

LEGACY FREIGHT HOLDINGS

National Integrated Freight Platform

Strategic Roll-Up Investment Thesis & Five-Year Roadmap

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| Year 5 Revenue Target | Year 5 EBITDA Target | Bundled Exit EV | Target Equity MOIC |
|-----------------------|----------------------|-----------------|--------------------|
| \$1.4B - \$1.6B | \$140M - \$175M | \$980M - \$1.4B | 8x - 14x |

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I. EXECUTIVE SUMMARY

Legacy Freight Holdings offers investors a 7-8x equity multiple by consolidating founder-led trucking operators at deep value, creating a \$1.5 billion national freight platform with institutional quality, vertical integration, and a clear path to a premium exit. The platform targets \$1.4–\$1.6 billion in revenues and \$140–\$175 million EBITDA in five years, aiming for an exit valuation of \$980 million–\$1.4 billion. The strategy is structured to deliver returns using disciplined acquisition, transformation, and scale.

The Vision

Legacy Capital Assets & Business Holdings Corp (LCABH) is building a nationwide freight platform by acquiring founder-owned logistics companies. In five years, Legacy Freight Holdings targets national scale with projected revenues of \$1.4–\$1.6 billion, spanning trucking, brokerage, leasing, maintenance, and logistics technology.

This plan unfolds in two phases. Year one targets acquiring four Midwest companies with a combined estimated purchase value of \$128-\$153 million and generating \$34 million EBITDA at acquisition, rising to \$42 million post-integration. In the subsequent four years, the platform aims for national expansion through additional acquisitions, operational improvements, and technology investments. The goal is a strategic sale valued between \$980 million and \$1.4 billion, generating an investor equity multiple of 7-8x and a projected platform EBITDA of \$140-\$175 million by year five.

The Foundation: Four-Company Midwest Platform

| COMPANY | HQ | REVENUE | EBITDA | FLEET | STRATEGIC ROLE |
|---------------------------|------------------|----------|---------|--------|-----------------------------------|
| Heartland Logistics Group | Heartland, WI | \$48.4M | \$7.0M | 137 | Operating foundation, USPS anchor |
| AMN Transportation | Midwest City, IL | \$140M* | \$14.5M | 600+ | Scale engine, equipment backbone |
| ANT Freight | Chicago/Miami | \$9.8M | \$0.85M | 45-62 | Geographic bridge, USPS catalyst |
| MB Transport (Full) | Midwest City, IL | ~\$260M* | \$26.0M | 762 | Brokerage, IC network, scale |
| COMBINED | Midwest | ~\$458M | ~\$48M | 1,500+ | Top-100 US trucking platform |

* AMN Transportation adjusted for intercompany elimination (~\$140M external revenue; see EBITDA Bridge). MB Transport figures reflect the full-group acquisition per LOI v6. Consolidated

2025 normalized EBITDA of \$26M on ~\$260M revenue (~\$230M external after intercompany elimination).

Five-Year Financial Trajectory

| YEAR 1 (2026) | YEAR 2 (2027) | YEAR 3 (2028) | YEAR 4 (2029) | YEAR 5 (2030) |
|----------------|-------------------|--------------------|---------------------|--------------------------|
| ~\$458M Rev | \$650M Rev | \$900M Rev | \$1.15B Rev | \$1.4-1.6B Rev |
| ~\$55M EBITDA | \$72M EBITDA | \$105M EBITDA | \$130M EBITDA | \$140-175M EBITDA |
| 1,500+ trucks | 2,800+ trucks | 4,200+ trucks | 5,500+ trucks | 7,000+ trucks |
| <i>Midwest</i> | + <i>South/TX</i> | + <i>Northeast</i> | + <i>West Coast</i> | <i>National</i> |

Bundled Exit Thesis

By year five, the platform aims to reach \$140-\$175 million in EBITDA, operate over 7,000 trucks, and offer a broad spectrum of freight services. The targeted exit is at a 7-8x EBITDA multiple, resulting in an estimated valuation of \$980 million-\$1.4 billion and substantial investor returns. Even under downside scenarios-if only the initial acquisitions close and synergies are below projections-the platform projects a minimum IRR of approximately 19 percent and a 4.6x equity multiple at exit, thus underscoring both the upside and a clearly defined downside financial floor for investors.

II. MARKET THESIS & STRATEGIC RATIONALE

The Silver Tsunami in Freight

The U.S. trucking industry is experiencing an unprecedented generational transition. Approximately 70% of trucking companies are founder-owned, and a large majority of those founders are approaching or past retirement age. These owner-operators built profitable businesses over decades but lack succession plans, institutional management structures, or the scale to attract strategic acquirers at premium multiples. At the same time, the labor market for long-haul drivers is tightening significantly: According to the American Trucking Associations, the industry faced a record shortage of nearly 80,000 drivers in 2025, with wage inflation for experienced drivers reaching an annual increase of 8% over the prior three years. This deficit is projected to intensify as younger workers pursue alternative careers, and as the average age of commercial drivers continues to rise above 48. The generational wave of founder retirements is therefore compounded by deepening talent constraints, turning workforce scarcity into a measurable catalyst for sector-wide consolidation and supporting the urgency for institutional investors to act.

The result is a buyer's market for well-positioned private equity firms with operational expertise in transportation and logistics.

Scale Economics in Trucking

The trucking industry rewards scale disproportionately. Larger carriers benefit from superior insurance pricing (15-25% lower premiums per truck), procurement leverage on fuel, tires, and parts, access to institutional credit at lower rates, the ability to bid on dedicated contracts including USPS and Fortune 500 shippers, technology investments that smaller operators cannot justify, and the capacity to attract and retain top management talent. A carrier with 7,000 trucks and \$1.5B in revenue is a fundamentally different business than one with 137 trucks and \$48M in revenue, even if the underlying freight operations are identical.

Vertical Integration as the Value Driver

The most compelling aspect of this platform strategy is vertical integration. Currently, all four foundation companies pay external parties for services the combined platform can provide internally: freight brokerage (15-25% commissions to intermediaries), fleet maintenance (third-party shop markups), receivables financing (factoring fees), and back-office functions (duplicate overhead across four separate companies). Each additional acquisition deepens this vertical integration and widens the margin advantage versus sub-scale competitors.

The Acquisition Arbitrage

The core financial thesis is clear: acquire founder-led trucking businesses at 3-5x EBITDA, integrate them into an institutional platform, and exit the combined entity at 7-8x. This 2-3 turn multiple expansion on a growing EBITDA base generates outsized returns. The arbitrage is structural, not speculative: the same assets and cash flows command higher multiples in an institutional wrapper because strategic buyers and large PE funds cannot deploy capital into \$5-20M EBITDA companies efficiently but will pay 7-8x for a \$150M EBITDA platform they can bolt onto their existing infrastructure.

III. FOUNDATION PORTFOLIO - YEAR 1 ACQUISITIONS

A. Heartland Logistics Group LLC - The Operating Foundation

| |
|---|
| <i>Raymond, Wisconsin \$48.4M Revenue \$7.0M EBITDA 137 Trucks EV: \$19.5M (3x)</i> |
|---|

Heartland Logistics Group is the anchor acquisition and establishes the operating platform, management team, and institutional criteria for the entire roll-up. Founder Paul Henderson built a well-organized operation with institutional characteristics: an 85.5% operating ratio, a properly structured independent contractor model (drivers maintain their own LLCs and MC authority), diversified service lines (FTL, expedited, refrigerated, dedicated, 3PL), and established broker relationships with Landstar, Coyote, and RXO. The seven-entity structure (Express, Expedite, Sky Logistics, Trucks, Trailers, Properties, Holdings) already corresponds to the holding company model that LCABH will deploy across the combined platform.

The USPS Surface Transportation Center contract opportunity, previously projected to increase truck count by 25%, becomes materially more competitive with the combined 1,500+ truck fleet and multi-state geographic coverage. Third-party FMV of \$38.7M-\$44.0M against a \$19.5M acquisition EV provides substantial downside protection. The transaction is structured as a cash-free, debt-free asset purchase. Status: APA and closing documentation drafted. Outside counsel Benesch engaged. Financing through Forstmann & Co. Target close Q1/April 2026.

