FIRST QUARTER INTERIM REPORT

For The Period Ended March 31, 2022

WE THINK tomorrow™

INTERIM FINANCIAL REPORT FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS ("MD&A")

This MD&A, dated April 20, 2022, has been prepared by management for the three month period ended March 31, 2022, and should be read in conjunction with (i) the audited annual consolidated financial statements for the fiscal year ended December 31, 2021 (the "**Annual Financial Statements**"), together with the Management's Discussion and Analysis thereon (the "**2021 MD&A**"), and (ii) the unaudited condensed interim consolidated financial statements for the three month period ended March 31, 2022 (the "**Interim Financial Statements**"). Any reference to "Mullen Group", "we", "us", "our" or the "Corporation" refers to Mullen Group Ltd., a corporation incorporated under the laws of the province of Alberta and includes its predecessors where context so requires. The Annual Financial Statements and other additional information are available on the Corporation's issuer profile on SEDAR at www.sedar.com and on our website at www.mullen-group.com. These documents are also available upon request, free of charge, from the Corporate Investor Services group at ir@mullen-group.com. This MD&A and the Interim Financial Statements were reviewed by Mullen Group's Audit Committee and approved by the Board of Directors (the "**Board**") on April 20, 2022.

The Interim Financial Statements have been prepared in accordance to and comply with International Financial Reporting Standards ("**IFRS**"), which include the International Accounting Standards ("**IAS**") and the interpretations developed by the International Financial Reporting Interpretations Committee ("**IFRIC**"), as issued by the International Accounting Standards Board ("**IASB**"). The Interim Financial Statements comply with IAS 34 Interim Financial Reporting and do not include all of the information required for annual financial statements. Unless otherwise indicated, all amounts contained in this MD&A are in Canadian funds, which is the functional currency of the Corporation.

ADVISORY:

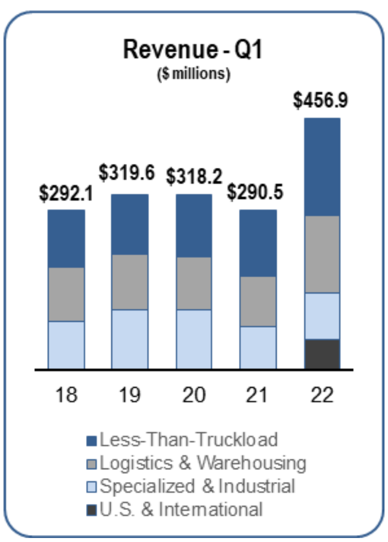
Forward-looking statements – This MD&A reflects management's expectations regarding Mullen Group's future growth, financial condition, results of operations, performance, business prospects, strategies and opportunities and contains forward-looking statements and forward-looking information (collectively, "forward-looking statements") within the meaning of applicable securities laws. Wherever possible, words such as "anticipate", "may", "will", "believe", "expect", "potential", "continue", "view", "objective", "should", "plan", "intend", "ongoing", "estimate", "project" or similar expressions have been used to identify these forward-looking statements. These statements reflect management's current beliefs and assumptions and are based on information currently available to management. Forward-looking statements involve significant inherent risks and uncertainties, numerous assumptions and the risk that the predictions and forward-looking statements will not be achieved and that the actual results or events may differ materially from those anticipated in such forward-looking statements. A number of factors could cause actual results, performance or achievements to differ materially from the results discussed or implied in the forward-looking statements. Although the forward-looking statements contained in this MD&A are based upon what management believes to be reasonable beliefs and assumptions, Mullen Group cannot assure readers that actual results will be consistent with these forward-looking statements. Some of the risks and uncertainties include, but are not limited to certain strategic, financial and operational risks, most important of which are: (i) strategic risks which include but are not limited to geopolitical risks such as a slowdown in the general economy; reduced oil and natural gas drilling and decreased oil sands and heavy oil activity; changes in legal frameworks applicable to the Corporation; e-commerce and supply chain evolution; acquisitions; competition; (ii) financial risks which include but are not limited to foreign exchange rates; change in the return on fair value of investments; prevailing interest rates; access to financing; reliance on major customers; customer relationships; impairment of goodwill or intangible assets; credit risk; and (iii) operational risks which include but are not limited to employees & labour relations; labour disruption and driver retention; cost escalation & fuel costs; accidents; cost of liability insurance; digital infrastructure & cyber security; business continuity, disaster recovery & crisis management; environmental liability risks; weather & seasonality; access to parts, development of new technology & relationships with key suppliers; pandemics; political unrest or wars; regulatory framework governing matters such as tax and the environment in the jurisdictions in which the Corporation conducts and will conduct its business; government mandates and litigation. Given these risks and uncertainties, readers should not place undue reliance on the forward-looking statements contained in this MD&A. Readers are cautioned that the foregoing list of factors and risks is not exhaustive. Additional information on these and other factors and risks that could affect the operations or financial results of Mullen Group may be found under the heading "Principal Risks and Uncertainties" starting on page 69 of the 2021 MD&A as well as in reports on file with applicable securities regulatory authorities and may be accessed through the Corporation's issuer profile on SEDAR at www.sedar.com. The forward-looking statements contained in this MD&A are made as of the date hereof and Mullen Group undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless so required by applicable securities law. Mullen Group relies on litigation protection for "forward-looking" statements. Additional information regarding the forward-looking statements contained in this MD&A and the material assumptions made in preparing such statements may be found under the heading "Forward-Looking Information Statements" beginning on page 28 of this MD&A.

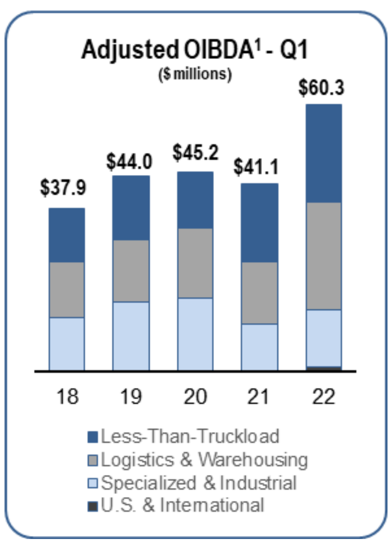
Non-GAAP Terms – Mullen Group reports on certain financial performance measures that are described and presented in order to provide shareholders and potential investors with additional measures to evaluate Mullen Group's ability to fund its operations and information regarding its liquidity. In addition, these measures are used by management in its evaluation of performance. These financial performance measures ("Non-GAAP Terms") are not recognized financial terms under Canadian generally accepted accounting principles ("Canadian GAAP"). For publicly accountable enterprises, such as Mullen Group, Canadian GAAP is governed by principles based on IFRS and interpretations of IFRIC. Management believes these Non-GAAP Terms are useful supplemental measures. These Non-GAAP Terms do not have standardized meanings and may not be comparable to similar measures presented by other entities. Specifically, adjusted OIBDA[1], adjusted operating margin[1], operating margin[1], net income – adjusted[1], earnings per share – adjusted[1], net capital expenditures[1], net debt[1], total net debt[1],net revenue[1], cash flow per share[1], and consolidated direct operating expenses – adjusted for CEWS and HAUListic LLC[1] are not measures recognized by Canadian GAAP and do not have standardized meanings prescribed by Canadian GAAP. For the reader's reference, the definition, calculation and reconciliation of Non-GAAP Terms are provided in the "Glossary of Terms and Reconciliation of Non-GAAP Terms" section of this MD&A. The Non-GAAP Terms should not be considered in isolation or as a substitute for measures prepared in accordance with Canadian GAAP. Investors are cautioned that these indicators should not replace the forgoing Canadian GAAP terms: net income, earnings per share, purchases of property, plant and equipment, proceeds on sale of property, plant and equipment, and debt.

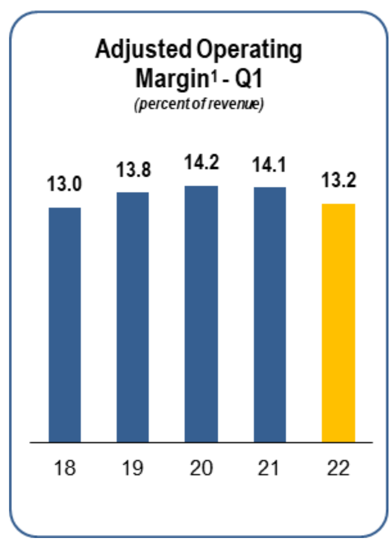
[1] Refer to the section entitled "Glossary of Terms and Reconciliation of Non-GAAP Terms".

