

M&A Update

Transportation & Logistics

June 2020

Key Highlights

M&A in the United States

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M&A in the Transportation & Logistics Sector

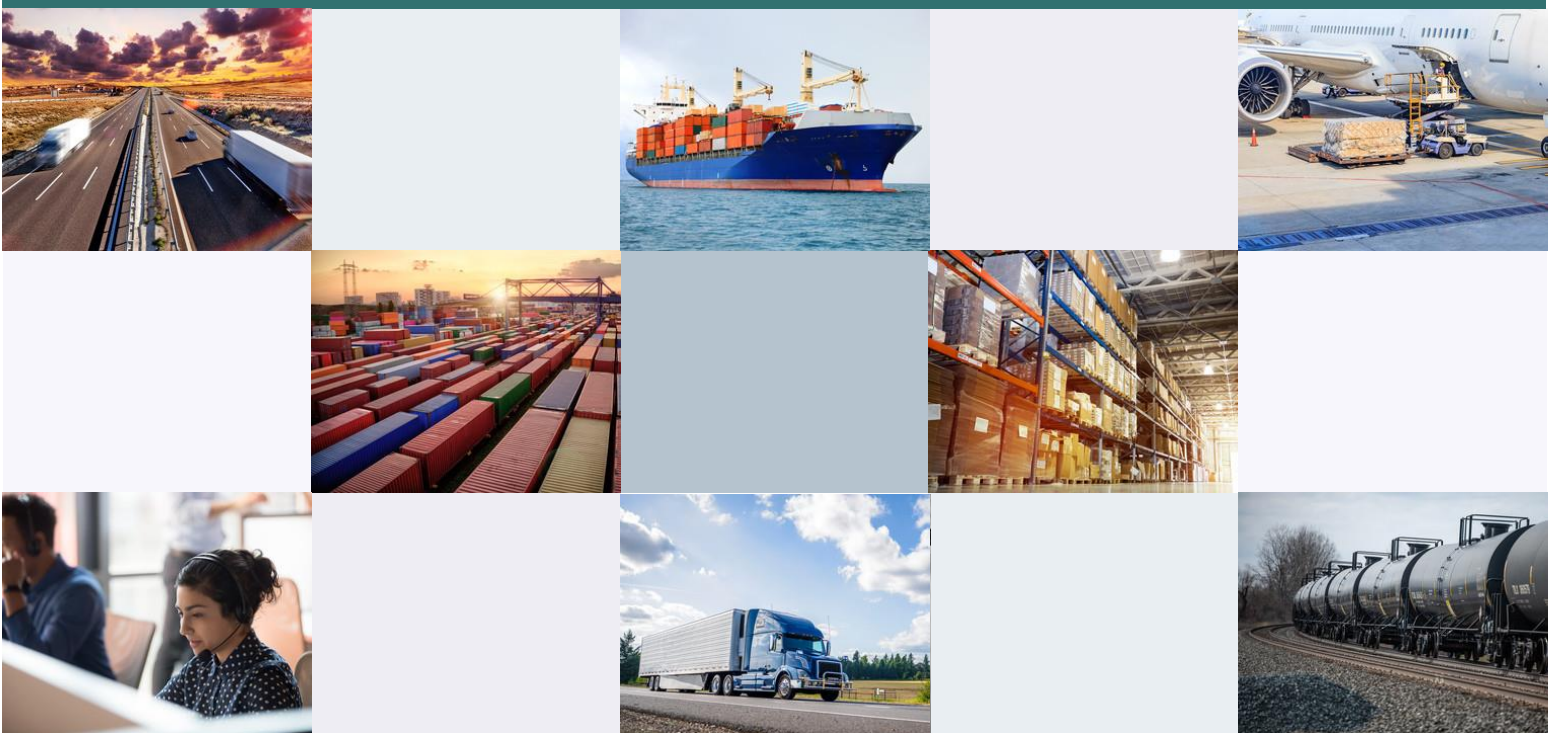
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Notable Transactions

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Public Markets

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M&A in the United States

Deal Activity & Valuations

Deal Activity

Mergers and acquisitions activity through the end of the second quarter of 2020 fell 17% on a year-over-year basis as the continued economic effects of the coronavirus pandemic drastically impact deal activity in the United States. Additionally, total deal value continues to decline as acquirers have developed a more cautious approach to the deployment of capital, given the vast uncertainties surrounding the pandemic.

