G2 | CAPITAL ADVISORS

JULY 2026

Monitor

Transportation & Logistics

INCREASED FUEL PRICES HAVE IMPACT

MATERIAL AND FUEL COSTS ELEVATE PROJECT RISKS

Rising fuel prices and ongoing tariff policies have driven up material costs in 2026, while labor shortages and freight disruptions make project planning increasingly difficult.

TRUCKING FREIGHT RATES INCREASE

Reduced capacity as drivers exit the market and skyrocketing diesel prices have driven trucking contract and spot rates upwards, pushing shippers toward rail freight.

INTERMODAL DEMAND GAINS MOMENTUM

Driven by healthy domestic consumption and competitive spot pricing, total rail activity rose in early 2026 as shippers turned to intermodal options to offset rising trucking costs and tightening road capacity.

Overview

G2 | CAPITAL ADVISORS

Material costs pushed upwards in 2025 by tariff policies continued to increase in 2026 as fuel prices rose amid the U.S.-Iran war. Elevated fuel costs have contributed to rising trucking freight costs, pushing shippers to increasingly opt for rail freight.

Total construction starts surged in May 2026 over April, driven by increases on a yearly and monthly basis in non-residential and non-building starts despite a slight decline in residential starts. Megaprojects within the healthcare, manufacturing, utilities, and data center sectors bolstered total construction starts; however, weakness in institutional, warehouse, and residential construction limited growth.

The construction market in 2026 has been plagued by rising material and labor costs. An ongoing shortage of skilled laborers has increased competition amongst contractors, increasing labor costs, and has made it difficult to plan out projects. Elevated material costs in 2025 continued in the first half of 2026 amid rising fuel prices and supply shortages.

Prices for new construction equipment and machinery remained stable in the first quarter of 2026, while prices for used equipment softened due to elevated supply levels. Cautious buying approaches and aggressive incentives further pressured prices as manufacturers try to work through excess inventory levels.

Retail sales of class 8 trucks ended 2025 on a downward trajectory, with year-over-year declines continuing into 2026 despite monthly improvements as buyers remain unwilling to commit to purchases amid economic uncertainty and elevated inflation rates and borrowing costs. Class 8 inventory levels inched upwards in the first half of 2026 as manufacturers hedged against price increases related to new, stricter EPA regulations beginning in 2027. New regulations, aging fleets, and improved freight rates caused a surge in class 8 order levels in the first three months of 2026. Class 8 order levels cooled in the second quarter of 2026 as the U.S.-Iran war drove up fuel prices, but this was somewhat offset by improved contract and spot freight rates.

Trucking freight volume remained fairly unchanged in the first quarter of 2026 versus 2025. Trucking freight rates, however, were on an entirely different road, increasing in the first quarter of 2026 versus 2025, driven upwards by elevated fuel costs and constrained capacity, pushing shippers to increase intermodal unit rail utilization, contributing to the increase in intermodal volume for the first quarter of 2026.

Containerized import levels entered 2026 on a low note despite January being above typical historical norms, indicating the ocean freight market is headed toward normalization. Containerized import levels declined in the spring of 2026 due to disruptions in key trade corridors. Import levels improved in May and are expected to continue improving now that the U.S. and Iran have reached a tenuous deal and reopened the Strait of Hormuz.

Global trade has become increasingly complex in 2026 as key maritime corridors face significant disruptions. The closure of the Strait of Hormuz for much of the first half of 2026 disrupted trade routes and contributed to rising oil prices. Continued instability in the Red Sea and Bab al-Mandab Strait resulted in rerouting activities and elevated lead times and costs. Changes in tariff policies and refunds further contributed to global uncertainty.