To ensure disciplined execution and early visibility into post-close progress, three core integration KPIs will be monitored within the first 180 days: (1) Percentage of fleet and drivers transitioned to unified compliance, safety, and settlement processes; (2) Level of intercompany overhead consolidation, targeted to achieve initial annualized synergy run-rate of \$2M; (3) Share of loads routed through affiliated Swick brokerage, with an initial target of 15% internalization. Tracking these metrics will prove the efficacy of integration and provide early ROI benchmarks.

B. AMN Transportation / Sultan Carriers - The Scale Engine

| |
|---|
| <i>Midwest City, Illinois ~\$140M Adj. Revenue \$14.5M EBITDA 600+ Trucks Base EV: \$55M (3.8x)</i> |
|---|

AMN Transportation triples the combined fleet and brings two assets that serve the entire platform: ~\$40.5M in modern net fixed assets (average fleet age under 5 years), providing hard asset backbone and collateral for institutional debt facilities, and Hampshire Truck & Trailers Rep, an in-house repair shop that becomes the maintenance center for the entire 1,500+ truck fleet. The 200+ customer base with no meaningful concentration risk and 98%+ on-time delivery adds credibility. Sole owner Frank Adams retains 12% rollover equity and enters a 12-month consulting agreement, ensuring transition continuity.

Proposed structure: \$24M base purchase price (70% cash, 30% seller note at 6%), up to \$10M earnout, ~\$31M assumed debt. The earnout is specifically structured to align founder incentives by tying a meaningful portion of consideration to continued EBITDA performance and successful integration, ensuring active post-sale engagement through key operational milestones. Base EV \$55M / Max EV \$65M (4.5x). Quality of Earnings engagement approved. Status: LOI submitted via Advisory Partners LLC. 90-day exclusivity.

EBITDA Bridge (2025 Unaudited): Net Income \$4.5M + Depreciation \$7.5M + Interest \$2.0M + Taxes \$0.4M = EBITDA \$14.5M. Note: 2025 income statement includes \$55.6M in intercompany leasing revenue (MBK Equipment Leasing to Sultan Carriers/BEK Trans), which is eliminated in consolidation. External revenue is approximately \$140M. The \$998K insurance recovery in 2025 Other Income is non-recurring; normalized EBITDA excluding this item is approximately \$13.5M. QoE engagement will confirm run-rate EBITDA and quantify all adjustments. Key items for QoE review: related-party rent to owner entities (\$2.1M/year), owner compensation normalization, stockholder loan balance (\$1.26M and growing), and factoring fee savings from ABL refinancing (\$700-800K/year).

C. ANT Freight - The Geographic Bridge & USPS Catalyst

Chicago, IL / Miami, FL | \$9.8M Revenue | ~\$850K EBITDA | 45-62 Trucks | EV: \$2.78M (3.27x)

ANT Freight is the smallest deal financially but the highest-impact strategically. The South Chicago, IL (Chicago) and Southeast FL (Miami) yard locations fill the two biggest geographic gaps in the combined Midwest platform. Chicago-Miami is one of the highest-volume USPS surface freight lanes in the country. Michael's Serbian dispatch model provides 24/7 back-office coverage at approximately \$3-4K/month per dispatcher versus \$5-7K domestically, a model that scales across the entire platform post-integration.

Proposed structure: \$2,776,250 EV (3.27x on ~\$850K 2025 tax-basis EBITDA). Asset purchase structure: \$1.9M cash at closing (including \$75K indemnification escrow), \$600K performance earnout over 24 months (revenue targets of \$12M Yr 1 / \$15M Yr 2, with EBITDA margin gates of 12% and 14%), \$276K rollover equity (Michael 6%, Daniel 4%, tax-deferred under §721/351). Buyer assumes ~\$1.06M in equipment-secured debt with full personal guarantee release. Michael enters W-2 employment as Head of Operations for 24-month guaranteed term. Daniel provides 6-month transition consulting (1099, max 20 hrs/month). Both sign 3-year non-competes. 17-person Serbian back-office team (dispatch, track/trace, accounting, safety) transfers at closing with 90-day transition to formal entity structure. 60-day DD/exclusivity. Status: LOI v3 executed. Target close: June to July 2026.

Working Capital Note (All Foundation Deals): The AMN Transportation LOI sets a target net working capital of \$5.0M with a dollar-for-dollar closing adjustment. Historical NWC runs approximately \$1.5-1.7M (driven by factored receivables netting against factoring advances and payables), indicating a closing adjustment of \$3.0-3.5M in the buyer's favor. Working capital definitions must be carefully negotiated across all four foundation deals, particularly with facilities, intercompany balances (\$1.68M at AMN), driver advances (\$625K), and stockholder/related-party receivables (\$1.26M due from Frank Adams, which should be repaid or offset at closing).

D. MB Transport Group - The Brokerage Platform & National Scale Engine

Midwest City, IL / Ft. Lauderdale, FL | ~\$260M Consolidated Revenue | \$26M Normalized EBITDA | 762 Trucks | Base EV: \$97.2M (3.74x) | Max EV: \$127.2M (4.89x)

MB Transport Group is a mid-market trucking, logistics, and brokerage platform operating through 13 affiliated entities under the MB Capital holding structure, headquartered in Midwest City, IL (61,000 sq ft, owned) with a secondary facility in Fort Lauderdale, FL. The fleet comprises 762 active power units and 1,011 active trailers operating predominantly through an owner-operator model (750 ICs vs. 10 W-2 drivers). Customer concentration is exceptionally low, with no single customer exceeding 4.2% of revenue. Entity-level financials reveal performance dispersion: NG Trucking (\$5.5M NI) and SWK Logistics (\$6.0M NI) are the top performers, while flagship MB Transport International ran -\$6.2M EBITDA and PT Logistics lost \$3.5M. Consolidated 2025 normalized EBITDA is approximately \$26M on ~\$260M in revenue (\$230M external after intercompany elimination).

LOI Deal Structure (v6, Full-Group Acquisition):

The revised LOI proposes a full-group asset acquisition of substantially all operating and non-operating entities. Base Enterprise Value: \$97,200,000 (3.74x on \$26M 2025 normalized EBITDA). Maximum Enterprise Value with full earnout: \$127,200,000 (4.89x). The headquarters facility (\$25M appraised value, \$17.1M mortgage) is excluded and subject to a 10-year triple-net lease-back with two 5-year renewal options. Purchase price components: (1) Cash at Closing: \$77,000,000 (no escrow holdback); (2) Seller Rollover Equity: \$10,000,000 (~8-10% of acquisition vehicle, tax-deferred under §721/351); (3) Subordinated Seller Note: \$7,500,000 (8% PIK Years 1-2, cash-pay Years 3-5, 5-year maturity, \$2M indemnification holdback for 18 months); (4) Performance Earnout: up to \$30,000,000 over 5 years tied to EBITDA milestones (\$33M Yr 1 through \$60M Yr 5, with declining minimum thresholds (70% Yr 1 to 60% Yr 5), pro-rata calculation, plus 30% accelerator on each dollar above target (\$30M aggregate cap)); (5) Employment/Non-Compete: \$2,700,000 base (\$4,050,000 max with bonuses) for 3 principals × 60 months at \$15K/month each.

Equipment Debt & Financing:

Approximately \$62M in existing equipment indebtedness to be refinanced at closing through a new consolidated equipment facility, with full payoff of all existing loans, clean title transfer to the acquisition vehicle, and immediate release of all personal guarantees of the three principals and their family members. The building mortgage (~\$17.1M) remains with the seller group and is excluded from this transaction.

Management Retention & Key Roles:

All three principals retained as W-2 employees with 5-year guaranteed terms, narrow for-cause termination provisions, and full severance protection if terminated without cause. Brian Jensen serves as CEO with full operational authority. Nathan Cole serves

as COO overseeing fleet, IC management, dispatch, and safety. George Kirk serves as VP of Brokerage with full P&L authority over SWK Logistics. 5-year non-compete and non-solicitation covering all three principals.

Tax Structure & Key Benefits:

Asset purchase with Form 8594 allocation designed to maximize capital gains treatment for sellers (estimated blended effective federal rate of 19-25%). Rollover equity is tax-deferred (§721/351), reducing seller Year 1 tax liability by approximately \$2.5-4.0M. Seller note qualifies for installment sale treatment (§453). For the buyer, step-up in basis on acquired assets generates approximately \$2.5-3.2M in annual tax shields through MACRS depreciation and §197 amortization. Building exclusion reduces seller recapture exposure while providing buyer a fully deductible lease expense. Buyer will obtain a representations and warranties insurance (RWI) policy at Buyer’s cost, with 50/50 retention split between buyer and sellers.

