

UK Logistics Sector H1 2024 M&A Activity



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Despite continuing global economic and political headwinds, the first half of 2024 saw a good level of M&A activity in the UK logistics sector.

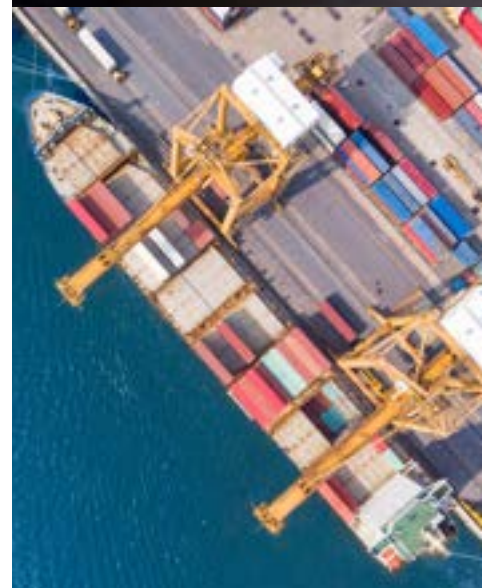
There were two large deals, notably the acquisition of Wincanton Plc by GXO – although at the time of this report the transaction is still subject to review by the Competition and Markets Authority in the UK – and the acquisition of DX Group Plc by HIG Capital, a global private equity firm.

These two transactions see a further erosion of logistics Companies listed on UK Stock Exchanges.

In addition to the DX Group transaction, further consolidation continued in the last mile delivery arena with the purchase of Yodel by an investment consortium lead by Solano Partners, which included Shift, previously the Tuffnells business; and the buyout by its employees of Planet Logistics, a Gloucester based courier company.

Investment in technology businesses supporting logistics companies saw two major transactions – Wincanton acquired Invar Group, a software company that offers warehouse optimisation, automation and controls solutions and Yusen (UK)'s purchase of Global Freight Solutions (“GFS”) from Phoenix Equity Partners. GFS is a technology platform that connects over 300 e-commerce businesses with parcel carriers.

The haulage sector has experienced significant consolidation in recent years with operators seeking to achieve economies of scale to combat wage and fuel inflation.





This has continued in the first half of 2024 - Birmingham based Onlogistics acquired Exact Logistics; whilst Hapag Lloyd of Germany acquired container transport company ATL Haulage Contractors; and DAA Transport acquired Yorkshire based Floyd Schofield Haulage.

Other notable transactions in the period included Elanders (Sweden) purchase of Bishopsgate, a specialist logistics business serving, inter-alia, the hi-tech and medical sectors. Finally, GBA Logistics acquired SXG Holdings which includes the Silver X and Bow Warehousing & Distribution businesses.

Our view is that optimism has increased in the logistics sector over the last couple of months. Some of this may be driven by the “honeymoon” effect of a new Labour government and it remains to be seen if this will be reflected in further and significant M&A activity.

We will update later this year!

If you would like to speak to us regarding mergers & acquisitions or valuing and exiting a logistics business please contact us on 020 7870 9050, a member of our logistics team is waiting to help.





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