MERCER CAPITAL

BUSINESS VALUATION &
FINANCIAL ADVISORY SERVICES

www.mercercapital.com

VALUE FOCUS

Transportation & Logistics

Fourth Quarter 2024

In This Issue

FEATURE ARTICLE

Port Strikes, Supply Chains, and a Looming Deadline

In October 2024, the International Longshoremen Association (ILA) initiated a strike throughout the Eastern and Gulf Coast ports after negotiations surrounding a new contract stalled with the United States Maritime Alliance (USMX). This strike comes just two years after similar negotiations stalled on the West coast between the USMX and Internal Long shore and Warehouse Union (ILWU) in 2022 which led to decreased traffic and volume for about a year. Many ships were rerouted to other ports across the country during this time, removing volume from the West coast ports. **It was reported** that the Los Angeles Port had lost about 15% of its cargo to other ports during this time due to rerouting. The two sides reached an agreement in August of 2023 to approve a new 6-year contract expiring in July 2028 (retroactive to July 2022). The new contract gave union members a 32% pay increase over the contract term and a $70 million bonus for working in the early months of the Covid pandemic. The pay increase included a $4.62 raise the first year, followed by a $2 raise each subsequent year. Of the 22,000 West coast dockworkers, 75% voted in favor to approve the contract and "protect good paying jobs."

Negotiations stalled for around 5 months in the lead up to October 2024 with neither side reaching an agreement on a new contract. Unlike the 2022 negotiations process, the ILA initiated a full strike, the first of its kind since 1977. The **ILA** is the largest union of maritime workers in North America, representing upwards of 85,000 longshoremen. It operates in areas such as the Atlantic, Gulf Coast, and the Great Lakes among others. The **strike has affected 36 ports** so far, stretching from Maine to Texas, as nearly 25,000 member contracts are set to expire on November 30th. The ILA and port workers want a fair contract that does not allow for increased automation of ports, reimbursement from the Covid pandemic, and a substantial pay raise before they will return to work. The ILA's original offer stood at a pay raise of 77% over the six-year life of the potential new contract. This offer was countered with a 50% raise by the USMX and set limits over the use of automation. The **USMX** is responsible for the transportation and handling of cargo shipped to and from the United States along with contract bargaining, regulatory and safety issues, and training. The USMX offer has since been rejected, but there is hope for a resolution soon.

Under the strike conditions, cargo ships would continue to face increased berthing times, extended container dwelling periods, and more diversions to alternate ports. **Once the strike started on Monday**, 38 container vessels were backed up in U.S. ports, compared to three vessels the prior day. This exponentially increases the berthing times for cargo ships which in turn is costing companies millions from increased travel costs and spoiled goods. As container dwelling times continue to rise the supply chain will begin to slow with shipments getting delayed up to a month in some cases. Companies had begun diverting their cargo to alternate ports such as the Bahamas, Latin America, and Canada, further increasing the amount of time and expense it would take for the products to reach U.S. markets.

FEATURE ARTICLE

Port Strikes, Supply Chains, and a Looming Deadline

(cont.)

Nothing moves slowly in the transportation world; on **October 3rd**, the ILA and USMX reached an agreement to extend the current contract until January 15, 2025, providing time to negotiate a new contract and effectively ending the strike after three days. The tentative agreement currently increases ILA wages by 61.5% and includes an increase of $5 per hour each subsequent year, but both sides remain divided on the use of automation in the ports. The January 15th deadline gives a little over 100 days to resolve these divisions or another strike could be on the horizon. This time threatening to completely dismantle the U.S. supply chain going forward, increasing prices and wait time. The National Association of Manufacturers believes that another strike could cost up to $2.1 billion in trade delay and reduce GDP by as much as $5 billion per day.

Due to the short lived nature of this strike (only three days), it is believed that consumers will ultimately feel minimal disruptions on the products affected. **Supply chain experts** stated that it takes around four to six days to recover from each day of the strike, so it should be resolved in about 20 days. Each of those days longshoremen will be able to increase their capacity until normal levels are achieved once again. Focus now shifts to the January 15th deadline as we wait to see if the new contract is voted in favor of by the ILA delegates.

If the strike were to return in Q1 2025 multiple industries would be affected throughout the United States due to the intricacies of the supply chain. Industries with **"just-in-time"** inventory models, such as retail, electronics, and automotive, would suffer the most. The retail industry tends to have a short supply of perishable goods to limit their time on the shelves and give consumers the freshest options available. During the winter months fruits and vegetables are imported into the U.S. at their highest levels due to other countries' extended growing periods and warmer climates. A renewed strike could directly affect the prices of fruits and vegetables as the supply chain slows and limits their availability. Many secondary cities in the East and Southeast of the country will be affected by another strike if it were to occur. Among those cities Atlanta, Charlotte, Austin, and Philadelphia are most likely to feel the effects due to their close proximity to large ports and increased levels of transportation through these regions.

Along with an increase in pay, the use of automation in U.S. ports is another contention point during contract negotiations. The ILA believes that automation will lead to less job security within ports, and the use of physical workers eventually being phased out by machines. Compared to some international ports that are fully automated such as the Port of Shanghai and the Port of Melbourne, the U.S. is far behind in the use of automation. While the ILA does have a valid stance, automation could create some upsides for ports as well. **Decreased human interaction** with large machinery would greatly improve safety for the workers as ports that have implemented some automation have seen accidents decline from two to three a month to zero in the first month of use. While some manual laborers would be phased out, it would also create new

FEATURE ARTICLE

Port Strikes, Supply Chains, and a Looming Deadline

(cont.)

jobs that would be essential for the machinery to be used correctly. Ultimately, performance would increase from greater efficiency and productivity for each port reducing wait times and increasing the supply chain. While there are possible upsides it appears that the ILA is firm on its stance and the use of automation within the United States will remain minimal compared to their international counterparts.

The January 15th deadline between the ILA and USMX is looming ahead of us as we wait to see if the new contract will be ratified in time before another strike is launched. October allowed us to view what an extended strike could lead to, but the implications of a second could lead to higher prices and increased supply chain times. Hopefully, higher wages and minimal increase in automation will satisfy the longshoreman enough to remain at work and off the picket lines.

Mercer Capital's Transportation & Logistics team constantly watches the transportation industry and global events and economic factors that can impact the overall industry, the supply chain, or various aspects of transportation. Mercer Capital provides business valuation and financial advisory services, and our transportation and logistics team helps trucking companies, brokerages, freight forwarders, and other supply chain operators understand the value of their business. Contact a member of the Mercer Capital transportation and logistics team today to learn more about the value of your logistics company.

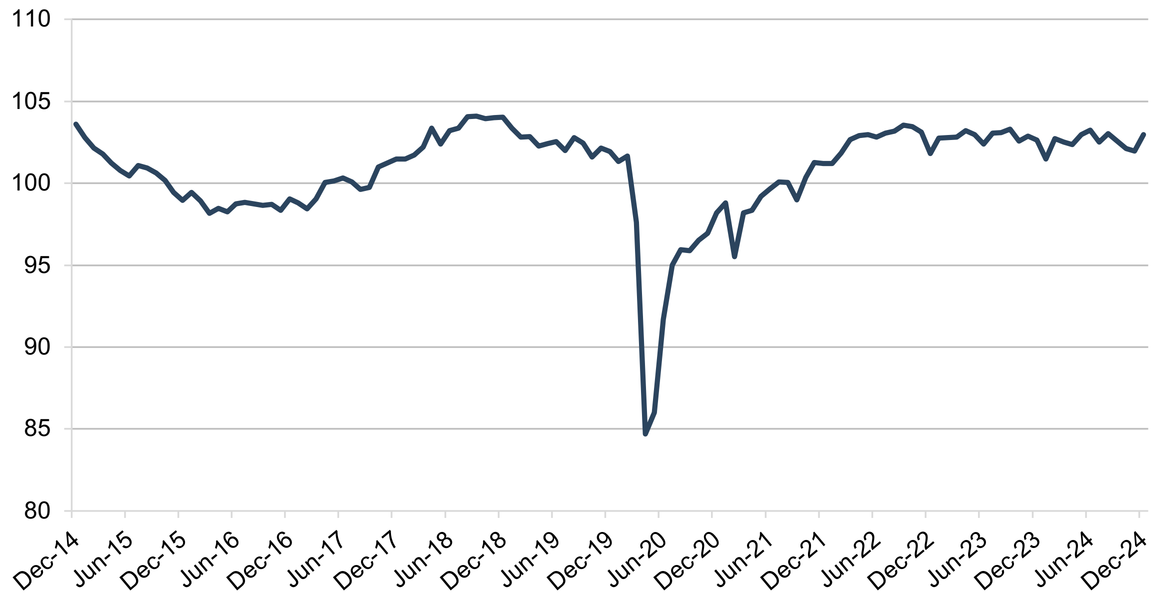
Industry Macro Trends

Industrial Production Index

The level of domestic **industrial production** directly impacts demand for transportation services. The Industrial Production Index is an economic measure of all real output from manufacturing, mining, electric, and gas utilities. The COVID-19 pandemic resulted in numerous shutdowns and lock-downs throughout the pandemic and high interest rates in recent years have resulted in canceled or delayed investments.

