Transport & Logistics Barometer

2024 mid-year analysis

M&A deals, joint ventures and strategic alliances in the transport and logistics industry

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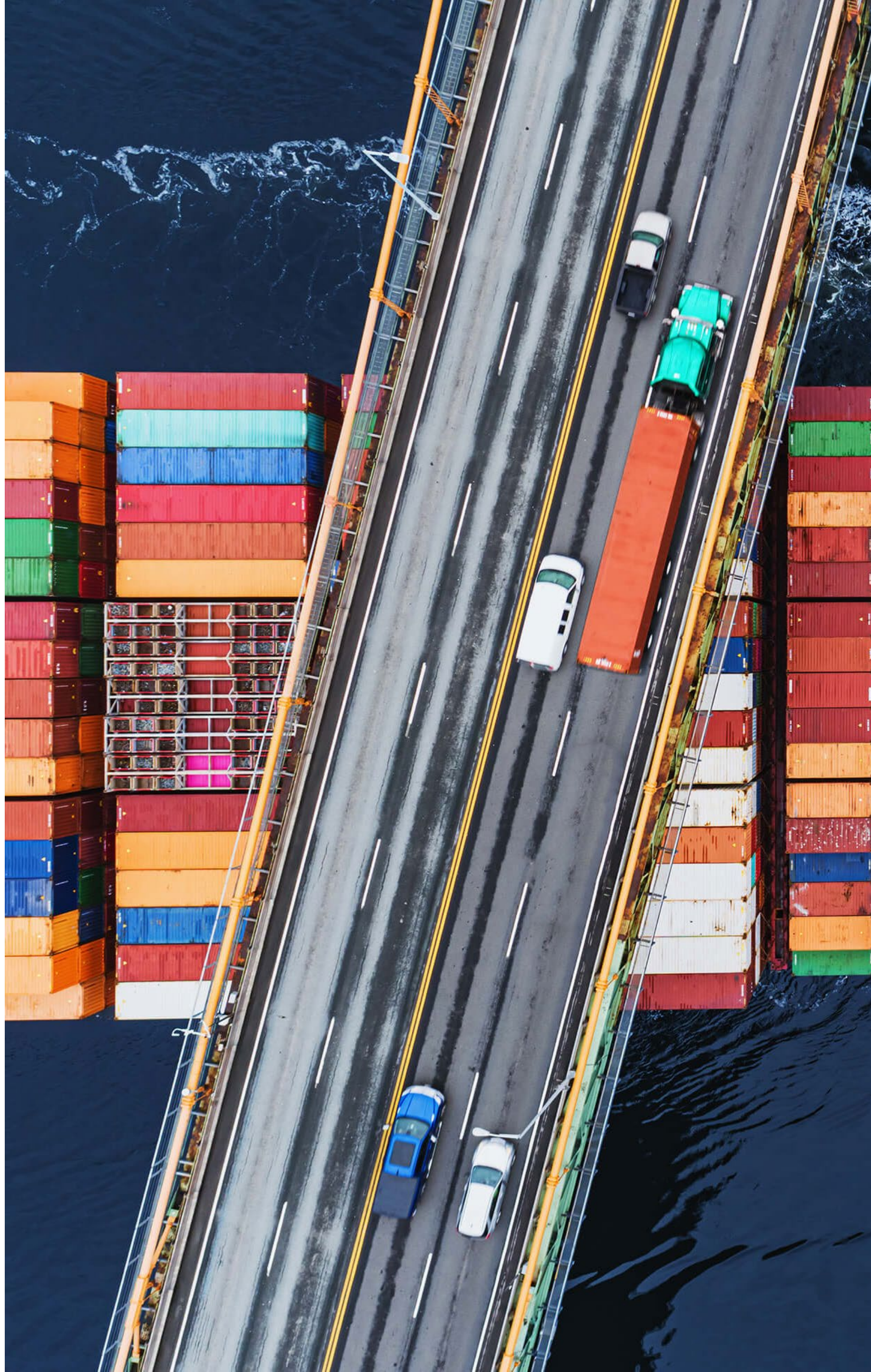

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Summary

Summary

86 mergers and acquisitions

In the first half of 2024, 86 mergers and acquisitions (M&A) worth at least $50 million were announced in the transport and logistics (T&L) industry. This not only represents a further drop of 12% compared to the same period last year, but also a new low. The total deal value reached $42.5 billion, higher than in the previous two half-years, reflecting an increase in average deal value of $494.7 million (2023: $393.2 million). In total, 12 megadeals, deals with a value of $1billion or more, were announced in 1H24. Financial investors regained cautious optimism, accounting for 49% in terms of total deal value (2023: 36%).

Shift away from China

Asia & Oceania continues to be a popular region for financial and strategic investors, reflected in the total deal value ($21.7 billion), which is already above that of the full year 2023, and a sharp increase in the average deal value ($504.1 million). China's share of all deal announcements in Asia & Oceania fell to 30% in 1H24 (2023: 45%), with exclusively local deals. At the same time, alternative markets such as India have attracted investors from other regions or announced outbound deals in Europe. The region witnessed four megadeal announcements in Malaysia, India and Indonesia and the UAE on the buy-side for a target in the UK, while only one megadeal was announced in China. The geopolitical situation, independence issues and the ongoing supply chain reconfiguration have contributed to this development.

Digital Transformation

The T&L industry is at the forefront of digital transformation, driven by technological innovations, market dynamics, and changing customer expectations. Companies in this traditionally manual and labour-intensive industry are adopting e.g. IoT, AI, and automation to enhance productivity and efficiency. To meet evolving customer demands, T&L companies are focusing on faster deliveries, real-time tracking, and improved customer experiences through digital platforms and automation. According to PwC's 27th Annual Global CEO Survey, investment in technology is the top near-term strategic priority for CEOs. Consequently, T&L companies are investing in operational efficiency, data-driven insights, customer experience enhancement, and robust technological infrastructure to remain competitive and compliant with regulatory standards.

Outlook

In the second half of 2024, we anticipate an upturn of M&A activity in the T&L industry, driven by easing inflationary pressures and softening financing conditions. However, uncertainty persists, and it remains to be seen how the geopolitical situation will develop. Therefore, particularly strategic investors need to take proactive measures to diversify and strengthen their positions both vertically and horizontally. By making their networks more resilient, the industry can secure supply chains and maintain control over operational variables. Additionally, the urge to transform will open further growth opportunities and trigger deals.

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Introduction

Global economy multifaceted

In the first half of 2024, the global economic situation remained complex and characterised by uneven growth and more balanced but persistent risks.

After the global economy lost some of its growth momentum at the end of 2023, there were signs of a moderate recovery in H1 2024. Production in emerging markets, particularly in China, increased significantly in the first quarter, while advanced economies made somewhat slower progress. Global trade continued to recover, albeit with a high degree of uncertainty and dependence on China and the USA. Inflationary pressures have eased and progress has been made towards central bank targets.

Nevertheless, monetary policy easing is proceeding cautiously, with the focus on ensuring price stability. In general, financial conditions remain restrictive for the time being and elevated interest rates are only gradually declining. Geopolitical tensions and trade disputes have contributed to market volatility, affecting international trade and investment flows and forcing companies to reconfigure resilient supply chains.

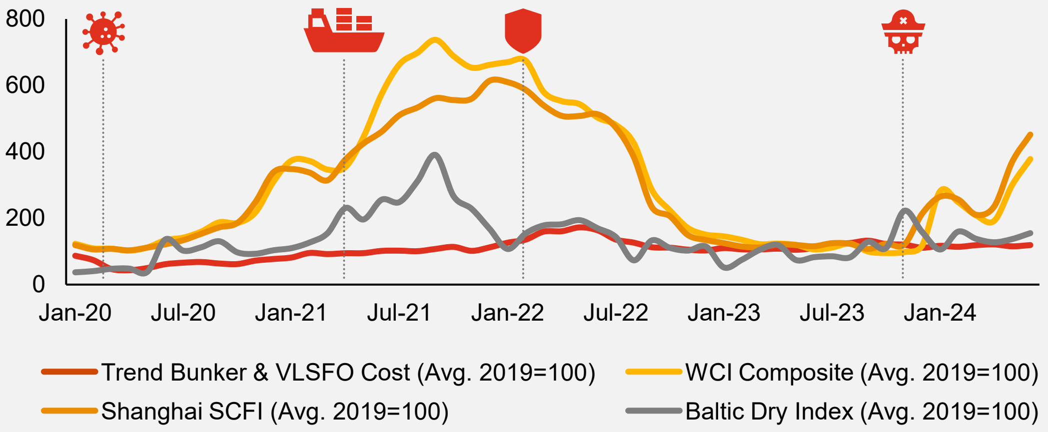
Container shipping determined by disruptions

According to the Leibniz Institute for Economic Research (RWI) and the Institute of Shipping Economics and Logistics (ISL), container throughput as an indicator of economic development recorded a positive trend overall in the first half of 2024. Following an upward trend at the start of the year with strong throughput in Chinese ports, activity in European ports also picked up somewhat in the following months. Overall, there was a significant increase in container throughput in April and May, which pointed to a further strengthening of global trade in the second quarter.

