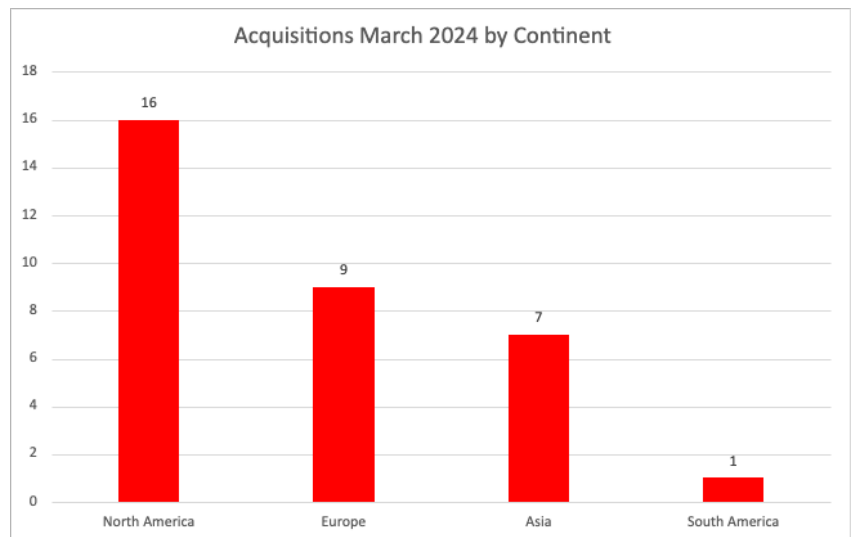


Global Logistics M&A Recap

in partnership with
Transport Intelligence

March 2024 Acquisitions

North America accounted for the largest number of acquisitions (by target location) in March 2024, with 48.5% of all acquisitions recorded. The United States was the most active region in terms of acquisitions (by target location), accounting for 15 acquisitions, or 45% of all acquisitions recorded. Europe accounted for 27% of acquisitions, with 9 acquisitions recorded in March. In terms of target services, Logistics was the most frequent with 30% of recorded transactions, followed by Transportation (21%) and Software (12%).



Analysis of European M&A in 2024

A perfect storm of rising interest rates, plummeting freight rates, and geopolitical uncertainty dampened the European logistics M&A market in 2023. Even major deals like CMA CGM's acquisition of Bolloré or CVC Capital Partners snatching up Scan Global Logistics couldn't mask the overall decline. However, 2024 is poised for a comeback... and Bpost's most recent €1.3 billion buyout of Staci is a beacon of this brighter future.

Europe's macroeconomic picture is improving. Inflation is cooling, and interest rates are expected to have peaked. Additionally, freight rates are finding their footing, logistics companies are seeing profits normalize, and M&A valuations are becoming more realistic. But the biggest driver? A flood of cash. Logistics companies are flush with liquidity, and private equity firms hold record-breaking reserves for investment.

Shippers are demanding more from their European logistics partners – a wider range of services and clear visibility into those services. This trend will continue to fuel M&A activity as logistics players scramble to offer diversified services, vertically integrated solutions, and multimodal options. In essence, they need to be faster, broader, clearer, and more cost-effective.

Key strategic drivers for M&A this year:

- **Profit Normalization Fuels Growth:** Freight forwarders, with profits returning to normal, are turning to acquisitions to grow and improve margins. Air and sea freight companies are eyeing deals to gain economies of scale in trade lanes and strengthen road networks to expand their value chains.
- **Global Players Seek European Footholds:** Shipping giants and international logistics players, particularly from the US and Asia, are hungry for expansion in Europe. Notably, the US market, with its attractive valuations, is likely to remain the top buyer nation for sellers in Europe.
- **Consolidation Continues:** Fragmentation across Europe's logistics market, in the small and mid-cap segments, presents a ripe consolidation opportunity. Strategic acquirers and private equity firms are on the lookout for M&A deals to build one-stop-shop solutions across services and regions.
- **Contract Logistics - A Safe Haven:** Given recent volatility in freight markets, investors might flock to contract logistics operators. These companies offer countercyclical advantages – stable revenue and profits, along with strong customer retention – making them attractive targets.

By capitalizing on these trends, the European M&A market is primed for a strong rebound in 2024.