Status: LOI v6 executed. 120-day due diligence and exclusivity period. QoE engagement (at Buyer’s sole cost) to verify \$26M EBITDA baseline and entity-level P&L validation across all 13 entities. Independent equipment appraisal and building appraisal for lease-back rate. Target closing: August-September 2026.

IV. FIVE-YEAR STRATEGIC ROADMAP

Roadmap Overview

The five-year roadmap builds Legacy Freight Holdings from a Midwest carrier platform into a coast-to-coast national freight enterprise through three compounding growth levers: organic revenue growth from improved operations and contract wins, bolt-on acquisitions targeting underserved geographic corridors, and technology and operational transformation that widens margin advantages at every step. LCABH serves as the acquisition vehicle and holding company for all entities across the platform.

Year 1 (2026): Building the Foundation

| REVENUE | EBITDA | FLEET | COVERAGE |
|---------|--------|--------|------------|
| ~\$458M | \$55M | 1,500+ | WI, IL, FL |

- **Close all four foundation acquisitions** in sequence: Heartland (Q1), ANT Freight (Q2), AMN Transportation (Q3), MB Transport full group (Q4).
- **Establish a unified holding structure** under LCABH. Appoint Paul Henderson as Chief Operating Officer of Legacy Freight Holdings. Marriott Murdock oversees integration as COO of LCABH.
- **Consolidate capital structure:** Replace all factoring arrangements with a \$30-40M ABL facility. Refinance subprime and fragmented equipment loans

under a single \$80-100M institutional term loan. Estimated annual savings: \$3-5M.

- **Begin Swick brokerage integration:** Start routing 15-20% of affiliated carrier loads through Swick direct-to-shipper relationships, capturing initial broker margin internalization.
- **Launch USPS contract bids** with combined Heartland + ANT Freight geographic profile (WI-IL-FL corridor coverage, 1,500+ truck fleet).
- **Centralize back-office functions** at Midwest City HQ: compliance, safety, accounting, HR. Begin deploying the Serbian dispatch model across the wider fleet.

Year 2 (2027): Expansion

| REVENUE | EBITDA | FLEET | COVERAGE |
|---------|--------|--------|------------------------|
| \$650M | \$72M | 2,800+ | + TX, SE, Cross-Border |

Acquisitions: 2-3 Bolt-On Targets

- **Texas Corridor Carrier (\$80-120M revenue, \$8-12M EBITDA):** Acquire a Dallas/Houston-based FTL carrier to establish the Texas triangle (Dallas-Houston-San Antonio) and connect the Midwest platform to the Gulf Coast and Southwest. Texas is the #1 trucking state by revenue and an important node for cross-border Mexico freight. Target: founder-led carrier with 400-600 trucks, established contract base with energy, manufacturing, or retail shippers. Estimated EV: \$35-50M at 4-4.5x EBITDA.
- **Southeast Regional Carrier (\$40-60M revenue, \$4-6M EBITDA):** Bolt-on in Georgia or Tennessee to bridge the Chicago-Miami corridor through Atlanta, the largest freight hub in the Southeast. Adds 150-300 trucks and provides access to Southeast distribution lanes serving Home Depot, Coca-Cola, UPS Supply Chain, and other Atlanta-headquartered shippers. Estimated EV: \$15-25M at 3.5-4x.
- **Cross-Border Specialist (\$25-40M revenue, \$3-5M EBITDA):** Acquire a Laredo or El Paso-based carrier with C-TPAT certification and Mexican customs brokerage capability. This provides cross-border freight access, one of the fastest-growing and highest-margin segments of U.S. trucking, driven by nearshoring and Mexico manufacturing expansion. Estimated EV: \$12-20M at 4x.

Operational Milestones

- **Full Swick brokerage integration:** 50%+ of affiliated carrier loads sourced through Swick. Swick revenue grows from \$60M to \$100M+ as the platform's shipper relationships deepen. Broker commission savings reach \$15-20M annually.
- **USPS contract awards:** Win initial USPS STC contract blocks on Chicago-Milwaukee, Chicago-Miami, and Midwest regional lanes. Target 200+ dedicated truck positions at \$2.80-3.50/mile, generating \$15-20M in high-margin dedicated revenue.
- **Hampshire repair network expansion:** Open second maintenance facility in Texas (co-located with Texas acquisition) to serve Southern fleet. In-house maintenance now covers 60%+ of fleet, saving \$3-5M annually vs. third-party shops.
- **Technology platform Phase 1:** Standardize entire fleet on unified TMS. Deploy real-time fleet tracking, automated load matching (Swick-to-carrier), and centralized BI dashboards. Begin AI-powered route optimization pilot.

Year 3 (2028): Northeast Expansion & Technology Transformation

| REVENUE | EBITDA | FLEET | COVERAGE |
|---------|--------|--------|---------------------------|
| \$900M | \$105M | 4,200+ | + Northeast, Mid-Atlantic |

Acquisitions: 2-3 Bolt-On Targets

- **Northeast Corridor Carrier (\$100-150M revenue, \$10-15M EBITDA):** Acquire a New Jersey or Pennsylvania-based carrier to complete the I-95 corridor from Miami to the Northeast. The NJ/PA freight market serves the Port of New York/New Jersey (the largest East Coast container port), pharmaceutical distribution (NJ is the pharma capital), and dense consumer goods distribution into the Northeast megalopolis. Target: 500-800 trucks, mix of company-owned and IC. Estimated EV: \$45-65M at 4-4.5x.
- **Specialized/Refrigerated Carrier (\$30-50M revenue, \$4-6M EBITDA):** Add a cold-chain/temperature-controlled specialist to diversify offerings and capture the growing demand for refrigerated freight in produce, pharmaceuticals, and food service distribution. Reefer carriers command premium rates (\$0.30-0.50/mile above dry van) and higher multiples at exit. Estimated EV: \$15-25M at 4x.
- **Small Brokerage Tuck-In (\$20-30M revenue):** Bolt a Northeast-focused freight brokerage onto Swick to expand shipper relationships east of the Mississippi. Asset-light, high-margin addition that accelerates direct-to-shipper penetration in the Northeast market.

Technology & Operations

- **AI-Powered Operations Platform:** Deploy machine learning-based load optimization spanning the entire fleet, matching available capacity to the highest-margin loads in real

time. Dynamic pricing engine for Swick brokerage quotes. Predictive maintenance algorithms using telematics data from 4,000+ trucks to schedule repairs before breakdowns occur, reducing emergency maintenance costs by an estimated 20-30%.

- **Driver Retention Technology:** Launch driver-facing mobile app with real-time settlement tracking, load visibility, route optimization, and instant pay capability. Improved driver experience decreases turnover (industry average: 90%+ annually for large carriers) by 15-20 points, saving \$3,000-5,000 per retained driver annually.
- **Centralized Control Tower:** Build a 24/7 national operations center at Midwest City HQ (making use of the Serbian dispatch backbone) with real-time visibility into every truck, load, and exception across the network. Single point of contact for all Fortune 500 customers.

Year 4 (2029): West Coast & National Coverage

| REVENUE | EBITDA | FLEET | COVERAGE |
|---------|--------|--------|--------------------------|
| \$1.15B | \$130M | 5,500+ | + West Coast, Pacific NW |

Acquisitions: 1-2 Strategic Targets

- West Coast Carrier (\$120-180M revenue, \$12-18M EBITDA):** Acquire a California-based (Inland Empire or Central Valley) carrier to complete coast-to-coast coverage. The LA/Long Beach port complex and the CA-AZ-NV distribution corridor are the highest-volume intermodal freight markets in the country. A West Coast carrier also opens Pacific Northwest lanes (Seattle/Tacoma port) and provides agricultural hauling capability (Central Valley produces 50%+ of US fruits and vegetables). Target: 600-1,000 trucks with intermodal drayage capability. Estimated EV: \$55-80M at 4.5-5x.
- Last-Mile / Final-Mile Platform (\$30-50M revenue):** As e-commerce continues reshaping freight patterns, acquiring a final-mile delivery network extends the platform from linehaul into the fastest-growing segment of logistics. Target: technology-enabled final-mile operator with established retail and e-commerce customer relationships. Asset-light model with high recurring revenue characteristics.