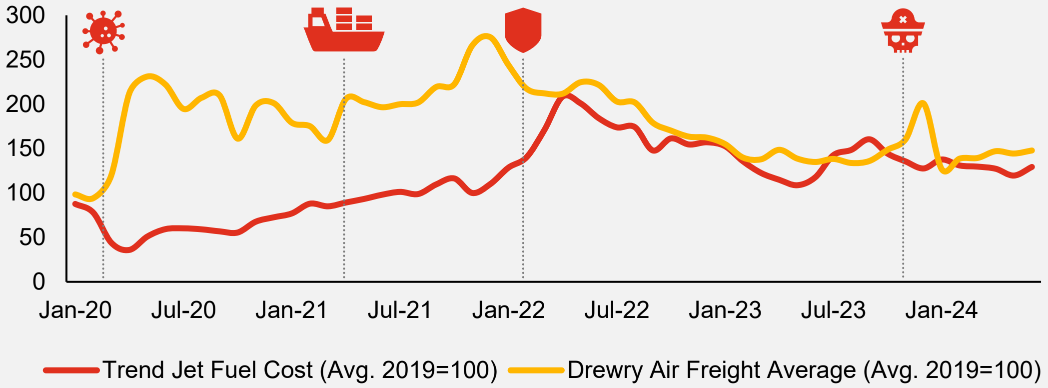
However, the rerouting of much of the Red Sea shipping around the Cape of Good Hope has resulted in longer transit times and contributed to a significant increase in freight rates – particularly on the routes between Europe and East Asia. Between March and April, rates eased before an unexpected spike of ocean volumes led to a surge of rates on major trading routes in May. This increase was due to the ongoing situation in the Red Sea, coupled with shippers front-loading cargo to avoid potential bottlenecks later this year in the traditional peak shipping season. This has resulted in port congestion and container shortages in Asia, with shippers struggling to access capacity.

Sources: Kiel Institute, IMF, RWI/ISL, Baltic Exchange, Transport Intelligence

Global Marine freight rates compared to Bunker and VLSFO cost trend



Global air freight rates compared to Jet Fuel cost trend



Sources: PwC Research based on Bloomberg, Baltic Exchange, Drewry, Shanghai Shipping Exchange data. Trends in fuel costs are based on average Bunker and VLSFO as well as average Jet Kerosene prices as quoted in Singapore and Rotterdam.

Strong performance in the air freight sector

The air cargo sector recorded a strong first quarter with a peak of 63.6 billion cargo tonne-kilometres (CTK) globally (+13.2% YoY). The most significant increase in demand was seen in Asia & Oceania, the Middle East and Africa. However, all regions have seen demand rising in the last months, fuelled by the growing e-commerce sector, demand for perishable goods and special freight such as lithium batteries, as well as ongoing supply chain reconfiguration. While the continued strength of the market is unusual for the typical low season of the year, the repeated disruptions in maritime shipping have had a favourable impact on air freight, particularly as the gap between sea and air freight rates has narrowed to its lowest level since Q3 2022. Global air cargo capacity rose in the double-digit range for the fourth consecutive quarter supported by the recovery of the passenger services and a 24.3% YoY growth in passenger belly-hold capacity in Q1 2024. Available cargo tonne-kilometres (ACTK) reached 138.1 billion in the first quarter. The strong performance continued in the beginning of the second quarter, albeit at a slower pace with CTK growth of 14.7% and ACTK growth of 6.7% in May.

Air freight rates decreased due to the Lunar New Year celebrations at the beginning of 2024. Since then, rates have picked up with the return of Asia & Oceania volumes and a general increase in demand driven by buoyant e-commerce in the fashion and consumer sectors. According to the Baltic Exchange Airfreight Index (BAI), rates from Hong Kong to North America increased 9.1% YoY to $5.53/kg in May, while rates from Hong Kong to Europe were up 17% YoY to $4.41/kg. The picture was different on the transatlantic route: Consumer demand for the types of goods transported between Europe and the USA was inhibited, leading to a 25.8% YoY decline of rates to $1.98/kg – falling even below pre-pandemic levels.

Passenger traffic surpassed pre-pandemic levels for the first time in the first quarter with a 16.9% YoY increase in revenue passenger kilometres (RPKs), followed by a further growth trajectory in April and May. This development was primarily driven by international traffic. Asia & Oceania and Europe account for the largest share of the industry, but all other regions also recorded growth in the first quarter, albeit at a slower rate than in Q4 2023.

The fastest growth rates were seen in Asia & Oceania, where airlines benefited from the later reopening of important markets like China, followed by Africa, and the Middle East which benefited from traffic diversions due to the war in Ukraine. Industry available seat-kilometres (ASK), as a measure for the supply of available seats, grew 8.5% YoY in May, and the total load factor stood at 83.4% (+1.7% YoY).
Overall, every region in the aviation sector returned to profitability in 2023 and stabilised in the first months of 2024, despite operational challenges such as strikes, aircraft delivery delays or grounding of some aircraft types.

Road freight under financial pressure

Due to weak consumer demand, the European road freight market saw a decline in both spot and contract rates in the first months of 2024. In the first quarter, the spot index decreased to 123.9 index points (-8.2 points YoY), while the contract index declined more slowly to 127.6 index points (-1.0 point YoY). Despite the declines, rates remain well above pre-crisis levels.

On the supply side, rising operating costs, such as driver wages, maintenance, insurance or fuel, put pressure on road freight rates. Increasing crude oil prices led to a moderate increase in diesel prices from the start of the year. According to the IRU, the average diesel price rose by 3% by the end of Q1 2024 compared to the beginning of the year.
Another factor putting financial pressure on freight operators, and therefore on rates, is the Co2 truck toll that has been implemented in first Member States, such as Germany, Austria or Hungary. This measure is part of the Directive (EU) 2022/362 revising the Eurovignette Directive and aims to incentivise low-emission practices at a time when the conditions and infrastructure for a significant increase in zero-emission vehicles are not yet in place. More countries are expected to follow suit and adjust toll rates in the coming years.

Developments in the various subsectors of the transport and logistics industry show that it is facing various challenges, but also opportunities. Economic uncertainties, volatile market conditions, inflation and new regulations have put pressure on logistics companies to optimise costs and improve operational efficiency. However, issues such as decarbonisation, digitalisation and automation, cybersecurity, labour shortages and talent management are affecting the entire industry and offer opportunities for transformation and growth.

Sources: IATA, Baltic Exchange, Xeneta, Transport Intelligence, International Road Transport Union (IRU)

M&A activities hit a new low

M&A activity in the T&L industry has continued to decline in the first half of 2024, following a challenging year characterised by geopolitical uncertainty, economic slowdown, and tight financial policies. 86 deals with a total value of $42.5 million were recorded in the first half of 2024. The total number of deals reached its lowest level in the past decade, with a decline of 12.2% compared to the first half of 2023 (98) and 9.5% compared to the second half of 2023 (95). Despite the decrease in deal numbers, the total deal value experienced a moderate increase compared to 1H23 (7.8%) and 2H23 (16.4%), indicating a focus on larger transactions with a higher average deal value (1H24: $494.7 million).

Notably, 12 megadeals were announced in 1H24 (16 during the whole of 2023), with three exceeding the $3 billion mark. One of these megadeals involved the acquisition of the remaining 36.3% stake in Cainiao Smart Logistics Network Ltd by Alibaba Group Holding Ltd for a total share value of $3.75 billion. This pending deal aims to enhance strategic synergies between Cainiao's logistics services and Alibaba's e-commerce business, while furthering Cainiao's global network expansion. In June, the Hungarian government acquired an 80% stake in Budapest Airport Zrt, while France-based Vinci Airports SAS secured a 20% stake in the transaction valued at $3.37 billion. This acquisition marks the return of the airport to state ownership for the first time since 2005, strengthening Hungary's role in both tourism and cargo handling.

Another significant megadeal involves Czech billionaire Daniel Křetínský (EP UK Bidco Ltd), who plans to acquire the remaining 72.4% interest in International Distributions Services PLC, the parent company of UK's Royal Mail and international parcel network GLS, for $3.23 billion. However, the market presumes that this deal may be blocked by the current or future UK government, as currently the shares in Royal Mail's parent company are trading at a discount to the 370p a share Křetínský offered. The potential sale of DB Schenker has not been included in the data as it has been classified as "rumoured". Nevertheless, announcements from the seller and potential buyers indicate that we will see a deal exceeding $10 billion and – due to the press – due diligences have been started.

The transport and logistics industry's M&A focus remains on the Logistics and Trucking subsector, accounting for almost every second deal (42). In terms of deal value, this subsector remained at a solid level of $19.2 billion, indicating larger ticket sizes compared to previous periods (1H23: 45 deals and $17.4 billion deal value). Similarly, the Passenger Air subsector recorded seven deals with a remarkable deal value of $8.5 billion (1H23: 9 | $3.4 billion). The Shipping subsector experienced a small downturn in both the number and the value of deals (20 | $6.4 billion). The contribution of transport infrastructure to overall transport and logistics deal activity is broadly in line with previous periods (26% of total deal number and 34% of total deal value). Freight targets continue to dominate the deal landscape compared to passenger targets, representing ~70% of all deals and 60% of total deal value in 1H24.

	2017	2018	2019	2020			2021			2022			2023	
	Total	**Total**	**Total**	**Total**	1H21	2H21	**Total**	1H22	2H22	**Total**	1H23	2H23	**Total**	1H24
Number of deals	280	223	257	253	148	175	323	144	117	261	98	95	193	86
Total deal value ($bn)	131.7	113.8	141.9	99.8	94.5	119.7	214.1	131.3	50.0	181.3	39.4	36.5	75.9	42.5
Average deal value ($m)	470.4	510.8	552.0	394.5	638.3	683.8	662.9	911.7	427.5	694.7	402.0	384.1	393.2	494.7

Source: PwC analysis, based on Refinitiv

T&L market is driven by vertical and horizontal integration

As in previous years, and as discussed in previous editions of our Transport & Logistics Barometer, M&A counterparts in 2024 have shown a motivation to integrate their targets in the T&L industry, either horizontally or vertically, in order to diversify, manage hinterland transport or provide end-to-end solutions. Both approaches are observed in the Logistics and Trucking subsector, with vertical integration appearing to be dominant. This trend is driven by the growing importance of last-mile delivery, as customers increasingly expect faster and more efficient service, enabled by technological advancements such as drones, autonomous vehicles, and AI-driven logistics. Recent examples include the completed merger of GXO Logistics Inc (US), a pure-play contract logistics provider, and Wincanton PLC, a UK-based transport and logistics provider. This $953.99 million deal will expand GXO's offering in growth verticals in the UK.