– Peter Reed, Managing Director: Europe at Logisyn Advisors

Analysis of US/MEX Border M&A Activity

The recent surge in investments within Mexico, highlighted by a remarkable \$31 billion inflow in the first quarter of 2024 alone, underscores a pivotal shift in global manufacturing and supply chain strategies. According to Mexican Secretary of Economy, Raquel Buenrostro, there have been 73 investment announcements by both foreign and domestic companies between Jan 1 and March 15.

This strategic pivot, primarily being driven by companies seeking to diversify away from Asia amidst geopolitical and logistical complexities, positions Mexico as a burgeoning hub for industries ranging from automotive to e-commerce.

Headline-worthy acquisitions in logistics such as Zipline Logistics' acquisition of Summit Eleven, Michigan-based 3PL Supply Chain Solutions LLC's acquisition of Transport Accion S.A., a Mexico City-based freight forwarder and brokerage, and American Woodmark's manufacturing expansion into Monterey Mexico with a 275k sq. ft., facility signifies a broader realignment in global trade dynamics. This spotlights Mexico's ascendant role in the international arena spreading across entire economic sectors from manufacturing, logistics, and even technology.

Even further still, it has been announced that the U.S. Department of State and the Mexican Government are collaborating to enhance the global semiconductor ecosystem through the ITSI Fund, established by the CHIPS Act of 2022. Mexico's surging role as a manufacturing and logistics hub has been well noted. Seemingly, all roads lead to Mexico.

Analysis of GXO Logistics' £762m acquisition of Wincanton

GXO has pipped CMA-CGM/CEVA at the post through a last-minute knock-out bid for Wincanton. CEVA had made what it called a "Final Offer Price" on the 26 February, upping its previous bid by 6.7% in response to an initial approach by GXO. A few days later GXO made a cash offer of 605 pence per share. As a result, Wincanton recommended "unanimously" the GXO offer and withdrew its recommendation of the bid by CEVA. This must be making Wincanton shareholders quite happy, with the new GXO offer being roughly twice the price of what Wincanton shares were trading at in January, before CEVA/CMA-CGM made its first offer.

As the board of Wincanton commented "The Wincanton Directors are pleased that the public offer process, triggered by their recommendation of CEVA Bidco's offer on 19 January 2024, is maximizing value and delivering a significant premium to Wincanton Shareholders". Bradley Jacobs, the founder and Chairman of GXO and its previous parent XPO, is highly experienced at buying companies. He will likely have a realistic view on the value of a company like Wincanton. This would suggest that CMA-CGM was not alone in perceiving greater value on the UK logistics market than the valuation on the London stock market implied.

- Thomas Cullen, Senior Consultant at TI

Significant Acquisitions

Deal values were not available on most acquisition news releases; however, the largest deals for March 2024 (where value was disclosed) were the following:

- **GXO to acquire Wincanton for £762m (\$965m)**
- **Blue Yonder to Acquire One Network Enterprises for \$839m**
- **Adani Ports to acquire Gopalpur Port for \$435m**

All March Acquisitions

Acquisitions of companies involved in Logistics were most common in February 2024 (30%). Transportation (21%) and Logistics Software (12%) were the next most common areas for acquisitions.

- 1-Mar-2024 **Wincanton backs £762m takeover offer from GXO**
Strengthens GXO Logistics' UK market position in contract logistics and e-commerce logistics.
- 1-Mar-2024 **Ransa Acquires Loginsa**
Strengthens regional footprint and service offerings.
- 1-Mar-2024 **FMH Group announces merger with CouriersPlease**
Aims increase revenue and enhance operational efficiency and customer experience through collaboration and integration.
- 1-Mar-2024 **Kuehne+Nagel to acquire City Zone Express**
The deal will bolster K+N's cross-border road logistics services in Southeast Asia and China.
- 5-Mar-2024 **IMC Logistics acquires California carrier American Pacific Transportation**
IMC Logistics expands its drayage truck capacity in California, bolstering its fleet to over 500 trucks in the region.
- 5-Mar-2024 **AGS Agunsa Invests in Omni Transloading & Logistics**
Strengthens capabilities in transportation sector.
- 6-Mar-2024 **Kerry Logistics acquires French freight forwarder BBA**
Strengthens international freight forwarding capabilities and expands foothold in France's export market.
- 6-Mar-2024 **Slync's Tech Assets Acquired Out of Bankruptcy by Bluspark**
Integration into Bluspark's Voyix platform to enhance supply chain management capabilities.
- 7-Mar-2024 **Blue Water steps into South Korea with Zodiac Solutions acquisition**
Expands presence in South Korea, strengthening its expertise and network in various industries, particularly in renewable energy.
- 8-Mar-2024 **BlueGrace Logistics acquires Evos Smart Tools**
Strengthening logistics optimization capabilities and enhancing service offerings for customers.
- 8-Mar-2024 **Wincanton acquires Invar to accelerate robotics and automation transformation**
Wincanton accelerates its robotics and automation roadmap.
- 11-Mar-2024 **TFI acquires LTL carrier Hercules Forwarding**
Strengthening cross-border LTL footprint and adding revenue streams.
- 11-Mar-2024 **PS Logistics adds Yordy Transport to its flatbed fleet**
Expands flatbed fleet, aligning with strategy to partner with driver-focused trucking companies.
- 12-Mar-2024 **Eushipments.com acquires Swiss Point Data**
Enhances presence and capabilities in Central and Eastern Europe.