Operational Milestones

- USPS national contract:** With coast-to-coast coverage and 5,500+ trucks, the platform qualifies for USPS national surface transportation master contracts. These are multi-year, multi-hundred-million-dollar agreements that provide highly predictable revenue at premium rates. Target: 500+ dedicated USPS truck positions generating \$75-100M in annual revenue.
- Fortune 500 dedicated fleet:** Leverage national footprint to win dedicated fleet contracts with major shippers (Walmart, Amazon, PepsiCo, Procter & Gamble). Dedicated contracts provide 3-5 year revenue visibility and 200-400 basis points of margin improvement versus spot market freight.
- Maintenance network maturity:** Five repair facilities nationwide (Midwest City, Miami, Houston, NJ, CA) serving the full fleet in-house. Third-party maintenance expense approaches zero for routine service.
- Proprietary technology as a competitive moat:** The AI-powered operations platform, driver app, dynamic pricing engine, and centralized control tower become genuine competitive advantages that improve margins every quarter as the algorithms learn from more data points.

Year 5 (2030): Optimization, Scale & Exit Preparation

| REVENUE | EBITDA | FLEET | COVERAGE |
|----------------|----------------|--------|----------------------|
| \$1.4 - \$1.6B | \$140 - \$175M | 7,000+ | National (50 states) |

Final-Year Acquisitions & Organic Growth

- **Strategic tuck-ins to fill remaining gaps:** 1-2 small bolt-ons targeting any remaining geographic or service line gaps identified during Years 3-4. At this stage, the platform's reputation, systems, and integration playbook make bolt-on execution routine. Target: \$30-60M total EV in final year acquisitions.
- **Organic growth acceleration:** With national coverage, institutional technology, and Swick brokerage operating at \$200M+ in revenue, organic growth compounds at 8-12% annually from market share gains, contract expansion, and rate improvement.
- **EBITDA margin optimization:** Full realization of all synergies pushes EBITDA margins from the ~10% blended average at acquisition to 10-12% on the mature platform. On \$1.5B revenue, every 100 basis points of margin improvement adds \$15M to EBITDA.

Exit Preparation

- **Engage investment bank** (Goldman Sachs, Stephens, Stifel) for sell-side advisory 12-18 months before target exit date. Prepare Confidential Information Memorandum, management presentation, and virtual data room.
- **Complete annual audit cycle** with Big Four or top-10 regional firm. Three years of audited financials by exit date provides buyer confidence and supports a premium multiple.
- **Management team institutionalization:** Ensure no single key-person dependency remains. The C-suite (CEO, COO, CFO, CTO, Chief Commercial Officer) is fully staffed with professional management. The Board of Directors is established with independent members.
- **Clean up corporate structure:** Rationalize entity structure under LCABH for a clean presentation to buyers. Ensure all intercompany transactions are eliminated, transfer pricing is at arm's length, and the legal entity chart is buyer-friendly.

V. Acquisition Pipeline & Revenue/EBITDA Growth

Cumulative Acquisition Summary (Years 1-5)

| YEAR | ACQUISITION | REV. ADDED | EBITDA | TRUCKS | EV | REGION |
|------|---------------------------|----------------|--------------|--------------|---------------|-----------------|
| 1 | HEARTLAND LOGISTICS GROUP | \$48M | \$7.0M | 137 | \$19.5M | MIDWEST |
| 1 | ANT FREIGHT | \$10M | \$0.85M | 55 | \$2.78M | IL / FL |
| 1 | AMN TRANSPORTATION | \$140M | \$14.5M | 600 | \$55M | IL |
| 1 | MB TRANSPORT (FULL GROUP) | ~\$260M | \$26.0M | 762 | \$97.2M | IL / FL |
| 2 | TEXAS CORRIDOR CARRIER | \$100M | \$10M | 500 | \$55M | TX |
| 2 | SOUTHEAST REGIONAL | \$50M | \$5M | 225 | \$20M | GA/TN |
| 2 | CROSS-BORDER SPECIALIST | \$30M | \$4M | 100 | \$16M | TX BORDER |
| 3 | NORTHEAST CORRIDOR | \$130M | \$13M | 650 | \$55M | NJ/PA |
| 3 | REFRIGERATED SPECIALIST | \$40M | \$5M | 200 | \$20M | MULTI |
| 3 | NE BROKERAGE TUCK-IN | \$25M | \$2M | - | \$10M | NE |
| 4 | WEST COAST CARRIER | \$150M | \$15M | 800 | \$68M | CA |
| 4 | LAST-MILE PLATFORM | \$40M | \$4M | 150 | \$20M | NATIONAL |
| 5 | FINAL GAP TUCK-INS | \$50M | \$5M | 250 | \$22M | VARIOUS |
| | TOTAL | \$1.04B | \$97M | 4,429 | \$408M | NATIONAL |

Revenue & EBITDA Growth Waterfall

| GROWTH DRIVER | YR 1 | YR 2 | YR 3 | YR 4 | YR 5 |
|-------------------------------|---------------|---------------|---------------|----------------|-------------------|
| ACQUIRED REVENUE (CUM.) | \$430M | \$610M | \$805M | \$995M | \$1.04B |
| + ORGANIC GROWTH (8-12%) | - | \$40M | \$75M | \$110M | \$155M |
| + USPS / DEDICATED CONTRACTS | - | \$20M | \$55M | \$85M | \$100M |
| + BROKERAGE EXPANSION (SWICK) | - | \$40M | \$65M | \$85M | \$110M |
| TOTAL REVENUE | \$430M | \$650M | \$900M | \$1.15B | \$1.4-1.6B |
| ACQUIRED EBITDA (CUM.) | \$34M | \$53M | \$73M | \$92M | \$97M |
| + SYNERGIES (CUMULATIVE) | \$8M | \$25M | \$38M | \$48M | \$58M |
| - INTEGRATION COSTS | (\$5M) | (\$6M) | (\$6M) | (\$4M) | (\$2M) |
| + ORGANIC EBITDA GROWTH | \$5M | \$10M | \$15M | \$18M | \$22M |
| PRO FORMA EBITDA | \$55M | \$72M | \$105M | \$130M | \$140-175M |
| EBITDA MARGIN | 9.8% | 11.1% | 11.7% | 11.3% | 10-12% |

Cumulative Capital Deployed

| Capital Type | Yr 1 | Yr 2 | Yr 3 | Yr 4 | Yr 5 |
|------------------------------------|-------------|-------------|-------------|-------------|-------------|
| <i>Acquisition EV (cumulative)</i> | \$135M | \$213M | \$298M | \$386M | \$408M |
| <i>Equity Deployed (est.)</i> | \$50-60M | \$60-70M | \$80-95M | \$100-115M | \$105-120M |
| <i>Technology Investment</i> | \$2M | \$5M | \$10M | \$8M | \$5M |
| <i>Integration & Buildout</i> | \$5M | \$6M | \$6M | \$4M | \$2M |

VI. TECHNOLOGY & OPERATIONS TRANSFORMATION

The Technology Thesis

Mid-market trucking companies operate with commodity technology: basic TMS platforms, QuickBooks financials, paper-based compliance documentation, and manual dispatch processes. The platform's technology strategy converts this fragmented tech stack into a proprietary competitive advantage that widens margins every quarter and creates genuine barriers to competition.

Technology Roadmap

Phase 1 (Year 1): Foundation

- **Unified TMS:** Standardize all carriers on a single transportation management system with real-time load tracking, automated invoicing, and settlement processing. Evaluate McLeod (already used by MB Transport) as the enterprise standard.
- **Centralized Financial Platform:** Replace QuickBooks across all entities with a unified ERP (NetSuite or SAP Business One) providing consolidated financial reporting, entity-level detail, intercompany elimination, and real-time dashboards for LCABH management.
- **Fleet Telematics:** Deploy ELD-integrated telematics across all 1,500+ trucks, providing GPS, engine diagnostics, fuel consumption, driver behavior scoring, and HOS compliance monitoring.

Phase 2 (Year 2-3): Intelligence Layer

- **AI Load Optimization:** A machine learning engine that connects to available truck capacity to the highest-margin loads across the combined Swick brokerage and carrier network in real time. Factors include lane profitability, deadhead minimization, driver HOS windows, customer priority tiers, and equipment type matching.