In the Shipping subsector, we are witnessing both vertical and horizontal integration, with the latter dominating in 1H24. For example, SAS Shipping Agencies Services SARL, a unit of MSC Mediterranean Shipping, has offered to acquire RoRo shipping company Gram Car Carriers ASA for $701 million. This move allows MSC to enter a new market segment along their horizontal business line and generate synergies with their existing transport and logistics solutions. Horizontal integration is also evident in the merger between Overseas Shipholding Group (merger) and Saltchuk Resources Inc. (purchaser), a diverse freight transportation and service company ($649.29 million). This move strengthens Saltchuk's position in the shipping industry. Another example is the $1.04 billion-worth acquisition of the majority stake (80%) in UK-based Navig8 Topco Holdings Inc by ADNOC Logistics & Services PLC, the state-owned marine logistics arm of the United Arab Emirates (UAE) oil producer, subject to regulatory approvals. The remaining 20% of the company is planned to be acquired as well ($450 million). This deal will enhance ADNOC’s presence in the energy markets with Navig8’s strong position as a global maritime operator with commercial shipping pools and a fleet of 32 owned tankers.

A notable example for a revised vertical integration is the demerger of Svitzer Group A/S ($1.07 billion), a provider of marine cargo handling services and tugs, from AP Moller-Maersk A/S. Maersk's strategic focus on integrated logistics has led to the divestment of certain divisions, enabling a more streamlined and efficient operation.

Port and harbour infrastructure investments have been a pivotal focus since 2015, particularly in Asia and the Middle East, as a result of supply chain disruptions and other uncertainties. Notably, large shipping companies have been involved in port terminals as part of their overall strategy as discussed in our previous Transport & Logistics Barometer. Companies such as Ningbo Zhoushan Port Co Ltd (CN) as well as Adani Ports & Special Economic Zone Ltd (India) are accelerating their expansion plans through acquisitions of Taicang Xinhai Port Development Co Ltd (CN) ($275.5 million) and Gopalpur Ports Ltd. (India) ($161.7 million), reflecting the growing importance of controlling these gateways in economically strong regions, driven by increasing prosperity in smaller Asian countries and changing trade patterns. In addition, Australian Amalgamated Terminals Pty Ltd, a subsidiary of logistics provider Qube Holdings Ltd, has agreed to acquire the Melbourne International RoRo & Automotive Terminal (MIRRAT) from Wallenius Wilhelmsen ASA for $220.3 million. MIRRAT is the sole RoRo terminal catering to the Victorian market, with automotive volumes comprising the majority of the cargo handled.

In the Passenger Ground and Passenger Air subsectors, there is a trend towards horizontal integration to strengthen positions and expand existing portfolios. Regarding the former, construction companies are acquiring majority or remaining shares in infrastructure firms to increase their presence in road infrastructure projects, indicating potential for consolidation. Completed mergers, such as the one between NWP HoldCo LLC (US) and VINCI Highways SAS (FR) ($1.20 billion), enhance strategic positioning and market presence, particularly in North America. In the latter, the acquisition of the majority interest in Edinburgh Airports Ltd. (UK) by Vinci Airports SAS (FR) ($1.58 billion) will contribute to the strategic development of connectivity and commercial activities and accelerate decarbonisation.

Overall, the T&L market is witnessing increased efforts to vertically integrate business units for improved efficiency and customer-centricity. While vertical integration is prevalent in the Logistics and Trucking subsector, horizontal integration is more prominent in the Shipping, Passenger Ground and Passenger Air subsectors in the first half of 2024, driven by the goal of strengthening market positions and expanding offerings.

Source: PwC analysis, based on Refinitiv

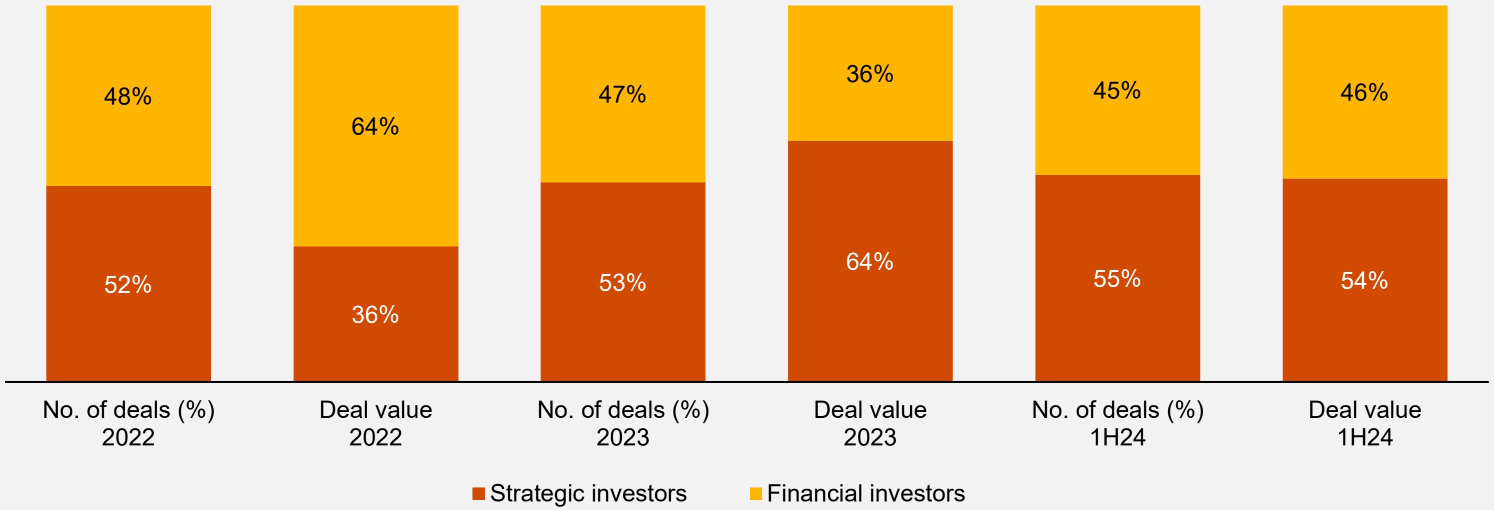
Financial investors regain cautious optimism

In 2023, financial investors were cautious, contributing to only 36% of the total T&L deal value. However, their share increased to 46% in the first half of 2024.
Regarding freight deals, the significant imbalance observed in 2023 has come closer again, with financial investors accounting for 45% and strategic investors for 55% of the deals in number and 37% and 63%, respectively, in value during the first half of 2024. This trend indicates a return of cautious optimism among financial investors, despite persistently high interest rates. Two of the megadeals made by financial investors include the completed transaction of Budapest Airport and the pending acquisition of International Distributions Services PLC, as mentioned earlier.

Strategic investors continue to focus on securing critical transport infrastructure and key resources, such as container terminals or vessels, which are essential for maintaining distribution networks amid ongoing geopolitical uncertainties, such as the recent Houthi attacks in the Red Sea, which have compromised supply chain security. The Shipping subsector, in particular, has attracted significant strategic investment (70% of the total number of Shipping deals), likely due to the robust financial standing of many shipping companies and port operations following the boom phase of 2022/2023. In the Logistics and Trucking subsector, there is a balanced distribution of transactions, with both financial investors and strategic investors involved in 21 deals.

Deals with a value greater than $50 million

Number and total value of deals involving financial investors



	2022		2023		1H2024	
Total value ($bn)	No. of deals	Total value	No. of deals	Total value	No. of deals	Total value
Passenger Air	19	7.3	11	7.3	2	5.7
Passenger Ground	21	62.1	18	4.8	9	3.9
Rail	1	0.1	1	0.1	0	0.0
Logistics and Trucking	63	32.5	42	10.8	21	6.9
Shipping	12	10.0	11	3.7	6	2.5
Other	10	3.6	8	1.1	1	0.6
Total	126	115.6	91	27.7	39	19.5

Source: PwC analysis, based on Refinitiv

Median sales multiples surge

The overall median sales multiple has risen to 2.4, representing a 26% increase from 2023 (1.9). This marks the highest multiple since 2016. However, it is important to note that the overall number of deals has decreased compared to previous years, and annual developments will offer further clarity. The primary driver of this surge is the substantial involvement of infrastructure investors, underscoring the significant continuing trend within the T&L industry.

The median sales multiple for airport infrastructure has surged to 7.2 in the first half of 2024, up from 3.6 in 2023 (sample size: 2 deals in 1H24 and 6 deals in 2023). This substantial increase is primarily driven by Hungarian government's and Vinci Airport's acquisition of the Budapest Airport, which commanded a sales multiple of 10.88.

Similarly, investors continue to place a high value on road infrastructure, as evidenced by the elevated sales multiple of 8.1 in 1H24 compared to 7.7 in 2023 (sample size: 3 deals in 1H24 and 8 deals in 2023). Recent M&A deals, particularly in Asian countries, such as India and China, have driven this optimism. For instance, Spain's Cintra SA, a unit of Ferrovial SA, has agreed to acquire an undisclosed minority stake in IRB Infrastructure Trust, a Mumbai-based road transportation services provider, with a sales multiple of 10.39.

Port infrastructure also recorded an increase in sales multiples, reaching 5.1 in the first half of 2024 compared to 4.3 in 2023 (sample size: 6 deals in 1H24 and 6 in 2023). Again, the primary target region is Asia. In China, a financial investor group, comprised of two units of the Jiangsu Port Group Co Ltd, intends to acquire a 49% stake in Nanjing Mingzhou Terminal Co Ltd, a provider of port and harbour operation services, with a sales multiple of 13.58.

While investors continue to see substantial growth potential in infrastructure, other subsectors have diminished in importance. In the Shipping subsector (sample size: 6 deals in 1H24 and 16 in 2023), the sales multiple is currently 1.4, similar to the 2022 level, but down from 2.6 in 2023. The sales multiple for the Logistics and Trucking subsector (sample size: 13 deals in 1H24 and 22 in 2023) stands at 1.0, a modest decline from 1.1 in 2023.