HIGHLIGHTS FOR THE QUARTER

FINANCIAL PERFORMANCE: (unaudited) ($ millions, except share price and per share amounts)	Three month periods ended March 31				
		2022		2021	% Change
Revenue					
Less-Than-Truckload	**$**	**175.6**	$	120.7	45.5
Logistics & Warehousing		**142.5**		91.3	56.1
Specialized & Industrial Services		**83.3**		79.3	5.0
U.S. & International Logistics		**57.3**		—	—
Corporate and intersegment eliminations		**(1.8)**		(0.8)	—
Total Revenue	**$**	**456.9**	**$**	**290.5**	**57.3**
Adjusted OIBDA[1]					
Less-Than-Truckload	**$**	**23.1**	$	18.3	26.2
Logistics & Warehousing		**25.5**		14.7	73.5
Specialized & Industrial Services		**13.3**		11.2	18.8
U.S. & International Logistics		**1.1**		—	—
Corporate		**(2.7)**		(3.1)	—
Total Adjusted OIBDA[1]	**$**	**60.3**	**$**	**41.1**	**46.7**
Net Income & Share Information					
Net income	**$**	**16.4**	$	13.0	26.2
Earnings per share – basic and diluted	**$**	**0.17**	$	0.13	30.8
Net income – adjusted[1]	**$**	**19.5**	$	11.8	65.3
Earnings per share – adjusted[1]	**$**	**0.21**	$	0.12	75.0
Net cash from operating activities	**$**	**18.0**	$	39.0	(53.8)
Net cash from operating activities per share	**$**	**0.19**	$	0.40	(52.5)
Share price – March 31	**$**	**13.36**	$	12.18	9.7







[1] Refer to the section entitled "Glossary of Terms and Reconciliation of Non-GAAP Terms".

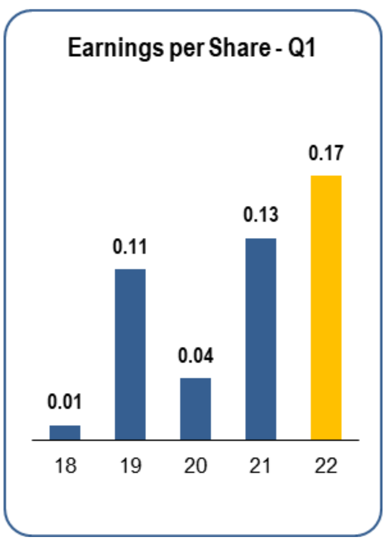
FINANCIAL POSITION:

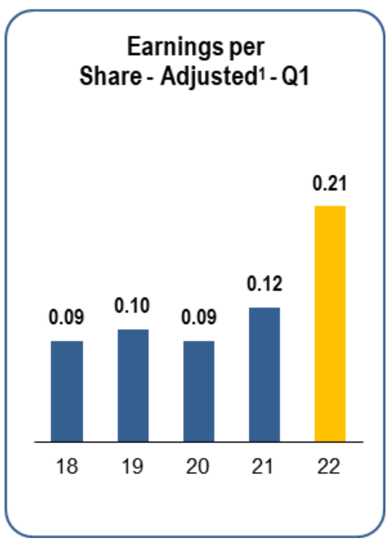
(unaudited) *($ millions)*	As at March 31		
	2022	**2021**	**% Change**
Cash (bank indebtedness)	**$ (115.0)**	$ 117.7	(197.7)
Working capital	**56.4**	247.1	(77.2)
Private Placement Debt	**456.5**	458.2	(0.4)
Total assets	**1,959.2**	1,709.6	14.6

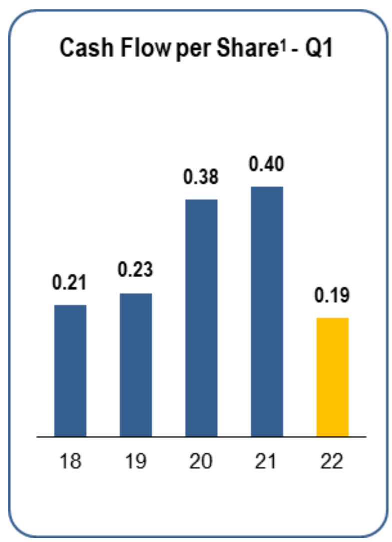
- Well-structured balance sheet
  - Net debt[1] of $588.6 million, which represents a debt to OIBDA ratio of 2.36:1
  - Private Placement Debt of $456.5 million with no scheduled maturities until 2024 (average fixed rate of 3.93 percent per annum)
  - Private Placement Debt covenant of 2.55:1 (threshold 3.50:1)
- Real estate carrying costs of $627.0 million

PROGRESS:

- Reduced the number of operating Business Units to improve efficiencies.
- Invested $12.3 million towards net capital expenditures[1] and committed $9.5 million to support our sustainability goals.
- Continued to invest in real estate to meet future growth plans, including: an expansion of a facility in Thunder Bay, Ontario; a new 33,000 square foot terminal in Kamloops, British Columbia; additional rail trackage at the Calgary, Alberta transload & distribution facility; and took possession of a 26,000 square foot cross dock facility in Mississauga, Ontario.
- Completed one acquisition – acquiring the business and assets of Monarch Messenger Services Ltd., an Alberta based provider of ambient, small package and courier delivery.
- Repurchased and cancelled 926,961 Common Shares at an average price of $12.01.







[1] Refer to the section entitled "Glossary of Terms and Reconciliation of Non-GAAP Terms".

CORPORATE PROFILE

WE ACQUIRE COMPANIES AND STRIVE TO IMPROVE THEIR PERFORMANCE

Mullen Group is one of Canada's largest logistics companies, providing a wide range of transportation, warehousing and distribution services throughout North America. Over the past three decades we have grown the business by focusing on operational excellence and being the preferred acquirer for business owners seeking a liquidity event, targeting profitable, well managed companies with strong brands operating in sectors of the economy we view as having the best opportunity for growth.

We operate a decentralized business model through a number of wholly-owned companies and limited partnerships ("**Business Units**"). Each Business Unit is responsible for the financial and safety performance of the business. Financial oversight, capital, strategic planning and a wide range of shared services, such as legal support, human resource planning, payroll expertise and technology, are the responsibility of the corporate office ("**Corporate Office**"). We believe this model is the best way to achieve superior profitability, excellence in safety and provide a quality work environment for all employees.

Our diversified portfolio of logistics companies are involved in different sectors of the economy, a strategy we believe offers the best opportunity for long-term growth. The business is reported in four operating segments, each differentiated by the type of service provided, equipment requirements or geographic location. The segments are aligned with how financial information is reviewed, capital is allocated and operating performance is measured.

LTL — *Less-Than-Truckload*

The LTL segment is comprised of 10 regionally based Business Units focused on providing LTL shipments to over 5,000 communities throughout central and western Canada. Our extensive terminal network is generally regarded as one of the largest LTL networks in Canada, serving local and regional markets with a first and final mile service.

The Business Units utilize advanced technologies to track shipments providing visibility to customers, bar coding and connected dock to enhance service capabilities, and to coordinate the pickup, handling and delivery of small packages, parcels and pallets of all types of freight, including consumer products, goods requiring specialty ambient or temperature-controlled handling as well as general shipments.

L&W — *Logistics & Warehousing*

We own a large network of Business Units providing shippers throughout North America with a wide range of trucking and logistics services, utilizing company owned equipment and an extensive network of contractors.

Our L&W segment Business Units services include, full truckload, specialized transportation, warehousing, fulfillment centres that handle e-commerce transactions, and transload facilities designed to handle intermodal containers and bulk shipments. Operations and customer service are supported by a robust suite of leading-edge technology solutions including transportation management systems, inventory management systems and warehouse management systems that are customizable and integrated into our customers operating systems..

S&I — *Specialized & Industrial Services*

We own unique businesses in sectors of the Canadian economy that require specialized equipment and services including the natural resources, energy, infrastructure and construction sectors.

Our S&I segment Business Units provide a wide range of service offerings including, water management, environmental reclamation services, turnaround services & industrial maintenance, services that support the drilling of wells, well servicing and fluid hauling associated with the oil and gas industry in western Canada, along with transportation and logistics services for complex pipeline and industrial projects. Our Business Units are strategically situated throughout western Canada and operate fleets of highly specialized equipment, which generate superior returns on capital employed over the long term.