5,329
M&A Deals

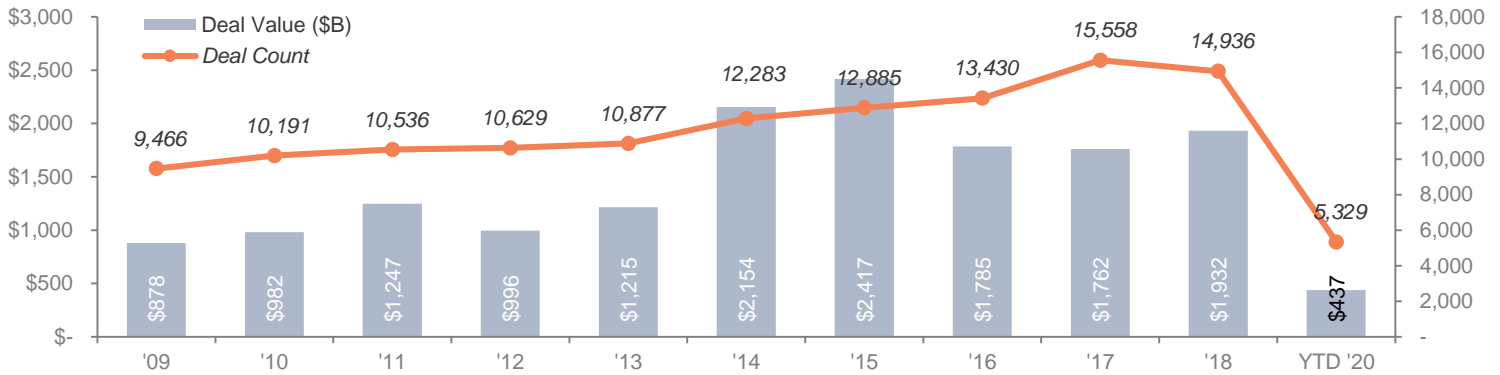
▼ 17% YoY decline

\$0.4 Trillion
Deal Value

▼ 60% YoY decline

Total M&A Deal Volume & Value in the United States

\$ in Billions; Year to date through June 30, 2020



Valuations

Valuation multiples remained flat for Q2 2020 in comparison to Q1 2020. After reaching a high of 10.9x in 2019, the median Enterprise Value (EV) to EBITDA multiple declined by one full turn to 9.9x in 2020. While this still represents a high level by historical standards – a 34% increase compared to 2009 – valuation multiples may contract further for the remainder of 2020 given frequent fluctuations as presented in the stock market.

