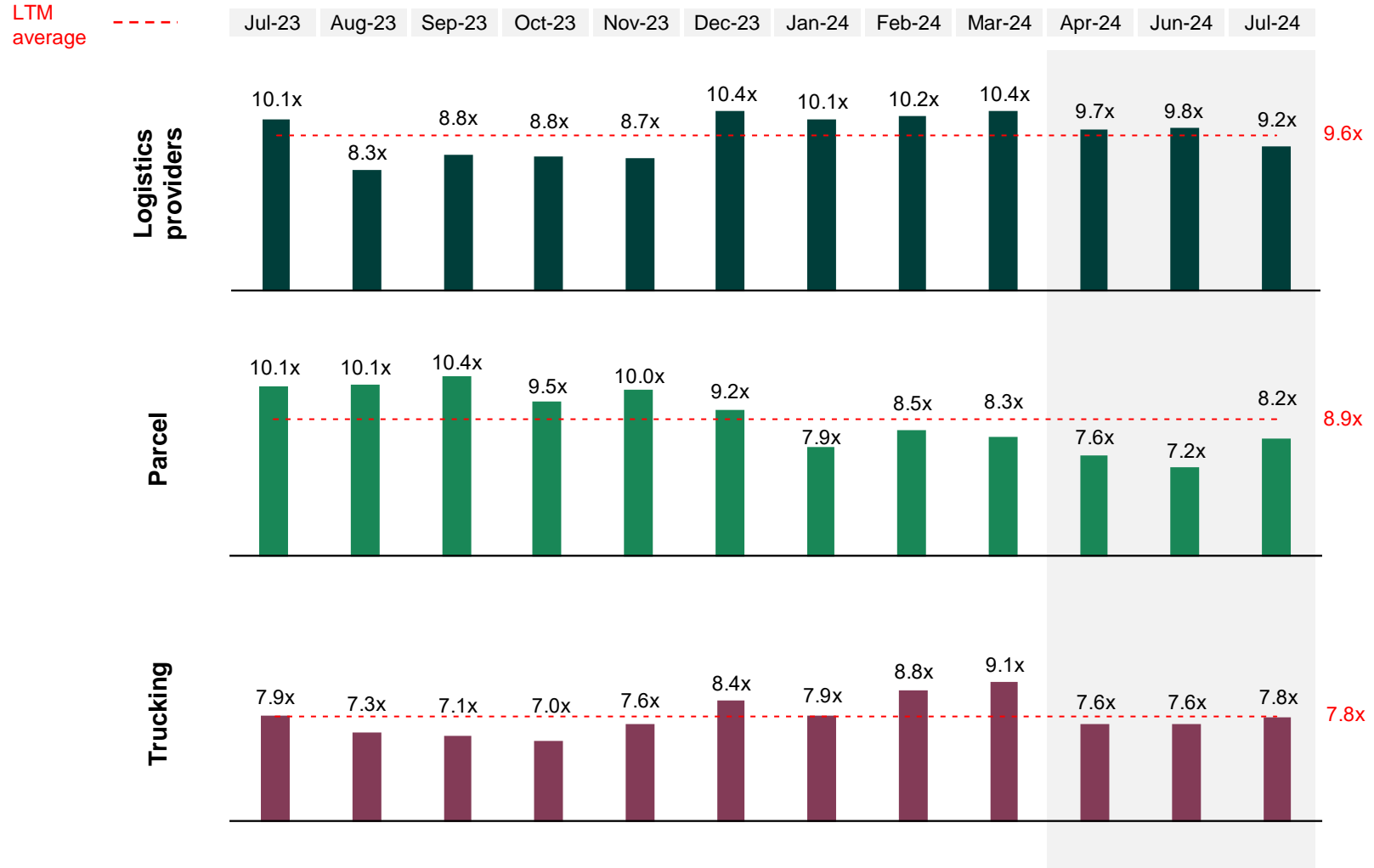
Sources: FactSet

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Median LTM EV/EBITDA multiples

During the second quarter of 2024, all transportation and logistics sub-sectors have recorded losses from a valuation perspective