US 3PL

U.S. & International Logistics

The transportation and movement of goods throughout the supply chain is critical to every company and an important component of the global economy representing approximately 10.0 percent of total GDP. 3PL, which is typically defined as providing non-asset based value-added transport services, is one of the fastest growing components of the supply chain. 3PL is a transportation management service, generally performed in conjunction with freight brokerage and requires a software platform to facilitate a seamless and efficient transaction, regardless of the mode of transportation required. In the United States, industry statistics estimate 3PL to be a U.S. $160.0 billion industry.

The US 3PL segment currently consists of one Business Unit, HAUListic LLC ("**HAUListic**"), a Naperville, Illinois based 3PL provider, that offers a wide range of logistics services through a combination of professional representatives and a network of independently owned and managed Station Agents, to over 2,700 customers in the United States and Mexico, utilizing over 6,000 certified sub-contractor carriers. HAUListic owns a proprietary integrated transportation management platform, branded as SilverExpress, that provides real time information to customers and carriers, offering price and capacity discovery along with tracking and tracing capabilities.

Corporate

The Corporate Office is responsible for capital allocation along with all regulatory filings and public reporting requirements. In addition, we own a large portfolio of real estate, primarily operating facilities used in the business. These facilities are generally held in MT Investments Inc. ("**MT**"), a subsidiary of the Corporation, and leased to the Business Units on commercial terms. Minority investments in either public corporations and private companies are held in the Corporate Office.

A more detailed description of the Business Units is set forth in the Annual Information Form, which is dated February 9, 2022, and is available on the Corporation's issuer profile on SEDAR at www.sedar.com, our website at www.mullen-group.com or upon request, free of charge, from the Corporate Investor Services group at ir@mullen-group.com.

[The remainder of this page intentionally left blank.]

Capital Allocations

One of the key responsibilities of the Board is the allocation of capital. Our four priorities are: (i) acquisitions that improve our business and generate growth; (ii) capital expenditures to replace older inefficient equipment and to capture new growth opportunities, facilities and technology enhancements; (iii) consider and, if appropriate, allocate a portion of annual free cash to purchase for cancellation Common Shares in the open market pursuant to an approved normal course issuer bid ("**NCIB**"); and (iv) pay annual dividends to shareholders.

Senior Executives of the Corporation prepare a plan at the annual budget and strategy session for consideration by the Board. The approved plan for 2022 and progress to date is summarized below:

Acquisitions

Plan:

- Acquire competing and complementary companies.

Progress:

- Acquired the assets and business of Monarch Messenger Services Ltd. ("**Monarch**"), an Alberta based provider of ambient, small package and courier services. The business was integrated into existing Business Units.

Capital Expenditures

Plan:

- $60.0 million allocated towards the replacement of operating equipment and for productivity improvements.
- $10.0 million allocated to our sustainability initiatives, including next generation trucks.

Progress:

- Invested $11.0 million in new operating equipment and $1.3 million into facilities.
- Committed $9.5 million towards sustainability initiatives for delivery in 2022 and 2023, primarily due to long lead times associated with supply chain disruptions.

Normal Course Issuer Bid

Plan:

- The TSX approved the renewal of the NCIB on March 10, 2022. Allocate up to $100.0 million as part of a 3-year plan.

Progress:

- During the first quarter, 926,961 Common Shares were purchased for cancellation at an average price of $12.01 per share for a total of $11.1 million.

Dividends

Plan:

- Set the annual dividend of $0.60 per Common Share, payable in monthly installments of $0.05 per Common Share.

Progress:

- Declared $0.15 per Common Share and paid $13.2 million to shareholders.

Subsequent Events

Subsequent to March 31, 2022, until the date of this report, we repurchased 119,535 Common Shares at a total cost of $1.6 million.

CONSOLIDATED FINANCIAL RESULTS – THREE MONTH PERIOD ENDED MARCH 31, 2022

Executive Summary

We are having an excellent start to 2022 with consolidated revenues reaching record levels, primarily due to our previously announced acquisitions. Rising fuel surcharges, directly associated with higher fuel costs, and general freight rate increases also contributed to the strong revenue growth. These impressive results were achieved despite several disruptions in the quarter, factors which delayed and interrupted shipments, including severe weather in northern Ontario and Manitoba, key markets for several Business Units, supply chain bottlenecks in the major markets of Vancouver and Toronto and border blockades that caused major shipping delays for international traffic during late January and early February. From a macro perspective, economic conditions remained robust. We did not, however, experience any material increase in general freight shipments, indicating that consumer demand peaked last quarter especially as it relates to consumer products.

In terms of operating performance, it was definitely a challenging quarter highlighted by surging costs, the most notable being fuel expense and aggressive spot market pricing by subcontractors, which negatively impacted many of our Business Units that utilize these service providers. Entering the year we expected inflationary pressures to impact expenses, which we covered by increasing customer rates. We did not, however, anticipate the delays and disruptions incurred in the quarter or the geopolitical events that unfolded in late February, which drove commodity prices and crude oil to multi year highs causing a fuel price spike in the quarter. Increases in fuel expense are generally recovered through fuel surcharges but this is always a lagging recovery. In addition, we generally do not make margin on fuel surcharges as they are considered as a cost recovery. Extraordinary rising fuel prices was the primary reason we did not meet our margin improvement target in quarter one. As a result, overall operating income before depreciation and amortization ("**OIBDA**") increased along with the rise in consolidated revenue, reasonable given all of the unexpected events.

Outlook

Using the month of March, which was our best month in the quarter, as an indicator of future activity, we expect overall freight demand and our revenues to remain strong for the foreseeable future, although consumer product demand may slow due to consumers being stretched by inflation. Any reduction in consumer discretionary demand should be offset by increases in the demand for capital goods, which appears to be gaining momentum as business investment accelerates. There is also increasing evidence that supply chain bottlenecks will improve from current levels as health protocols associated with COVID-19 are relaxed and overall freight demand moderates. This will undoubtedly help improve productivity levels and reduce excessive costs associated with the bottlenecks. Surging wage costs and rising fuel costs remain a major concern suggesting that additional rate increases to customers are warranted. These will be difficult discussions to have, but in this rising cost environment we must increase rates to maintain margins.

Revenue

*Revenue is generated by the Corporation through its Business Units utilizing a combination of company assets that are either owned by the Business Unit or leased ("**Company**"); owner operators who provide trucks and/or trailers and work exclusively for the Business Unit under annual contracts and subcontractors who own their own equipment and are used during times of peak demand (collectively, "**Contractors**").*

Q1 Consolidated

(unaudited) *($ millions)*	2022		2021		Change	
	$	%	$	%	$	%
Company	**293.8**	**64.3**	204.4	70.4	89.4	43.7
Contractors	**161.5**	**35.3**	84.8	29.2	76.7	90.4
Other	**1.6**	**0.4**	1.3	0.4	0.3	23.1
Total	**456.9**	**100.0**	290.5	100.0	166.4	57.3

- Record quarterly revenue increasing by $166.4 million due to $135.1 million of incremental revenue from acquisitions, a $14.0 million increase in fuel surcharge revenue (excluding acquisitions) and from a $17.3 million increase in internal growth.
- Total fuel surcharge revenue increased by $25.1 million to $45.2 million from $20.1 million in 2021 due to sharply higher diesel fuel prices and acquisitions.
- Internal growth of $17.3 million or 6.4 percent was experienced within several of our established Business Units.

Direct Operating Expenses

*Direct operating expenses ("**DOE**") include two main categories of expenses: direct costs associated with generating Company revenue and costs incurred to hire Contractors, namely owner operators or subcontractors.*

Q1 Consolidated

(unaudited) ***($ millions)***	**2022**		**2021**		**Change**	
	$	**%***	**$**	**%***	**$**	**%**
Company						
Wages and benefits	**68.2**	**23.2**	55.0	26.9	13.2	24.0
CEWS	**—**	**—**	(4.3)	(2.1)	4.3	(100.0)
Fuel	**32.2**	**11.0**	19.9	9.7	12.3	61.8
Repairs and maintenance	**32.8**	**11.2**	26.6	13.0	6.2	23.3
Purchased transportation	**49.8**	**17.0**	22.0	10.8	27.8	126.4
Operating supplies	**18.4**	**6.3**	15.4	7.5	3.0	19.5
Other	**8.3**	**2.7**	6.6	3.3	1.7	25.8
	209.7	**71.4**	141.2	69.1	68.5	48.5
Contractors	**127.4**	**78.9**	63.7	75.1	63.7	100.0
Total	**337.1**	**73.8**	204.9	70.5	132.2	64.5

**as a percentage of respective Consolidated revenue*

- Company expense increased in both absolute dollar terms and as a percentage of Company revenue due to higher inflationary costs, most notably fuel associated with the rise in diesel fuel prices and from higher purchased transportation, which was mainly associated with our new acquisitions.
- The increase in Contractors expense in both absolute dollar terms and as a percentage of Contractors revenue was primarily due to the addition of the US 3PL segment.
- Consolidated DOE – Adjusted for the Canada Emergency Wage Subsidy ("**CEWS**") and HAUListic[1], remained relatively consistent as a percentage of revenue at 71.3 percent as compared to 72.0 percent in 2021 as our Business Units were able to offset inflationary costs through rate increases.