Trucks & Trailers

Class 8 truck retail sales ended 2025 on a downward trajectory, driven by weak freight demand, low carrier profitability, elevated costs, and continued uncertainty surrounding tariff policies and EPA regulations. Production cuts implemented throughout 2025 helped stabilize backlog levels, resulting in light order boards and purposeful, flexible production plans going into 2026. Class 8 order levels improved year-over-year in December 2025, ending the year on a high note as buyers sought to get ahead of the implementation of new emission standards for 2027 and onward truck model years.

Class 8 retail sales continued to post year-over-year declines throughout the first quarter of 2026 despite posting month-over-month improvements. Freight rates increased in the first half of 2026, driven upwards by capacity restraints, stricter federal regulations, and rising carrier operating costs. Sales continued to follow a similar pattern in May, rising over April but below 2025 levels as buyers were unwilling to commit to purchases amid economic uncertainty and elevated inflation levels. However, inventory levels have inched upwards as manufacturers seek to hedge against price increases related to new EPA regulations for truck models years 2027 and onward.

Class 8 order levels surged in the first three months of 2026 versus the same period in 2025 amid aging fleets, improved freight rates, and reduced capacity. The upcoming implementation of stricter EPA emission standards, which is expected to drive prices upwards, also contributed to the increase in first quarter order levels. Class 8 order levels entered the second quarter of 2026 on a positive note but were cooling compared to the first quarter as the U.S.-Iran war increased fuel prices, resulting in some hesitancy amongst fleets to place orders. Demand for new equipment benefited from improved contract and spot freight rates despite limited remaining build slots for 2026. Order pace is expected to cool throughout the summer of 2026 before picking back up again in September when 2027 order boards open.

Used class 8 sales entered 2026 on a softer note, declining yearly and monthly, before improving in the following months. Used sales exhibited mixed results in April, falling from 2025 but remaining unchanged from March, with auction volumes declining month-over-month while wholesale dealer volume inched upwards. Average used class 8 prices improved monthly from February through April as used prices benefited from rising spot freight rates. All factors are pointing to the used truck market moving back into positive territory; however, uncertainty regarding tariff policies, EPA regulations, and elevated fuel prices present challenges to the used truck market.

Newly-introduced stricter emission standards by the EPA for heavy-duty trucks with model years 2027 and onward will reduce NOx emissions by 80% to 90% from previous standards. New emission standards have skyrocketed pre-buying activities of 2026 model-year trucks, contributing to the increase in class 8 sales and orders as fleets seek to avoid price increases and potential early-stage maintenance challenges with new emission-compliant models. The price of emission-compliant models is expected to be higher than prior-year models due to higher manufacturing costs stemming from larger and more complex internal systems. New complex systems are also expected to increase repair and maintenance costs as mechanics and fleet technicians will now require additional training.

Freight volumes remained relatively stagnant in the first quarter of 2026 versus the same period in 2025. However, freight rates were on an entirely different road, significantly increasing versus 2025 amid constrained capacity as drivers exit the market and rising diesel prices due to the U.S.-Iran war. Both spot and contract rates were pushed upwards, with spot rate growth exhibiting its steepest incline since the onset of the COVID-19 pandemic, outpacing contract rate growth. Contract and spot rates continued rising in May and June as capacity remained constrained despite low volume levels. In March 2026, the Federal Motor Carrier Safety Administration issued a final rule restricting eligibility for non-domiciled commercial driver's licenses, which pushed some drivers to exit the market ahead of the implementation of this rule, tightening capacity levels.

Intermodal & Freight Rail

Total U.S. rail traffic, both carloads and intermodal units combined, rose over the first 24 weeks of 2026 versus the same period in 2025, with both carloads and intermodal units posting increases. Increased rail activity has been spurred by domestic movements over import activity, indicating rail activity growth is fairly protected from disruptions and changes to trade policy while domestic consumption remains healthy.

In May 2026, total monthly carloads and intermodal units posted increases above May 2025, marking the fifth consecutive year-over-year increase in 2026. Rail container traffic also reached its highest level year-to-date, indicative of strength within consumer-related freight demand.