- In Q2 2024, all transportation sub-sectors experienced a decrease in multiples and were trading below their 12-month average
- Uncertain macroeconomic conditions, weak demand, and high costs have negatively impacted the logistics sector multiples
- Trucking has recorded the biggest decreased, of 1.3x, affected by slower demand
- Logistics providers continue to have the highest multiples compared to the rest of the sector, recording 9.2x in Q2 2024
- Parcel valuations spiked in July compared to June, driven by better-than-expected results from major constituents and upward profitability revisions



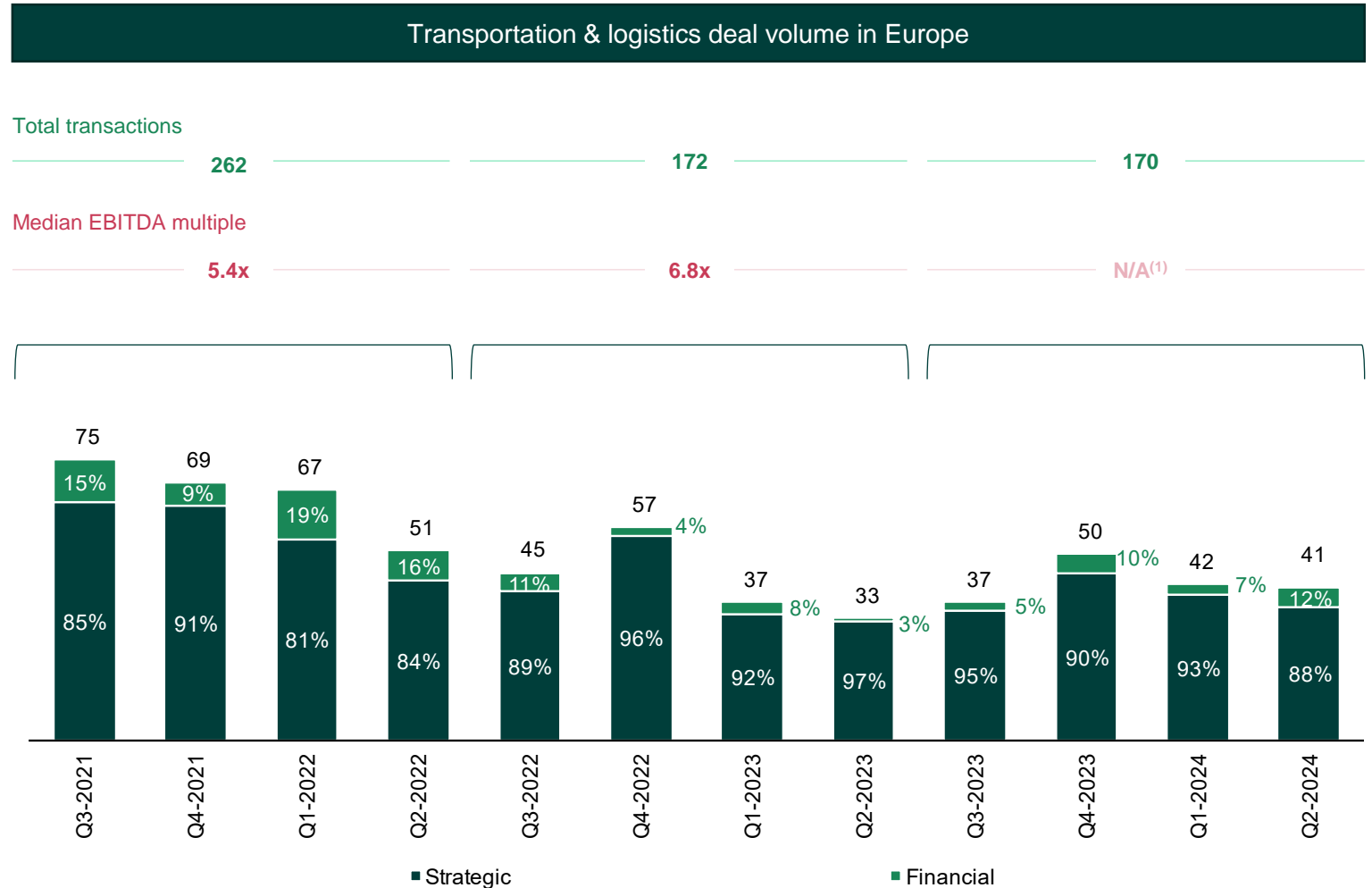
Notes: Sub-sector index constituents can be found on pages 8-10; some historic multiples may have deviations from previous reports due to restatements or differences between preliminary and final results published