- **Dynamic Pricing:** Algorithmic pricing engine for Swick brokerage that adjusts quotes using real-time supply/demand, lane-level historical margins, fuel costs, and competitive benchmarking. Target: 200-400 bps margin improvement on brokered loads.
- **Predictive Maintenance:** Analyze telematics data from 4,000+ trucks to predict component failures before they occur. Schedule maintenance proactively at Hampshire/in-house facilities during planned downtime windows, reducing emergency roadside repairs (which cost 3-5x scheduled maintenance) by an estimated 40-60%.

Phase 3 (Year 3-5): Competitive Moat

- **Autonomous-Ready Infrastructure:** While full autonomous trucking remains years away, the platform builds the digital infrastructure (mapping, communication protocols, remote monitoring) to be an early adopter when self-driving technology reaches commercial viability on highway corridors.
- **Customer Portal:** Self-service platform for shippers to book loads, track shipments, access documentation, and manage invoicing directly with Legacy Freight Holdings. Lowers manual customer service overhead and increases shipper stickiness.
- **Data Monetization:** The combined network generates massive freight intelligence: lane-level pricing trends, capacity patterns, seasonal demand swings, and shipper behavior analytics. This data has value to shippers, logistics consultants, and financial analysts as a proprietary information product.

Operations Transformation

Safety & Compliance

Standardize safety procedures across all carriers to maintain the platform's institutional safety record (target: EMR <1.0, zero out-of-service orders). Implement centralized safety management with regional safety managers at each terminal location. Invest in driver training, dashcam technology, and collision avoidance systems. Superior safety metrics directly reduce insurance costs (the second-largest operating expense) and qualify the platform for premium shipper contracts that require minimum safety requirements.

Driver Experience & Retention

The trucking industry's 90%+ annual driver turnover rate represents an enormous hidden cost (\$8,000-12,000 per driver in recruitment, training, and lost productivity). The platform invests in driver-facing technology (mobile app, instant pay, load visibility), competitive compensation tied to performance, and career development pathways.

Target: reduce turnover by 20+ points below industry average. At 7,000 trucks, every point of turnover reduction saves approximately \$500K-\$700K annually.

Environmental & Sustainability

Proactive investment in fuel efficiency technology (aerodynamic devices, tire pressure monitoring, idle reduction), route optimization to minimize empty miles, and researching alternative fuel options (CNG, electric) for regional routes. Sustainability metrics are increasingly required by Fortune 500 shippers in their carrier selection criteria. Early adoption positions the platform favorably for contract awards and potential ESG-focused investor premiums at exit.

VII. BUNDLED ENTERPRISE EXIT ANALYSIS

Exit Thesis

By Year 5, Legacy Freight Holdings under LCABH is a national integrated freight platform generating \$1.4-1.6 billion in revenue and \$140-175M in EBITDA, operating 7,000+ trucks with coast-to-coast coverage, a captive \$200M+ brokerage, in-house maintenance infrastructure, proprietary technology, and an institutional management team. This profile attracts three categories of premium buyers.

1. Strategic Acquirers

Knight-Swift (the largest US truckload carrier, \$7.4B revenue), XPO (asset-light/asset-based hybrid), Heartland Express, Werner Enterprises, TFI International, and J.B. Hunt would view the platform as a game-changing “bolt-on” that fills geographic gaps, adds brokerage capability, or provides technology infrastructure. Strategic buyers typically pay 7-8.5x EBITDA for platforms of this scale because they can extract additional value on top of what Legacy has already realized.

2. Infrastructure-Focused Funds

Apollo, Blackstone, KKR, and other infrastructure-focused funds have been aggressively acquiring transportation assets at 6.5-8x, viewing freight as essential infrastructure with predictable cash flows. The platform's multiple revenue streams (carrier + brokerage + USPS dedicated + last-mile), strong EBITDA margins, and technology moat are highly attractive to this buyer class.

3. Public Market

An IPO remains an option if market conditions are favorable. Public truckload carriers trade at 8-12x EBITDA. The platform's \$1.5B revenue, coverage, and institutional quality financial reporting support a public listing. This is the highest yield, but longest-term, and highest cost option.

Comparable Public Company Analysis

The following table presents current valuation multiples for publicly traded truckload and logistics carriers that would be potential strategic acquirers or exit comparables for the Legacy Freight Holdings platform at Year 5. Data reflects trailing twelve-month metrics.

| COMPANY | TICKER | REVENUE | EBITDA | EV | EV/EBITDA | EV/REV | FLEET |
|--------------------|--------|---------|---------|---------|-----------|--------|-----------|
| Knight-Swift | KNX | \$7.4B | \$1.0B | \$11.7B | 11.7x | 1.6x | ~22,000 |
| XPO Inc. | XPO | \$8.1B | \$1.2B | \$18.3B | 15.1x | 2.3x | LTL focus |
| TFI International | TFII | \$7.2B | \$1.5B | \$11.5B | 7.7x | 1.6x | ~9,000 |
| Werner Enterprises | WERN | \$3.0B | \$385M | \$2.8B | 7.4x | 0.9x | ~8,000 |
| Heartland Express | HTLD | \$869M | \$(35M) | \$844M | NM | 1x | ~5,200 |
| Schneider National | SNDR | \$5.2B | \$650M | \$5.8B | 8.9x | 1.1x | ~10,000 |

Sources: SEC filings, Yahoo Finance, public market data. Revenue and EBITDA reflect the most recent TTM reported figures. Enterprise values as of early 2026. Heartland Express currently operates at a loss following its CFI integration and is not meaningful on an EV/EBITDA basis.

The public comp set supports the memo's 7-8x exit multiple assumptions. Knight-Swift (the most direct comparable as the largest US truckload carrier) trades at 11.7x, while Werner and TFI trade at 7.4x and 7.7x, respectively. The 7x base case represents a discount to the public median, reflecting illiquidity and execution risk. The 8x upside case is achievable if the platform demonstrates institutional quality (audited financials, professional management, technology differentiation) at the time of exit. Private market transactions for institutional-scale truckload platforms have recently closed in the 6.5-8.5x range, and privately owned trucking companies at a smaller scale typically transact at 3-8x depending on size and quality.

Exit Valuation Matrix

| Scenario | Exit EBITDA | Multiple | Enterprise Value | Net To Equity | Equity MOIC |
|---------------------|---------------|-----------|------------------|---------------|---------------|
| Conservative | \$140M | 6x | \$840M | \$540M | 5x |
| Base Case | \$155M | 7x | \$1.085B | \$785M | 7-8x |
| Upside | \$170M | 7.5x | \$1.275B | \$975M | 9-10x |
| Full Upside | \$175M | 8x | \$1.4B | \$1.1B | 10-14x |

Note: Net to Equity reflects estimated Year 5 net debt of ~\$250-300M (senior secured facilities against the combined equipment and AR base). MOIC range reflects sensitivity to total equity deployed (\$100-120M over the 5-year period, including co-invested capital). Does not include management fee income, transaction fees, or GP carry, which enhance fund-level returns.

What the Buyer Gets

The buyer of Legacy Freight Holdings at Year 5 acquires a complete, institutional-grade national freight platform. This is not a collection of disparate trucking companies requiring further integration. It is a unified enterprise with the following attributes:

- **National Coverage:** 7,000+ trucks operating in all 50 states with terminals in every major freight corridor (Midwest, Southeast, Texas, Northeast, West Coast, Cross-Border).
- **Multiple Revenue Streams:** Asset-based truckload (~60% of revenue), freight brokerage (~15%), USPS/dedicated contracts (~15%), refrigerated/specialized (~5%), last-mile/other (~5%). No single customer exceeds 3% of total revenue.
- **Vertically Integrated Operations:** In-house brokerage, maintenance network, equipment leasing, and dispatch. The platform captures margin at every step of the freight value chain.
- **Proprietary Technology:** AI-powered load optimization, dynamic pricing, predictive maintenance, driver retention platform, customer portal, and centralized control tower. A multi-year, multi-million-dollar technology investment that a buyer would otherwise need to build from scratch.
- **Institutional Management:** Professional C-suite, independent board, three years of audited financials, clean corporate structure under LCABH, and zero key-person dependency.
- **Proven Growth Curve:** Five years of documented revenue growth from \$430M to \$1.5B+, EBITDA growth from \$55M to \$155M+, and margin expansion from 9.8% to 11%+. The platform has demonstrated the ability to acquire, integrate, and create value consistently.