Peak shipping season for intermodal units ended 2025 on a soft note as volumes declined from peaks earlier in the year when shippers rushed to front-load shipments ahead of rising tariff costs. Intermodal activity continued to post year-over-year declines in the first few weeks of 2026; however, it is important to note year-over-year comparisons are distorted due to heavy front-loading activity in the early half of 2025.

Intermodal volumes improved in the spring of 2026, with first quarter volumes above prior-year levels despite the challenging comparison period. In the first quarter, shippers increased usage of intermodal units to offset elevated truckload costs while also improving rail network efficiency. Intermodal demand is expected to continue improving as truckload capacity tightens amid rising fuel costs and drivers exiting the market amid stricter CDL and English language enforcements.

Spot pricing for rail remained competitive with spot prices for truck freight in the first half of 2026, but this dynamic is expected to change as increases in spot truckload prices are expected to outpace increases in spot rail prices. Rising prices and tightening trucking capacity are expected to push demand for rail upwards due to the cost advantages it presents shippers.

Select Ongoing G2 Projects

G2 | CAPITAL ADVISORS

Fulfillment

PROJECT

GRAPE

Sell-Side

About the Mandate:

G2 is currently advising a leading direct-to-consumer wine fulfillment company. The company is seeking a new partner to support the future growth through a sale of the business.

Asset-Based Transportation

PROJECT

SHADOW

Sell-Side

About the Mandate:

G2 is currently advising a leading provider of specialized flatbed transportation solutions. The company is seeking a new partner to support the future growth through a sale of the business.

Freight Brokerage

PROJECT

COMPOUND

Capital Markets

About the Mandate:

G2 is advising a digital freight brokerage provider on a financing to fuel growth capital and support an acquisition strategy.

Value-Add Warehousing

PROJECT

GRANITE

Buy-Side

About the Mandate:

G2 is currently advising a provider of value-add warehousing and distribution solutions. The company is seeking acquisition opportunities that will expand its market share and service capabilities.

Third Party Logistics

PROJECT

ALLATOONA

Buy-Side

About the Mandate:

G2 is currently advising a leading provider of end-to-end packaging services. The company is seeking acquisition opportunities that will expand its geographical footprint and service offering.

Rail Fleet Services

PROJECT

STEAM

Buy-Side

About the Mandate:

G2 is currently advising a locomotive service provider. The company is seeking acquisition opportunities that will expand its market share and service capabilities.

