

Globaltruck

Buyback program update

- ▶ **Globaltruck (MOEX: GTRK) reports on the progress of its buyback program.** The company has disclosed that its 100% subsidiary Globaltruck Logistics purchased 194,250 of its common shares between 12 November and 29 November 2019. The stake represents 0.33% of the outstanding shares of the company. Globaltruck is going to use the purchased shares for its management incentive program as well as for corporate purposes. The share buyback program is scheduled for the period of 11 November 2019 to 31 May 2021. The program is approved for a maximum of 5% of outstanding shares. The purchase price will not exceed the IPO price of RUB132 per share, thus the program amounts to RUB386mn. The company is going to purchase shares on the Moscow exchange or through private and derivative transactions.
- ▶ **The buyback program has been supportive for the stock since its announcement on 6 November 2019.** The GTRK stock traded in the range of RUB51.8-61.1 during 12-29 November 2019 compared to its average of RUB43 per share for October 2019. In December 2019, the price range on MOEX was RUB50.6-62.1 per share. The stock was also supported by the positive 9M19 results released at the beginning of December 2019. The stock trades at 4.0x EV/EBITDA'20, which represents a 21% discount to Russian peers and a 39% discount to European peers.

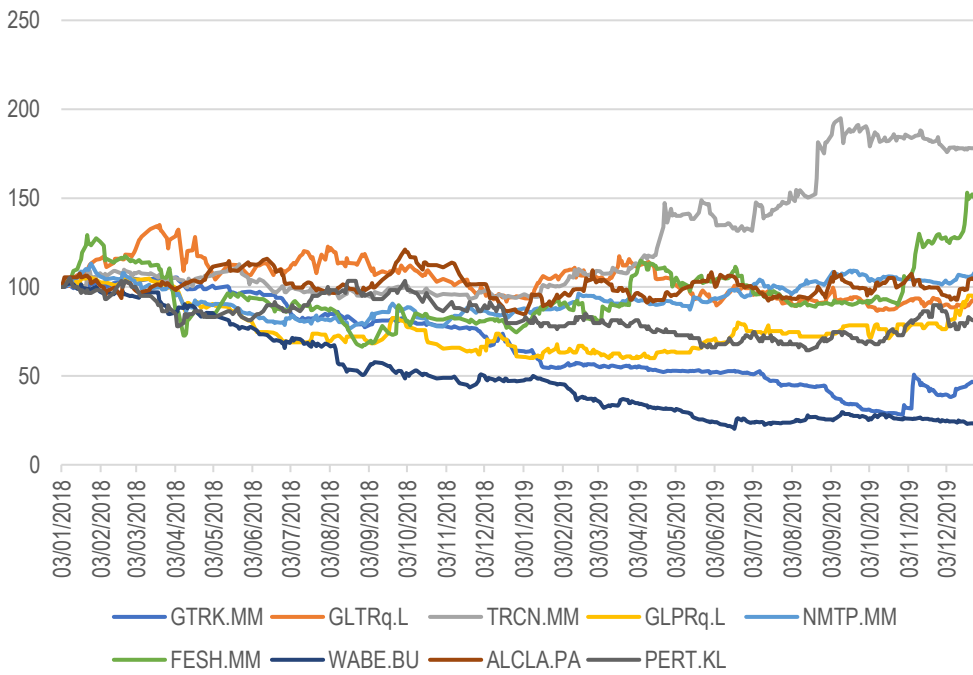
Report date:	3 January 2020
Ticker	GTRK
Main exchange	MOEX
Current Price, RUB	58.7
Number of shares	58,462,120
Current MCap, RUB mn	3,432
Free float, %	19.6%

Globaltruck is a road cargo transportation company with primary operations in Russia and Europe. Globaltruck operated the fleet of 1,359 trucks and 1,502 trailers as of the end of 1H19. The average fleet age is 2.7 years. Globaltruck is one of the largest FTL companies in Russia.

Globaltruck Management is a research client of Hypothesis Research Limited.