9.9x

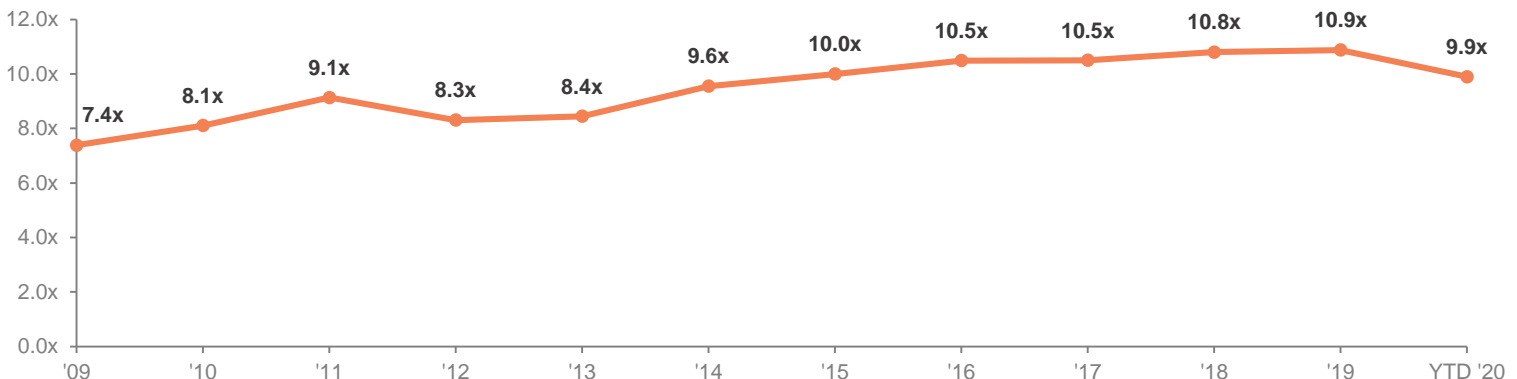
Current Median EV / EBITDA

10.5x

5-Year Median EV / EBITDA

Median Enterprise Value (EV) / EBITDA Valuation Multiple

Only includes transactions with disclosed financial terms; Year to date through June 30, 2020



Sources: S&P Capital IQ, Pitchbook, IMAA Institute, CCCA Research

Definitions: YoY = Year-over-year; Enterprise Value = Market Cap + Debt – Cash; EBITDA = Earnings Before Interest, Taxes, Depreciation & Amortization

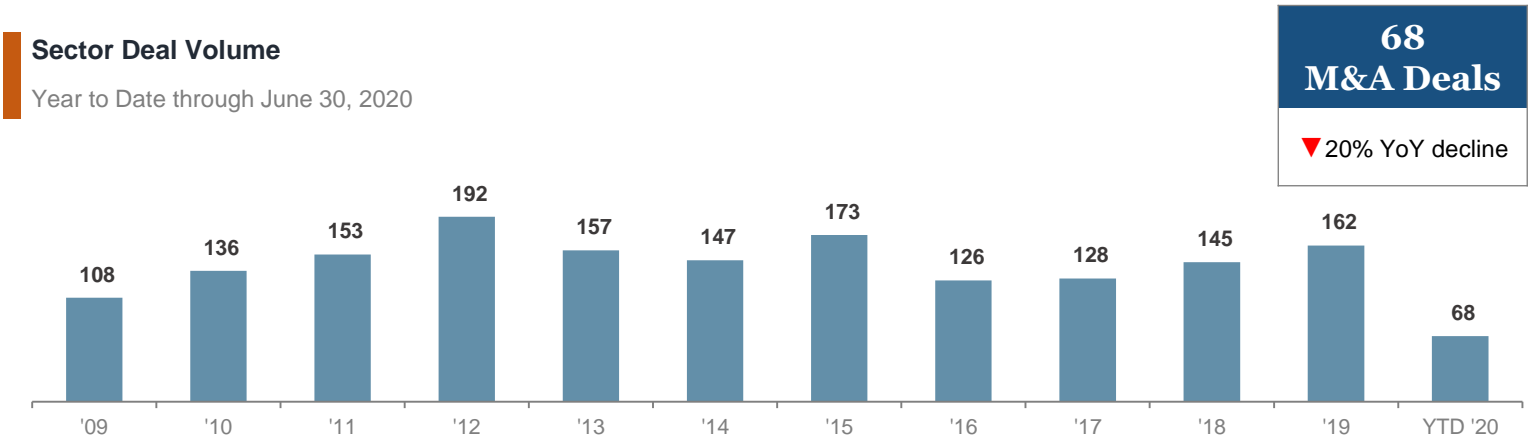
M&A in the Transportation & Logistics Sector