Q2 2026 M&A Transactions

G2 | CAPITAL ADVISORS

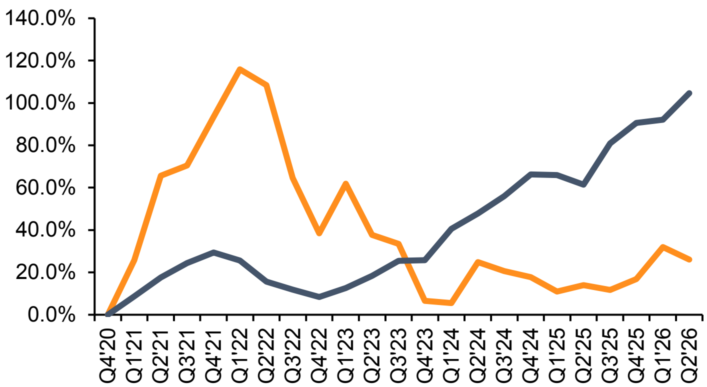
DATE	ACQUIRER	TARGET	TARGET DESCRIPTION
Jun-26	Quad-C Management	Armstrong Transport Group	Freight brokerage using independent agent network; focused on FTL, heavy-haul, flatbed, temp-controlled, and LTL solutions.
Jun-26	PLS Logistics Services	The AGL Group	International freight forwarder providing ocean freight, customs brokerage, drayage, and domestic freight solutions.
Jun-26	AmeriLux Transportation & Logistics	Dedicated Systems Inc.	Provider of flatbed and over-dimensional freight with a nationwide footprint.
Jun-26	Imperative Logistics Group	JD Gonzalez CHB	Customs brokerage and international trade compliance firm.
Jun-26	C.H. Robinson Worldwide	Despir Logistics	Specialized provider of secure transportation and cargo escort services for mission-critical, high-value freight.
Jun-26	RBW Logistics	World Distribution Services	Carve-out of World Group's warehousing business; adds locations in WA, VA, OH and GA.
Jun-26	Fura	LG Logistics Solutions	Freight brokerage specializing in full-truckload, less-than-truckload and intermodal shipping.
Jun-26	Argosy Private Equity	K&L Freight Management	Asset-light 3PL providing expedited ground and air, temperature-controlled logistics, time-sensitive flatbed and cross-border solutions.
Jun-26	Open Road Ventures	Double-Stack Logistics	Asset-based Intermodal Marketing Company (IMC) owning 150+ rail containers; specializes in converting OTR freight to intermodal rail.
Jun-26	Auctane / Thoma Bravo	Worldwide Express	Large-scale freight brokerage and logistics platform (Worldwide Express / GlobalTranz).
May-26	Amerit Fleet Solutions	Pro Reefer	Canada-based provider of refrigerated trailer maintenance services for food distribution, cold chain logistics and temperature-sensitive freight.
May-26	RealCold	SCL Cold Chain	CEIV-certified logistics provider with temp-controlled expertise across pharmaceuticals, medical devices, wine, and foods sectors.
May-26	MAK Acquisition	UniUni	Technology-enabled last-mile delivery platform processing 1MM+ packages daily through 100,000+ gig drivers.
Apr-26	Metro Supply Chain	B R Williams Trucking (Select Warehousing Assets)	A portfolio of select warehousing assets located in the Southern United States, adding 1.5MM sq. ft.
Apr-26	Descartes Systems Group	Idelic	Provider of AI-powered driver safety and performance management solutions.
Apr-26	DQS Solutions & Staffing	Comprehensive Logistics Inc.	Contract logistics provider specializing in high-volume inbound-to-manufacturing logistics for Fortune 500 clients.
Apr-26	Dynamic Connections	SAFE Transportation Services	Asset-light third-party logistics provider focused on high-value, time-sensitive freight.
Apr-26	Nippon Express Holdings	Metro Supply Chain Group	3PL provider offering end-to-end solutions for a range of industries, including consumer goods, automotive, manufacturing and healthcare.
Apr-26	United Business Mail	Enru (Logistics)	Provides transportation and logistics solutions designed to support efficient, reliable movement of Marketing Mail to USPS entry points.
Apr-26	Fastfrate Group	Omnitrans	Freight forwarding and customs brokerage firm, catering to fashion and apparel, electronics and appliances, and manufacturing sectors.
Apr-26	STG Partners	Carrier Logistics	Provider of freight management software for less-than-truckload (LTL) and last-mile fleets.
Apr-26	Truckstop.com	Wize Load	Developer of freight pricing software focused on open deck and oversized freight markets.
Apr-26	OIA Global	Cargo Services (Logistics)	Provider of international freight forwarding and logistics services supporting global import and export operations.
Apr-26	Groundlinx Logistics	Global Net Logistics	Texas-based provider of US-Mexico cross-border trucking, air/ocean forwarding, and warehousing.

