2022/23 MESSAGE FROM THE CHAIR

Dear Fellow Shareholders:

With 2022 fading fast into the category of "It's over now, who cares", I want to take one more victory lap, the reason being – it was a very special year for our organization. Thirty-eight Business Units generated consolidated revenue of $2.0 billion, impressive especially when considering that annual revenues in 2020 were less than $1.2 billion. Profitability, the important measure shareholders pay close attention to, reached $158.6 million of net income, representing $1.70 per common share. The dividend was increased at mid-year to $0.72 per share annually, much to the delight of every loyal shareholder. We also took the opportunity to repurchase 1.86 million common shares at an average price of $12.30 per share based upon our assessment that your stock remains undervalued and not reflective of the business that has been built over the decades. It would take, quite literally, billions of dollars for any new investment group to try to replicate our accomplishments since we first entered the public markets in 1993.

Over the course of 30 years we have methodically grown a small private company into one of Canada's largest logistics providers, accomplishing this growth by acquiring a number of high-quality brand name businesses with long histories in the transportation/logistics industry. How did we do it? By providing liquidity and a succession plan, primarily to families or entrepreneurs who were looking for a way to monetize their lifelong investments. It was not, however, growth just to get bigger. We thoughtfully invested in businesses that offered a diversity of services, a strategy we believed provided insurance against volatility in any one economic sector or region.

Another ingredient of our "secret sauce" is owning the real estate that provides an operating base for our business, taking a lesson from the success of others like Ray Kroc, an American business icon and astute investor. Everyone knows about McDonald's, but most do not realize that Mr. Kroc was not the inspiration behind the original McDonald's, a small fast-food joint based in southern California founded by the McDonald brothers. He simply bought the rights to franchise the business model. This business strategy allowed the company to grow rapidly. Equally important was the relentless dedication to the original McDonald's success – high-quality service, friendly staff and clean facilities.

But with growth come issues such as a scarcity of cash. During some stressful times in the early days, Ray was fortunate to receive some valuable advice from his lawyer, who told him, "Mr. Kroc, you don't quite understand the real business you're in. You are not in the business of selling burgers". Confused by what his lawyer was saying he asked, "Then what is it?" The reply: "You are in the business of real estate, Mr. Kroc." What the lawyer meant was that the buildings and ground where the burgers and fries were prepared and sold were just as valuable – potentially more so – as the cash flow stream from food sales. The rest, as they say, is history. As a shareholder in the Mullen Group, you are a part-owner not only of our business operations but in our sizeable and valuable real estate portfolio (our equivalent of McDonald's burger stands), the majority of which was acquired before real estate valuations skyrocketed, and which at year-end 2022 had a combined historical cost of $637.4 million.

Obviously, we are not McDonald's, but we use many of the same approaches as Mr. Kroc. We believe in providing top-quality service. We utilize the franchise business model, referring to the independent service providers as the owner-operator. We love owning the real estate wherever possible. And we engage with our people. Today, we have a talented workforce that is over 7,000 strong. These are just a few of the attributes that define the Mullen Group and I encourage every shareholder to learn more about their company, to take an in-depth look into past financial performance, as well as review the plans we have laid out to achieve a successful future.

And in case you are not aware, I am a follower of the Oracle of Omaha, Warren Buffett, and his investment philosophy. I always find inspiration from his words of wisdom. In this year's Annual Message to Berkshire Hathaway shareholders, for example, Mr. Buffett uses a quotation from his long-time business partner, Charlie Munger, to explain the distinction between value and stock valuation: "If you keep making something more valuable, then some wise person is going to notice and start buying." Making the Mullen Group more valuable continues to motivate me.

We have a dynamic and skilled team at the corporate office that take tremendous pride in preparing a full suite of detailed documents to ensure you are fully informed in regards to the investment you have made in this organization, including: the Annual Financial Review, the Annual Information Form, and the 2023 Business Plan. These are available for your reading pleasure on our website at www.mullen-group.com or on SEDAR at www.sedar.com.

VALUE VERSUS GROWTH

Investors get to choose where to put their hard-earned money to work. Many prefer the excitement and upside potential of the growth story, often paying lip service to actual earnings. Value, on the other hand, is typically found in the form of stable, steady names, often associated with companies that have been around for a long time. Generally speaking, these investments are not as risky as the growth stories but the upside is not as quick nor always evident. Through the years Mullen Group's shareholders have enjoyed both the thrill of the growth story and endured the agony of the lows, as our stock suffered the sell-off associated with the decline in the oil and natural gas sector and then the initial ravages of COVID-19.