On December 18th, the Federal Reserve **decreased** the target federal funds interest rate by 25 basis points, to a target range of 4.25% to 4.5%. This drop followed similar drops in both September and November. Overall, production posted moderate growth for the year (0.34% since December 2023). Although industrial production did experience a decline of 0.65% in the third quarter, the index did grow 1.4% in the fourth quarter, indicating that recent interest rate cuts might be spurring manufacturing. After several months of decline, **manufacturing, mining, and utilities** all increased in December, able to end the year flat (manufacturing) or up (0.3% and 4.3% for mining and utilities, respectively.

Industrial Production Index (Seasonally Adjusted)



Source: Federal Reserve Bank of St. Louis

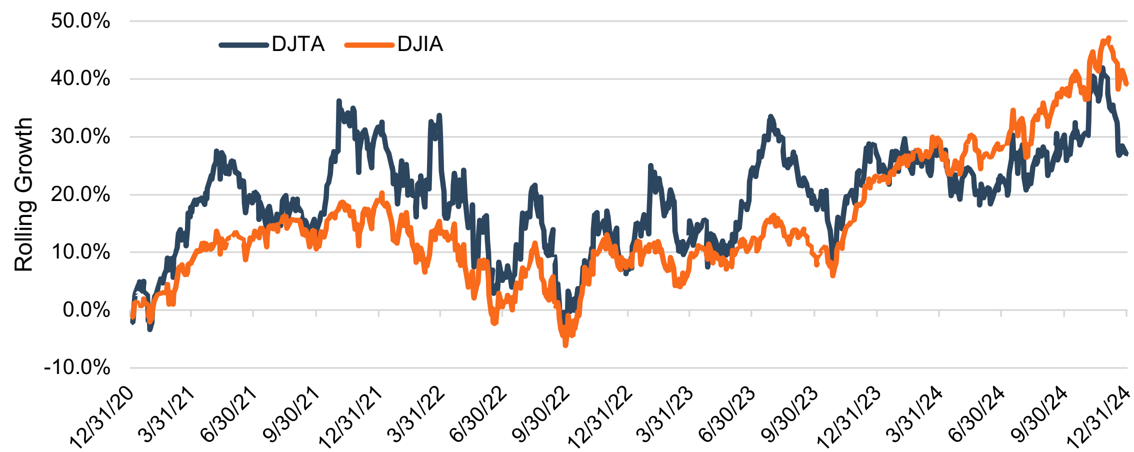
Indexed to 2017

Industry Macro Trends

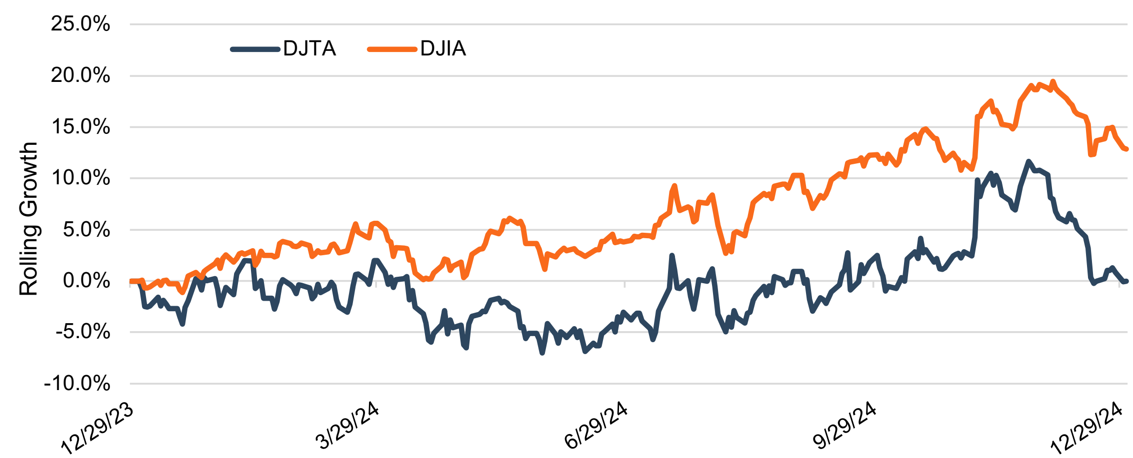
Dow Jones Transportation Index

The Dow Jones Transportation Average (**DJTA**) is a price-weighted average of 20 transportation stocks in the U.S. The DJTA is often interpreted as a signal of the health of the overall market – a divergence of the DJTA from the Dow Jones Industrial Average (DJIA) signals a coming reversal of the prevailing trend. In 2023, the DJTA outperformed the overall economy, growing nearly 19% over the year, while the DJIA grew 13.7% during the same period. In 2024, however, this trend has largely been reversed. Through the end of 2024, the DJIA had increased 12.9% while the DJTA is essentially unchanged from December 2023. In the fourth quarter alone, the DJIA increased 0.5% compared to the DJTA's decline of 2.45%. This divergence – occurring even during peak season and sales pulled forward prior to tariffs expected in 2025 - suggests an overall cooling of the economy.

Dow Jones Transportation Index



Source: Federal Reserve Bank of St. Louis



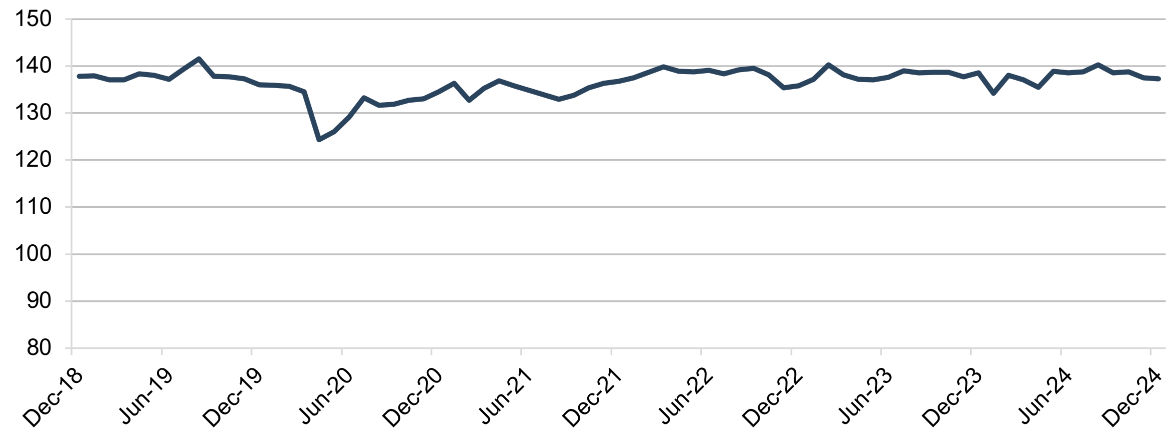
Source: Federal Reserve Bank of St. Louis

Industry Macro Trends

Transportation Services Index

The **Transportation Services Index** measures freight traffic in the United States, including rail, trucking, and marine shipping. The TSI decreased 0.15% on a monthly basis in December 2024 and decreased 0.87% relative to September 2024. This small decline was expected after a relatively modest peak season compared to recent years. The TSI declined by 0.87% on a year-over-year basis and ended the year at 137.50 in December 2024.