Data sourced from Pitchbook as of trading on June 30, 2026
Past performance is no guarantee of future results

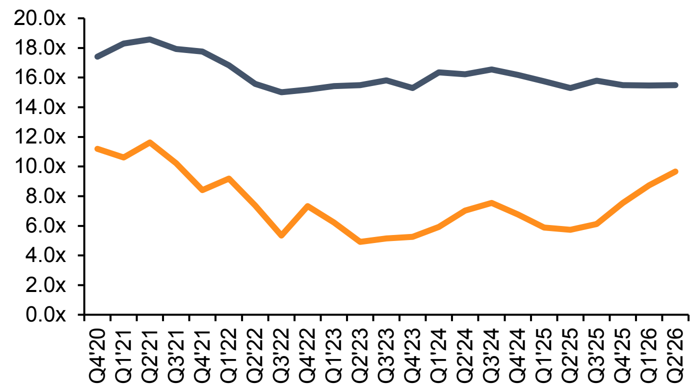
Market Indicators

G2 | CAPITAL ADVISORS

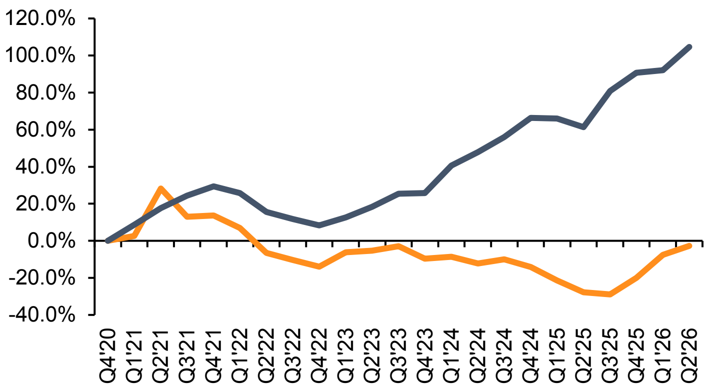
Ocean Freight Market Cap



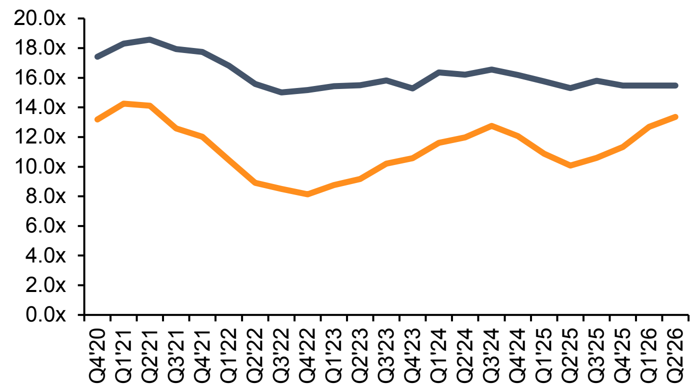
Ocean EV / EBITDA



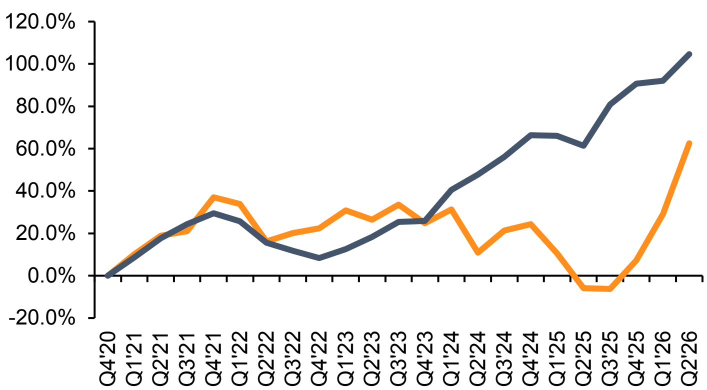