Selling and Administrative Expenses

*Selling and administrative ("**S&A**") are expenses incurred to support the operations of Mullen Group and its Business Units.*

Q1 Consolidated

(unaudited) ***($ millions)***	**2022**		**2021**		**Change**	
	$	**%***	**$**	**%***	**$**	**%**
Wages and benefits	**34.8**	**7.6**	24.1	8.3	10.7	44.4
CEWS	**—**	**—**	(1.7)	(0.6)	1.7	(100.0)
Communications, utilities and general supplies	**17.5**	**3.8**	11.8	4.1	5.7	48.3
Profit share	**3.5**	**0.8**	2.5	0.9	1.0	40.0
Foreign exchange	**0.6**	**0.1**	0.5	0.2	0.1	20.0
Stock-based compensation	**0.1**	**—**	0.1	—	—	—
Rent and other	**3.0**	**0.7**	1.2	0.4	1.8	150.0
Total	**59.5**	**13.0**	38.5	13.3	21.0	54.5

**as a percentage of total Consolidated revenue*

- Incremental S&A of $14.7 million from acquisitions and the $1.7 million recovery of CEWS in 2021 were the main reasons for the increase in S&A expenses from the prior year.
- Utility costs increased from the prior year due to harsh winter conditions along with higher utility rates.

[1] Refer to the section entitled "Glossary of Terms and Reconciliation of Non-GAAP Terms".

OIBDA

Management relies on OIBDA as a measurement since it provides an indication of our ability to generate cash from our principal business activities prior to depreciation and amortization, financing or taxation in various jurisdictions.

Q1 Consolidated						
(unaudited) *($ millions)*	2022		2021		Change	
	$	%	$	%	$	%
LTL	**23.1**	**38.3**	19.3	41.0	3.8	19.7
L&W	**25.5**	**42.3**	15.9	33.8	9.6	60.4
S&I	**13.3**	**22.1**	15.0	31.8	(1.7)	(11.3)
US 3PL	**1.1**	**1.8**	—	—	1.1	—
Corporate	**(2.7)**	**(4.5)**	(3.1)	(6.6)	0.4	(12.9)
Total	**60.3**	**100.0**	47.1	100.0	13.2	28.0

- OIBDA increased by $13.2 million due to the $13.4 million of incremental OIBDA being generated from acquisitions.
- Operating margin[1] declined by 3.0 percent to 13.2 percent from 16.2 percent in 2021 due to a change in business mix associated with acquisitions, $6.0 million of CEWS recorded in 2021 and the detrimental impact of higher fuel surcharge revenue.
- Adjusted OIBDA[1] was $60.3 million or 13.2 percent of revenue as compared to $41.1 million or 14.1 percent in 2021. The increase of $19.2 million was mainly due to $13.4 million of Adjusted OIBDA[1] from acquisitions and $5.8 million of internal growth.
- Adjusted operating margin[1] declined by 0.9 percent to 13.2 percent from 14.1 percent in 2021. Excluding the US 3PL segment, Adjusted operating margin[1] would have increased by 0.7 percent to 14.8 percent in the first quarter of 2022 as compared to the prior year.

Depreciation of Property, Plant and Equipment

- The increase in the LTL segment, the L&W segment and the US 3PL segment was mainly due to acquisitions.
- The decrease in the S&I segment was due to the lower amount of capital expenditures made within this segment, the sale of older assets by certain Business Units and from the Corporation's declining balance method of depreciation.

Q1 Consolidated			
(unaudited) *($ millions)*	2022	2021	Change
	$	$	$
LTL	**5.0**	4.4	0.6
L&W	**3.8**	2.8	1.0
S&I	**6.5**	8.1	(1.6)
US 3PL	**0.5**	—	0.5
Corporate	**1.5**	1.5	—
Total	**17.3**	16.8	0.5

Depreciation of Right-of-Use Assets

- The increase in the LTL segment, the L&W segment and the US 3PL segment was mainly due to acquisitions.
- The decrease in the S&I segment was due to certain right-of-use assets that had expired and were not renewed.

Q1 Consolidated			
(unaudited) *($ millions)*	2022	2021	Change
	$	$	$
LTL	**3.4**	1.3	2.1
L&W	**1.9**	1.3	0.6
S&I	**0.2**	0.4	(0.2)
US 3PL	**0.2**	—	0.2
Corporate	**—**	—	—
Total	**5.7**	3.0	2.7

[1] Refer to the section entitled "Glossary of Terms and Reconciliation of Non-GAAP Terms".

Amortization of Intangible Assets

Amortization of intangible assets was $4.6 million in the first quarter as compared to $5.0 million in 2021. This decrease of $0.4 million mainly resulted from certain intangible assets becoming fully amortized, which was somewhat offset by the additional amortization recorded on the intangible assets associated with our recent acquisitions.

Finance Costs

Finance costs were $8.0 million in the first quarter as compared to $7.0 million in 2021. The increase of $1.0 million was mainly attributable to a greater amount of interest expense being recorded on the Credit Facilities (as hereafter defined on page 24) and from greater lease liabilities by virtue of our recent acquisitions.

Net Foreign Exchange Loss (Gain)

The details of the net foreign exchange loss (gain) are as follows:

(unaudited) *($ millions)*	Three month periods ended March 31 CDN. $ Equivalent	
	2022	**2021**
Foreign exchange (gain) loss on U.S. $ debt	**(4.2)**	(3.6)
Foreign exchange loss (gain) on Cross-Currency Swaps	**7.5**	3.5
Net foreign exchange loss (gain)	**3.3**	(0.1)

We recorded a foreign exchange gain of $4.2 million related to our $229.0 million U.S. dollar debt, due to the $0.0182 strengthening of the Canadian dollar relative to the U.S. dollar during the first quarter of 2022. We recorded a foreign exchange loss on Cross-Currency Swaps of $7.5 million in the first quarter of 2022 as compared to a $3.5 million loss in 2021. This was due to the change over the period in the fair value of these Cross-Currency Swaps.

Other (Income) Expense

(unaudited) *($ millions)*	Three month periods ended March 31		
	2022	**2021**	**Change**
Change in fair value of investments	**$ (0.2)**	$ (0.4)	$ 0.2
Gain on sale of property, plant & equipment	**(0.1)**	(0.2)	0.1
Earnings from equity investments	**(1.2)**	(0.2)	(1.0)
Other (income) expense	**$ (1.5)**	$ (0.8)	$ (0.7)

Other income was $1.5 million in the first quarter as compared to other income of $0.8 million in 2021. The $0.7 million positive variance was mainly attributable to a greater amount of earnings from our equity investment in Kriska Transportation Group Limited due to revenue growth largely from rate increases and acquisitions resulting in margin improvement.