- 12-Mar-2024 **Lazer Logistics acquires BLS**
Strategic move to strengthen its position as the leader in Supply Chain Yard Logistics, expanding its service offerings and operational efficiency.
- 13-Mar-2024 **Source Energy Services acquires RWR Trucking Inc.'s sand trucking assets**
Strengthens Last Mile Logistics service offering, enhance fleet utilization, and provide enhanced service to customers.
- 14-Mar-2024 **Jet Freight Logistics Limited acquires Jet Speed Freight LLC**
To expand market presence and strengthen operations.
- 15-Mar-2024 **I Squared Capital Closes Its Acquisition of WOW Logistics**
Aims to modernize storage infrastructure and expand warehouse network for rising demand.
- 15-Mar-2024 **Ship Essential Acquires Carry**
Enhances their local fulfillment capabilities with innovative same-day delivery solutions.
- 18-Mar-2024 **Primeline Group Buys Control Of NI's Global Cargo Solutions**
Primeline aims to integrate GCS's fleet of trucks and trailers, leveraging its network to drive further growth.
- 19-Mar-2024 **Accenture Acquires Flo Group to Expand Supply Chain Logistics Capabilities in Europe**
Enhancing Oracle capabilities for resilient and agile supply chains.
- 19-Mar-2024 **Royal Den Hartogh Logistics completes acquisition of H&S Group**
Expanding portfolio to include liquid foodstuff transportation and enhancing smart logistics solutions.
- 19-Mar-2024 **Trimac acquires bulk hauler Feldspar Trucking**
Expands bulk transportation services, strengthening its ability to serve mining industries.
- 19-Mar-2024 **ALPI Denmark strengthens its road division with acquisition**
Expands road division, enhancing its presence and activities in the French market.
- 19-Mar-2024 **Primeline Group acquires Global Cargo Solutions**
Expands business network in Northern Ireland, UK, and Europe, leveraging its experienced management team.
- 19-Mar-2024 **Magnate Worldwide acquires Quality Air Forwarding**
Expands expedited logistics service, enhancing its capabilities in domestic mission-critical and expedited transportation solutions, particularly in strategic priority areas such as industrial manufacturing and biomedical transportation.
- 19-Mar-2024 **Publicis Sapient augments its digital supply chain practice with new acquisition**
Strengthens Publicis Sapient's digital transformation capabilities with Spinnaker SCA's expertise
- 19-Mar-2024 **Asdion to acquire 51% stake in PT Indoexpress Logistics**
Strengthens its position in the Indonesian logistics market.

- 20-Mar-2024 **Enservco enters logistics with Buckshot Trucking acquisition**
Marks Enservco's entry into the logistics business and expanding its service offerings within the oil and gas industry.
- 26-Mar-2024 **Adani Ports to acquire Gopalpur Port**
To enhance its logistics solutions by offering access to mining hubs in Odisha and neighboring states.
- 26-Mar-2024 **CCI approves acquisition of stake in Busybees Logistics by TPG**
TPG's acquisition of a stake in Busybees Logistics signifies a strategic move in the Indian logistics sector, enhancing TPG's portfolio and market presence.
- 28-Mar-2024 **Zipline Logistics Acquires Summit Eleven**
To expand resources and opportunities in the consumer packaged goods sector.
- 29-Mar-2024 **Blue Yonder To Acquire One Network Enterprises for \$839m**
Aims to revolutionize supply chains by acquiring One Network Enterprises for approximately \$839 million, creating a unified, end-to-end supply chain ecosystem.