

NTG | Nordic Transport Group



Market: OMXC Large Cap

Ticker: NTG

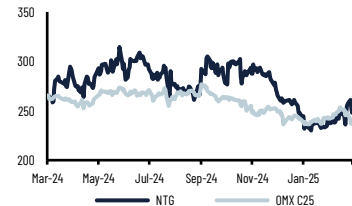
Share price (DKK): 248

Market cap (DKK): 5.3bn

Net debt (DKK): 1.6bn

Enterprise value (DKK): 7.0bn

Share information



YTD: -15.6% 1 year: -6.6%
1 month: 4.0% 3 years: -32.2%

Note: We apply the closing price from 12 March 2025
Index rebased to 13 March 2024. Source: S&P Capital IQ

Financials

DKKm	2023	2024	2025E*
Revenue	8,338	9,352	N/A
Revenue growth	-18.4%	12.2%	N/A
Gross profit	1,866	1,973	N/A
Gross profit margin	22%	21.1%	N/A
Adj EBIT	630	524	575-650
Adj EBIT margin	7.6%	5.6%	N/A
Net income	407	335	N/A
Net income margin	4.9%	3.6%	N/A
Net debt	967	1,592	N/A

Note: *NTG's own 2025 guidance. Source: S&P Capital IQ & NTG

Valuation multiples

	2023	2024	2025E*
P/S (x)	0.8	0.6	0.5
EV/Sales (x)	0.9	0.7	0.6
EV/Adj EBITDA (x)	9.1	8.4	7.5
EV/Adj EBIT (x)	12.3	12.6	11.3
P/E (x)	16.4	16.3	14.1
P/B (x)	6.6	4.1	N/A
P/CF (x)	11.3	11.4	6.5

Note: Multiples for 2023 and 2024 are based on historical numbers from S&P Capital IQ. *Multiples in 2025 are based on consensus analyst estimates from S&P Capital IQ

Company description

NTG | Nordic Transport Group is a Danish-based freight forwarding logistics company that provides customized transport solutions by road, rail, air, and ocean. NTG has a global presence with around 65 subsidiaries and operations in over 25 countries, including the US and China. NTG creates value by optimizing customers' supply chains by acting as a coordinator, planner, and negotiator. NTG operates two segments: Road & Logistics (R&L) and Air & Ocean (A&O), with a 71% / 29% revenue split FY2024.

Investment case

NTG has experienced high cyclicality in recent years as demand surged due to global Covid-19 stimulus. This has been followed by economic weakness, particularly in Europe, since 2022 - a record year. While cyclicality remains, freight volumes are expected to continue growing in line with global trade

During the recent market weakness, NTG has maintained strong cash-flow to strengthen its balance sheet, allowing it to grow market share via acquisitions again in 2024. The five recent acquisitions since H2 2024 (primarily R&L) add combined revenues of DKK 1.9bn and EBIT of DKK 160m, based on 2023 revenues and NTG maintains its financial ambitions for an Adj. EBIT of DKK 1.0bn by FY2027 (28% CAGR from mid-point 2025 guidance) seeing continued ability to make strategic acquisitions in a fragmented market.

Despite challenging macro conditions in 2024, NTG continued delivering a return on invested capital before tax of >20% and with its acquisitions positioned itself for greater scalability when markets improve. Increased European defence spending and a potential rebuild of Ukraine can be positive tailwinds in what otherwise remains a challenging market.

NTG currently trades at lower valuation multiples than its peers. While a smaller size may justify some discount, the valuation gap of around 25-30% FY2025E is larger than historically seen for NTG.

Source [1]: <https://www.grandviewresearch.com/industry-analysis/freight-forwarding-market-report>

Key investment reasons

NTG has historically grown revenues and earnings at double-digit annual growth rates while maintaining ROIC before tax of >20% since its IPO in 2019 (21.6% FY2024). Its asset-light business model supports a strong return on invested capital and high cash flow.

NTG's acquisition strategy has supported revenue and EPS growth, typically acquiring firms at lower valuations than its own (accretive to EPS), which we also assume is the case with its latest five acquisitions since H2 2024. NTG's proven integration approach "ring the bell" facilitates quick integration and efficiency gains supporting an accelerated growth strategy. A solid balance sheet (NIBD/EBITDA 2.0x FY2024) may support further acquisitions.