Income Taxes

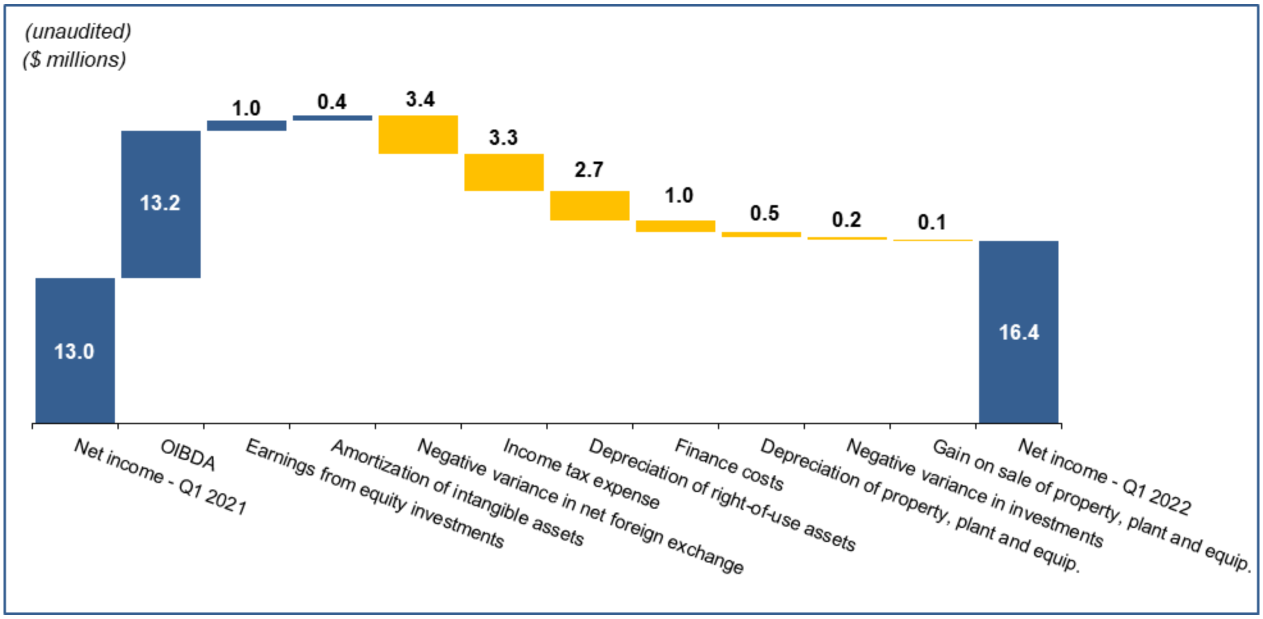
(unaudited) *($ millions)*	Three month periods ended March 31	
	2022	**2021**
Income before income taxes	**$ 22.9**	$ 16.2
Combined statutory tax rate	**25%**	25%
Expected income tax	**5.7**	4.0
Add (deduct):		
Non-deductible (taxable) portion of net foreign exchange loss (gain)	**0.4**	—
Non-deductible (taxable) portion of the change in fair value of investments	**—**	(0.1)
Changes in unrecognized deferred tax asset	**0.4**	(0.9)
Other	**—**	0.2
Income tax expense	**$ 6.5**	$ 3.2

Income tax expense was $6.5 million in the first quarter of 2022 as compared to $3.2 million in 2021. The increase of $3.3 million was mainly attributable to greater income generated in 2022 as compared to 2021 and from the changes in unrecognized deferred tax asset.

Net Income

(unaudited) ***($ millions, except share and per share amounts)***	Three month periods ended March 31				
		2022		**2021**	**% Change**
Net income	**$**	**16.4**	$	13.0	26.2
Weighted average number of Common Shares outstanding		**94,184,879**		96,849,066	(2.8)
Earnings per share – basic	**$**	**0.17**	$	0.13	30.8

Net income increased to $16.4 million in the first quarter as compared to $13.0 million in 2021. The factors contributing to the increase in net income include:



Basic earnings per share increased to $0.17 in the first quarter as compared to $0.13 in 2021. This increase resulted from the effect of the $3.4 million increase in net income. The weighted average number of Common Shares outstanding decreased from 96,849,066 to 94,184,879, which was due to the repurchase and cancellation of Common Shares under the NCIB being partially offset by the issuance of 750,000 Common Shares on the APPS Transport Group Inc. including its operating businesses (collectively, "**APPS**") acquisition and 400,000 Common Shares on the DirectIT Group of Companies ("**DirectIT**") acquisition.

Net Income – Adjusted[1] and Earnings per Share – Adjusted[1]

Net income – adjusted[1] and earnings per share – adjusted[1] increased to $19.5 million or $0.21 in 2022 as compared to $11.8 million or $0.12, respectively. Management adjusts net income and earnings per share by excluding specific factors to more clearly reflect earnings from an operating perspective.

[1] Refer to the section entitled "Glossary of Terms and Reconciliation of Non-GAAP Terms".

SEGMENTED INFORMATION – THREE MONTH PERIOD ENDED MARCH 31, 2022

SUMMARY

Three month period ended March 31, 2022 *(unaudited)* *($ millions)*	LTL	L&W	S&I	US 3PL	Corporate and intersegment eliminations	Total
	$	**$**	**$**	**$**	**$**	**$**
Revenue	**175.6**	**142.5**	**83.3**	**57.3**	**(1.8)**	**456.9**
Direct operating expenses	**127.1**	**100.0**	**60.5**	**52.6**	**(3.1)**	**337.1**
Selling and administrative expenses	**25.4**	**17.0**	**9.5**	**3.6**	**4.0**[1]	**59.5**
OIBDA	**23.1**	**25.5**	**13.3**	**1.1**	**(2.7)**	**60.3**
Net capital expenditures[2]	**6.4**	**4.6**	**0.1**	**—**	**1.2**	**12.3**

Three month period ended March 31, 2021 *(unaudited)* *($ millions)*	LTL	L&W	S&I	US 3PL	Corporate and intersegment eliminations	Total
	$	$	$	$	$	$
Revenue	120.7	91.3	79.3	—	(0.8)	290.5
Direct operating expenses	84.7	65.2	56.4	—	(1.4)	204.9
Selling and administrative expenses	16.7	10.2	7.9	—	3.7[3]	38.5
OIBDA	19.3	15.9	15.0	—	(3.1)	47.1
Net capital expenditures[2]	7.1	2.6	(0.7)	—	0.9	9.9

[1] Includes a $0.3 million foreign exchange loss.
[2] Refer to the section entitled "Glossary of Terms and Reconciliation of Non-GAAP Terms".
[3] Includes a $0.4 million foreign exchange loss.

[The remainder of this page intentionally left blank.]

LESS-THAN-TRUCKLOAD

Highlights

The transportation, handling and distribution of less-than-truckload freight is an area of strategic focus for our company. We continue to identify new growth opportunities that will improve our service coverage and lane density. Acquisitions are an important part of this growth strategy and the primary reason segment revenues grew in the first quarter of 2022. Overall freight volumes were comparable to last year indicating that the consumer part of the economy remained solid. The challenging part was managing a number of unplanned events that emerged during the quarter, including severe winter conditions in northern Ontario and Manitoba, a key market for Gardewine Group Limited Partnership ("**Gardewine**"), disruptions related to the protests and blockades, freight bottlenecks in the major distribution hubs of Vancouver and Toronto, and surging costs, the most notable being fuel. These events were not considered in our pricing strategy at the beginning of the year and contributed to higher operating costs and lower productivity levels, negatively impacting operations and financial performance.

Overall segment results were up over the prior year with the month of March being quite strong as weather improved, volumes recovered and pricing increases were implemented.

Market Outlook

While we remain constructive on the economy, expectations are that freight volumes will moderate throughout the balance of the year, as consumer demand normalizes after two years of exceptional growth, driven by robust consumer spending and shippers adjusting buying cycles due to supply chain constraints. This surge in freight demand, which was unprecedented, contributed meaningful top line growth but it also led to higher costs as our Business Units struggled to meet customer requests. We will use any moderation in freight demand to focus on productivity initiatives and improve operating margins[1] by concentrating on yield management. Pricing will be adjusted to recover the rise in operating expenses. We will also continue to pursue acquisitions that improve lane density, or expand our network coverage. We are actively reviewing a number of files that may fit in our network.

Revenue

Q1 – LTL						
(unaudited) *($ millions)*	**2022**		**2021**		**Change**	
	$	**%**	**$**	**%**	**$**	**%**
Company	**157.5**	**89.7**	106.3	88.1	51.2	48.2
Contractors	**17.9**	**10.2**	14.3	11.8	3.6	25.2
Other	**0.2**	**0.1**	0.1	0.1	0.1	100.0
Total	**175.6**	**100.0**	120.7	100.0	54.9	45.5

- Segment revenue increased by $54.9 million, or 45.5 percent to $175.6 million as compared to $120.7 million in 2021.
- Incremental revenue of $44.3 million from acquisitions (APPS, R.S. Harris Transport Ltd. and DirectIT) accounted for the majority of the increase in segment revenue.
- Fuel surcharge revenue increased by $8.6 million (excluding acquisitions) due to the rise in diesel fuel prices.
- Revenue from our established Business Units grew modestly by $2.0 million year over year due to the continued strength in consumer spending, which was virtually offset by severe winter conditions in certain markets.

[1] Refer to the section entitled "Glossary of Terms and Reconciliation of Non-GAAP Terms".