In the early days, there was a growth story investors flocked to, riding the investment boom in western Canada's oil and natural gas sector. Shareholders rejoiced as the stock price rose from a modest $4.50 per share to $37.75 per share in 2006 – and that was after a 3-for-1 stock split. The market value of our company peaked at over $3 billion. Those were the boom-boom days. Next was a dose of reality, or as the old saying goes, "What goes up must come down". And down we came, with our stock hitting rock bottom in 2020. At the low of $3.85 per share our market capitalization fell to $400.0 million. Those were difficult days but we persevered, retooled and continued on the path of making Mullen Group a better, more stable company.

It appears from a review of our 2022 results that we are well on our way to a brighter future, one with a focus on value supported by thoughtful growth. And as we think about the future, I will take you through how we plan to build on last year's momentum. Our number-one objective is to keep our business strong and profitable. If we continue to invest in our Business Units, then the goal of maintaining best-in-class status remains achievable. The business will continue to generate free cash, i.e., funds not encumbered by debt-servicing or tax obligations that can be redeployed to grow or be returned to you in the form of dividends or share buybacks. This strategy has worked remarkably well, evidenced by the return of over $1.4 billion to shareholders since 2000. During this same period annual revenues continued to rise, from $340.2 million in 2000 to $2.0 billion in 2022. Obviously we did something special.

We have returned in excess of $1.4 billion to shareholders since 2000.

There is, however, another equally important reason to reinvest in the businesses we already own: our people. Having an engaged workforce is as important as having access to capital. My job is to balance the two. Investors want a return on their investment, which is capital. Employees also want a return on their investment, which is their time and knowledge. They want a safe place to apply their skills, the opportunity to grow and look after their families, and to work in a positive environment. When we do all of these things, collaboratively, then the customer is looked after. Is this a secret sauce? No, but it sure is a good business model.

Needless to say, I am committed to providing everyone in our expanding organization with a quality work environment. Not only do I derive tremendous personal satisfaction from leading a company whose people actually enjoy their jobs, I have learned throughout my career that the turnover of people is far less than that of shareholders. In other words, people are more loyal than money. When we look after our people, the people look after the business, and the shareholder's investment is protected and enhanced. All of our Leaders, starting with me, are entrusted to embrace this philosophy.

Our second objective is to accelerate growth through acquisitions. This has been a key element of our strategy since 1993. In fact, it is in our mission statement – ***we acquire companies, and we strive to improve performance***. We are always on the lookout for opportunities that will either make our current business better or provide a solid foundation in new markets where we see potential. But we are disciplined, requiring that each acquisition meet two criteria. The first is that the opportunity must be a good fit from business and cultural perspectives. The second is that the price must be right. In other words, our shareholders must have the opportunity to benefit from the acquisition, implying that the investment will generate an acceptable return on the capital employed.

By following these two strategies – invest in our Business Units and pursue accretive acquisitions – we can continue a growth trajectory as well as return cash to our shareholders via dividends or share repurchases.

2022 HIGHLIGHTS

Planning for the Future

We allocated $10 million to purchase CNG powered trucks, intermodal containers, and electric material handling units, investments that will help reduce our carbon footprint.

Building New Facilities

Our newest facility is nearing completion, a 33,000 square foot cross dock facility in Kamloops, British Columbia to support future expansion of our LTL operations.

Engage With Our Leaders

Our executive team and Board of Directors hosted over 100 of our senior leaders at our 2022 Insights Conference. Last year we focused on the future generation of our workforce, new power generation in commercial transportation, and digital transformation in the transportation and logistics sector.

The **Grand Prize Safety Award (“GPSA”)** audit process is a yearly internal audit of all Business Units. Mullen Group verifies that each Business Unit is working on the appropriate Health, Safety and Environment (“HSE”) initiatives that align with our corporate HSE Guidelines. The **SAFETY BEAR** is awarded to the Business Unit that sets the standard in safety performance.

The recipient of the 2022 GPSA is:

PAYNE TRANSPORTATION LTD

Their leadership and commitment towards nurturing a world class safety culture has been embedded in every employee and has produced continuous improvement in Payne's HSEMS.

CONGRATULATIONS TO TOM PAYNE JR.
and all 150 Payne team members.

WHAT TYPES OF BUSINESS DO WE INVEST IN?