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Figure 1. Transportation sector stock relative price performance (03/01/2018=100)



Source: Thomson Reuters

Figure 2. Transportation sector peer comparison

Company name	Market Cap., \$mn	EV, \$mn	P/E 2019	P/E 2020	P/E 2021	EV/ EBITDA 2019	EV/ EBITDA 2020	EV/ EBITDA 2021	EV/ Revenues 2019	EV/ Revenues 2020	EV/ Revenues 2021
Globaltruck	55	108	10.7	6.5	4.7	4.5	4.0	3.5	0.7	0.7	0.6
<i>Discount to Russian peers</i>			29%	-11%	-36%	-17%	-21%	-33%	-76%	-78%	-80%
<i>Discount to European peers</i>			-26%	-52%	-57%	-36%	-39%	-42%	7%	-1%	-12%
Russian peers											
Globaltrans	1582	2013	5.0	6.7	7.6	3.4	4.2	4.4	1.9	2.0	1.7
Transcontainer	1854	1971	NaN	NaN	NaN	6.2	4.8	NaN	3.2	2.7	NaN
Globalports	726	1499	11.7	8.0	7.1	6.6	6.2	6.0	4.2	4.0	3.8
Russian peers average			8.3	7.4	7.4	5.4	5.1	5.2	3.1	2.9	2.8
Peers - Europe											
Waberer's International	65	390	NaN	25.4	5.5	5.7	4.7	4.1	0.5	0.5	0.4
Trans Polonia SA	18	39	10.0	8.6	7.5	5.6	5.6	5.5	0.6	0.6	0.5
Compania de Distribucion Integral Logista Holdings	2988	559	12.8	12.2	12.1	1.6	1.5	1.5	0.4	0.4	0.4
PostNL NV	1113	1554	9.4	8.1	6.4	4.4	4.1	3.7	0.5	0.4	0.4
Id Logistics SAS	1140	1593	34.6	27.4	24.2	11.3	10.4	8.8	0.9	0.8	0.8
Wincanton PLC	500	689	8.7	8.5	8.2	6.3	6.3	6.0	0.4	0.4	0.4
Clasquin SA	90	132	20.8	17.3	14.7	10.7	10.1	8.9	0.4	0.3	0.3
CTT Correios de Portugal	536	1603	13.8	11.3	9.9	11.0	10.3	10.5	2.0	2.0	2.0
Xpediator PLC	64	102	13.2	12.2	12.7	NaN	NaN	NaN	0.4	0.4	0.3
Jetpak Top Holding AB	83	100	11.3	8.9	8.2	7.3	6.2	5.8	1.1	0.9	0.8
Stef SA	1170	2145	10.3	11.0	10.0	6.3	6.2	5.9	0.6	0.5	0.5
Peers - Asia											
Tiong Nam Logistics Holdings Bhd	55	300	35.4	21.3	14.9	13.1	12.5	11.9	2.0	1.9	1.7
Perak Transit Bhd	82	127	9.0	NaN	NaN	8.3	7.2	6.9	4.2	3.6	3.4
Beijing Changjiu Logistics	855	977	20.8	19.7	NaN	15.6	15.3	NaN	1.2	1.2	NaN
Tiong Nam Logistics Holdings Bhd	55	300	35.4	21.3	14.9	13.1	12.5	11.9	2.0	1.9	1.7
Blue Bird Tbk PT	469	502	23.6	19.7	16.3	12.6	10.2	8.4	1.7	1.6	1.4
VRL Logistics Ltd	346	393	21.9	18.8	15.6	8.7	7.8	7.0	1.3	1.2	1.1
United International Transportation Company	701	721	14.8	14.4	13.5	4.3	4.1	3.9	2.6	2.5	2.4
Global peers average			22.8	15.5	12.0	8.6	7.9	6.9	1.3	1.2	1.1
European peers' average			14.5	13.7	10.9	7.0	6.5	6.1	0.7	0.7	0.6

Source: Thomson Reuters, Hypothesis Research estimates

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