Third Party Logistics Market Cap



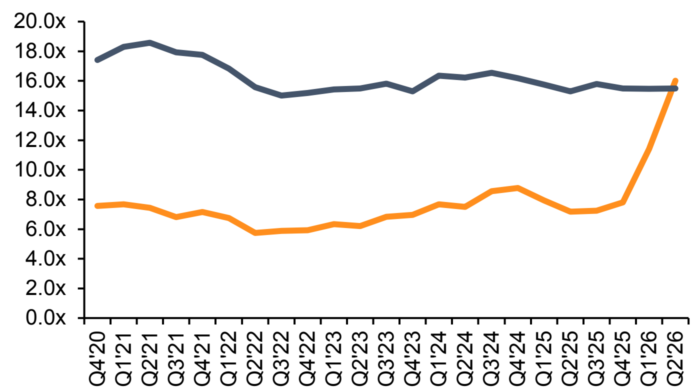
Third Party Logistics EV / EBITDA



Truckload Market Cap



Truckload EV / EBITDA

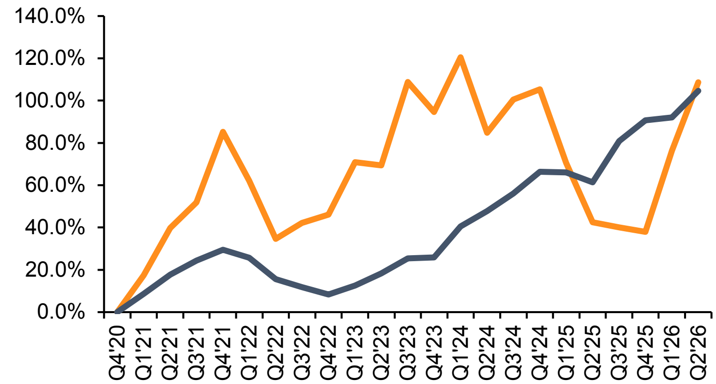


T&L Sector S&P 500

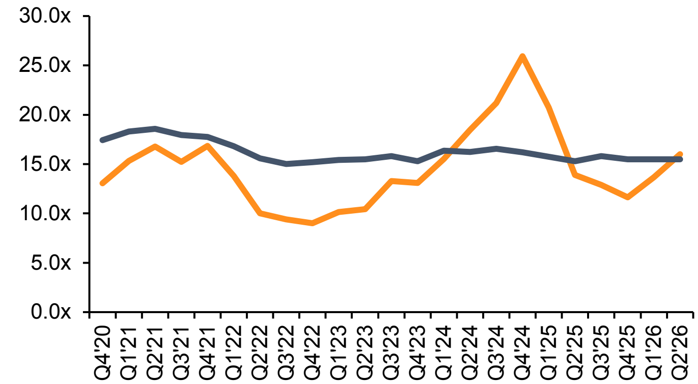
Data sourced from Pitchbook as of trading on June 30, 2026
Past performance is no guarantee of future results