Direct Operating Expenses

Q1 – LTL						
(unaudited) *($ millions)*	2022		2021		Change	
	$	%*	$	%*	$	%
Company						
Wages and benefits	**35.9**	**22.8**	28.4	26.8	7.5	26.4
CEWS	**—**	**—**	(0.7)	(0.7)	0.7	(100.0)
Fuel	**19.0**	**12.1**	12.1	11.4	6.9	57.0
Repairs and maintenance	**14.5**	**9.2**	11.3	10.6	3.2	28.3
Purchased transportation	**39.9**	**25.3**	20.1	18.9	19.8	98.5
Operating supplies	**2.5**	**1.6**	1.6	1.5	0.9	56.3
Other	**4.4**	**2.8**	3.6	3.4	0.8	22.2
	116.2	**73.8**	76.4	71.9	39.8	52.1
Contractors	**10.9**	**60.9**	8.3	58.0	2.6	31.3
Total	**127.1**	**72.4**	84.7	70.2	42.4	50.1

**as a percentage of respective LTL revenue*

- DOE were $127.1 million as compared to $84.7 million in 2021. The increase of $42.4 million was due to the $54.9 million increase in segment revenue.
- As a percentage of revenue these expenses increased by 2.2 percent to 72.4 percent from 70.2 percent in 2021 due to higher Company and Contractors costs.
- Company costs increased as a percentage of Company revenue due to higher purchased transportation associated with our new acquisitions, CEWS recovery of $0.7 million in 2021 and from higher fuel costs.
- Cost of Contractors as a percentage of Contractors revenue increased due to our asset light acquisition of DirectIT that recognizes slightly lower margins within its courier and small package business.

Selling and Administrative Expenses

Q1 – LTL						
(unaudited) *($ millions)*	2022		2021		Change	
	$	%*	$	%*	$	%
Wages and benefits	**14.9**	**8.5**	10.4	8.6	4.5	43.3
CEWS	**—**	**—**	(0.3)	(0.2)	0.3	(100.0)
Communications, utilities and general supplies	**8.1**	**4.6**	5.4	4.5	2.7	50.0
Profit share	**1.0**	**0.6**	0.9	0.7	0.1	11.1
Foreign exchange	**—**	**—**	—	—	—	—
Rent and other	**1.4**	**0.8**	0.3	0.2	1.1	366.7
Total	**25.4**	**14.5**	16.7	13.8	8.7	52.1

**as a percentage of total LTL revenue*

- Incremental S&A of $6.3 million from acquisitions and the $0.3 million recovery of CEWS in 2021 were the main reasons for the increase in S&A expenses from the prior year.

OIBDA

- OIBDA increased by $3.8 million with acquisitions contributing $6.8 million, offset by lower OIBDA from Gardewine and the $1.0 million of CEWS recovery in 2021.
- Operating margin[1] declined by 2.8 percent primarily due to higher costs for fuel and purchased transportation. In addition, 2021 results included the CEWS recovery.
- Adjusted OIBDA[1] increased to $23.1 million, or 13.2 percent, of revenue as compared to $18.3 million, or 15.2 percent, in 2021.

Capital Expenditures

- The majority of the capital invested in the first quarter of 2022 consisted of trucks and trailers to support growth opportunities as well as replace some older less efficient equipment.

Q1 – LTL

(unaudited) ($ millions)	**2022**	**2021**	**Change**
	$	**$**	**$**
Purchase of property, plant and equipment	**6.8**	7.6	(0.8)
Proceeds on sale of property, plant and equipment	**(0.4)**	(0.5)	0.1
Net capital expenditures[1]	**6.4**	7.1	(0.7)

LOGISTICS & WAREHOUSING

Highlights

An excellent start to the year for the L&W segment. Unlike the LTL segment, which is highly levered to the consumer spend part of the economy, the L&W segment is highly correlated to capital investment, deriving the majority of revenues from industrial customers, infrastructure spending and large capital projects. Acquisitions are an important part of our growth strategy for this segment, given our belief that the economy is entering a period of increased capital investment. The acquisition of Bandstra Transportation Systems Ltd. ("**Bandstra**") in 2021, a leading supplier of transportation services in British Columbia, where major capital projects are driving economic growth, is an example of this strategy. We acquire companies with strong brands in markets with growth opportunities. In addition to the strong performance of Bandstra, segment results in the quarter were driven by a rebound in demand across most operating businesses. Cost pressures were, and continue to be, a major issue in the quarter with most costs escalating significantly year over year, especially fuel expense. Our Business Units did an excellent job mitigating the cost push with general rate increases and fuel surcharges, maintaining operating margins[1]. The cross border market, freight moving between Canada and the United States, saw the largest freight increases, a situation we believe is related to the government mandated vaccine requirements for drivers traveling to and from the United States, which effectively reduced the availability of qualified drivers. With demand holding stable, customers were forced to pay higher rates to get freight moved, a trend that will remain as long as vaccine mandates remain.

Market Outlook

We believe that this segment will continue to produce strong results based on various expectations that freight demand will remain robust given that the market is in the early stages of a capital reinvestment cycle, governments have announced infrastructure programs accompanied by reduced capacity in the trucking industry. We have 12 Business Units well positioned to continue capitalizing on these strong market fundamentals.

[1] Refer to the section entitled "Glossary of Terms and Reconciliation of Non-GAAP Terms".

Revenue

Q1 – L&W						
(unaudited) ***($ millions)***	**2022**		**2021**		**Change**	
	$	**%**	**$**	**%**	**$**	**%**
Company	**70.4**	**49.4**	36.9	40.4	33.5	90.8
Contractors	**71.8**	**50.4**	54.3	59.5	17.5	32.2
Other	**0.3**	**0.2**	0.1	0.1	0.2	200.0
Total	**142.5**	**100.0**	91.3	100.0	51.2	56.1

- Segment revenue increased by $51.2 million, or 56.1 percent to $142.5 million as compared to $91.3 million in 2021.
- Incremental revenue of $29.0 million from acquisitions (Bandstra and Tri Point Intermodal Services Inc.) accounted for the majority of the increase in segment revenue.
- Fuel surcharge revenue increased by $4.3 million (excluding acquisitions) due to the rise in diesel fuel prices.
- Internal growth of $17.9 million was due to higher spot market prices, an overall improvement in freight demand at virtually all of our Business Units and from a strong performance at Kleysen Group Ltd. ("**Kleysen Group**").

Direct Operating Expenses

Q1 – L&W						
(unaudited) ***($ millions)***	**2022**		**2021**		**Change**	
	$	**%***	**$**	**%***	**$**	**%**
Company						
Wages and benefits	**15.0**	**21.3**	8.5	23.1	6.5	76.5
CEWS	**—**	**—**	(0.8)	(2.2)	0.8	(100.0)
Fuel	**6.9**	**9.8**	2.8	7.6	4.1	146.4
Repairs and maintenance	**6.8**	**9.7**	4.5	12.2	2.3	51.1
Purchased transportation	**9.7**	**13.8**	1.4	3.8	8.3	592.9
Operating supplies	**6.5**	**9.2**	6.1	16.5	0.4	6.6
Other	**2.1**	**3.0**	1.1	3.0	1.0	90.9
	47.0	**66.8**	23.6	64.0	23.4	99.2
Contractors	**53.0**	**73.8**	41.6	76.6	11.4	27.4
Total	**100.0**	**70.2**	65.2	71.4	34.8	53.4

**as a percentage of respective L&W revenue*

- DOE were $100.0 million as compared to $65.2 million in 2021. The increase of $34.8 million was due to the $51.2 million increase in segment revenue.
- As a percentage of revenue these expenses decreased by 1.2 percent to 70.2 percent from 71.4 percent in 2021 due to lower Contractors costs being somewhat offset by higher Company costs.
- Company costs increased as a percentage of Company revenue due to higher purchased transportation associated with our new acquisitions, CEWS recovery of $0.8 million in 2021 and from higher fuel costs. These increases were somewhat offset by lower operating supplies that were impacted by more efficient operations at our recently reconstructed salt production facility in Esterhazy, Saskatchewan.
- Cost of Contractors as a percentage of Contractors revenue decreased due to the greater availability of Contractors in certain markets.

Selling and Administrative Expenses

Q1 – L&W						
(unaudited) *($ millions)*	**2022**		**2021**		**Change**	
	$	**%***	**$**	**%***	**$**	**%**
Wages and benefits	**10.4**	**7.3**	6.8	7.4	3.6	52.9
CEWS	**—**	**—**	(0.4)	(0.4)	0.4	(100.0)
Communications, utilities, and general supplies	**4.2**	**2.9**	2.6	2.8	1.6	61.5
Profit share	**1.7**	**1.2**	0.8	0.9	0.9	112.5
Foreign exchange	**0.1**	**0.1**	0.1	0.1	—	—
Rent and other	**0.6**	**0.4**	0.3	0.4	0.3	100.0
Total	**17.0**	**11.9**	10.2	11.2	6.8	66.7

**as a percentage of total L&W revenue*

- Incremental S&A of $4.3 million from acquisitions and the $0.4 million recovery of CEWS in 2021 were the main reasons for the increase in S&A expenses from the prior year.