Transportation Services Index (Freight, Seasonally Adjusted)



Source: Bureau of Transportation Statistics

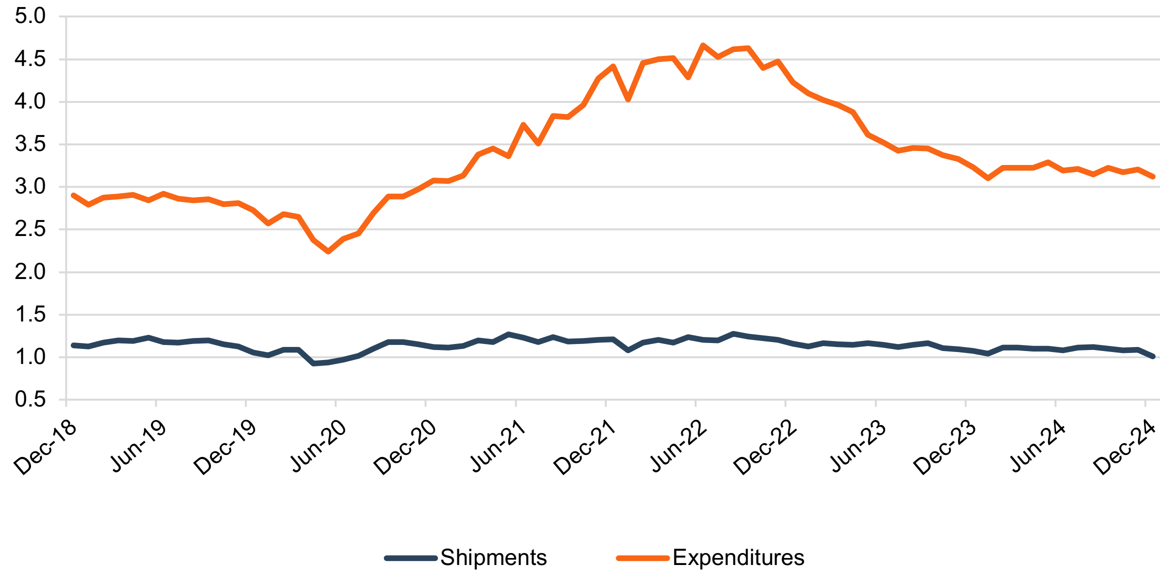
Indexed to January 2000

Industry Macro Trends

Cass Freight Index

The Cass Freight Index of shipments and expenditures is considered one of the best indicators of overall U.S. freight activity. In April 2020, shipments fell to their lowest levels since the Great Recession due to COVID-19 related shutdowns in the U.S. and abroad. During the Covid-19 pandemic, limits on freight capacity growth combined with increasing demand caused increasing spreads between expenditures and shipments. Fueled by e-commerce, shipments increased during the COVID era but have since declined to levels more commonly seen pre-pandemic. The Cass shipment index has decline on a year-over-year basis since February 2023. In the second quarter of 2024, the rate of year-over-year decline had slowed, potentially indicating the coming end of post-pandemic normalization, but shipments ultimately declined 6.5% on an annual basis in December 2024. While the index has declined on a year-over-year basis, monthly performance was varied throughout 2024. Although the second quarter led to hopes of improvement, the index declined 8.62% during the fourth quarter. The shipment index reached its lowest level since the pandemic in December 2024 at 1.007.

Cass Freight Index



Indexed to January 1990

Source: Cass Information Systems, Inc.

Industry Macro Trends

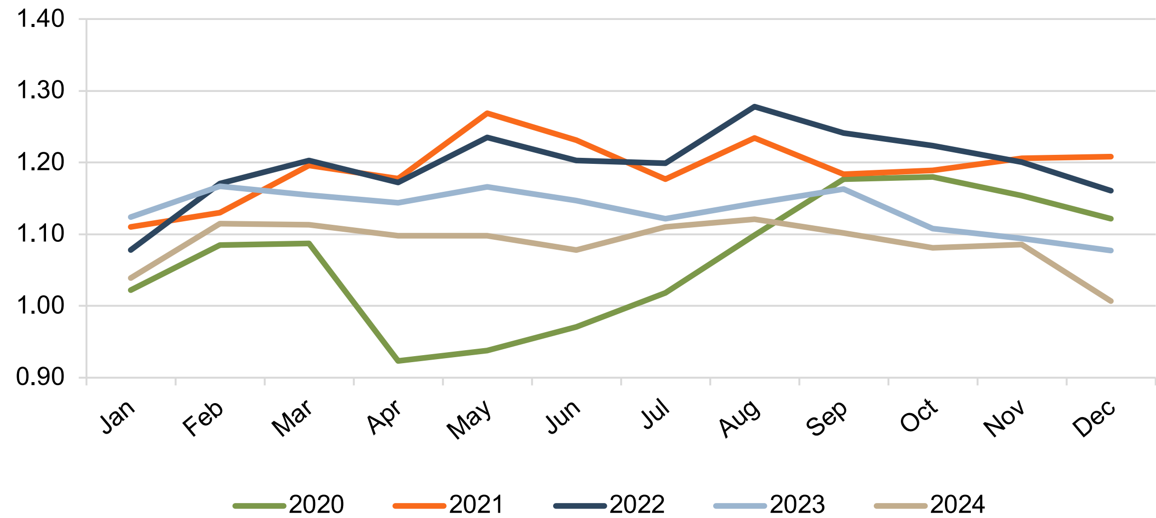
Cass Freight Index (cont.)

Expenditures posted large declines through the end of 2023, ultimately decreasing 24% over the year. This change was driven largely by the fall of spot rates (and the lagging adjustment of contract rates) from pandemic-induced highs. As we completed 2024, the year-over-year declines began to moderate. While December 2024 was 3.41% lower than December 2023, this compares favorably to the double digit declines of 2023 and early 2024. On a monthly basis, the change in the expenditures index varied as end of the year approached, decreasing 1.52% in October before rebounding slightly by 0.88% in November. The final month of the year saw the expenditure index decline again by 2.59%.

Shipments

The shipments index declined to 1.007 in December 2024, down 7.27% from November 2024. The shipments index also decreased 8.62% and 6.59% relative to September and June 2024, respectively. In terms of shipments, 2024 trended below all recent years, excluding abnormal pandemic levels, to end the year.

Cass Freight Shipments Index



Source: Cass Information Systems, Inc.

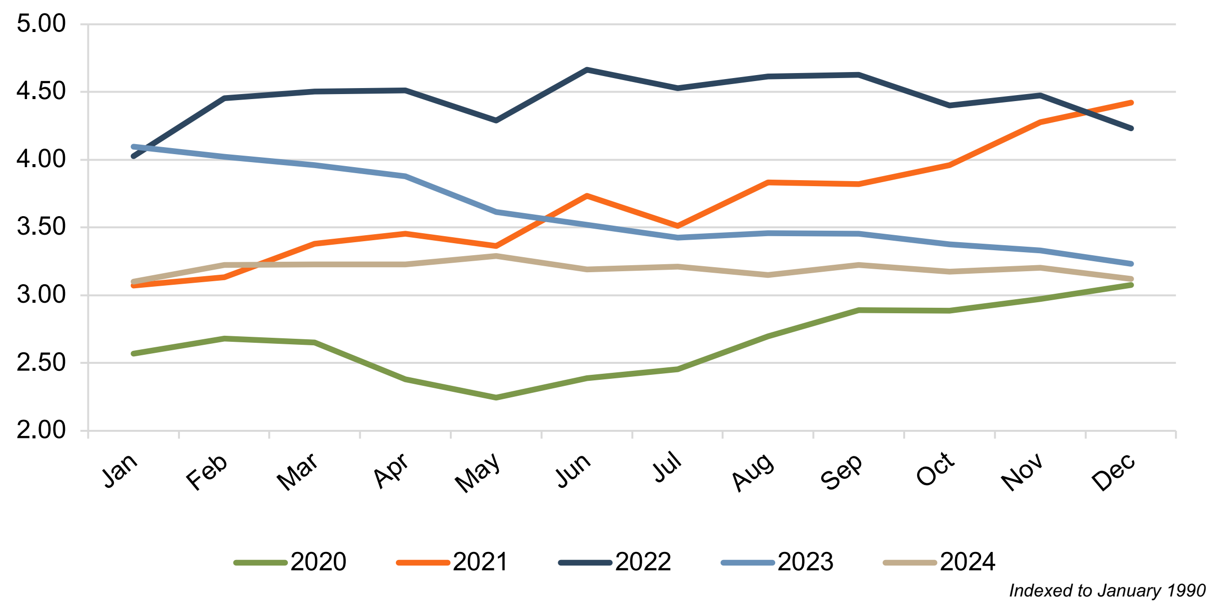
Indexed to January 1990

Industry Macro Trends

Expenditures

The expenditures index measures the total amount spent on freight. This index hit 3.120 in December 2024, down 3.23% from the prior quarter and 2.59% from November 2024. On a year-over-year basis it declined 3.41% relative to December 2023. The expenditures index had reached previously unrecorded levels during 2022. Increasing pricing for goods has decreased the demand for the slow-to-change capacity of freight, reducing stress on shipping prices.