Source: PwC analysis, based on Refinitiv

Asia & Oceania witness deal value growth

Despite an overall decline in global M&A activity, varying deal patterns across regions indicate a dynamic market landscape. Asia & Oceania recorded the highest number of deals announced at 43, closely followed by Europe with 36. While Asia & Oceania and Europe reported nearly identical deal values – $21.7 billion and $20.7 billion, respectively – Europe saw a significant surge in inbound deals. In the first half of 2024 alone, Europe announced 11 inbound deals totalling $4.5 billion, compared to seven deals worth $3.0 billion for the entire year of 2023. These transactions primarily targeted the Logistics and Trucking subsector (five deals), with strategic investors from North America leading the acquisitions, followed by the Shipping subsector, which saw four strategic deals involving Asian investors. Among these and as previously mentioned, ADNOC Logistics & Services announced two deals concerning the acquisition of maritime interests and the remaining interest in Navig8 Topco (UK).

Notable transactions in the Logistics and Trucking subsector included the aforementioned acquisition of UK-based Wincanton PLC by GXO Logistics Inc. Two smaller German transactions are Uber Eats' acquisition of a 3.12% minority stake in Berlin-based Delivery Hero SE for $299.29 million and Clarion Partners LLC's purchase of Blackstone Inc.'s German & Dutch Logistics Portfolio for $292.49 million.

While Europe has garnered increased interest from strategic investors, Asia & Oceania remain a pivotal focus for both financial and strategic investors. Local deals accounted for 32 transactions and China for 30% of all announced deals in the region. These transactions primarily targeted Logistics and Trucking businesses. For instance, Jusda Supply Chain Management International Co Ltd, a provider of freight transportation services, is to be acquired by Foxconn Technology Group Co Ltd for $534.03 million. Additionally, ports as well as bridge and road construction companies were attractive targets within China, underscoring the importance of local infrastructure, albeit at relatively lower deal values. An example is the acquisition of Heilongjiang Transport Development Co Ltd, a highway, street, and bridge constructor, by Suiyong Holdings Co Ltd for $74.39 million.

Three megadeal announcements targeting infrastructure occurred outside of China. In Malaysia, an investor group, comprised of Gateway Development Alliance Sdn Bh, Pantai Panorama Sdn Bhd and Kwasa Aktif Sdn Bhd, intends to increase its stake in Malaysia Airports Holdings Bhd from 41.097% to 100% for $2.29 billion. In India, Highways Infrastructure Trust agreed to acquire PNC Infra units, a highway construction services provider, for $1.09 billion. In Indonesia, an investor group including PT Margautama Nusantara, Warrington Investment Pte Ltd, and PT Metro Pacific Tollways Indonesia Services has agreed to acquire a 35% stake in PT Jasamarga Transjawa Tol (PTJ) for $1 billion, a highway, road, and bridge constructor under the Indonesian state-owned PT Jasa Marga (Persero) Tbk.

	2021		2022		2023		1H24	
Region	**No. of deals**	**Total value ($bn)**	**No. of deals**	**Total value ($bn)**	**No. of deals**	**Total value ($bn)**	**No. of deals**	**Total value ($bn)**
Europe	108	74.6	89	91.1	65	35.4	36	20.7
Asia & Oceania	156	85.1	131	55.9	88	20.4	43	21.7
North America	100	93.2	70	53.9	57	29.6	24	9.7
South America	16	4.2	11	4.2	10	2.7	3	0.3
Africa/others	11	3.1	13	2.4	10	1.8	1	0.2

Source: PwC analysis, based on Refinitiv. An inbound deal in one region is also an outbound deal in another. Inbound and outbound deals are, therefore, recorded twice

Strategic alliances drive AI and sustainability innovations in aviation and logistics

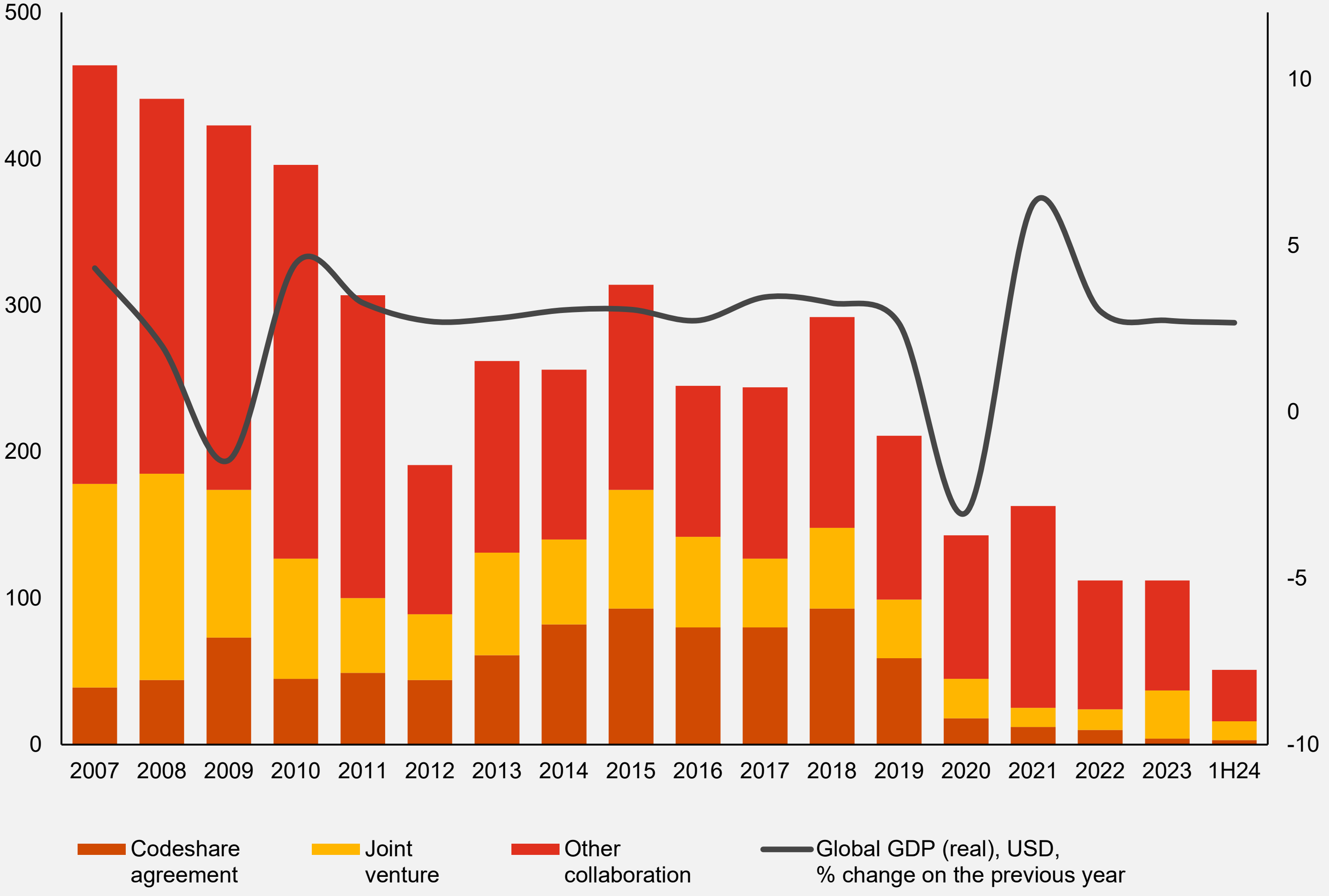
Although GDP development is rather steady (2.7% both in 2023 and 1H24), the strategic alliance announcements of listed companies in the first half of 2024 were below the previous two quarters. Only 13 joint ventures (JVs) and 35 other cooperative agreements were announced, of which 60% of the total number are related to freight, compared to 19 JVs and 41 cooperations in the second half of 2023. Strategic partnerships are prevalent across all subsectors of T&L.

In Passenger Air, Zhejiang Feiyang International Travel Group, Anhui Civil Aviation Airport Group, and Huangshan Tourism Development have formed a joint venture focusing on airport operation services in Huangshan City (China). This collaboration aims to open more flight routes and expand the aviation market.

JVs are also being formed in the Logistics and Trucking subsector. Aramco and DHL Supply Chain have formed Advanced Supply Management Operations (ASMO), which aims to leverage digital technologies such as automation, collaborative robotics, AI, data analytics and blockchain to meet the growing demand for sustainable and efficient supply chain services in Saudi Arabia.

In Shipping, Shanghai Seacon entered into a joint venture agreement with Tianjin COSCO and DFTP-PICI to form Tianjin Tianhui Shipping Co., Ltd. The JV aims to enhance shipping service capacity, improve capital utilisation efficiency, and generate additional economic benefits, aligning with the Group's long-term business strategy.

T&L joint ventures and strategic alliances
(number of alliances announced and change in real global GDP)



Source: PwC analysis, based on S&P Global Capital IQ and IHS

Abu Dhabi Ports Company PJSC (AD Ports Group), in partnership with Adani International Port Holding Pte Ltd and East Harbour Terminals Limited, has formed East Africa Gateway Limited (EAGL) in Abu Dhabi's Khalifa Economic Zones Abu Dhabi, acquiring 95% of Tanzania International Container Terminal Services Ltd. (TICTS) for $39.5 million. AD Ports Group owns 30% of the JV, which will operate Container Terminal 2 at Dar es Salaam Port, boasting an annual capacity of 1 million TEUs and handling 83% of Tanzania's total container volumes in 2023.

Several JVs are centered in Asia, particularly in Malaysia, India and China. These collaborations are primarily focused on logistics, infrastructure, and aviation, indicating the region's growing market potential and strategic importance that go beyond China’s borders.