VIII. RISK FACTORS & MITIGANTS

Integration Execution

***Risk:** Assembling 10-15 companies into a consolidated platform over five years is operationally complex. Each has its own culture, systems, and management.*

Mitigant: Staggered acquisition timeline. Heartland provides a proven operating template. Each deal integrates into an increasingly mature platform. Marriott Murdock provides dedicated integration oversight. By Year 3-4, the integration strategy playbook is battle-tested, and execution becomes routine.

Freight Market Cyclicalality

Risk: Sustained freight recession during integration compresses margins and delays scaling operations. A 15% decline in spot rates, consistent with the 2022-2023 downcycle, would reduce combined Year 1 EBITDA by an estimated \$6-8M, pushing the AMN Transportation standalone DSCR below sustainable levels and may trigger covenant issues with equipment financing.

Mitigant: Blended entry multiple of ~3.9x provides a margin of safety. USPS dedicated contracts provide counter-cyclical stability. Swick brokerage operates asset-light. Diversified service lines (reefer, last-mile, dedicated) reduce cyclical exposure. Hard asset backing provides a collateral floor.

Capital Requirements

Risk: The full five-year plan requires \$100-120M in equity and \$250M+ in debt, which is anticipated to exceed the investment capacity of a single fund. Addressing this, Legacy Capital Assets & Business Holdings Corp will reserve up to 20-30% of total platform equity for select co-investors, including LPs and key investing partners. The fund's policy also allows for partial syndication of larger tranches, enabling the lead fund to maintain major control while flexibly managing capital deployment. This approach safeguards the ability to adjust the capital stack as the opportunity evolves and ensures that funding contingencies are dealt with proactively, with well-defined protocols for bringing in new equity partners or adjusting capital allocations as pipeline requirements change.

Mitigant: LCABH structure enables debt-financed acquisitions outside the fund. Co-investor syndication permitted under LPA Section 4.05. Forstmann & Co. is coordinating institutional financing. Staggered deployment over 5 years. Each deal is individually pencil; the roadmap is modular, not all-or-nothing.

Deal Sensitivity

The modular thesis is a key strength of this strategy. The following analysis shows the financial profile under various deal completion scenarios, demonstrating that the platform generates attractive returns even if not all foundation acquisitions close.

Foundation Scenario Analysis:

| Scenario | Revenue | Acq. EBITDA | Yr1 PF EBITDA | Equity Req. | Entry Mult. | Viable? |
|----------------------------|---------|-------------|---------------|-------------|-------------|----------|
| Full Foundation (Base) | ~\$458M | ~\$48M | \$55M | \$50-60M | 3.6x | Yes |
| Without MB Transport | ~\$200M | ~\$22M | \$28M | \$22-27M | 3.5x | Yes |
| Without AMN Transportation | ~\$220M | ~\$20M | \$26M | \$21-26M | 3.5x | Impaired |
| Heartland & AN Only | ~\$58M | ~\$8M | \$10M | \$8-10M | 2.9x | Yes |
| Without MB Transport & AMN | ~\$58M | ~\$8M | \$10M | \$8-10M | 2.9x | Revised |

Five-Year Return Sensitivity by Scenario (at 7x Exit Multiple):

| Scenario | Yr5 EBITDA | Exit EV (7x) | Net to Equity | Equity MOIC | Equity IRR | Assessment |
|----------------------------|------------|--------------|---------------|-------------|------------|-------------|
| Full Foundation (Base) | \$155M | \$1,085M | \$780M | 7.1x | ~48% | Target Case |
| Without MB Transport | \$110M | \$770M | \$520M | 5.5x | ~40% | Attractive |
| Without AMN Transportation | \$100M | \$700M | \$460M | 4.8x | ~37% | Attractive |
| Heartland & AN Only | \$50M | \$350M | \$230M | 4.6x | ~35% | Achievable |
| Freight Recession (-15%) | \$130M | \$910M | \$605M | 5.5x | ~40% | Resilient |

Key takeaway: Even in the most conservative scenario (Heartland + AN Freight only, \$58M revenue), the platform generates a 4.6x MOIC at a 7x exit multiple. The loss of any single foundation deal reduces but does not destroy returns. The loss of MB Transport is particularly notable because it eliminates the brokerage growth engine (SWK Logistics) that drives \$110M of Year 5 revenue, but the carrier-only platform is still viable. The loss of AMN Transportation impairs the scale thesis and maintenance cost advantages but can be partially offset by accelerating Year 2 bolt-on acquisitions in the Texas/Southeast corridor.

Independent Contractor Classification

Risk: Platform would operate 5,000+ ICs across multiple states, including aggressive jurisdictions (CA, IL, NJ). Retroactive reclassification of independent contractors as W-2 employees could create \$15-25M in back-tax, benefits, and penalty exposure across the combined platform. Even prospective reclassification in California (under AB5) would increase operating costs by an estimated \$3,000-5,000 per affected driver annually.

Mitigant: Asset purchase structures avoid inheriting entity-level liability. Heartland's gold-standard IC model (own LLC + MC authority) deployed as platform standard. Seller indemnifications in all deals. Post-close IC compliance audit and remediation. California acquisitions will evaluate hybrid W-2/IC models to comply with AB5.

Key Person Dependencies

Risk: Early-stage dependence on founders (Paul, Frank, Michael) and LCABH leadership. Loss of any single founder during the integration period could delay deal execution by 6-12 months and forfeit \$3-5M in identified synergies per quarter of delay.

Mitigant: Employment agreements, earnout structures, rollover equity, and non-competes at every acquisition. A professional management team was hired in Years 2-3 to reduce individual dependency. By Year 5, the platform runs on institutional processes and technology, not individual relationships.

Financial Statement Quality & Intercompany Complexity

Risk: The 2024 Sultan Carriers combined financial statements are a compilation engagement (Gray Hunter Stenn LLP), not an audit. The 2025 AMN Transportation financials are unaudited QuickBooks aggregations with \$55.6M in uneliminated intercompany leasing transactions. All EBITDA and valuation figures carry compilation-level uncertainty until the Quality of Earnings engagement is complete. Additionally, stockholder loan balances grew from \$559K to \$1.26M during 2025, and related-party rent to owner entities of \$2.1M annually requires market-rate benchmarking.

Mitigant: QoE engagement approved for Q2 2026. LOI includes standard purchase price adjustment mechanisms and indemnification provisions. All acquisitions are contingent on satisfactory confirmatory due diligence. Post-close, transition to Big Four or top-10 regional audit within 12-18 months. Stockholder loans to be repaid or offset against closing proceeds as a pre-closing condition. Related-party rent to be benchmarked relative to market rates; post-close lease to be negotiated at arm's length or facilities acquired separately.

Seller Willingness (MB Transport & Future Targets)

Risk: Sellers may reject acquisition offers or demand premium multiples as the platform's buying power becomes known.

Mitigant: Deep pipeline of Silver Tsunami candidates ensures no single target is make-or-break. If MB Transport insists on all-or-nothing, a fallback structure is available. Platform reputation as a

good home for founder-led businesses (Paul stays as COO, Frank retains equity) becomes a sourcing advantage over time.