Market Indicators

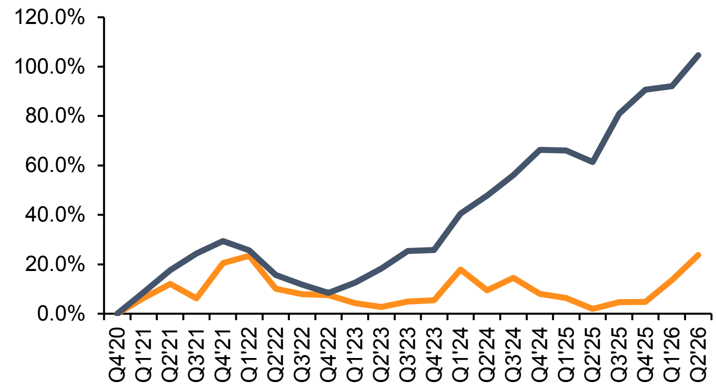
LTL Market Cap



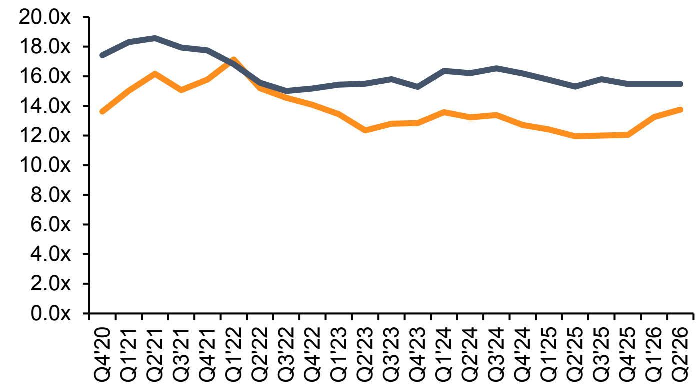
LTL EV / EBITDA



Rail Market Cap



Rail EV / EBITDA



KEY T&L TRADING STATISTICS

Sector	Number of Companies	Median Enterprise Value ($MM)	LTM			
			Median Revenue Growth	Median EBITDA Growth	EV / Revenue	EV / EBITDA
Ocean Freight	7	$6,415	-4.6%	-12.0%	2.4x	9.8x
Third Party Logistics	13	$20,567	-1.1%	0.5%	1.5x	13.4x
Truckload	8	$2,507	0.9%	-9.5%	1.5x	12.5x
LTL	5	$11,426	-3.2%	-7.4%	3.1x	15.8x
Rail	6	$91,330	0.5%	0.3%	6.5x	13.9x

Data sourced from Pitchbook as of trading on June 30, 2026
Past performance is no guarantee of future results

T&L Sector   S&P 500

G2 Firm Overview

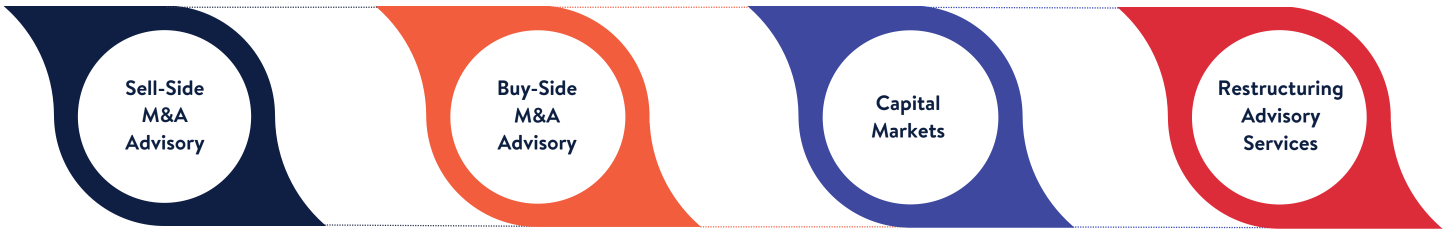
G2 | CAPITAL ADVISORS

Overview:

- 650+ mandates in 15 years
- $6B+ total executed transaction value
- Robust strategic and sponsor relationships
- Active touchpoints with logical sellers and buyers
- Extensive industry experience

A Multi-faceted Platform:

Focused on crafting bespoke operational and financial advisory solutions for our corporate and investor clients. G2 works with clients across a range of situations.



Connect With Our Team:

Matt Konkle
CEO
mkonkle@g2cap.com

Blake Vaughn
Managing Director, Transportation & Logistics
bvaughn@g2cap.com

Robert Connolly
Director, Transportation & Logistics
rconnnolly@g2cap.com

Tess Drake
Vice President, Transportation & Logistics
tdrake@g2cap.com

Sector Expertise:

Transportation & Logistics

T&L Focus Sectors:

- Asset-Based Transportation
- Freight Brokerage / Managed Freight
- Final Mile / Courier / Big & Bulky
- Warehousing / Distribution
- International Logistics

Industrials & Manufacturing

I&M Focus Sectors:

- Building Products / Construction
- Metals / Materials
- Container/ Packaging
- Niche
- Manufacturing Distribution

Technology & Business Services

T&BS Focus Sectors:

- Tech-enabled Services
- BPO
- Managed Services
- Internet & Digital Media
- Business Services

Consumer & Retail

C&R Focus Sectors:

- Fast Moving Consumer Goods
- Retail & E-Commerce
- Quick Serve Restaurants
- Fast Casual Dining
- Marketing Services