Beyond these JVs, other collaborations underscore the growing emphasis on sustainability, particularly in aviation and the Logistics and Trucking subsectors. For instance, KeyState Energy, CNX Resources Corp., and Pittsburgh International Airport (PIT) have announced a partnership to develop an integrated facility on PIT property, capable of producing up to 68,000 metric tons of hydrogen or 70 million gallons of Sustainable Aviation Fuel (SAF) annually. In another example, TCI Transportation and California-based Evolectric have entered into a partnership to integrate advanced, eco-friendly vehicles into TCI's fleet, with a future roadmap that includes the addition of at least 100 vehicles.

Finally, the adoption of advanced technologies is of high strategic importance across T&L companies and is reflected in various strategic collaborations. In the following chapter, we therefore delve deeper into the digital transformation and investment areas of T&L companies.

Source: PwC analysis, based on S&P Global Capital IQ and IHS

3

Transact to Transform – Digital Transformation

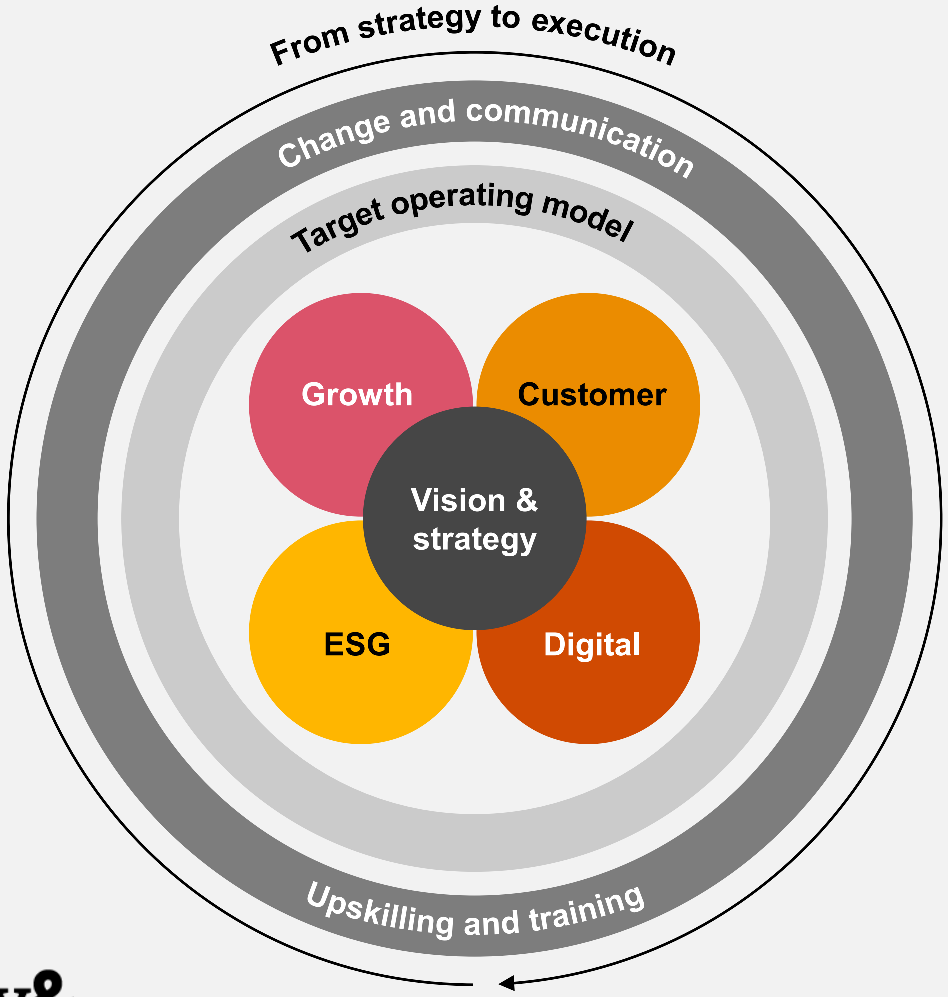
Transact to Transform: seven transformation areas from strategy to execution

Digital transformation is reshaping all areas of the transport and logistics industry worldwide. It is one of four key drivers that fuelling change: achieving customer excellence both in B2B and B2C logistics markets, decarbonising T&L operations as a key objective of ESG programmes, driving digitalisation across logistical value streams and the need for constant growth in a dynamic market in which many players are questioning and reconfiguring their business models.

The transformation agenda of any T&L company should therefore be based on a clear vision and strategy, underpinned by an effective operating model and supported by rigorous plans for change, communication, upskilling and training, driven by senior leadership.

In the past two editions of our Transport & Logistics Barometer (October 2023 and January 2024), we focused on the importance of the transformation drivers "Growth" and "ESG".

In this issue, we take a closer look at the area of digital transformation. What is driving the need for digital transformation and what are the key investment areas of T&L companies? How can M&A, joint ventures, and strategic alliances play a role in driving the digital transformation agenda? We will also examine the role of data as the foundation of digital transformation as well as Gen-/AI-powered hyperautomation.



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Source: PwC/Strategy&

Navigating the digital landscape: key drivers for transformation

The transport and logistics industry stands at the frontier of digital transformation, driven by a convergence of technological innovations, shifting market dynamics, and changing customer expectations. Often perceived as manual and labour-intensive, this industry stands to gain significant productivity and efficiency gains, as well as business scale, from digital advancements. To excel in this rapidly changing landscape, companies must grasp the essential drivers steering their journey towards digital maturity.

The digital transformation journey for T&L companies is multifaceted, spanning technological innovation, customer-centricity, operational excellence, regulatory compliance, and organisational culture. By embracing these key drivers and charting a strategic course forward, T&L companies can not only navigate the complexities of the digital landscape but also unlock new opportunities for growth, differentiation, and sustainable success.

Driver	Examples
Technological Advancements T&L companies are increasingly adopting innovative technologies	• **IoT, AI, and Automation:** route optimisation, process automation, predictive maintenance, demand forecasting, reduce labour costs • **Advanced analytics:** informed decision-making, strategic planning, optimise inventory levels, identify cost-saving opportunities
Market and Customer Demand Customer expectations are evolving and challenging traditional modes of operation	• **Accelerating Deliveries and Real-time Tracking:** optimise logistics networks, enhance last-mile delivery capabilities • **Improving Customer Experience:** personalised services, proactive communication, self-service options
Operational Excellence Cost reduction and operational efficiency are critical for T&L companies	• **Cost Optimisation and Efficiency:** digital tools for predictive maintenance, warehouse automation, optimise resources • **System Integration and Modular Solutions:** enhance agility, scalability, adaptability, streamline processes, accelerate decision-making
Regulatory and Compliance T&L companies are forced to comply with complex regulation and mitigate risks	• **Environmental Compliance:** invest in eco-friendly technologies, optimise fuel consumption, reduce carbon footprint • **Automating Regulatory Compliance:** mitigate the risk of non-compliance, streamline reporting, adherence to evolving regulations
Innovation and Adaptability T&L companies need to drive innovation and respond flexibly to market changes	• **Embracing Innovation:** strategic partnerships, R&D investments, exploring new business models to stay competitive • **Empowering Employees and Collaboration:** providing training, tools, support, continuous learning for organisational resilience

Accelerating Digital Transformation in transport and logistics: key investment blocks

In today's evolving T&L industry, embracing digital transformation is a necessity. According to PwC's 27th Annual Global CEO Survey, 45% of CEOs do not believe their business will be viable in a decade without transformation.

To remain competitive, T&L companies must strategically invest in driving technology-based innovation, enhancing operational efficiency, and delivering superior customer experiences. Investments in technology are the biggest near-term strategic priority for CEOs (Source: PwC's 27th Annual Global CEO Survey).

Typically, these investments in new technology capabilities are associated with a massive commitment of financial resources. Companies often cannot simply make these investments with their own funds. In this respect, strategic partnerships, joint ventures or even financial investments in technology companies are often seen as solutions for T&L companies to get access to new technologies and capabilities.

Consequently, over the past five years, we have seen more than 550 strategic partnerships and investments built around key technologies in logistics (source: Capital IQ). Below, we summarise the key investment blocks driving digital transformation in T&L, supported by some selected examples.

1 Operational Efficiency and Optimisation

At the heart of digital transformation lies the quest for operational excellence. By investing in a range of technologies, T&L companies can achieve new levels of efficiency and agility, streamline processes, reduce costs and improve overall productivity:

- **Autonomous Systems:** Robots and autonomous vehicles streamline transportation and warehouse operations, boosting efficiency and reducing labour costs.
- **Route Optimisation:** Dynamic route planning tools optimise routes based on real-time data, minimising delays and maximising resource use.
- **Smart Warehousing:** IoT sensors and automation systems revolutionise warehouse management, ensuring smooth operations and minimising downtime.
- **Inventory Management:** Predictive analytics tools forecast demand and optimise inventory levels, reducing excess inventory and improving cash flow.
- **Hyperautomation:** AI-Powered Hyperautomation optimises end-to-end processes through advanced AI technologies like machine learning and natural language processing.

Example: AI-enabled Inventory Management

Augury and DSV have partnered to launch a Parts as a Service (PaaS) solution that leverages Augury's AI-driven machine health technology to predict equipment failure and automate the procurement of spare parts. This innovation enhances DSV's Inventory Management Solutions (IMS), offering businesses a proactive and efficient approach to spare parts management.

Additionally, DHL Supply Chain has partnered with Robust.AI to develop and deploy an innovative fleet of warehouse robots for flexible material handling automation. This alliance signals a trend towards greater automation driven by AI-technology and efficiency in logistics operations.

Example: Route Optimisation

Various fundings show the potential application areas of AI in transport and logistics, particularly in the fields of route optimisation and risk management solutions, such as Everstream Analytics GmbH. The US company, which uses AI-powered software to provide real-time and predictive risk analytics to identify supply chain disruptions globally at an early stage and mitigate risks, raised Series A and B funding, including from DHL, among other (financial) investors.