IX. FINANCIAL APPENDIX

A. Consolidated Sources & Uses - Full Five-Year Platform Build

| TOTAL SOURCES (YEARS 1-5) | TOTAL USES (YEARS 1-5) |
|--|--|
| LCABH / LCF EQUITY | ACQUISITION PURCHASE PRICES |
| YEAR 1 FOUNDATION: \$36M - \$55M | YEAR 1 FOUNDATION: \$128M - \$153M |
| YEAR 2 BOLT-ONS: \$21M - \$26M | YEAR 2 BOLT-ONS: \$78M |
| YEAR 3 BOLT-ONS: \$23M - \$28M | YEAR 3 BOLT-ONS: \$85M |
| YEAR 4 BOLT-ONS: \$24M - \$28M | YEAR 4 BOLT-ONS: \$88M |
| YEAR 5 TUCK-INS: \$6M - \$8M | YEAR 5 TUCK-INS: \$22M |
| TOTAL EQUITY: \$105M - \$120M | TOTAL ACQUISITION EV: \$408M |
| SENIOR SECURED DEBT | TECHNOLOGY & INTEGRATION |
| ABL FACILITY (AR-BACKED): \$40M - \$50M | TECHNOLOGY PLATFORM: \$30M |
| TERM LOANS (EQUIPMENT): \$120M - \$160M | INTEGRATION COSTS: \$23M |
| ASSUMED DEBT (AMN): \$31M | MAINTENANCE FACIL. BUILDOUT: \$8M |
| TOTAL DEBT: \$190M - \$240M | TOTAL INVEST.: \$61M |
| SELLER NOTES (AGGREGATE) | TRANSACTION COSTS (AGGREGATE) |
| \$18M - \$28M | LEGAL, QoE, ADVISORY: \$5M - \$7M |
| SELLER ROLLOVER EQUITY (AGGREGATE) | EARNOUT OBLIGATIONS (AGGREGATE) |
| \$10M - \$18M | \$30M - \$45M (FUNDED FROM OPco CASH FLOW) |
| RETAINED OPERATING CASH FLOW | WORKING CAPITAL & RESERVES |
| PLATFORM FCF FUNDS EARNOUTS, TECH., AND INTEGRATION COSTS | \$10M - \$15M |
| TOTAL SOURCES: \$408M - \$500M+ | TOTAL USES: \$408M - \$500M+ |

Note: Sources and uses balance across the 5-year period. Earnout obligations (\$30-45M) and technology/integration investments (\$61M) are substantially funded from platform operating cash flow rather than upfront equity, significantly reducing the Day 1 equity requirement for each acquisition.

B. Pro Forma Capitalization Table

Year 1 (Post-Foundation Closing) - Estimated

| CAPITAL LAYER | AMOUNT | MULTIPLE | % OF CAP |
|------------------------------|---------------|----------|----------|
| SENIOR ABL REVOLVER | \$35,000,000 | 0.8x | 14% |
| SENIOR SECURED TERM LOAN | \$75,000,000 | 1.8x | 30% |
| ASSUMED EQUIPMENT DEBT (AMN) | \$31,000,000 | 0.7x | 12% |
| TOTAL SENIOR SECURED | \$141,000,000 | 3.4x | 56% |
| SELLER NOTES (AGGREGATE) | \$17,000,000 | 0.4x | 7% |
| TOTAL DEBT | \$158,000,000 | 3.8x | 63% |
| SELLER ROLLOVER EQUITY | \$10,000,000 | 0.2x | 4% |
| LCABH / LCF COMMON EQUITY | \$82,000,000 | 2x | 33% |

CONFIDENTIAL INVESTMENT MEMORANDUM

| | | | |
|-----------------------------|----------------------|-----------|-------------|
| TOTAL CAPITALIZATION | \$250,000,000 | 6x | 100% |
|-----------------------------|----------------------|-----------|-------------|

Note: Leverage multiples calculated on Year 1 pro forma EBITDA of \$55M. Senior secured leverage of 3.4x is within institutional lending parameters for asset-heavy trucking (typical covenant: 3.5-4x max). Total leverage of 3.8x provides comfortable headroom.

Year 5 (Pre-Exit) - Projected

| CAPITAL LAYER | AMOUNT | MULTIPLE | % OF CAP |
|--|------------------------|-----------------|-----------------|
| SENIOR ABL REVOLVER | \$60,000,000 | 0.4x | 6% |
| SENIOR SECURED TERM LOAN | \$160,000,000 | 1x | 15% |
| EQUIPMENT FINANCING | \$80,000,000 | 0.5x | 7% |
| TOTAL SENIOR SECURED | \$300,000,000 | 1.9x | 28% |
| REMAINING SELLER NOTES | \$5,000,000 | | 0% |
| TOTAL DEBT | \$305,000,000 | 2x | 28% |
| MINORITY / ROLLOVER EQUITY | \$15,000,000 | 0.1x | 1% |
| LCABH EQUITY (INCL. RETAINED EARNINGS) | \$765,000,000 | 4.9x | 71% |
| TOTAL CAPITALIZATION | \$1,085,000,000 | 7x | 100% |

Note: Year 5 leverage of 2x reflects substantial deleveraging through operating cash flow, seller note paydowns, and equipment amortization. LCABH equity value of \$765M reflects base case EV of \$1.085B less net debt of \$300M and minority interests. This is the equity value available for distribution upon exit.

C. Pro Forma Consolidated Income Statement (Five-Year Projection)

| (\$ IN MILLIONS) | YEAR 1 | YEAR 2 | YEAR 3 | YEAR 4 | YEAR 5 |
|-----------------------------|---------------|---------------|---------------|---------------|---------------|
| Gross Revenue | \$430 | \$650 | \$900 | \$1,150 | \$1,500 |
| Carrier Revenue | \$350 | \$470 | \$620 | \$780 | \$950 |
| Brokerage Revenue | \$60 | \$110 | \$160 | \$210 | \$250 |
| Dedicated / USPS | \$15 | \$50 | \$80 | \$110 | \$150 |
| Specialized / Other | \$5 | \$20 | \$40 | \$50 | \$150 |
| Cost of Revenue | (\$344) | (\$507) | (\$693) | (\$880) | (\$1,130) |
| IC / Driver Pay | (\$180) | (\$260) | (\$350) | (\$440) | (\$555) |
| Fuel | (\$62) | (\$88) | (\$117) | (\$145) | (\$180) |
| Insurance | (\$30) | (\$40) | (\$52) | (\$63) | (\$75) |
| Maintenance & Repairs | (\$28) | (\$38) | (\$48) | (\$58) | (\$68) |
| Other Direct Costs | (\$44) | (\$81) | (\$126) | (\$174) | (\$252) |
| Gross Profit | \$86 | \$143 | \$207 | \$270 | \$370 |
| Gross Margin | 20.0% | 22.0% | 23.0% | 23.5% | 24.7% |
| SG&A / Overhead | (\$22) | (\$36) | (\$52) | (\$67) | (\$90) |
| Integration Costs | (\$5) | (\$6) | (\$6) | (\$4) | (\$2) |
| Technology Investment | (\$2) | (\$5) | (\$10) | (\$8) | (\$5) |
| EBITDA | \$42 | \$72 | \$105 | \$130 | \$155 |
| EBITDA Margin | 9.8% | 11.1% | 11.7% | 11.3% | 10.3% |
| Depreciation & Amortization | (\$18) | (\$30) | (\$42) | (\$52) | (\$60) |
| Interest Expense | (\$14) | (\$18) | (\$22) | (\$22) | (\$20) |

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| | | | | | |
|----------------------------|-------|-------|--------|--------|--------|
| Pre-Tax Income | \$10 | \$24 | \$41 | \$56 | \$75 |
| Taxes (25% effective rate) | (\$3) | (\$6) | (\$10) | (\$14) | (\$19) |
| Net Income | \$7 | \$18 | \$31 | \$42 | \$56 |

D. Free Cash Flow Analysis (Five-Year Projection)

| (\$ IN MILLIONS) | YEAR 1 | YEAR 2 | YEAR 3 | YEAR 4 | YEAR 5 |
|-------------------------------------|--------|--------|--------|--------|--------|
| EBITDA | \$42 | \$72 | \$105 | \$130 | \$155 |
| (-) CASH TAXES | (\$2) | (\$4) | (\$8) | (\$12) | (\$16) |
| (-) CASH INTEREST | (\$14) | (\$18) | (\$22) | (\$22) | (\$20) |
| (-) MAINTENANCE CAPEX | (\$20) | (\$32) | (\$42) | (\$50) | (\$55) |
| (-) WORKING CAPITAL CHANGES | (\$3) | (\$4) | (\$5) | (\$4) | (\$3) |
| LEVERED FREE CASH FLOW | \$3 | \$14 | \$28 | \$42 | \$61 |
| FCF CONVERSION (% OF EBITDA) | 7% | 19% | 27% | 32% | 39% |
| MEMO: CUMULATIVE LFCF | \$3 | \$17 | \$45 | \$87 | \$148 |
| MEMO: DEBT PAYDOWN CAPACITY | \$3 | \$12 | \$20 | \$30 | \$40 |
| MEMO: AVAILABLE FOR EARNOUTS | \$0 | \$2 | \$8 | \$12 | \$21 |

Note: Cash taxes reflect accelerated depreciation benefits from asset step-up (Section 1060/8594 allocations). Maintenance Capex assumes approximately \$8,000 per truck annually. Year 1 FCF is constrained by integration costs and initial interest burden; FCF conversion improves rapidly as synergies mature and leverage declines. Cumulative LFCF of \$148M over 5 years substantially self-funds earnout obligations (\$30-45M), technology investment (\$30M), and a portion of bolt-on acquisition equity.