After looking at all of the published data, an investor should gravitate to the fact that Mullen Group is a diversified logistics company serving customers in multiple verticals of the economy. Of course it is natural for investors to want to compare our performance against that of our peers. Stock market price movement and overall valuation are obvious standards. Relative performance by operating segment can also be a good comparator. For this reason, we aggregate the Business Units into four segments: Less-Than-Truckload, Logistics & Warehousing, Specialized & Industrial Services, and U.S. & International Logistics. Each is differentiated by the service required.

Another way to look at our business, one not readily followed I admit, is by investment type. In my Letter to Shareholders last year I analyzed the difference between operating income before depreciation and amortization (“OIBDA”) and the return on invested capital (“ROIC”)[1]. Both are equally important; the reality, however, is that investors seem fixated on OIBDA, and in particular OIBDA as a percentage of revenue[1]. But not all OIBDA is equal. For example, a business that utilizes more capital should generate a higher OIBDA than a business that requires less capital to generate similar revenues. In our group we not only have a wide range of service offerings, we also have some Business Units that require more capital than others.

Below is a table that classifies our 38 Business Units according to three investment types, as opposed to by segment: **ASSET HEAVY, ASSET LIGHT and TECHNOLOGY**. All businesses are involved in logistics, serving customers’ supply chain requirements. But some businesses utilize more company owned assets, and I refer to these as asset heavy. Others offer a third-party logistics (“3PL”) service, or extensively utilize owner-operators, and these are referred to as asset light. In our U.S. & International Logistics segment, HAUListic LLC is really a technology play, as is DirectIT Group, because we own no assets in these businesses other than the technology. Generally speaking, it stands to reason that an asset-heavy business should generate a higher OIBDA percentage. ROIC, on the other hand, is a great equalizer in my view, measuring the effectiveness of the capital employed in the business. This is another way for shareholders to evaluate our financial performance.

[1] Refer to "Other Financial Measures" on page 7.

The following tables provide a snapshot of the revenues and returns by investment type for 2021 and 2022. We have no preference as to the type of investment we make on your behalf, but in every investment decision we give careful consideration to OIBDA and ROIC. This is another example of how we manage your hard-earned money. We really like OIBDA but we love businesses that generate a high ROIC.

Financial Summary by Investment Type:

($thousands, except percent amounts)

ASSET HEAVY

2022 top 5 equals 58.1% of asset heavy revenue

REVENUE		OIBDA[1]				ROIC[1]	
2022	2021	**2022**		2021		**2022**	2021
$1,489,655	$1,127,931	**$283,629**	**19.0%**	$208,289	18.5%	**37.5%**	24.2%

ASSET LIGHT

REVENUE		OIBDA[1]				ROIC[1]	
2022	2021	**2022**		2021		**2022**	2021
$315,016	$250,798	**$49,384**	**15.7%**	$35,484	14.1%	**149.8%**	112.5%

TECHNOLOGY

REVENUE		OIBDA[1]				ROIC[1]	
2022	2021	**2022**		2021		**2022**	2021
$235,813	$121,598	**$7,765**	**3.3%**	$5,647	4.6%	**131.6%**	182.6%

[1] Refer to "Other Financial Measures" on page 7.

MINORITY INVESTMENTS

On numerous occasions I have been asked why we have minority investments in either private or public companies. My answer is always straightforward and simple – because that's all we could get at the time! Our investment rationale is to get a solid position in the opportunities, gain representation on the Board of Directors to provide strategic guidance and capital oversight, and wait until the entrepreneurs are ready to monetize the remaining part of their company. These investments do not show up in the revenue line or in OIBDA, due to the minority investment threshold, but are accounted for in our financials as investments by the equity method. What this accounting method does not show is the actual numbers generated by these investments. For example, in 2022 these companies had total revenues of $388.5 million, up over $100 million from 2021. Similarly, total OIBDA came in at $76.7 million as compared to $45.9 million in 2021. This suggests that following the equity method understates the true value of the investments to Mullen Group shareholders.

One of the investments I would like to highlight this year is Kriska Transportation Group Limited, one of Canada's largest transportation and logistics companies, based in eastern Canada. Since our original investment in 2014, Kriska has virtually doubled in size under the leadership and majority ownership of Mark Seymour. Mark and his very talented team continue to build a great company and, like most transportation companies, 2022 was a banner year for Kriska. This implies that Mullen Group's 30 percent investment in Kriska is very valuable. I have the utmost admiration for Mark and his team, and look forward to being part of the Kriska growth story for many years. Keep it going Team K!