Cass Freight Expenditures Index



Source: Cass Information Systems, Inc.

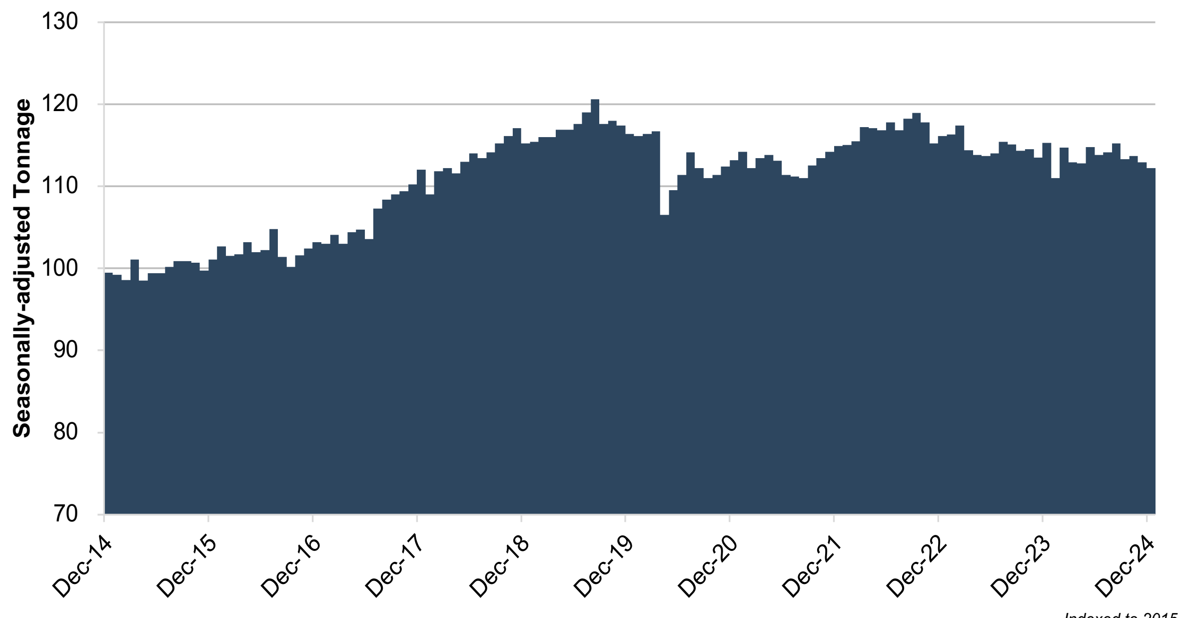
Trucking

Truck Tonnage

The American Trucking Association (ATA) **estimates** that trucking accounts for over 72% of all domestic freight tonnage and over 80% of total freight expenditures.

The truck tonnage index set a record level in August 2019. After falling off steeply at the start of the pandemic, truck tonnages generally increased throughout 2022. Reflective of the broad trend in the industry, truck tonnages experienced year-over-year declines during most of 2023 and 2024. Tonnage declines on a year-over-year basis were reported in 20 of the last 24 months. During the same period, 13 months reported declines on a monthly basis. Tonnage continued this decline in December 2024, resulting in an overall loss of 0.97% for the quarter and 2.69% on a year-over-year basis.

Truck Tonnage (Seasonally Adjusted)



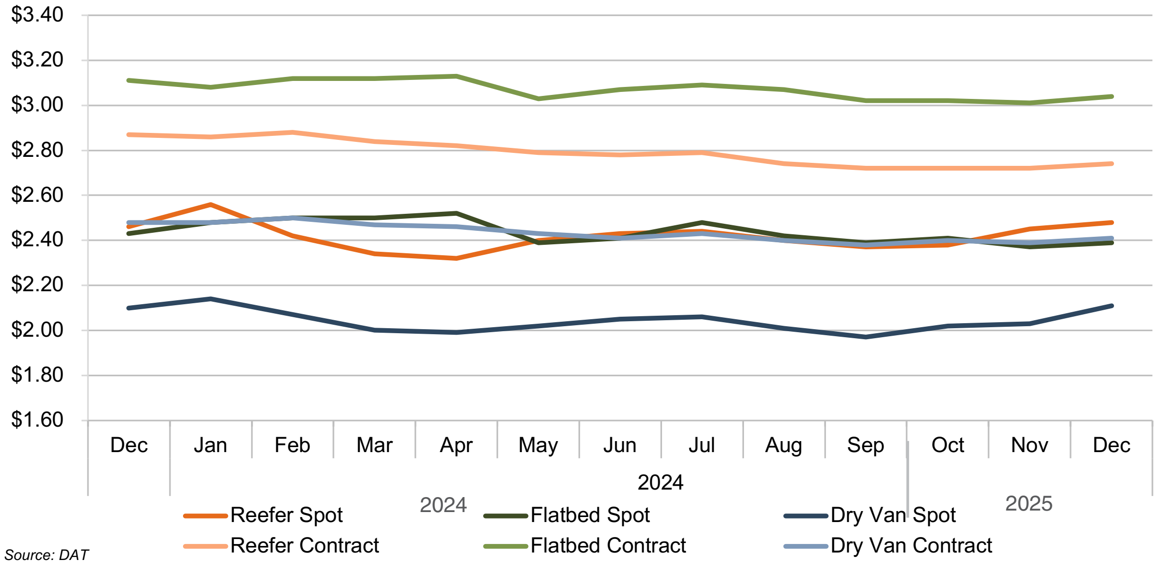
Source: Bureau of Transportation Statistics

Trucking

Spot vs. Contract Rates

The Spot vs. Contract Rates charts depicts monthly national average line haul rates and fuel surcharges from **DAT** for three classes of trucking freight – dry van, reefer (refrigerated), and flatbed. Shippers can enter contracts that lock in a static contract rate for a period of time. Spot rates, on the other hand, are one-time shipping quotes for a specific transaction or series of transactions. As capacity tightened during 2021, spot rates eclipsed contract rates in the reefer and van categories. The softening of demand during 2022 resulted in the opposite trend. Contract rates have exceeded spot rates since April 2022 in all three classes. Spot and contract rates have slowed their declines in recent months, with rates occasionally posting month-over-month gains while still reporting year-over-year declines. On a quarterly basis, almost all categories increased relative to September 2024 between $0.02 and $0.14. The lone outlier was flatbed spot rates, which had no change between the third and fourth quarter.

Spot vs. Contract Rates (March 2024 - March 2025)



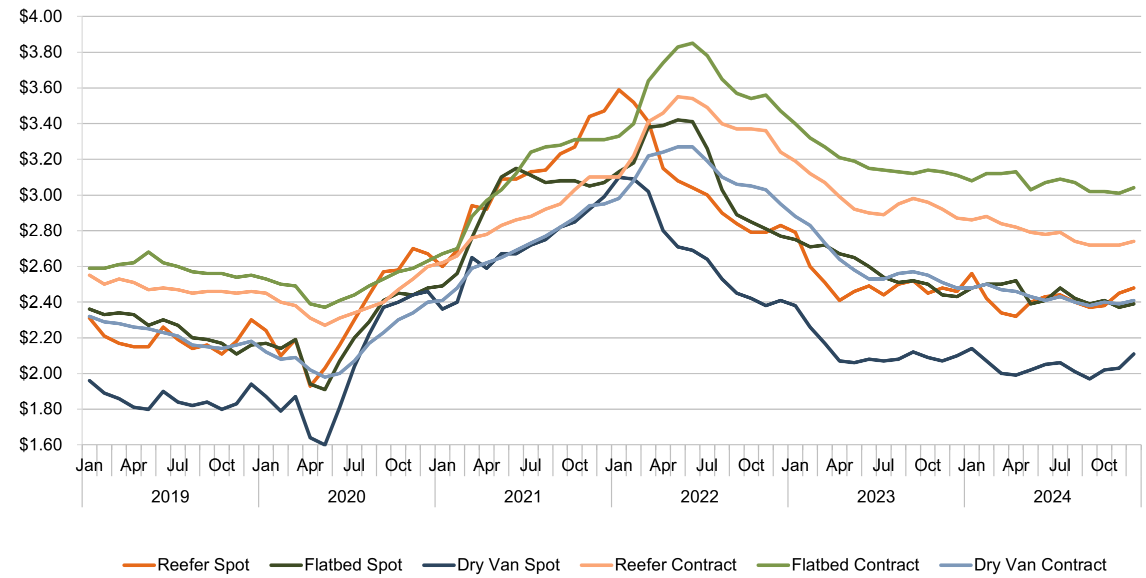
Source: DAT

Trucking

Spot vs. Contract Rates (cont.)