Sources: FactSet

Europe M&A update

In Q2 2024, M&A activity in the transportation & logistics sector has witnessed a minor decrease

- In Q2 2024, deal count decreased to 41 compared to 42 in Q1 2024
- Compared to Q2 2023, M&A activity has increased by 20%
- Transactions involving financial buyers have increased by 5%
- With the rate environment in Europe moderating and the macroeconomic conditions improving, M&A activity is expected to pick up
- In 2024, the M&A market is anticipated to normalise, with the gap in valuation expectations between buyers and sellers narrowing



Data as of 30/06/2024

Note: (1) Limited data on multiples to obtain a reasonable figure

Sources: FactSet

Trading comps (1/3)

LOGISTICS PROVIDERS														
Company <i>(figures in €m)</i>	HQ	Market cap.	EV	Sales 2024E	Sales Growth		EBITDA 2024E	EBITDA margin 2024E	EV / Sales			EV / EBITDA		
					2023A	2024E			LTM	2024E	2025E	LTM	2024E	2025E
Expeditors	USA	16,447	15,703	8,407	16%	(47%)	878	10%	1.89x	1.86x	1.80x	17.2x	17.9x	17.1x
J.B. Hunt Transport	USA	15,406	16,612	11,828	37%	(16%)	1,591	13%	1.42x	1.42x	1.30x	10.4x	10.6x	8.9x
C.H. Robinson	USA	9,628	11,446	16,727	20%	(31%)	647	4%	0.71x	0.69x	0.66x	19.0x	17.8x	15.7x
GXO Logistics	USA	5,628	9,036	10,384	27%	7%	757	7%	0.98x	0.86x	0.77x	9.9x	11.8x	10.5x
Mainfreight	NZL	3,967	4,430	2,883	9%	(21%)	444	15%	1.66x	1.55x	1.42x	11.1x	10.0x	9.1x
Hub Group	USA	2,503	2,839	4,070	42%	(23%)	303	7%	0.75x	0.70x	0.64x	7.9x	9.3x	7.6x
Agility Public Warehousing	KWT	2,279	5,658	4,477	97%	53%	852	19%	1.40x	1.29x	1.24x	8.4x	6.8x	6.5x
ID Logistics	FRA	2,284	3,301	3,077	32%	11%	491	16%	1.20x	1.07x	1.00x	7.6x	6.8x	6.3x
Jiayou	CHN	2,246	2,026	1,132	34%	33%	212	18%	2.14x	1.77x	1.58x	12.4x	10.1x	8.5x
Sankyu	JPN	1,845	1,855	3,407	(3%)	(19%)	352	10%	0.56x	0.54x	0.54x	5.8x	5.3x	5.2x
Kerry Logistics Network	HKG	1,624	2,504	6,652	19%	(45%)	496	8%	0.45x	0.40x	0.37x	5.4x	4.9x	4.7x
CJ Logistics	KOR	1,474	3,771	8,312	7%	(8%)	716	9%	0.46x	0.45x	0.43x	5.1x	4.9x	4.7x
CTS Logistics	CHN	972	900	2,142	(4%)	(40%)	135	7%	0.45x	0.43x	0.39x	8.6x	6.4x	5.9x
Forward Air	USA	470	2,600	2,372	14%	(9%)	202	7%	1.65x	1.10x	1.02x	39.5x	14.8x	9.1x
Radiant Logistics	USA	250	276	748	72%	(21%)	27	4%	0.36x	0.37x	0.33x	9.2x	9.8x	6.7x
Average					28%	(12%)			1.07x	0.97x	0.90x	11.8x	9.8x	8.4x
Median					20%	(19%)			0.98x	0.86x	0.77x	9.2x	9.8x	7.6x

Trading comps (2/3)