FINAL WORD

In closing, I would like to share with everyone one of the great pleasures I have had throughout my career. There is no better reason, no bigger stage than to be part of a great organization and to work alongside really talented people. One of the best of all times is retiring from the Board at the coming annual meeting and I want to take this opportunity to thank **Phil Scherman** for 8.5 years of service to Mullen Group. Phil represents the best in a Board member. He is talented, provided good stewardship to our Senior Executives throughout his tenure, chaired the all-important Audit Committee, and was always a voice of reason. Thanks Phil for being a valued member of our Team over the years. Enjoy your retirement.

On May 3, 2023, shareholders will convene at our Annual General Meeting in Calgary. I invite all shareholders and interested investors to join your very talented Senior Executive Team – consisting of Richard Maloney, Joanna Scott and Carson Urlacher – your Board of Directors, and me, as we conduct the company's official annual business, described in full detail in the Shareholder Proxy. This is your time to ask questions and elect your Board for the ensuing year.

Sincerely,

Murray K. Mullen
Chair and Senior Executive Officer
March 28, 2023

OTHER FINANCIAL MEASURES

Supplementary Financial Measures

Supplementary financial measures are financial measures disclosed by a company that (a) are, or are intended to be, disclosed on a periodic basis to depict the historical or expected future financial performance, financial position, or cash flow of a company, (b) are not disclosed in the financial statements of a company, (c) are not non-IFRS financial measures, and (d) are not non-IFRS ratios. These financial measures do not have a standard meaning under IFRS and, therefore, may not be comparable to similar measures presented by other issuers. The following are supplementary financial measures disclosed by the Corporation.

Operating Margin

Operating margin is a supplementary financial measure and is defined as OIBDA divided by revenue. Management relies on operating margin as a measurement since it provides an indication of our ability to generate an appropriate return as compared to the associated risk and the amount of assets employed within our principal business activities.

(unaudited) *(thousands)*	Year ended December 31, 2022				
	Asset Heavy	**Asset Light**	**Technology**	**Corporate & eliminations**	**Consolidated**
	$	$	$	$	$
OIBDA	**283,629**	**49,384**	**7,765**	**(10,889)**	**329,889**
Revenue	**1,489,655**	**315,016**	**235,813**	**(41,031)**	**1,999,453**
Operating margin	**19.0%**	**15.7%**	**3.3%**		**16.5%**

(unaudited) *(thousands)*	Year ended December 31, 2021				
	Asset Heavy	**Asset Light**	**Technology**	**Corporate & eliminations**	**Consolidated**
	$	$	$	$	$
OIBDA	208,289	35,484	5,647	(13,042)	236,378
Revenue	1,127,931	250,798	121,598	(22,893)	1,477,434
Operating margin	18.5%	14.1%	4.6%		16.0%

ROIC

ROIC is a supplementary financial measure and is defined as earnings before interest and taxes ("EBIT"), excluding the financial impact from the sale of real property and non-core hydrovac assets divided by the annual average property, plant and equipment (excluding goodwill) employed at each Business Unit. Management relies on ROIC as a measurement since it provides an indication of our ability to generate an appropriate return as compared to the associated risk and how efficiently the Corporation has allocated the amount of assets employed within our principal business activities on an ongoing basis.

(unaudited) *(thousands)*	Year ended December 31, 2022				
	Asset Heavy	**Asset Light**	**Technology**	**Corporate & eliminations**	**Consolidated**
	$	$	$	$	$
EBIT	**180,256**	**39,036**	**4,126**	**(12,537)**	**210,881**[1]
Average PPE	**481,152**	**26,058**	**3,136**	**471,278**	**981,624**[2]
ROIC	**37.5%**	**149.8%**	**131.6%**		

(unaudited) *(thousands)*	Year ended December 31, 2021				
	Asset Heavy	**Asset Light**	**Technology**	**Corporate & eliminations**	**Consolidated**
	$	$	$	$	$
EBIT	112,997	26,244	4,060	(47,306)	95,995[1]
Average PPE	466,713	23,332	2,224	493,702	985,971[2]
ROIC	24.2%	112.5%	182.6%		

[1] EBIT reconciled to income before taxes on the consolidated financial statements.
[2] Average PPE reconciled to property, plant and equipment on the consolidated finnancial statements.