Sector Snapshot

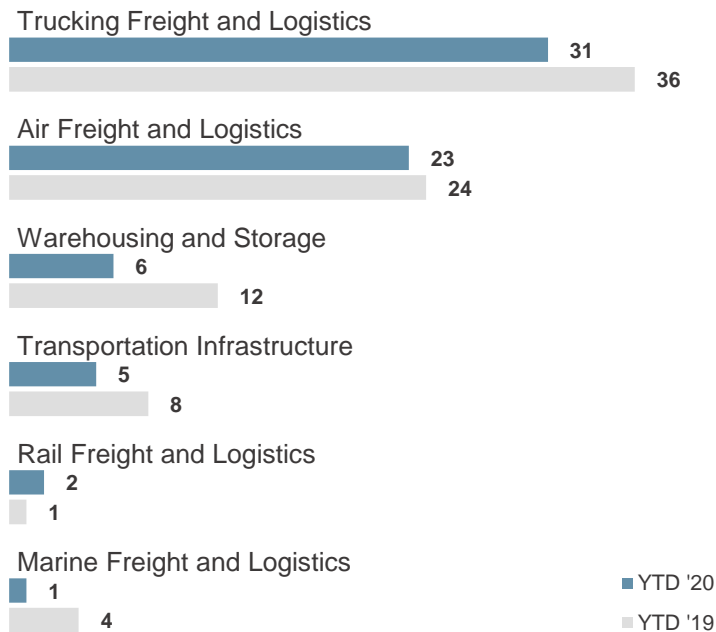
Industries in the U.S. Transportation & Logistics Sector

- Air Freight & Logistics
- Marine Freight & Logistics
- Rail Freight & Logistics
- Trucking Freight & Logistics
- Transportation Infrastructure
- Warehousing & Storage

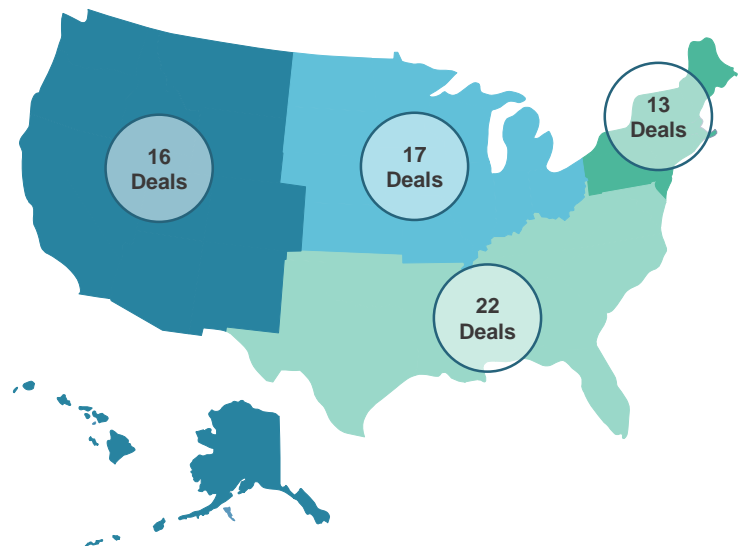
Sector M&A Deal Volume



M&A Deal Volume by Industry



M&A Deal Volume by U.S. Region



Sources: S&P Capital IQ, Pitchbook, IMAA Institute, CCCA Research
Definitions: YoY = Year-over-year

