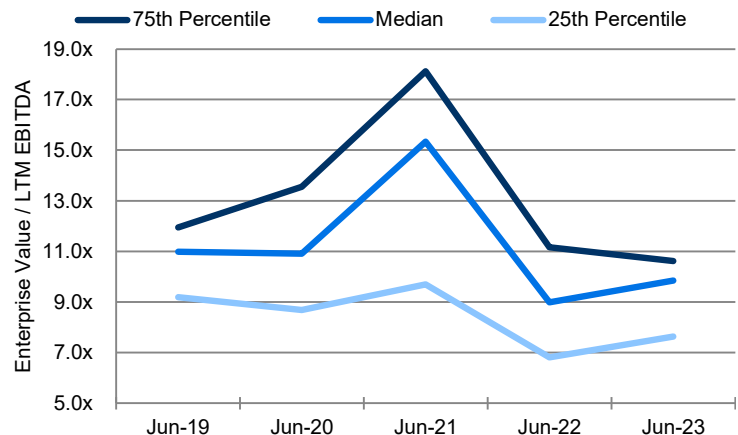


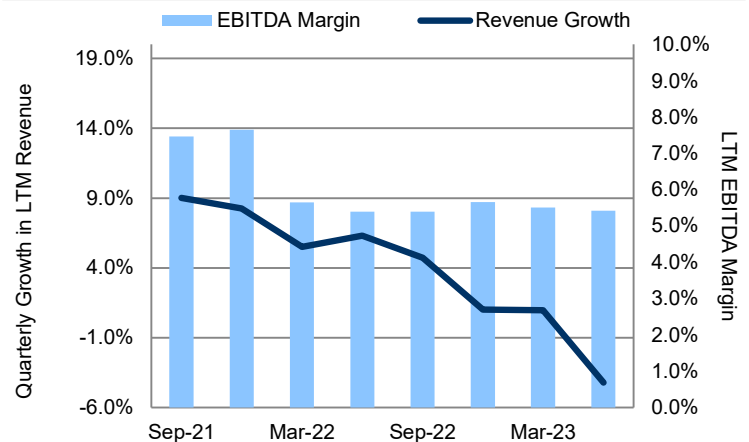
M&A Activity

- M&A activity has recently come under considerable pressure as market participants navigate inflationary pressures, rising interest rates and continued geopolitical tension. 2021's abundant liquidity and record setting activity is firmly in the rear view. Despite this, 2023 M&A activity is poised for a modest bounce back as equity markets and EBITDA multiples have come down to more attractive levels for buyers. Boosting growth, restructuring business models, digital transformation and geographic expansion are expected to be top priorities for deal makers as they navigate the remainder of 2023. The outlook for air freight and logistics companies remains mostly positive with an uptick in acquisitions expected as industry participants continue to navigate recovering supply chains and global demand.

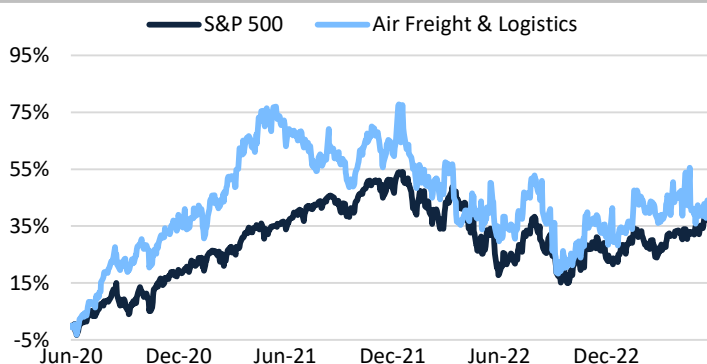
Trend in Industry EBITDA Multiples¹



Trends in Revenue Growth and EBITDA Margins¹



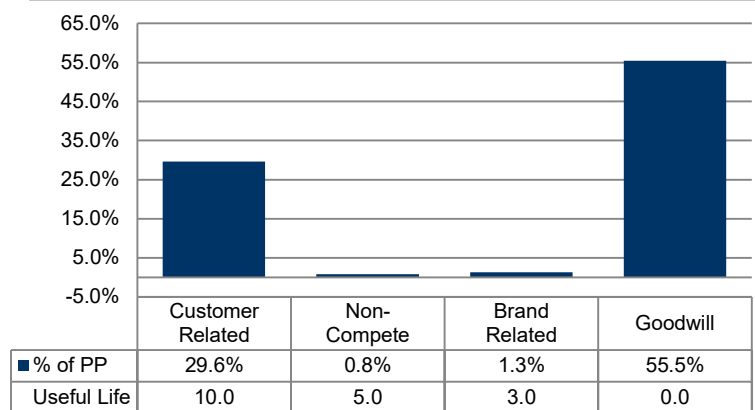
Relative Stock Price Returns²



¹ Calculated using aggregated data for CHRW, ECHO, UPS, FDX, JBHT, LSTR, FWRD, HUBG, XPO, KNIN, EXPD, DSV, RLGT.

² Air Freight & Logistics Industry is a custom, equal-weighted index constructed with the aforementioned companies.

Purchase Price Allocation (PPA) % from Recent Transactions



Notable M&A Deals



On June 6, 2023, Kuehne+Nagel signed an agreement to acquire Morgan Cargo, a leading South African, UK and Kenyan freight forwarder specialized in the transport and handling of perishable goods. During 2022 the company handled more than 40,000 tons of air freight and more than 20,000 TEU of sea freight globally, managed by approximately 450 logistics experts.



On May 1, 2023, TFI International has agreed to acquire Canada-based Siemens Transportation Group and has completed the acquisition of Wisconsin-based Hot Line Freight Systems. Siemens Transportation Group Inc., through its subsidiaries, provides all varieties of transportation services throughout North America. STG generated approximately CAD 150 million of revenue in 2022.