Deep-Dive: AI-Powered Hyperautomation

In the transport and logistics industry, the integration of AI-powered hyperautomation emerges as a game-changer, promising to reshape operations, boost efficiency, reduce human error, and drive significant cost savings. Hyperautomation aims to streamline processes across the business using artificial intelligence, robotic process automation (RPA), and other advanced automation technologies to run without human intervention.

Hyperautomation addresses entire business processes and aims to automate as many tasks as possible, while traditional automation focuses on automating standalone functions. AI-powered hyperautomation is unlocking growth and automation tools for business transformation and emerges as a key enabler of supply chain resilience and flexibility. By simulating diverse scenarios and optimising resource allocation, T&L companies can quickly adapt to disruptions and market shifts.

In addition, hyperautomation plays an important role in ensuring compliance with regulatory requirements within the T&L industry. By automating documentation, reporting, and auditing processes, companies can uphold safety standards, environmental regulations, and customs procedures. In response to growing environmental concerns, AI-powered hyperautomation accelerates sustainability initiatives within the T&L industry. By utilising AI-powered automation, companies can unlock the potential for route optimisation and workflow efficiency. These advancements translate into reduced fuel consumption, and heightened productivity, minimising environmental footprint and ultimately driving down operational costs.

2 Data-driven Insights, Analytics and AI

In today's data-rich environment, actionable insights are the currency of competitive advantage. Data-driven decision-making is becoming increasingly integral to success. By investing in advanced analytics tools, T&L companies can unlock the hidden potential of their data, gaining valuable insights into customer preferences, market trends, and operational performance:

- **Predictive Analytics:** Analysing datasets unlocks insights for decision-making, enabling proactive strategies and better resource allocation.
- **Data Monetisation:** Leveraging data analytics generates new revenue streams and offers personalised services.
- **Supply Chain Visibility:** Real-time tracking platforms provide insights into shipment status and inventory levels, fostering trust and collaboration.
- **Sustainability Analytics:** Tools for measuring and reporting environmental impact enable companies to reduce their carbon footprint.

Examples: Supply Chain Visibility

FedEx and the supply chain visibility platform FourKites® have announced a strategic alliance to offer businesses enhanced real-time visibility capabilities. This partnership aims to address significant supply chain challenges, improve efficiency, and unlock growth opportunities.

Nippon EXPRESS HOLDINGS Inc. formed a strategic partnership with Iceland-based Controlant Inc. to enhance their transportation services for pharmaceutical and healthcare products through real-time monitoring of temperature and location, integrating IoT loggers with Nippon's tracking system. This collaboration aims to optimise supply chain processes and establish a reliable global pharmaceutical logistics platform.

Deep-Dive: Role of Data in Transport & Logistics

In the T&L industry, data is the key to digital transformation. Data serves as the foundation for leveraging technologies such as AI-powered hyperautomation, IoT, and advanced analytics.

Companies that fail to evolve into data-driven organisations will struggle to leverage these enablers. Therefore, harnessing data is imperative for business success. Data provides enhanced visibility and insights, offering valuable information on fleet performance, route efficiency and inventory management, while real-time visibility allows companies to monitor shipments, track vehicles, and respond to conditions or disruptions.

Improved decision-making is another significant advantage, enabling informed choices and better preparedness through predictive analytics. Customer satisfaction is enhanced by accurate delivery estimates and personalised services.

Data also fuels innovation and differentiation, uncovering new services, business models, and unique value propositions such as faster deliveries or eco-friendly practices. Regulatory compliance and reporting are supported by data, ensuring compliance with standards, transparency, and accountability.

Finally, customer insights and market intelligence provide valuable information on preferences, satisfaction, and market trends. In summary, data is a critical asset for T&L companies, offering a strategic advantage for long-term success by improving operations and preparing for future advancements.

3 Customer Experience Enhancement

Delivering exceptional customer experiences is a critical success factor. Investments in technologies for enhanced customer engagement are transforming the way T&L companies interact with their customers. By prioritising customer satisfaction and convenience, T&L companies can foster loyalty, drive repeat business, and differentiate themselves in a crowded marketplace. Central investment areas are:

- **Digital Customer Engagement:** E-commerce platforms and mobile apps empower customers with seamless booking, tracking, and management of shipments.
- **Personalisation:** Data analytics offers personalised services and recommendations, enhancing customer engagement.
- **Digital Marketing:** Targeted advertising and digital marketing platforms amplify brand visibility.
- **Customer Feedback and Analytics:** Systems for capturing feedback provide insights into customer preferences and behaviour, driving continuous improvement.

Example: Digital Ecosystems

Kuehne & Nagel has anchored customer experience and a digital ecosystem as two of the four key pillars in its strategy, with the goal of creating a better user experience, providing a consistent and dynamic service experience, enhancing connectivity with customers and partners, making data more accessible and actionable, and leveraging automation through artificial intelligence. The aim of the digital ecosystem is to enable better route planning and delivery processes, as well as to manage disruptions more efficiently.

4 Technology Infrastructure and Integration

A robust technological infrastructure is the backbone of digital transformation. Investments in infrastructure technology are empowering T&L companies to build agile, scalable IT ecosystems. By improving interoperability and connectivity, organisations can break down silos, facilitate seamless data exchange, and drive innovation across their operations. These technologies are particularly important for T&L companies:

- **Cloud Computing:** Cloud infrastructure offers scalability and flexibility, optimising IT resources and accelerating innovation.
- **Networking and Connectivity:** Upgrading networking capabilities ensures seamless communication and data exchange.
- **Integration Platforms:** Middleware solutions facilitate data exchange between disparate systems.
- **API Management:** API management platforms simplify the development and management of APIs, fostering innovation.
- **No-code/ Low-code:** Low-code or no-code are methods of designing and developing apps using intuitive drag and drop tools that reduce or eliminate the need for traditional developers who write code

Example: No-code/Low-code

The global logistics company DACHSER has been investing for years in enabling its employees to develop their own no-code/low-code solutions with the help of the Hanover-based startup SmapOne to drive the company's digital transformation. Using a modular principle, this regularly results in websites or mobile applications, for example, that solve specific problems and optimise processes. This not only frees up development capacity in the internal IT department, but also motivates employees to tackle analogue challenges on their own. Dachser received an award for enabling 1250 citizen developers by 2024.

4
Outlook

Outlook

The T&L industry is experiencing significant changes and challenges driven by geopolitical uncertainty, digitalisation, artificial intelligence, and sustainability goals while experiencing low GDP growth rates, especially in Western economies, but also in China. Nevertheless, we anticipate that M&A activities will pick up in the second half of 2024, fuelled by easing inflation pressures and the central bank's outlook for future rate cuts, which create a more favourable environment for financial investors.

Moreover, the current geopolitical landscape, which is expected to persist or even intensify in the latter half of 2024, will continue to prompt strategic investors to take proactive measures to diversify and solidify their positions both vertically and horizontally. By expanding and strengthening their networks, the industry can secure supply chains and maintain control over operational variables. The persisting trend in vertical integration may lead to more intense competition between the companies entering new market segments and those, which operate in those segments as their core activities. Overall, this may lead to more efficiency and transparency.

The Asia and Oceania region is likely to remain the most active and attractive market for M&A deals, offering substantial growth opportunities, particularly in the Logistics and Trucking, Shipping, and infrastructure subsectors. The region is benefiting from a growing middle class, diversified manufacturing and expanding trade networks. However, Asia is not homogeneous; significant differences exist among countries in terms of development, potential, and challenges. While China remains the dominant player, its growth is slowing, and its political landscape is uncertain. Consequently, other Asian countries like India and Malaysia are emerging as strong players with increasing wealth, production capacities, and opportunities.

These countries are cautiously diversifying their trade and investment partners away from China. Beyond the economic factors, there is a degree of uncertainty in the Asian region as to whether the power plays along the oceanic borders will eventually lead to more intense conflicts.

Europe has seen a notable increase in inbound deals as foreign investors aim to access the European market and leverage its existing infrastructure and facilities. A revival of M&A activity is expected as the region recovers from economic slowdown. Concurrently, the European energy transition – a systematic shift from fossil fuel-based energy to renewable and sustainable systems – necessitates new strategies.

Alternative fuels are a key trend shaping the T&L industry, driven by the demand for eco-friendly practices, despite higher associated costs. This transition will encourage cross-border investments and strategic realignments among European and non-European companies looking to capitalise on new market opportunities and align with regulatory targets, yet few investments are observed for the first half of 2024.

Moreover, digitalisation, Gen-/AI and hyperautomation have a strong impact on the transport and logistics industry and are gaining significant traction among all stakeholders, with strategic investments serving as the catalysts for change. By embracing innovation, leveraging data-driven insights, and prioritising customer experiences, T&L companies can chart a course towards a more efficient, agile, and customer-centric future. As the industry continues to evolve, those companies that dare to innovate and invest boldly will reap the rewards of digital transformation in the years to come. However, to fully realise the potential of digital transformation, it will be increasingly important to address challenges such as cybersecurity and regulatory compliance. We also expect to see more joint ventures and partnerships to enter new geographic markets and invest in new technologies.