PARCEL DELIVERY														
Company <i>(figures in €m)</i>	HQ	Market cap.	EV	Sales 2024E	Sales Growth		EBITDA 2024E	EBITDA margin 2024E	EV / Sales			EV / EBITDA		
					2023A	2024E			LTM	2024E	2025E	LTM	2024E	2025E
United Parcel Service	USA	109,245	127,678	86,636	12%	(9%)	12,232	14%	1.53x	1.47x	1.39x	11.0x	10.5x	9.2x
FedEx	USA	68,845	97,602	84,075	0%	(0%)	10,591	13%	1.20x	1.17x	1.11x	8.2x	9.2x	8.4x
Deutsche Post	DEU	46,248	61,454	84,547	16%	(13%)	10,617	13%	0.76x	0.73x	0.70x	5.9x	5.8x	5.3x
ZTO Express	CHN	15,951	15,373	5,571	21%	2%	2,011	36%	2.98x	2.76x	2.44x	9.2x	7.6x	6.6x
PostNL	NLD	638	1,096	3,241	(9%)	1%	273	8%	0.35x	0.34x	0.33x	4.8x	4.1x	3.6x
Average					8%	(4%)		17%	1.36x	1.29x	1.19x	7.8x	7.4x	6.6x
Median					12%	(0%)		13%	1.20x	1.17x	1.11x	8.2x	7.6x	6.6x

Trading comps (3/3)

TRUCKING														
Company <i>(figures in €m)</i>	HQ	Market cap.	EV	Sales 2024E	Sales Growth		EBITDA 2024E	EBITDA margin 2024E	EV / Sales			EV / EBITDA		
					2023A	2024E			LTM	2024E	2025E	LTM	2024E	2025E
Old Dominion Freight	USA	35,804	35,340	5,722	34%	(9%)	1,931	34%	6.44x	6.22x	5.64x	19.1x	18.4x	15.9x
DSV	DNK	32,628	34,135	20,636	29%	(36%)	2,917	14%	1.72x	1.65x	1.59x	11.5x	11.7x	11.0x
Saia	USA	11,766	11,948	3,016	37%	0%	708	23%	4.30x	3.95x	3.58x	19.1x	16.8x	14.1x
XPO	USA	11,522	15,118	7,669	21%	(2%)	1,165	15%	2.07x	1.98x	1.86x	14.8x	13.0x	11.0x
Knight-Swift Transportation	USA	7,528	9,768	7,109	39%	(7%)	1,041	15%	1.43x	1.38x	1.28x	9.9x	9.5x	7.2x
Landstar System	USA	6,156	5,774	4,753	28%	(31%)	321	7%	1.23x	1.21x	1.08x	17.8x	18.3x	14.8x
Schneider National	USA	3,958	4,126	5,190	32%	(19%)	588	11%	0.82x	0.80x	0.74x	7.3x	7.0x	5.5x
ArcBest	USA	2,341	2,505	4,061	42%	(14%)	379	9%	0.62x	0.62x	0.57x	7.6x	6.7x	5.5x
Werner Enterprises	USA	2,112	2,686	2,954	35%	(2%)	395	13%	0.90x	0.91x	0.86x	6.5x	6.8x	5.6x
Marten Transport	USA	1,401	1,333	1,008	46%	(13%)	176	17%	1.32x	1.32x	1.21x	8.0x	7.6x	6.1x
Universal Logistics	USA	997	1,441	1,745	29%	(20%)	284	16%	0.90x	0.83x	0.90x	5.4x	5.1x	5.4x
Heartland Express	USA	909	1,144	1,070	74%	25%	185	17%	1.07x	1.07x	0.99x	7.2x	6.1x	4.6x
Covenant Logistics	USA	603	871	971	27%	(10%)	133	12%	0.84x	0.80x	0.74x	7.5x	6.5x	6.0x
P.A.M. Transportation	USA	353	488	709	48%	(15%)	90	13%	0.68x	0.69x	0.63x	5.6x	5.4x	4.0x
Average					37%	(11%)			1.74x	1.67x	1.55x	10.5x	9.9x	8.3x
Median					35%	(12%)			1.15x	1.14x	1.03x	7.8x	7.3x	6.1x

Selected European transportation & logistics M&A transactions (1/2) ⁽¹⁾

Q2 2024



(Figures in €m)