Contract rates for all three classes declined on a year-over-year basis. On the spot rate front, dry van and reefer rates increased while flatbed rates reported a decline of 1.65% relative to December 2023. Spot rates initially declined faster than their contract rate counterparts before rebounding to similar levels from the prior year. On a year-over-year basis, reefer spot rates increased 0.81% while reefer contract rates declined 4.53%. Flatbed spot rates dipped slightly, declining 1.65%, while contract rates declined 2.25% relative to December 2023. Dry van contract rates declined 2.82% year-over-year. Dry van spot rates were somewhat volatile throughout 2024, going through several cycles of gain and decline. They did end the year on an upward trend of 0.48%. Dry van spot rates in December 2024 increased 3.94% from November and 7.1% compared to the third quarter.

Spot vs. Contract Rates (January 2021 - March 2025)



Source: DAT

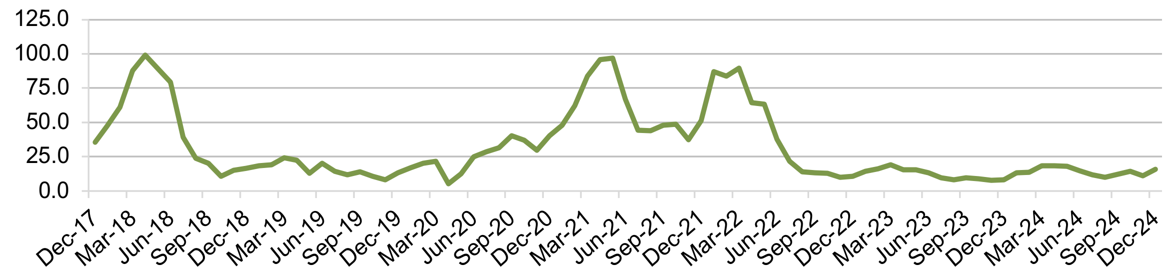
Trucking

Load-to-Truck Ratio

The load-to-truck ratio is calculated by dividing the total number of loads for shipment by the total number of trucks available. As a result, the load-to-truck ratio can signal a shortage or excess of capacity, which in turn influences changes in freight. An increase in the ratio (i.e., a higher number of loads relative to the level of available trucks) is typically associated with shipping rate increases. While economic factors typically push supply and demand, compression or expansion that occurs faster in the shipping industry can accelerate movements faster than the overall economy.

While 2023 was marked mostly by year-over-year declines in load-to-van ratios as the industry normalized, 2024 was largely marked by gains. During the third quarter, reefer and dry van load-to-truck ratios softened slightly, but experienced strong recoveries at the year's end. The flatbed load-to-truck ratio has posted nine months of double-digit growth in 2024, reversing year-over-year declines that had persisted since 2022. Flatbed load-to-van metrics are up 30% relative to September 2024 and have increased nearly 41% in the last month.

Flatbed Load-to-Truck



Source: DAT

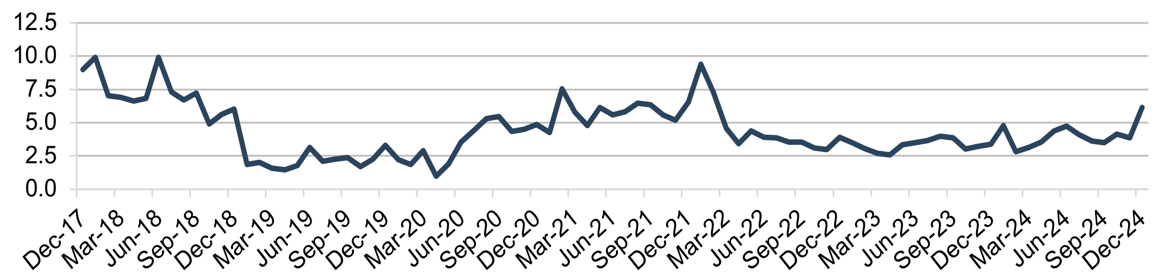
Trucking

Load-to-Truck Ratio (cont.)

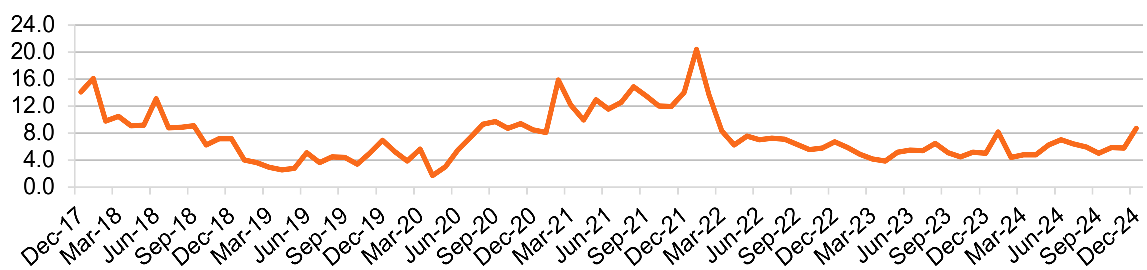
Van and reefer ratios increased 82.2% and 74.9%, respectively, on a year-over-year basis, reaching their highest level since 2022. On a monthly basis, both van and reefer ratios have climbed sharply since November 2024 and are up 59.48% and 50.52%, respectively. Over the entire fourth quarter, the load-to-truck ratio grew approximately 75% for both van and reefers.

For **flatbed**, rates had a very volatile year due to the uncertainty in the presidential election and possible declines in interest rates. **Dry van** loads decreased by 7% due to the ILA strike in the third quarter before their steep quarter four rise. **Reefer** load-to-truck was growth slowed slightly during late summer as produce seasons changed and lower-volume crops became ready for harvesting. Reefer load-to-truck ratios resumed the upward trend in rates to the end of the year.

Dry Van Load-to-Truck



Reefer Load-to-Truck



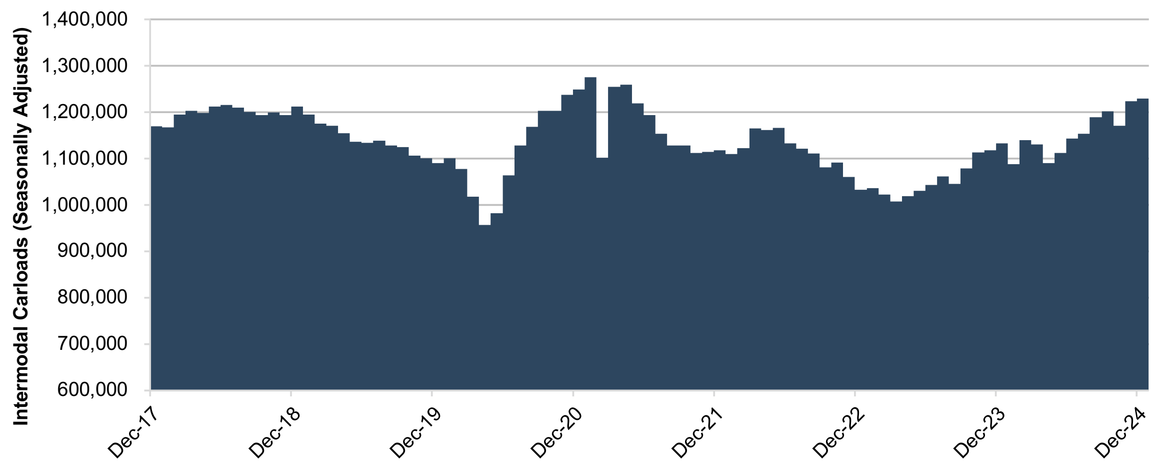
Source: DAT

Rail & Intermodal

Rail Freight Intermodal Traffic

As reported by the **Bureau of Transportation Statistics**, rail freight intermodal traffic posted an increase of 8.6% on a year-over-year basis, the fifteenth straight month of year-over-year growth. Rail freight increased 2.34% on a quarterly basis. Ongoing labor disputes and a push for greater safety regulations led us to believe that there may be disruptions for rail shipping in late 2024 and early 2025, but the December 2024 carload level is the highest level reported since April 2021.