Increased EU defence spending focused on local supply chains, can drive rising demand. Additionally passing on R&L price increases (started October 2024) will have a positive full year effect in 2025.

Key investment risks

Demand for freight is cyclical, and freight volumes and rates move with the market. A global recession may see rates and volumes fall further. NTG anticipates continued challenges in its R&L division, particularly in Northern Europe, while restructuring within A&L should support stabilization. Recent market challenges may threaten the mid-term targets, which are currently maintained.

Given its smaller size relative to the large industry players, NTG may not be able to leverage economies of scale to secure capacity at favorable rates as effectively as its peers, with current EBIT margins somewhat below peer averages. Alternatively, its size might give NTG more flexibility in adjusting to market conditions.

NTG's discount relative to its peers may be partly explained by the market negatively timed acquisitions which includes increased exposure to A&O and to Germany during a period of where both markets have underperformed.

Peer group

Company	Price (local)	Total return YTD	Market cap (USDm)	EV (USDm)	EV/EBITDA		EV/EBIT		P/E		EBIT margin	
					FY2025	FY2026	FY2025	FY2026	FY2025	FY2026	3-yr avg	LTM
DSV	DKK 1407	-8.0%	48,395	48,331	11.5	8.8	15.5	12.0	23.1	18.0	11%	10%
Kuehne + Nagel International	CHF 208.2	0.2%	27,994	29,284	10.1	9.7	15.2	14.6	20.4	19.6	8%	7%
Expeditors International	USD 117.1	5.7%	16,164	15,587	14.7	14.5	15.8	15.7	21.2	20.2	10%	10%
C.H. Robinson Worldwide	USD 96.2	-6.3%	11,417	13,012	14.3	12.7	16.1	14.1	19.5	16.6	4%	4%
Median		-3.1%	22,079	1,706	12.9	11.2	15.6	14.3	20.8	18.8	9%	8%
NTG Nordic Transport Group	DKK 248	-3.3%	775	1,021	7.5	7.3	11.3	10.5	14.1	12.7	7%	6%
Premium (+) / Discount (-) to DSV					-35%	-17%	-27%	-13%	-39%	-29%		
Premium (+) / Discount (-) to peers					-42%	-35%	-28%	-27%	-32%	-32%		

Note: Data from 12/03/2025

Source: S&P Capital IQ

Appendix – Peer group

Estimates and assumptions: Some of the data in the peer group has not been calculated by HC Andersen Capital but is instead consensus analyst estimates from S&P Capital IQ. Some of the companies have no or limited analyst coverage and no guidance, and hence N/A may show for some data points. HC Andersen Capital assumes no responsibility for the correctness of the numbers in the peer group; however, considers S&P Capital IQ a credible source of information.

Peer Group Selection: NTG's peer group consists mainly of large freight forwarders with global activities and a full-service offering covering road, air, ocean, and associated services. Therefore, the peers reflect a similar business model and market structure to NTG and can be considered relevant peers. However, the peers are significantly larger than NTG, which may create structural differences when facing weaker markets, as larger players can typically benefit from greater economies of scale but may have reduced flexibility.

DSV: is a global freight forwarding company based in Denmark, with operations in over 80 countries. DSV offers air, sea, and land transportation services, as well as logistics solutions and supply chain optimization to customers in various industries, including automotive, healthcare, retail, and technology.

Kuehne + Nagel: is a Switzerland-based freight forwarding company that operates in more than 100 countries worldwide. Kuehne + Nagel offers freight services by air, sea, road, and rail, as well as contract logistics and supply chain management services to a diverse customer base.

Expeditors International: is a US-based global logistics company that provides air and ocean freight services, customs brokerage, and other supply chain solutions to customers in industries such as aerospace, automotive, and retail, with a network in over 60 countries.

C.H. Robinson: is a US-based logistics company that specialises in transportation and supply chain services. It offers air, ocean, and ground transportation solutions, as well as customs brokerage and warehousing services, operating in almost 40 countries with road freight as the largest revenue driver.