M&A in the Transportation & Logistics Sector

Notable Deals & Buyer Mix

Notable Deals

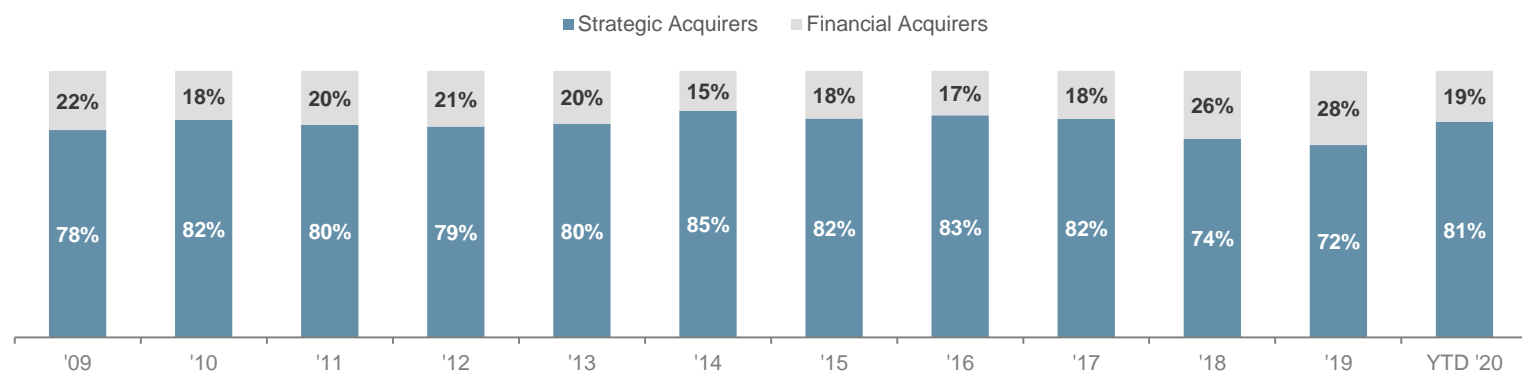
Date	Company	Acquirer	Enterprise Value (EV) (\$ in MM)	Implied EV / Revenue	Implied EV / EBITDA
Jun 2020	Cove Logistics LLC	Stord, Inc.	\$10	-	-
May 2020	Fleet Logistics, Inc.	Expeditors International of Washington, Inc. (NasdaqGS:EXPD)	-	-	-
Apr 2020	C & Y Transportation Co., Inc.	Black Hills Trucking Inc.	-	-	-
Mar 2020	Innovel Solutions, Inc.	Costco Wholesale Corporation (NasdaqGS:COST)	\$1,000	-	-
Mar 2020	Mobile Mini, Inc.	WillScot Corporation (NasdaqCM:WSC)	\$2,865	4.7x	11.1x
Feb 2020	Performance Team LLC	Maersk A/S (CPSE:MAERSK B)	\$545	1.0x	6.1x
Feb 2020	Flexdrive Services, LLC	Lyft, Inc. (NasdaqGS:LYFT)	-	-	-
Feb 2020	American Steamship Company	Rand Logistics, Inc.	\$260	-	-
Jan 2020	Prime Distribution Services, Inc.	C.H. Robinson Worldwide, Inc. (NasdaqGS:CHRW)	\$223	2.1x	-
Jan 2020	The Apex Group, Inc.	KLN Investment (US) LLC	\$362	-	-

Note: This table includes only a sample of relevant transactions in the context of M&A activity in the sector. It is not meant to be all-inclusive.

Buyer Mix

Share of Acquisitions

% of Acquisitions by Strategic and Financial Acquirers



Sources: S&P Capital IQ, Pitchbook, IMAA Institute, CCCA Research

Definitions: Enterprise Value = Market Cap + Debt – Cash; EBITDA = Earnings Before Interest, Taxes, Depreciation & Amortization

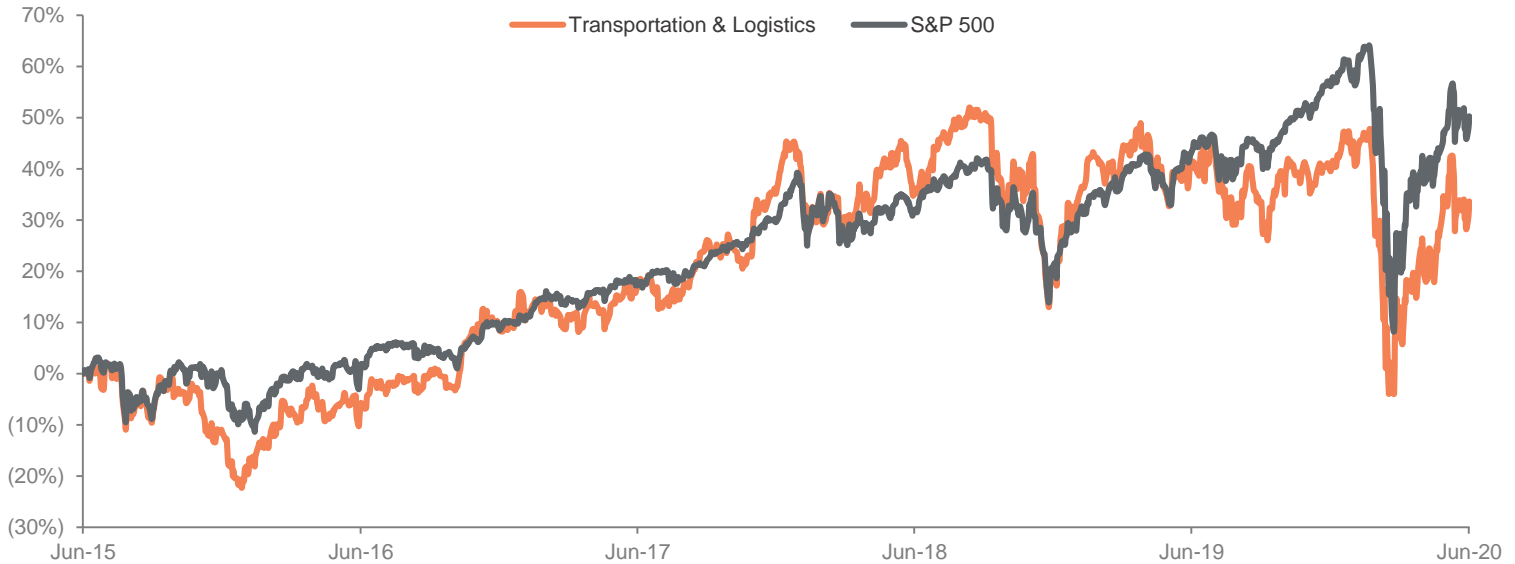
Public Companies in the Transportation & Logistics Sector