Rail Freight Intermodal Traffic



Source: Bureau of Transportation Statistics

M&A Activity

Featured Transactions

Air Transport Services Group / Stonepeak Partners

Stonepeak Partners entered into an agreement to acquire Air Transport Services Group (ATSG) for a total consideration of $3.15 billion on November 4th. ATSG is a premier provider of aircraft leasing and transportation solutions for both domestic and international air carriers. Their revenue and EBITDA multiples of 1.58x and 6.24x imply room for future bottom line growth based on their established fleet and numerous services.

IMC Logistics LLC / Kuehne + Nagel International AG

On November 14th Kuehne + Nagel International (KHIN) acquired a 51% stake in the privately held company IMC Logistics. IMC is locally headquartered in Collierville, Tennessee with over 40 years of experience in end-to-end transportation solutions. This investment enhances Kuehne + Nagel's access to one of the largest logistics networks and adds flexibility to their supply chain solutions.

Select Transactions

Target	Buyer	Date Announced	Deal Status	Total Deal Value	Deal Value to Sales	Deal Value to EBITDA
Ground Freight						
Krupp Trucking, LLC	AIT Worldwide Logistics, Inc.	1/7/25	Closed	-	-	-
Texas Auto Carriers, Inc.	Guardian Fleet Services, Inc.	1/7/25	Closed	-	-	-
Watt & Stewart Commodities Inc.	Trimac Transportation Services Inc.	1/17/25	Closed	-	-	-
Final Mile Technologies, LLC	MainStreetChamber Holdings, Inc. (OTCP-K:MSCH)	1/23/25	Announced	-	-	-
A-Mrazek Moving Systems, Inc.	McCollister's Transportation Group, Inc.	2/21/25	Announced	-	-	-
Ckj Transport Of North Texas	Miles Ahead Brands Services, LLC	3/3/25	Closed	-	-	-
Alexander & Blake Limited	Lauritzen Bulkers A/S	3/6/25	Closed	-	-	-
Evergreen Transport, LLC.	Kenan Advantage Group, Inc.	3/6/25	Closed	-	-	-
Canal Cartage Company	Gulf Winds International, Inc.	1/1/25	Closed	-	-	-
Eagle Eyes Transport, Inc.	Talaria Transportation, LLC	3/20/25	Announced	-	-	-
National Transport, Inc	Interstate Waste Services, Inc.	3/19/25	Closed	-	-	-
M. C. Tank Transport, Inc.	Kenan Advantage Group, Inc.	3/26/25	Closed	-	-	-
Walmart Fleet ULC	Canada Cartage Diversified ULC	1/30/25	Announced	-	-	-
Rail						
Lehigh Valley Rail Management LLC	Phoenix Rail	1/28/25	Closed	-	-	-
Sabine River & Northern Railroad LLC	County Line Rail Services LLC	3/17/25	Closed	-	-	-

Source: S&P Global Market Intelligence
in USD millions

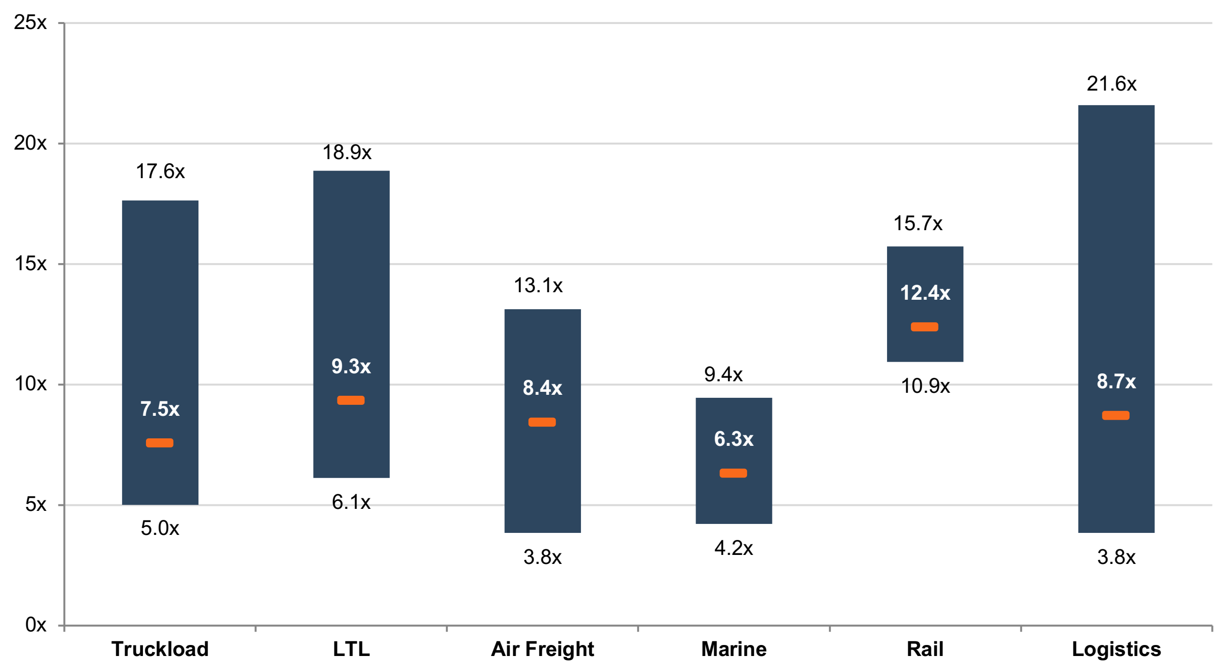
Select Transactions (cont.)

Target	Buyer	Date Announced	Deal Status	Total Deal Value	Deal Value to Sales	Deal Value to EBITDA
Air Freight and Logistics						
FreightCenter Inc.	Blue-Grace Logistics LLC	1/7/25	Closed	-	-	-
Vinum55 Logistics, LLC	TWM Transport, LLC	1/14/25	Closed	-	-	-
AB Global Logistics Consulting, Inc.	Delmar International Inc.	1/20/25	Closed	-	-	-
Integrated Logistics 2000, LLC	eShipping, LLC	1/23/25	Closed	-	-	-
Livingston Group	Purolator Inc.	1/31/25	Closed	-	-	-
Dth Expeditors, Inc.	IMPERATIVE LOGISTICS GROUP, LLC	2/12/25	Closed	-	-	-
Modern Transport Solutions	Atomic Transport, LLC	2/25/25	Closed	-	-	-
Saturn Freight Systems, Inc.	Allstates WorldCargo, Inc.	2/26/25	Closed	-	-	-
Transcon Shipping Co., Inc.	Radiant Logistics, Inc. (NYSEAM:RLGT)	3/3/25	Closed	-	-	-
Leopard Transnational Inc.	Armlogi Holding Corp. (NasdaqGM:BTOC)	3/6/25	Announced	-	-	-
Pure NJ Logistics LLC	Smart Repair Pro	3/11/25	Closed	2.60	-	-
Unique Logistics International, Inc.	DP World Logistics USA, Inc.	3/11/25	Announced	93.31	0.3	11.0
North Coast Logistics, Inc.	Cobalt Wine Logistics LLC	3/18/25	Closed	-	-	-
J&J Transportation Consultants Inc	Neace Ventures	3/27/25	Closed	-	-	-
Thoroughbred Transportation Inc.	Neace Ventures	3/27/25	Closed	-	-	-
PDP Courier Services (USA) Inc.	DHL Supply Chain International Holding B.V.	3/31/25	Announced	-	-	-
DSS Logistics Inc	SDS Logistics	2/18/25	Closed	-	-	-
Too Express Group Inc.	Chijet Motor (USA) Company Inc.	2/25/25	Announced	50.00	-	-
HPL-Apollo, LLC	Hellmann Worldwide Logistics, Inc.	2/3/25	Closed	-	-	-