5

Appendix: Deals in figures, methodology, contacts

Megadeals = deals with a value of $1 billion or more

For comparison

H2 2023: 11 deals, $20.3bn
H1 2023: 5 deals, $16.1bn
H2 2022: 13 deals, $24.6bn

Megadeals in the first half of 2024

Announcement	Target	Target nation	Buyer	Buyer nation	Deal status	Deal value ($bn)	Sector
Mar-24	Cainiao Smart Logistics Network Ltd	CN	Alibaba Group Holding Ltd	CN	Pending	3.75	Logistics/Trucking
Jun-24	Budapest Airport Zrt	HU	Investor Group of Hungarian state-controlled investment company Corvinus (80%) and Vinci Airports SAS (20%)	HU	Completed	3.37	Infrastructure –Airport
Apr-24	International Distributions Services PLC	UK	EP UK Bidco Ltd (Joint Venture of EP Corporate Group and J&T Capital Partners)	UK	Pending	3.23	Logistics/Trucking
May-24	Malaysia Airports Holdings Bhd	MY	Investor Group of Global Infrastructure Partners, Khaznah (Sovereign Wealth Fund of Malaysia) and a Malaysian government owned pension fund	MY	Intended	2.29	Infrastructure – Airport
Apr-24	Edinburgh Airport Ltd	UK	Vinci Airports SAS	FR	Completed	1.58	Infrastructure – Airport
Apr-24	Staci SAS	FR	Bpost SA	BE	Pending	1.41	Logistics/Trucking
Feb-24	NWP HoldCo LLC (Northwest Parkway, 14km toll road in Denver, Colorado)	US	VINCI Highways SAS	FR	Completed	1.20	Infrastructure – Road
Jan-24	12 road projects from PNC Infratech Limited	IN	Highways Infrastructure Trust	IN	Pending	1.09	Infrastructure – Road
Feb-24	Svitzer Group A/S	DK	Maersk Shareholders via Spin-Off	DK	Completed	1.07	Shipping
Jun-24	Navig8 Topco Holdings Inc	UK	ADNOC Logistics & Services PLC	AE	Pending	1.04	Shipping
Jun-24	Coyote Logistics LLC	US	RXO Inc	US	Pending	1.03	Logistics/Trucking
May-24	PT Jasamarga Transjawa Tol	ID	Investor Group of three infrastructure investment funds	ID	Pending	1.00	Infrastructure – Road

Source: PwC analysis, based on Refinitiv

Subsector analysis

Logistics and Trucking has traditionally been the subsector with the most M&A announcements, not least due to its fragmented nature. This trend continues with Logistics and Trucking accounting for approximately half of all announced transactions. Moreover, this subsector seems to be more resilient to the overall downturn in M&A activity as it is the only subsector where we see deal announcements significantly increasing compared to the second half of 2023: a plus of 8 deals (24%) and a total deal value higher than both the first and second half year of 2023.

Compared to the previous half-year, deals with freight-related targets increased slightly by 5% while those with passenger-related targets decreased by -32%. As a result, freight-related targets make up for around 70% of all announced deals, similar to 2023. The ratio of freight-related to passenger-related transactions has been around 2/3 to 1/3 historically.

All deals (incl. infrastructure)	1H2022		2H2022		1H2023		2H2023		1H2024	
Total value ($bn)	No. of deals	Total value	No. of deals	Total value	No. of deals	Total value	No. of deals	Total value	No. of deals	Total value
Passenger Air	16	9.2	18	7.8	9	3.4	15	8.2	7	8.5
Passenger Ground	26	64.5	17	6.9	17	5.8	15	10.3	16	7.8
Rail	2	0.2	6	3.7	0	0.0	3	0.6	0	0.0
Logistics and Trucking	70	38.7	44	15.7	45	17.4	34	7.9	42	19.2
Shipping	21	11.5	24	12.4	22	7.5	23	8.9	20	6.4
Other	9	7.2	8	3.5	5	5.4	5	0.5	1	0.6
Total	144	131.3	117	50.0	98	39.4	95	36.5	86	42.5

Infrastructure	1H2022		2H2022		1H2023		2H2023		1H2024	
Total value ($bn)	No. of deals	Total value	No. of deals	Total value	No. of deals	Total value	No. of deals	Total value	No. of deals	Total value
Infrastructure (Airports)	6	1.2	7	2.5	5	2.0	3	3.1	3	7.2
Infrastructure (Road)	15	59.2	14	6.6	12	4.3	11	10.0	11	6.2
Infrastructure (Ports)	8	6.5	12	8.8	7	2.0	8	2.0	8	1.2
Total (infrastructure)	29	66.9	33	17.9	24	8.3	22	15.0	22	14.6

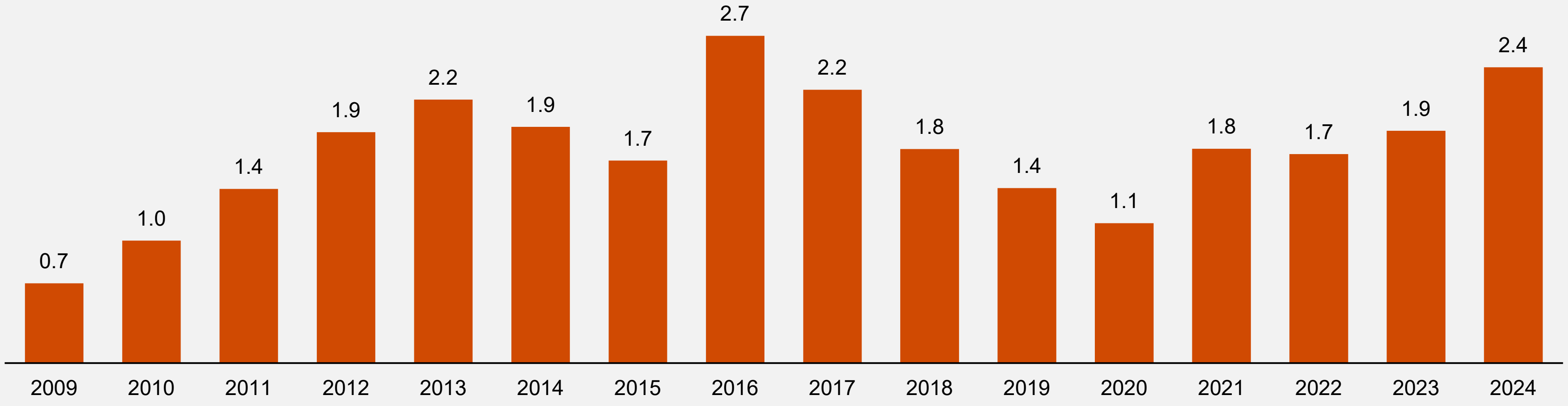
Freight vs. passenger	1H2022		2H2022		1H2023		2H2023		1H2024	
Total value ($bn)	No. of deals	Total value	No. of deals	Total value	No. of deals	Total value	No. of deals	Total value	No. of deals	Total value
Freight	93	50.3	69	31.9	66	29.2	57	16.9	60	25.5
Passenger	51	81.0	48	18.1	32	10.2	38	19.6	26	17.0
Total	144	131.3	117	50.0	98	39.4	95	36.5	86	42.5

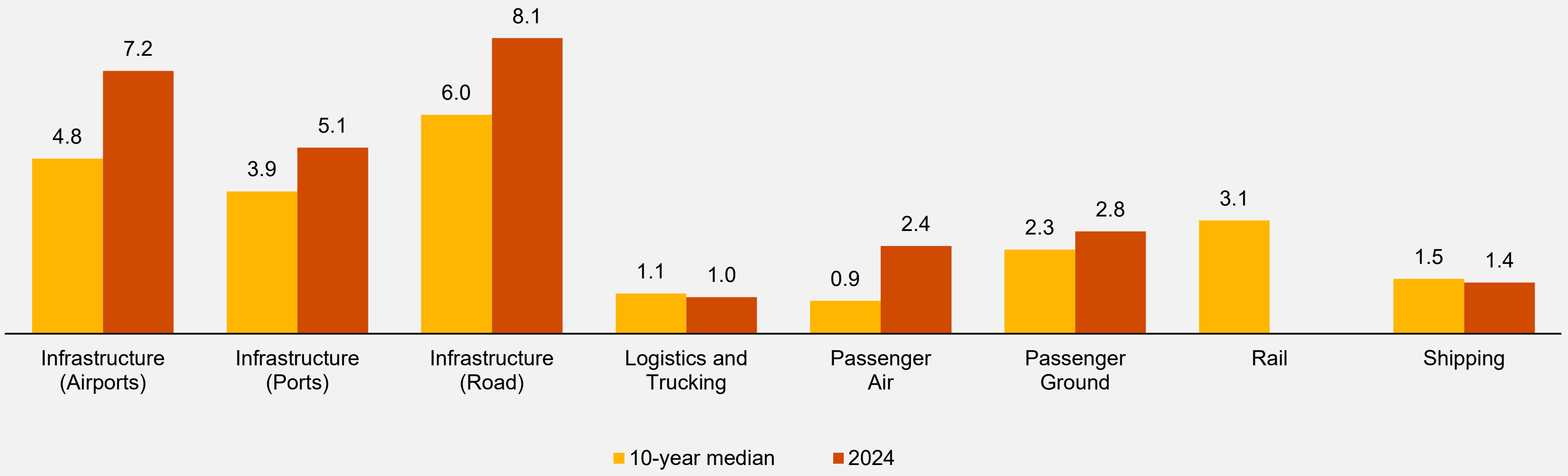
Source: PwC analysis, based on Refinitiv. Deals with a value greater than $50 million

Median of value / sales multiples

The median of sales multiples stood well above the past few years, reaching 2.4x. At the same time, the median EBITDA multiple reached 9.7x, nearly touching the all-time high of 2016 (10.2x) and surpassing the ten-year average (8.3x).

While this development is partly driven by extraordinary high multiples in deals with airports, ports and passenger-related targets, we have noted that both the median sales multiples and the EBITDA multiples have reached levels above their long term averages across all subsectors apart from Shipping, irrespective of whether the buyer was a strategic or financial investor.