OIBDA

- OIBDA increased by $9.6 million due to $5.1 million of incremental OIBDA from acquisitions and from the strong performance at several of our Business Units including Kleysen Group, which was somewhat offset by $1.2 million of CEWS being recognized in 2021.
- Operating margin[1] improved by 0.5 percent to 17.9 percent from 17.4 percent in 2021 due to several Business Units implementing rate increases that more than offset higher inflationary costs.
- Adjusted OIBDA[1] was $25.5 million or 17.9 percent of revenue as compared to $14.7 million or 16.1 percent in 2021. The increase of $10.8 million was mainly due to $5.1 million of Adjusted OIBDA[1] from acquisitions.
- Adjusted operating margin[1] increased by 1.8 percent to 17.9 percent from 16.1 percent in 2021 due to the strong performance at several of our Business Units including Kleysen Group.

Capital Expenditures

- The majority of the capital invested in the first quarter of 2022 consisted of trucks, trailers and various pieces of operating equipment to replace some older less efficient equipment.

Q1 – L&W			
(unaudited) *($ millions)*	**2022**	**2021**	**Change**
	$	**$**	**$**
Purchase of property, plant and equipment	**4.9**	2.9	2.0
Proceeds on sale of property, plant and equipment	**(0.3)**	(0.3)	—
Net capital expenditures[1]	**4.6**	2.6	2.0

[1] Refer to the section entitled "Glossary of Terms and Reconciliation of Non-GAAP Terms".

SPECIALIZED & INDUSTRIAL SERVICES

Highlights

The construction, major pipeline project work and oilfield related activity, the primary drivers of the S&I segment, remained steady year over year. However, because this sector of the economy has yet to fully recover to pre-COVID levels, there has been little opportunity to grow or achieve any pricing leverage. As a result, our first quarter results underwhelmed in terms of both revenues and operating profitability. One positive development was the strong performance of our dewatering and water management business. Canadian Dewatering L.P. ("**Canadian Dewatering**") had an excellent quarter in what is traditionally a slow period.

Over the past two years this segment has benefitted from CEWS, supporting profitability during the COVID-19 induced slowdown. Today, however, the Government of Canada has let the CEWS program expire. This has had a direct impact on profitability of several Business Units in the segment, a negative variance of $3.8 million on a year over year comparative basis. This is an industry wide scenario that can only be rectified by additional demand and pricing increases.

Market Outlook

After several years of underperformance, there is reason for optimism that this segment will begin to recover in the last half of 2022. Rising commodity prices along with a growing consensus that additional supply is needed to balance the crude oil and natural gas markets should result in a substantial increase in capital spending by oil and natural gas producers. If this occurs, pricing will undoubtedly improve from the current unsustainable levels. Furthermore , additional infrastructure projects are being considered, which will drive future demand for the services our Business Units offer.

Revenue

Q1 – S&I						
(unaudited) ($ millions)	**2022**		**2021**		**Change**	
	$	**%**	**$**	**%**	**$**	**%**
Company	**66.0**	**79.2**	61.3	77.3	4.7	7.7
Contractors	**17.1**	**20.5**	17.8	22.4	(0.7)	(3.9)
Other	**0.2**	**0.3**	0.2	0.3	—	—
Total	**83.3**	**100.0**	79.3	100.0	4.0	5.0

- Segment revenue increased by $4.0 million, or 5.0 percent to $83.3 million as compared to $79.3 million in 2021.
- Incremental revenue of $4.5 million from the acquisition of Babine Truck & Equipment Ltd. ("**Babine**") accounted for the majority of the increase in segment revenue while fuel surcharge revenue increased by $1.1 million.
- Revenue from our established Business Units declined by $1.6 million due to a $9.3 million decrease in pipeline hauling and stringing services revenue that was somewhat offset by greater revenue from those Business Units involved in the transportation of fluids and servicing of wells and from greater demand at Canadian Dewatering.

Direct Operating Expenses

Q1 – S&I						
(unaudited) *($ millions)*	**2022**		**2021**		**Change**	
	$	**%***	**$**	**%***	**$**	**%**
Company						
Wages and benefits	**17.4**	**26.4**	18.2	29.7	(0.8)	(4.4)
CEWS	**—**	**—**	(2.8)	(4.6)	2.8	(100.0)
Fuel	**6.4**	**9.7**	5.0	8.2	1.4	28.0
Repairs and maintenance	**11.5**	**17.4**	10.8	17.6	0.7	6.5
Purchased transportation	**0.3**	**0.5**	0.5	0.8	(0.2)	(40.0)
Operating supplies	**9.5**	**14.4**	7.8	12.7	1.7	21.8
Other	**1.7**	**2.5**	1.5	2.5	0.2	13.3
	46.8	**70.9**	41.0	66.9	5.8	14.1
Contractors	**13.7**	**80.1**	15.4	86.5	(1.7)	(11.0)
Total	**60.5**	**72.6**	56.4	71.1	4.1	7.3

**as a percentage of respective S&I revenue*

- DOE were $60.5 million as compared to $56.4 million in 2021. The increase of $4.1 million was mainly due to the $4.0 million increase in segment revenue.
- As a percentage of revenue these expenses increased by 1.5 percent to 72.6 percent from 71.1 percent in 2021 due to higher Company costs being somewhat offset by lower Contractors costs.
- Company costs increased as a percentage of Company revenue due to higher fuel and operating supplies along with recognizing $2.8 million of CEWS in 2021.
- Cost of Contractors as a percentage of Contractors revenue decreased due to a greater proportion of low margin subcontractors' costs associated with pipeline hauling and stringing services in the first quarter of 2021.

Selling and Administrative Expenses

Q1 – S&I						
(unaudited) *($ millions)*	**2022**		**2021**		**Change**	
	$	**%***	**$**	**%***	**$**	**%**
Wages and benefits	**5.3**	**6.4**	5.2	6.6	0.1	1.9
CEWS	**—**	**—**	(1.0)	(1.3)	1.0	(100.0)
Communications, utilities and general supplies	**3.3**	**4.0**	2.7	3.4	0.6	22.2
Profit share	**0.8**	**1.0**	0.8	1.0	—	—
Foreign exchange	**—**	**—**	—	—	—	—
Rent and other	**0.1**	**—**	0.2	0.3	(0.1)	(50.0)
Total	**9.5**	**11.4**	7.9	10.0	1.6	20.3

**as a percentage of total S&I revenue*

- Incremental S&A of $0.6 million from acquisitions, salary increases and the $1.0 million recovery of CEWS in 2021 were the main reasons for the increase in S&A expenses from the prior year.

OIBDA

- OIBDA decreased by $1.7 million due to $3.8 million of CEWS being recognized in 2021, and a $2.0 million decline at Premay Pipeline Hauling L.P. These decreases were somewhat offset by improved results at Canadian Dewatering, greater demand from the Business Units involved in the transportation of fluids and servicing of wells, and drilling related services as higher commodity prices resulted in increased activity levels in the Western Canadian Sedimentary Basin ("**WCSB**").
- Operating margin[1] declined by 2.9 percent to 16.0 percent from 18.9 percent in 2021 due to $3.8 million of CEWS in 2021 as well as a change in revenue mix.

- Adjusted OIBDA[1] was $13.3 million or 16.0 percent of revenue as compared to $11.2 million or 14.1 percent in 2021. The increase of $2.1 million was mainly due to improved commodity prices resulting in greater activity in the WCSB as well as strong results at Canadian Dewatering.
- Adjusted operating margin[1] increased by 1.9 percent to 16.0 percent from 14.1 percent in 2021 due to the strong performance at Canadian Dewatering.

Capital Expenditures

- The majority of the capital invested in the first quarter of 2022 consisted of pumps, generators, and water management equipment to support demand at Canadian Dewatering.

Q1 – S&I			
(unaudited) ***($ millions)***	**2022**	**2021**	**Change**
	$	**$**	**$**
Purchase of property, plant and equipment	**1.1**	1.0	0.1
Proceeds on sale of property, plant and equipment	**(1.0)**	(1.7)	0.7
Net capital expenditures[1]	**0.1**	(0.7)	0.8

US 3PL

U.S. & INTERNATIONAL LOGISTICS

Highlights

Freight demand in the United States and international markets remained strong during the first quarter, for many of the same reasons demand was strong in Canada. Consumer spending was robust, the supply chain was still playing catch up to the 2021 bottlenecks in the system and the supply of available truck capacity remained extremely tight. HAUListic had a very strong revenue flow, however margins were negatively impacted by higher than normal Contractors expense due to aggressive spot market pricing, costs that could not totally be recovered from customers. We view this as a temporary situation primarily because the freight surge has now moderated from extremely high levels in the early part of the quarter. In addition, inflationary pressures continued to increase wages and benefits, the principal administrative expense at HAUListic.