Source: S&P Global Market Intelligence
in USD millions

Public Company Performance

Monthly Median TEV/EBITDA Multiples (as of December 2025)



Source: S&P Capital IQ

Data from most recent filing available, excludes outliers

Publicly Traded Companies

Company Name	Ticker	Price at 12/31/24	QoQ Price Change	Enterprise Value	Debt / Total Capital	Return on Assets	LTM Rev.	LTM EBITDA Margin	LTM Multiples EV / Rev.	LTM Multiples EV / EBITDA	LTM Multiples Price / Earn.	Forward Multiples EV / EBITDA	Forward Multiples Price / Earn.
Truckload													
J.B. Hunt Transport Services, Inc.	JBHT	$170.66	7%	$18,990	9%	6%	$3,146	13%	6.0x	46.0x	110.7x	12.3x	30.5x
Ryder System, Inc.	R	$156.86	27%	$15,229	56%	4%	$3,189	23%	4.8x	21.1x	46.7x	5.3x	12.2x
Knight-Swift Transportation Holdings Inc.	KNX	$53.04	6%	$11,795	27%	1%	$1,864	14%	6.3x	44.0x	281.9x	10.1x	36.5x
Landstar System, Inc.	LSTR	$171.86	-7%	$5,665	-7%	8%	$1,213	6%	4.7x	80.8x	121.4x	20.8x	36.1x
Schneider National, Inc.	SNDR	$29.28	21%	$5,162	1%	2%	$1,316	11%	3.9x	35.6x	167.6x	7.6x	34.7x
Werner Enterprises, Inc.	WERN	$35.92	0%	$2,937	24%	1%	$755	10%	3.9x	37.2x	338.2x	8.6x	123.6x
Heartland Express, Inc.	HTLD	$11.22	-9%	$1,066	17%	-1%	$243	16%	4.4x	27.4x	nm	7.0x	nm
Universal Logistics Holdings, Inc.	ULH	$45.94	13%	$1,818	33%	6%	$465	16%	3.9x	23.9x	45.6x	7.2x	23.6x
Marten Transport, Ltd.	MRTN	$15.61	-15%	$1,229	-3%	1%	$230	15%	5.3x	34.6x	225.7x	8.5x	48.9x
Covenant Logistics Group, Inc.	CVLG	$27.26	11%	$1,000	28%	4%	$277	14%	3.6x	26.6x	55.1x	6.8x	15.7x
Pamt Corp.	PAMT	$16.38	-6%	$553	36%	-4%	$167	8%	3.3x	41.1x	147.9x	7.3x	nm
Proficient Auto Logistics, Inc.	PAL	$8.07	-50%	$286	24%	0%	$93	6%	3.1x	54.0x	nm	6.3x	17.8x
Titanium Transportation Group Inc.	TTNM	$1.63	3%	$188	61%	2%	$88	9%	2.1x	24.7x	nm	6.4x	nm
Median			**3%**		**24%**			**13.1%**	**3.9x**	**35.6x**	**134.6x**	**7.3x**	**32.6x**

Source: S&P Global Market Intelligence
USD millions except per share values

Publicly Traded Companies

							LTM		LTM Multiples			Forward Multiples	
Company Name	**Ticker**	**Price at 12/31/24**	**QoQ Price Change**	**Enterprise Value**	**Debt / Total Capital**	**Return on Assets**	**Rev.**	**EBITDA Margin**	**EV / Rev.**	**EV / EBITDA**	**Price / Earn.**	**EV / EBITDA**	**Price / Earn.**
Less-Than-Truckload													
Old Dominion Freight Line, Inc.	ODFL	$176.40	0%	$37,647	0%	17%	$1,386	31%	27.2x	89.0x	122.0x	21.1x	34.9x
Saia, Inc.	SAIA	$455.73	-4%	$12,383	2%	9%	$789	20%	15.7x	77.4x	130.3x	21.3x	50.3x
ArcBest Corporation	ARCB	$93.32	-13%	$2,398	9%	3%	$1,002	7%	2.4x	33.7x	21.8x	7.7x	18.5x
Mullen Group Ltd.	MTL	$10.13	6%	$1,500	41%	6%	$347	13%	4.3x	32.4x	31.3x	6.2x	11.9x
Median			**-2%**		**6%**			**17%**	**10.0x**	**55.5x**	**76.7x**	**14.4x**	**26.7x**
Air Freight													
Air T, Inc.	AIRT	$19.95	-6%	$202	73%	1%	$81	6%	2.5x	nm	21.9x	nm	nm
Forward Air Corporation	FWRD	$32.25	69%	$2,996	69%	1%	$656	10%	4.6x	47.7x	nm	10.0x	nm
Cargojet Inc.	CJT	$74.97	-27%	$1,673	29%	5%	$182	28%	9.2x	33.1x	54.1x	6.7x	18.5x
Lakeside Holding Limited	LSH	$2.50	-38%	$21	12%	-36%	$4	-31%	5.2x	NM	nm	nm	nm
Median			**-17%**		**49%**			**8%**	**4.9x**	**40.4x**	**38.0x**	**8.3x**	**18.5x**

Source: S&P Global Market Intelligence
USD millions except per share values

Publicly Traded Companies

Company Name	Ticker	Price at 12/31/24	QoQ Price Change	Enterprise Value	Debt / Total Capital	Return on Assets	LTM Rev.	LTM EBITDA Margin	LTM Multiples EV / Rev.	LTM Multiples EV / EBITDA	LTM Multiples Price / Earn.	Forward Multiples EV / EBITDA	Forward Multiples Price / Earn.
Marine													
Kirby Corporation	KEX	$105.80	-12%	$7,168	15%	4%	$802	14%	8.9x	62.2x	67.5x	9.1x	16.2x
Matson, Inc.	MATX	$134.84	3%	$4,865	8%	9%	$890	22%	5.5x	24.6x	22.5x	8.0x	12.7x
Pangaea Logistics Solutions, Ltd.	PANL	$5.36	-32%	$590	41%	3%	$147	15%	4.0x	26.1x	68.1x	8.0x	51.0x
Genco Shipping & Trading Limited	GNK	$13.94	-35%	$625	5%	3%	$99	33%	6.3x	19.2x	27.8x	6.7x	39.2x
Algoma Central Corporation	ALC	$10.29	-1%	$690	40%	3%	$145	30%	4.8x	15.9x	14.1x	4.2x	7.5x
Median			**-12%**		**15%**				**5.5x**	**24.6x**	**27.8x**	**8.0x**	**16.2x**
Railroads													
Union Pacific Corporation	UNP	$228.04	1%	$169,980	19%	9%	$6,121	51%	27.8x	54.1x	82.7x	13.5x	19.7x
Canadian National Railway Company	CNR	$101.45	-14%	$78,310	18%	8%	$3,029	51%	25.9x	50.5x	79.5x	12.2x	18.0x
CSX Corporation	CSX	$32.27	-4%	$79,713	22%	7%	$3,539	47%	22.5x	47.6x	69.6x	12.2x	19.6x
Norfolk Southern Corporation	NSC	$234.70	9%	$69,856	24%	7%	$3,024	45%	23.1x	51.3x	48.3x	12.0x	18.6x
FTAI Infrastructure Inc.	FIP	$7.26	-16%	$2,659	55%	0%	$81	48%	32.9x	68.3x	nm	8.3x	nm
Canadian Pacific Kansas City Limited	CP	$72.34	-8%	$83,074	19%	4%	$2,692	54%	30.9x	57.1x	109.0x	14.1x	20.9x
Median			**-6%**		**20%**				**26.8x**	**52.7x**	**79.5x**	**12.2x**	**19.6x**