Source: PwC analysis, based on Refinitiv. Deals with a value greater than $50 million

Regional distribution of deals

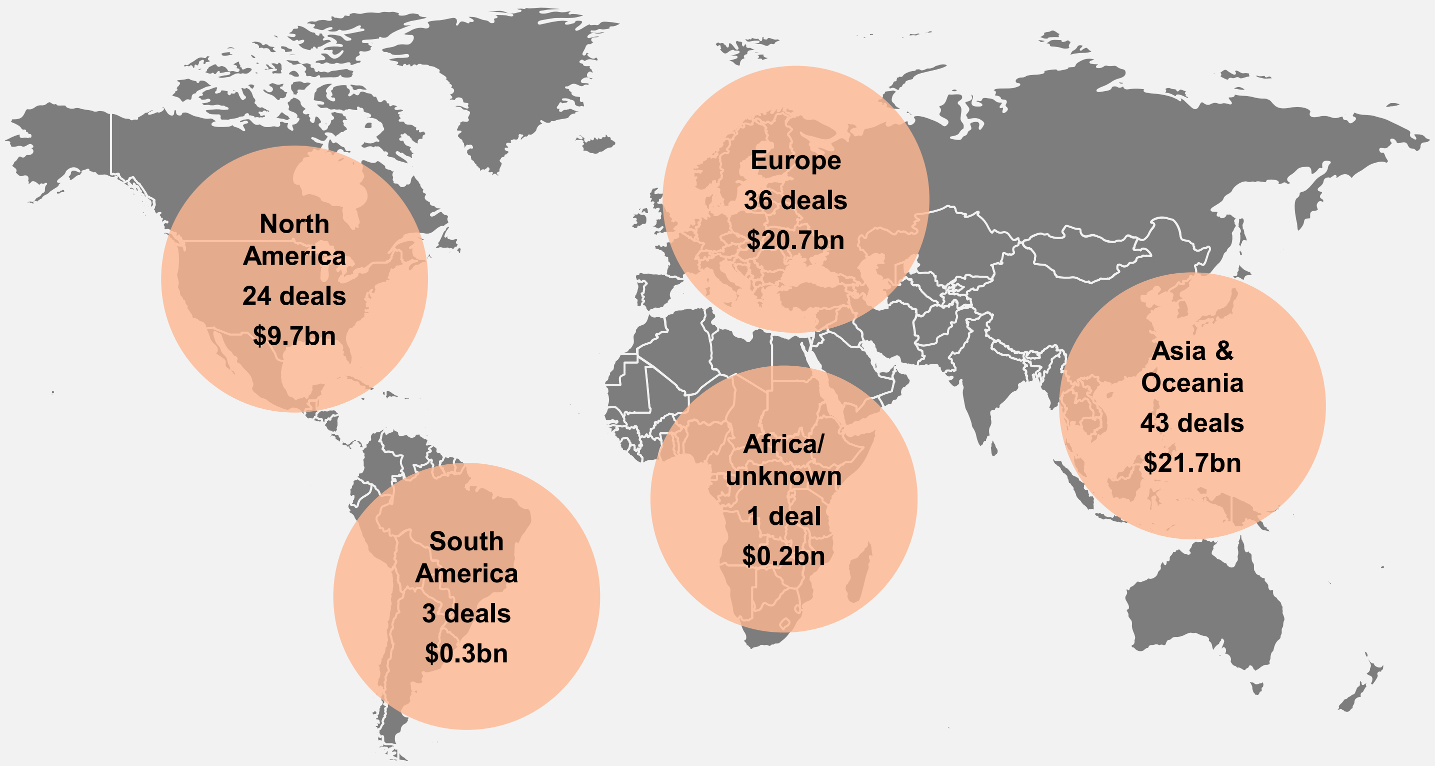
Europe	No. of deals	Value ($bn)	Ø value ($m)
Local	21	13.6	649.4
Inbound	11	4.5	405.2
Outbound	4	2.6	644.8
Total	36	20.7	574.3

Asia & Oceania			
Local	32	15.5	484.3
Inbound	6	4.0	662.1
Outbound	5	2.2	441.1
Total	43	21.7	504.1

North America			
Local	10	3.2	320.9
Inbound	3	1.5	486.7
Outbound	11	5.1	459.2
Total	24	9.7	405.0

South America			
Local	2	0.2	99.7
Inbound	1	0.1	116.3
Outbound	0	0.0	0.0
Total	3	0.3	105.2

Africa/unknown			
Local	0	0.0	0.0
Inbound	0	0.0	0.0
Outbound	1	0.2	170.0
Total	1	0.2	170.0

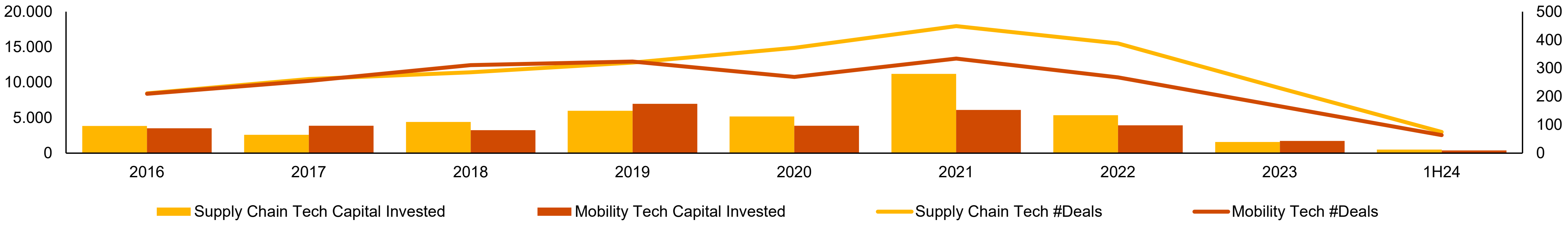


Local = target and buyer in the region
Inbound = target in the region, but buyer outside the region
Outbound = target outside the region, but buyer in the region

An inbound deal in one region is also an outbound deal in another. Inbound and outbound deals are, therefore, recorded twice in the list

Source: PwC analysis, based on Refinitiv. Deals with a value greater than $50 million

VC Investments in T&L related Tech Verticals
(number of deals and sum of capital invested in $mn)



Selected venture capital deals

Deal date	**Company**	**Company nation**	**(Lead) Investor**	**Series**	**Deal value** ($mn)
May-24	Cargo Beamer	DE	Federal Railway Authority, Nordwind Ventures(Hans Albrecht), Swiss Federal Office of Energy	Series B	140.0
Feb-24	Shadowfax	IN	TPG NewQuest, Flipkart, International Finance Corporation	Series E	92.6
Jan-24	Loongair	CN	ICBC Financial Asset Investment	n/a	77.0
Mar-24	Neolix Technologies	CN	CICC Capital, CICC Huirong, E-Town International Investment, Qianhai FoF, Shell China	Series C	76.7
Mar-24	Regent	US	H.I.S.	n/a	56.0
Apr-24	UniUni	CA	DCM Ventures, Fosun RZ Capital, Lanchi Ventures, Vision Plus Capital	Series C	46.3
Apr-24	Jcex International	CN	Wuhan Jiangxia Technology Investment Group	n/a	35.9
Jan-24	FASSTO	KR	undisclosed	Series D	34.7
Jan-24	Bada Supply Chain	CN	undisclosed	n/a	27.4
Feb-24	T2 (Logistics)	JP	Daiwa Logistics(Kenji Kinoshita), JA Mitsui Leasing(Takayuki Hozaki), Japan Freight Railway Company	Series A	26.2
Feb-24	OpenLogi	DE	31 Ventures, Aozora Corporate Investment, Cygames Capital, Eight Roads(Junichi Murata), Global Brain	Series D	22.2
Apr-24	Lets Transport	IN	Bertelsmann India Investments, ALES Global Investment Partnership	Series E	20.5

Sources: PwC analysis, based on Pitchbook, Forbes

Methodology

This report analyses the current industry environment and global transaction and strategic collaboration activities in the T&L industry.

The analysis covers all mergers, acquisitions, sales, leveraged buyouts, privatisations and acquisitions of minority interests with a transaction value greater than $50 million. All transactions announced between 1 January and 30 June 2024 have been included. Project transactions, such as public-private partnerships – which are more common than corporate transactions, especially in the field of infrastructure – do not fall within the scope of the analysis.

The data for the transaction analysis is derived from Refinitiv and includes all deals announced where the target company comes from one of the NAICS industries listed below. Historical data is continuously updated. The analysis included all transactions whose status at the time of analysis was “completed”, “not yet completed because of antitrust approval procedures”, “unconditional” (buyer-side conditions have been met, but the deal has not yet been completed) or “withdrawn”.

The data for the strategic collaboration analysis is based on information from S&P Global Capital IQ, covering private placements data and key strategic alliance-related developments disclosed by listed companies related to the T&L industry.

The venture deals analysis is based on the Top 100 Transport & Logistics VC-Deals in Pitchbook announced until May 2024, including mobility verticals.

Sectors and assigned NAICS industries

Passenger Air: scheduled passenger air transportation; non-scheduled chartered passenger air transportation; air traffic control; other airport operations; other support activities for air transportation

Passenger Ground: highway, street, and bridge construction; all other specialty trade contractors; commuter rail systems; bus and other motor vehicle transit systems; other urban transit systems; inter-urban and rural bus transportation; taxi service; limousine service; school and employee bus transportation; charter bus industry; special needs transportation; all other transit and ground passenger transportation; other support activities for road transportation

Rail: line-haul railroads; short-line railroads; support activities for rail transportation

Logistics: gas distribution; freight transportation arrangement; packing and crating; all other support activities for transportation; postal service; couriers; local messengers and local delivery; general warehousing and storage; refrigerated warehousing and storage; farm product warehousing and storage; other warehousing and storage; process, physical distribution and logistics consulting services

Trucking: general freight trucking, local; general freight trucking, long-distance, truckload; general freight trucking, long distance, less than truckload; used household and office goods moving; specialised freight (except used goods) trucking, local; specialised freight (except used goods) trucking, long distance

Shipping: deep-sea freight transportation; deep-sea passenger transportation; coastal and great lakes freight transportation; coastal and great lakes passenger transportation; inland water freight transportation; inland water passenger transportation; port and harbour operations; marine cargo handling; navigational services to shipping; other support activities for water transportation; regulation and administration of transportation programs

Other: scheduled freight air transportation; non-scheduled chartered freight air transportation; other non-scheduled air transportation; mixed-mode transit systems; commercial air, rail and water transportation equipment rental and leasing; passenger car rental; passenger car leasing; truck, utility trailer and RV rental and leasing

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