E. Returns Sensitivity Analysis

Exit Multiple Sensitivity (Base EBITDA: \$155M)

| Exit Multiple | Enterprise Value | Net to Equity | Equity MOIC | Equity IRR |
|------------------|------------------|---------------|-------------|------------|
| 5x | \$775M | \$470M | 4.3x | ~34% |
| 5.5x | \$853M | \$548M | 5x | ~38% |
| 6x | \$930M | \$625M | 5.7x | ~41% |
| 6.5x | \$1,008M | \$703M | 6.4x | ~44% |
| 7x (Base) | \$1,085M | \$780M | 7.1x | ~48% |
| 7.5x | \$1,163M | \$858M | 7.8x | ~51% |
| 8x | \$1,240M | \$935M | 8.5x | ~53% |

Note: Net to Equity assumes \$305M net debt at exit. MOIC based on \$110M total equity deployed. IRR assumes a 5-year hold with equity deployed ratably over Years 1-4.

EBITDA Sensitivity (at 7x Exit Multiple)

| EXIT EBITDA | ENTERPRISE VALUE | NET TO EQUITY | EQUITY MOIC | SCENARIO |
|----------------------|------------------|---------------|-------------|---------------------|
| \$120M (-23%) | \$840M | \$535M | 4.9X | DOWNSIDE |
| \$140M (-10%) | \$980M | \$675M | 6.1X | CONSERVATIVE |
| \$155M (BASE) | \$1,085M | \$780M | 7.1X | BASE CASE |
| \$175M (+13%) | \$1,225M | \$920M | 8.4X | UPSIDE |
| \$200M (+29%) | \$1,400M | \$1,095M | 10X | FULL UPSIDE |

Note: Even in the downside scenario (synergies underperform by 23%), the platform still returns 4.9x on equity at a 7x exit multiple. The strategy has a significant margin of safety due to the low blended entry multiple (~3.9x) and the hard asset backing across 7,000+ trucks.

F. Key Assumptions & Methodology

Revenue Assumptions

- **Organic carrier growth:** 8% annually (industry average for well-managed fleets in a recovering freight market). Assumes gradual freight rate recovery through 2027-2028, followed by stable market conditions.
- **Brokerage growth:** Swick expands from \$60M to \$250M over 5 years through internal load sourcing (carrier-to-brokerage margin recapture), geographic expansion alongside carrier footprint, and shipper relationship deepening. Implied CAGR of ~33%, aggressive but achievable for a brokerage with captive carrier capacity.
- **USPS / Dedicated:** Assumes initial USPS STC contract award in Year 2 (200 trucks), scaling to 500 dedicated positions by Year 4-5. USPS rates of \$2.80-3.50/mile. Dedicated fleet contracts with Fortune 500 shippers begin in Year 3 as national coverage is established.
- **Bolt-on acquisition revenue:** Each bolt-on is assumed at fair market revenue with no top-line growth premium applied at acquisition.

EBITDA / Margin Assumptions

- **Acquired EBITDA multiples:** Foundation deals at 3-4.5x. Year 2-3 bolt-ons at 3.5-4.5x. Year 4-5 bolt-ons at 4-5x (slight multiple creep as platform scale increases buyer competition in later years).
- **Synergy realization:** 30% of identified synergies captured in Year 1 (primarily refinancing and procurement). 70% captured by Year 3. 90%+ captured by Year 5. Integration costs of \$23M over 5 years offset against synergy gains.
- **Margin expansion:** EBITDA margin improves from ~9.8% (Year 1 blended) to 10-12% (Year 5), driven by brokerage mix shift (higher-margin revenue), broker commission elimination, in-house maintenance savings, and overhead consolidation. Insurance savings of 15-25% at fleet scale applied beginning Year 2.

Capital Structure Assumptions

- **Senior secured debt:** ABL at SOFR + 200bps (secured against AR, 85% advance rate). Term loan at SOFR + 300-350bps (secured against equipment). Assumes SOFR of 4-4.5% through the projection period.
- **Equipment financing:** Assumed debt at AMN refinanced over 5-7 years. Incremental equipment financing for bolt-on acquisitions at market rates. Fleet depreciation provides a tax shield that partially offsets interest cost.
- **Seller notes:** Weighted average rate of 6%, weighted average maturity of 3-4 years. PIK feature on larger notes (MB Transport) preserves Year 1-2 cash flow. All seller notes are fully amortized by Year 5.

- **Tax rate:** 25% effective rate. Reflects C-Corp structure at LCABH level. Depreciation tax shields from asset step-up (Section 1060/Form 8594 allocations on asset deals) reduce cash taxes below the statutory rate in early years.

Exit Assumptions

- **Exit timing:** Year 5 (2030-2031). Assumes 12-18 months of sell-side preparation beginning mid-Year 4.
- **Exit multiple:** Base case 7x EBITDA. Supported by public comps (Knight-Swift, Werner, Heartland Express trading at 7-12x forward EBITDA) and recent PE exits in transportation (6.5-8.5x range for institutional platforms). Premium to entry multiples reflects scale, diversification, technology, and institutional quality.
- **Buyer universe:** Strategic acquirers (Knight-Swift, XPO, TFI International, Heartland Express), infrastructure PE (Apollo, Blackstone, KKR), and IPO. Strategic buyers likely pay a 50-100bps premium to PE for synergy credit.
- **Net debt at exit:** ~\$305M, reflecting cumulative debt paydown from operating cash flow partially offset by incremental acquisition financing. Leverage of ~2x EBITDA provides a clean balance sheet for the buyer.

Note: All projections are forward-looking estimates based on management assumptions, market analysis, and preliminary due diligence. Actual results may differ materially. See cover page disclaimer for full qualification.

X. CONCLUSION

Legacy Freight Holdings represents an exciting opportunity to build a national freight carrier from the ground up, acquiring founder-led businesses at 3-5x EBITDA during the largest generational wealth transfer in American trucking history, integrating them into a technology-enabled institutional platform, and exiting the combined enterprise at 7-8x as a \$1B+ national carrier.

The return profile is attractive: \$100-120M in total equity deployed over five years, building to \$140-175M in annual EBITDA, supporting an enterprise exit value of \$980M-\$1.4 billion. Even the conservative case (\$840M exit on \$140M EBITDA at 6x) returns 5x on equity. The base case returns 7-8x. The upside case, if USPS contracts, technology, and brokerage integration all perform, approaches 10x+.

The foundation is already in place. Four deals are in active diligence or pre-LOI, representing ~\$458M in combined revenue and ~\$48M in acquired EBITDA at acquisition (\$55M Year 1 pro forma after synergies and integration costs). The management team (Paul Henderson, Marriott Murdock, Richard Metzler) is assembled. The operating playbook is proven. The financing partner (Forstmann & Co.) is engaged. The legal infrastructure (LCABH, LPA, Parsons Behle & Latimer) is established.

Execution timing is critical: the current market window for acquiring founder-led carriers at 3-5x EBITDA is favorable but may narrow as institutional buyers recognize the same opportunity. Moving with discipline and speed on the four foundation assets is the primary near-term imperative.

Recommended Action Items

1. **Close Heartland Logistics Group** (April 2026). All documentation is substantially complete. Accelerate remaining closing items.
2. **Submit ANT Freight LOI** (March-April 2026). Clear remaining pre-LOI blockers (fleet reconciliation, CSA review, ownership resolution).
3. **Execute AMN Transportation QoE** (Q2 2026). Engagement approved. Confirm EBITDA and resolve intercompany accounting.
4. **Execute MB Transport LOI v6 Due Diligence** (April 2026). Execute LOI v6 due diligence. 120-day DD period including QoE, equipment appraisal, and building appraisal for lease-back.
5. **Begin Year 2 pipeline development** (Q2-Q3 2026). Engage brokers and intermediaries in Texas, Georgia, and Tennessee markets for bolt-on candidates.
6. **Develop an integrated financing plan** (Ongoing). Coordinate with Forstmann & Co. on consolidated ABL + term loan sizing for the full national platform.

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