Source: S&P Global Market Intelligence
USD millions except per share values

Publicly Traded Companies

							LTM		LTM Multiples			Forward Multiples	
Company Name	Ticker	Price at 12/31/24	QoQ Price Change	Enterprise Value	Debt / Total Capital	Return on Assets	Rev.	EBITDA Margin	EV / Rev.	EV / EBITDA	Price / Earn.	EV / EBITDA	Price / Earn.
Logistics & Intermodal													
United Parcel Service, Inc.	UPS	$126.10	-8%	$127,819	16%	7%	$25,301	12%	5.1x	42.9x	18.6x	10.7x	18.1x
FedEx Corporation	FDX	$281.33	-6%	$99,927	32%	5%	$21,967	11%	4.5x	40.1x	15.6x	9.7x	15.7x
Expeditors International of Washington, Inc.	EXPD	$110.77	-11%	$14,757	-5%	15%	$3,000	11%	4.9x	46.5x	67.5x	14.6x	20.7x
TFI International Inc.	TFII	$135.00	-7%	$14,350	20%	6%	$2,077	13%	6.9x	53.0x	89.3x	11.9x	28.3x
XPO, Inc.	XPO	$131.15	24%	$19,087	20%	6%	$1,922	15%	9.9x	66.0x	160.7x	15.1x	36.5x
RXO, Inc.	RXO	$23.84	-9%	$4,481	14%	0%	$1,040	3%	4.3x	nm	nm	30.6x	163.4x
GXO Logistics, Inc.	GXO	$43.50	-14%	$10,211	49%	2%	$3,157	7%	3.2x	44.8x	157.5x	11.9x	17.5x
C.H. Robinson Worldwide, Inc.	CHRW	$103.32	17%	$13,998	13%	9%	$4,185	5%	3.3x	68.4x	125.6x	15.7x	21.8x
Forward Air Corporation	FWRD	$32.25	69%	$2,996	69%	1%	$656	10%	4.6x	47.7x	nm	10.0x	nm
Hub Group, Inc.	HUBG	$44.56	4%	$3,073	11%	3%	$974	8%	3.2x	37.7x	115.8x	9.3x	23.4x
Radiant Logistics, Inc.	RLGT	$6.70	18%	$353	13%	3%	$204	4%	1.7x	40.1x	91.0x	8.8x	14.9x
Armlogi Holding Corp.	BTOC	$4.15	-12%	$286	39%	-5%	$42	-17%	6.7x	nm	nm	nm	nm
Toppoint Holdings Inc.	TOPP	$0.00	nm	$0	nm	-9%	$4	-11%	0.0x	nm	nm	nm	nm
Callan JMB Inc.	CJMB	$0.00	nm	$0	nm	-29%	$1	-52%	0.0x	nm	nm	nm	nm
FTAI Infrastructure Inc.	FIP	$7.26	-16%	$2,659	55%	0%	$81	48%	32.9x	68.3x	nm	8.3x	nm
Median			**-7%**		**20%**				**4.5x**	**46.5x**	**91.0x**	**11.3x**	**21.2x**

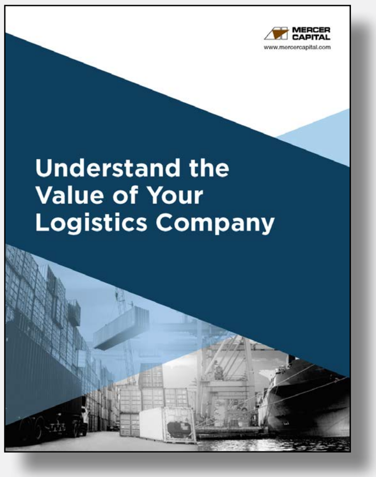
Source: S&P Global Market Intelligence
USD millions except per share values

Publicly Traded Companies

Company Name	Ticker	Price at 3/31/25	QoQ Price Change	Enterprise Value	Debt / Total Capital	Return on Assets	LTM Rev.	LTM EBITDA Margin	LTM Multiples EV / Rev.	LTM Multiples EV / EBITDA	LTM Multiples Price / Earn.	Forward Multiples EV / EBITDA	Forward Multiples Price / Earn.
Individual Transportation Brokerage													
Uber Technologies, Inc.	UBER	$60.32	-17%	$128,522	1%	5%	$11,959	8%	10.7x	nm	nm	14.9x	21.1x
Lyft, Inc.	LYFT	$12.90	-9%	$4,666	-15%	-1%	$1,523	2%	3.1x	nm	nm	9.1x	11.4x
Median			**-13%**		**-7%**				**6.9x**	**nm**	**nm**	**12.0x**	**16.2x**
Autonomous Trucking													
Freight Technologies, Inc.	FRGT	$7.56	-78%	$1,245	nm	0%	$3	-47%	444.4x	-949.3x	nm	nm	nm
Argo Corporation	ARGH	$0.09	-68%	$16	nm	-29%	$0	-410%	47.9x	nm	nm	nm	nm
Median			**-73%**		**nm**				**246.2x**	**nm**	**nm**	**nm**	**nm**

Source: S&P Global Market Intelligence
USD millions except per share values

OTHER RESOURCES

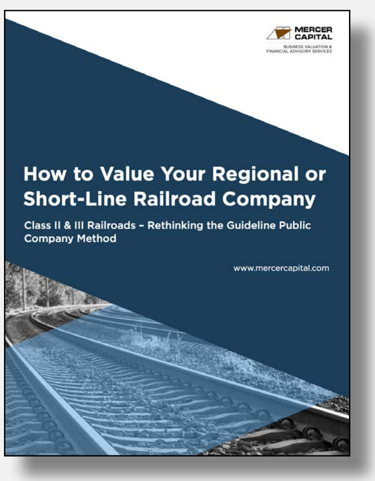


WHITEPAPER

Understand the Value of Your Logistics Company

There are many reasons why a logistics company can be worth more or less than a standard rule of thumb might imply, and many reasons why a particular interest in a logistics company can be worth more or less than the pro rata value implied by that rule of thumb. This whitepaper provides useful information as to how logistics companies are valued and what impact that might have on their owners. The whitepaper breaks down basic concepts that must be defined in every valuation and goes into depth about three commonly accepted approaches to value. Financial and market considerations are discussed as are the differences between public and private companies as well as public and private logistics companies.

DOWNLOAD PDF



WHITEPAPER

How to Value Your Regional or Short-Line Railroad Company

In the railroad industry, Class I public company multiples are often used to estimate the fair market value of private railroads classified as Class II or Class III. In almost every case, this method significantly misrepresents the fair market value of private railroad operations. In this whitepaper, we explain why public company multiples can be misleading and discuss the mechanics of valuation used by professional business appraisers. We do so in order to provide you with the knowledge and vocabulary necessary to be an informed consumer of business valuation services and, more importantly, to understand the value of your regional or short-line railroad company.

DOWNLOAD PDF

Mercer Capital

Transportation & Logistics Industry Services

www.mercercapital.com

Valuation and Advisory Expertise for the Transportation Industry

At Mercer Capital, we specialize in delivering valuation, financial advisory, and transaction advisory services to companies across the full spectrum of the transportation industry, including trucking, air freight, marine, railroads, logistics, and intermodal sectors.

As a national valuation and advisory firm, Mercer Capital delivers a broad range of services tailored to the unique needs of transportation businesses. Backed by thousands of thoroughly documented and well-reasoned valuations, our expertise is trusted by operators, investors, and advisors alike.

In addition to valuation, our transaction advisory services support companies through mergers, acquisitions, and divestitures, offering transaction guidance grounded in deep industry insight and valuation experience.

We recognize the operational complexities and market forces that shape your industry. Whether you're contemplating or responding to a transaction, planning for succession, have a need for estate planning, or are seeking strategic clarity, Mercer Capital can help.

Industry Segments

Mercer Capital serves the following industry segments:

- Trucking
- Air Freight
- Marine
- Railroads
- Logistics & Intermodal

Services Provided

- Valuation of transportation and logistics companies
- Transaction advisory for acquisitions and divestitures
- Valuations for purchase accounting and impairment testing
- Fairness and solvency opinions
- Litigation support for economic damages and valuation and shareholder disputes

Contact Us

Samantha L. Albert, ASA
901.322.9702
alberts@mercercapital.com

Nicholas J. Heinz, ASA
901.685.2120
heinzn@mercercapital.com

Timothy R. Lee, ASA
901.322.9740
leet@mercercapital.com

Mercer Capital

www.mercercapital.com