Date	Target	Buyer	Transaction value	Implied EV	EV/Revenue	EV/EBITDA
Jun-2024	Orim	Xenon Private Equity; Anthilia Capital Partners	-	-	-	-
Jun-2024	Freelogic	MCA Digital	-	-	-	-
Jun-2024	Teklog	Armonia Group	-	-	-	-
Jun-2024	Martin e Hijos	Everwood Capital	-	-	-	-
Jun-2024	Wasdell Europe	Millmount Healthcare	-	-	-	-
Jun-2024	Transportes Pibejo	Lodisna	-	-	-	-
Jun-2024	Andotrans S.	Lodisna	-	-	-	-
Jun-2024	Jose Maria Navajas	Lodisna	-	-	-	-
Jun-2024	Jetcarrier Logistics	Aqua Bio Technology	20.9	20.9	1.12x	-
Jun-2024	Société De Prestations Logistiques Et Dentrepos	Lesquin Logistique Grimonprez	-	-	-	-
Jun-2024	Avtokombinat No 36 OJSC	VEY M	-	-	-	-
Jun-2024	Dishpatch	Waitrose	-	-	-	-
Jun-2024	Veemweg Nederland	Main Capital Partners; FleetGO Telematics	-	-	-	-
Jun-2024	Europea de Contenedores	Pérez y Cía	-	-	-	-
Jun-2024	Trackon Fleet Management	Mapon	-	-	-	-
May-2024	Transports Frigoriques des Monts d'Or	Henri Essers en Zonen Internationaal Transport	-	-	-	-
May-2024	Multilogistics	J.A.S. Jet Air Service	-	-	-	-
May-2024	iCarry	Pama Capital	-	-	-	-
May-2024	instafreight	Zipmend	-	-	-	-
May-2024	Fair Trade	Allcargo Belgium	2.9	11.6	0.85x	-
May-2024	Rhein Main Rohstoffe	Theo Steil	-	-	-	-
May-2024	Simmonds Transport	Shilling Group	-	-	-	-
May-2024	SkyNet Worldwide Express	Skynet Worldwide Express	-	-	-	-
May-2024	Speedlink Worldwide Express	Logista Integral	-	-	-	-
May-2024	Arthur Smith (Grimsby)	Dan Shipping & Chartering	-	-	-	-

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

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Selected European transportation & logistics M&A transactions (2/2) ⁽¹⁾

Q2 2024



(Figures in €m)

Date	Target	Buyer	Transaction value	Implied EV	EV/Revenue	EV/EBITDA
May-2024	Eurobate	Bakel	-	-	-	-
Apr-2024	1st Class Logistics UK	1st Class Logistics	-	-	-	-
Apr-2024	Fogtmann Group	Blue Logistics Group	-	-	-	-
Apr-2024	Zandbergen's Transport	Van Straalen Transport Zwaagdijk	-	-	-	-
Apr-2024	A Really Cool	Viso Logistics	-	-	-	-
Apr-2024	ASIGEST Deutschland Versicherungsmakler	Ecclesia Gruppe	-	-	-	-
Apr-2024	Roland Spedition	Hamburger Hafen und Logistik	-	-	-	-
Apr-2024	Sprinter Futárszolgálat	Delivery Solutions	-	-	-	-
Apr-2024	International Distributions Services	EP Corporate Group	5,021.5	6,158.9	0.41x	7.8x
Apr-2024	A & R Burnett	SBG Holding International	-	-	-	-
Apr-2024	Ekol Lojistik	DFDS	254.7	254.7	-	-
Apr-2024	Arkas Logistics Polska	Arkas Logistics	-	-	-	-

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

Notable transportation & logistics M&A transactions in Greece

2019 to Q2 2024



(Figures in €m)

Date	Target	Buyer	Transaction value	Implied EV	EV/Revenue	EV/EBITDA
Jan-2024	WATT Recycling	Holcim	-	-	-	-
Nov-2023	Automotive Logistics	Neptune Lines	-	-	-	-
Apr-2023	Contrade	H.I.G. Capital	-	-	-	-
Mar-2023	Med Frigo	EOS Capital; Elikonos Capital	-	-	-	-
Mar-2023	Orphee Beinoglou	H.I.G. Capital	-	-	-	-
Jul-2022	Perme Hellas	Polygreen	-	-	-	-
Jan-2022	Mantis	Ecovium	60.0	-	-	-
Jan-2022	Anchor Shipbroking	Simpson Spence Young	-	-	-	-
Apr-2021	Tenberco	Eurobank	27.1	-	-	-
Jan-2021	MAKIOS Logistics	HIG Capital	-	-	-	-
Dec-2020	Sarmed Warehouse	BriQ Properties	23.6	21.8	1.35x	10.5x
Jul-2019	Victini Logistics	Brooklane Capital	12.5	1.4	8.73x	22.7x

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