Performance & Valuations

Sector Performance

Return vs. S&P 500

Last 5 Years



Valuations

Enterprise Value / LTM EBITDA

Median of Publicly Traded Companies

Rail Freight and Logistics



Transportation Infrastructure



Marine Freight and Logistics



Trucking Freight and Logistics



Air Freight and Logistics



Enterprise Value / NTM EBITDA

Median of Publicly Traded Companies

Rail Freight and Logistics



Transportation Infrastructure



Air Freight and Logistics



Marine Freight and Logistics



Trucking Freight and Logistics



Sources: S&P Capital IQ, Pitchbook, IMAA Institute, CCCA Research

Definitions: Enterprise Value = Market Cap + Debt - Cash; EBITDA = Earnings Before Interest, Taxes, Depreciation & Amortization; LTM = Last Twelve Months; NTM = Next Twelve Months

CC Capital Advisors

Firm Overview

Who We Are

CC Capital Advisors is a boutique investment banking firm providing mergers and acquisitions, capital raising and strategic advisory services to middle market clients. Our experienced team of committed advisors combines long-standing transaction experience to provide independent and uncompromised services to achieve our clients' objectives.

Who We Serve

We tailor our services to a broad base of clients, including entrepreneurs, family-owned businesses, private and public corporations, family offices, private equity and venture capital investors. Clients have repeatedly chosen us as trusted advisors and partners because of our quality advice, ability to execute transactions and client-first philosophy.

What We Do

Mergers & Acquisitions	Capital Raising Advisory	Strategic Advisory
<ul style="list-style-type: none">Sales of privately-held companiesBuy-side acquisitionsMinority buyoutsCorporate subsidiary divestituresPrivate equity and venture capital portfolio divestitures	<ul style="list-style-type: none">Senior secured and unsecured debtMezzanine capitalGrowth equity capitalRecapitalizationsPrivate placements of institutional capital	<ul style="list-style-type: none">Business valuationsFairness opinionsStrategic options assessmentOwnership transition planningCorporate reorganizations

Why Clients Choose Us

100+ Years	Collective investment banking experience of our team	\$7 Billion	Completed transaction experience of our team
Midwest Values	Integrity, experience and commitment are our core values	\$1 Billion	Completed transaction value in the last five years
Global Reach	We represent clients across the world	20+ Deals	Number of transactions closed since 2017

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The information contained in this report was compiled by CC Capital Advisors from a variety of sources including news reports, S&P Capital IQ, Pitchbook, IMAA Institute, SEC filings, company statements, and information provided by M&A professionals. Many deals did not disclose pricing, and other private transactions may not have been publicly announced. Transactions are subject to change or termination prior to closing. While CC Capital Advisors makes a good faith effort to ensure the accuracy of this report, it is intended for general information purposes only. CC Capital Advisors is not responsible for any errors or omissions in this report.

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