Market Outlook

Recent evidence has emerged suggesting that freight demand will moderate in the short term as the supply chain stabilizes and consumer spending in discretionary items moderates due to inflationary pressures. As freight demand slows we expect Contractors will adjust pricing. This should not have a material impact on HAUListic due to the nature of the 3PL business.

Revenue

Q1 – US 3PL						
(unaudited) ***($ millions)***	**2022**		**2021**		**Change**	
	$	**%**	**$**	**%**	**$**	**%**
Company	**—**	**—**	—	—	—	—
Contractors	**57.3**	**100.0**	—	—	57.3	—
Other	**—**	**—**	—	—	—	—
Total	**57.3**	**100.0**	—	—	57.3	—

- HAUListic generated $57.3 million of gross freight revenue, which was above expectations due to the strong U.S. freight market and new business generated from the addition of new regional Station Agents.

[1] Refer to the section entitled "Glossary of Terms and Reconciliation of Non-GAAP Terms".

Direct Operating Expenses

Q1 – US 3PL						
(unaudited) *($ millions)*	**2022**		**2021**		**Change**	
	$	**%***	**$**	**%***	**$**	**%**
Company						
Wages and benefits	**—**	**—**	—	—	—	—
CEWS	**—**	**—**	—	—	—	—
Fuel	**—**	**—**	—	—	—	—
Repairs and maintenance	**—**	**—**	—	—	—	—
Purchased transportation	**—**	**—**	—	—	—	—
Operating supplies	**—**	**—**	—	—	—	—
Other	**0.3**	**—**	—	—	0.3	—
	0.3	**—**	—	—	0.3	—
Contractors	**52.3**	**91.3**	—	—	52.3	—
Total	**52.6**	**91.8**	—	—	52.6	—

**as a percentage of respective US 3PL revenue*

- HAUListic, a non asset based 3PL, does not own any operating assets other than its proprietary technology platform trademarked as SilverExpress. All freight is moved through a network of licensed and certified contractors.
- HAUListic uses the services of Contractors to transport tendered freight shipments. During the first quarter the availability of Contractors was extremely tight contributing to significantly higher spot market pricing. Total Contractors expense was $52.3 million, higher than anticipated at the time contracts were signed with customers.

Selling and Administrative Expenses

Q1 – US 3PL						
(unaudited) *($ millions)*	**2022**		**2021**		**Change**	
	$	**%***	**$**	**%***	**$**	**%**
Wages and benefits	**2.1**	**3.7**	—	—	2.1	—
CEWS	**—**	**—**	—	—	—	—
Communications, utilities and general supplies	**1.0**	**1.7**	—	—	1.0	—
Profit share	**0.1**	**0.2**	—	—	0.1	—
Foreign exchange	**0.1**	**0.2**	—	—	0.1	—
Rent and other	**0.3**	**0.5**	—	—	0.3	—
Total	**3.6**	**6.3**	—	—	3.6	—

**as a percentage of total US 3PL revenue*

- S&A expenses consist primarily of salaries and technology costs.

OIBDA

- OIBDA was $1.1 million or 1.9 percent of revenue. Operating margin[1] as a percentage of net revenue[1] was 23.4 percent.
- OIBDA was negatively impacted by higher than normal Contractors expense.

Capital Expenditures

This asset light operating segment did not have any capital expenditures or dispositions. This segment only had $2.3 million of property, plant and equipment associated with its SilverExpress transportation management platform as at March 31, 2022 and therefore generates cash in excess of its operating needs.

[1] Refer to the section entitled "Glossary of Terms and Reconciliation of Non-GAAP Terms".

CORPORATE

The Corporate Office recorded a loss of $2.7 million in the first quarter of 2022 as compared to a loss of $3.1 million in 2021. The $0.4 million decrease in loss was mainly attributable to a $0.1 million positive variance in foreign exchange. In the first quarter of 2022, the Corporate Office recorded a foreign exchange loss of $0.3 million as compared to a foreign exchange loss of $0.4 million in 2021. This decrease was somewhat offset by higher salaries and acquisition related costs.

CAPITAL RESOURCES AND LIQUIDITY

Consolidated Cash Flow Summary

(unaudited) *($ millions)*	Three month periods ended March 31			
		2022		**2021**
Net cash from operating activities	**$**	**18.0**	$	39.0
Net cash used in financing activities		**(4.6)**		(16.8)
Net cash used in investing activities		**(13.7)**		(9.4)
Change in cash and cash equivalents		**(0.3)**		12.8
Effect of exchange rate fluctuations on cash held		**0.3**		(0.4)
Cash and cash equivalents, beginning of period		**—**		105.3
Cash and cash equivalents, end of period	**$**	**—**	$	117.7

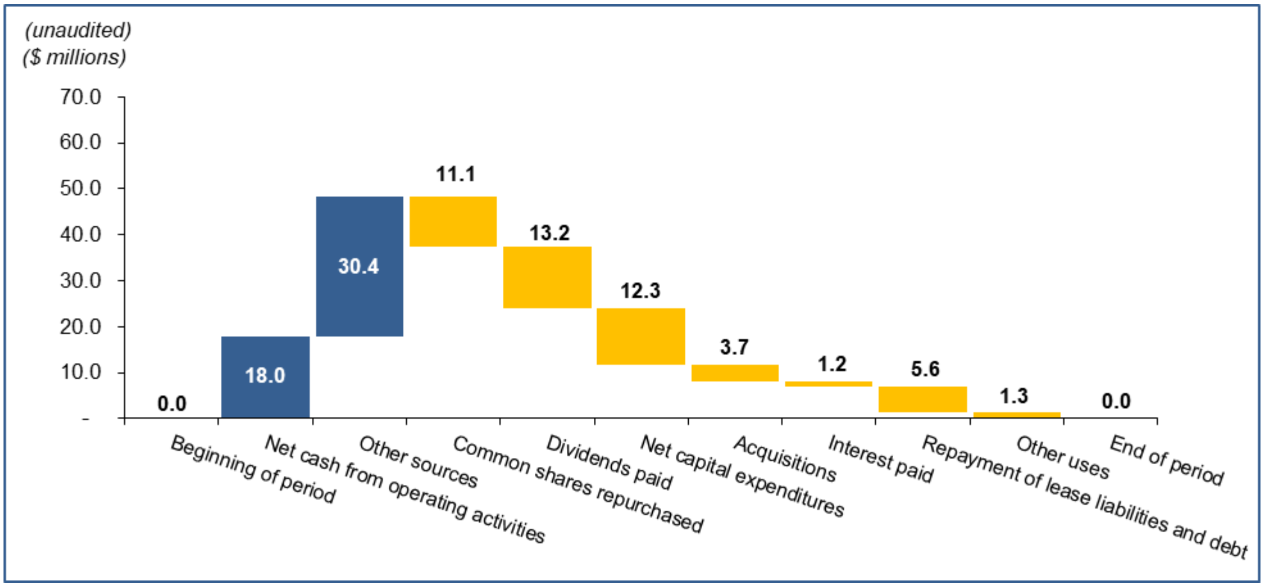
Sources and Uses of Cash

Cash From Operating Activities	We continue to generate cash in excess of our operating needs by generating net cash from operating activities of $18.0 million in 2022 as compared to $39.0 million in 2021. The decrease of $21.0 million was mainly due to the higher working capital requirements associated with the revenue growth we experienced through acquisitions. We also had a slight increase in cash taxes paid in 2022 as compared to the prior year.
Cash Used In Financing Activities	Net cash used in financing activities was $4.6 million in the first three months of 2022 as compared to using $16.8 million during the same period in 2021. This $12.2 million decrease was mainly due to borrowing $26.0 million from our Credit Facilities (as hereafter defined on page 24) to finance working capital requirements. This was somewhat offset by an increase in cash used to pay dividends to common shareholders, repurchase and cancel Common Shares under the NCIB, and repay lease liabilities.
Cash Used In Investing Activities	Net cash used in investing activities increased to $13.7 million in 2022 as compared to $9.4 million in 2021. This $4.3 million increase was mainly due to an increase in cash used on acquisitions and from a $2.4 million increase in net capital expenditures[1].

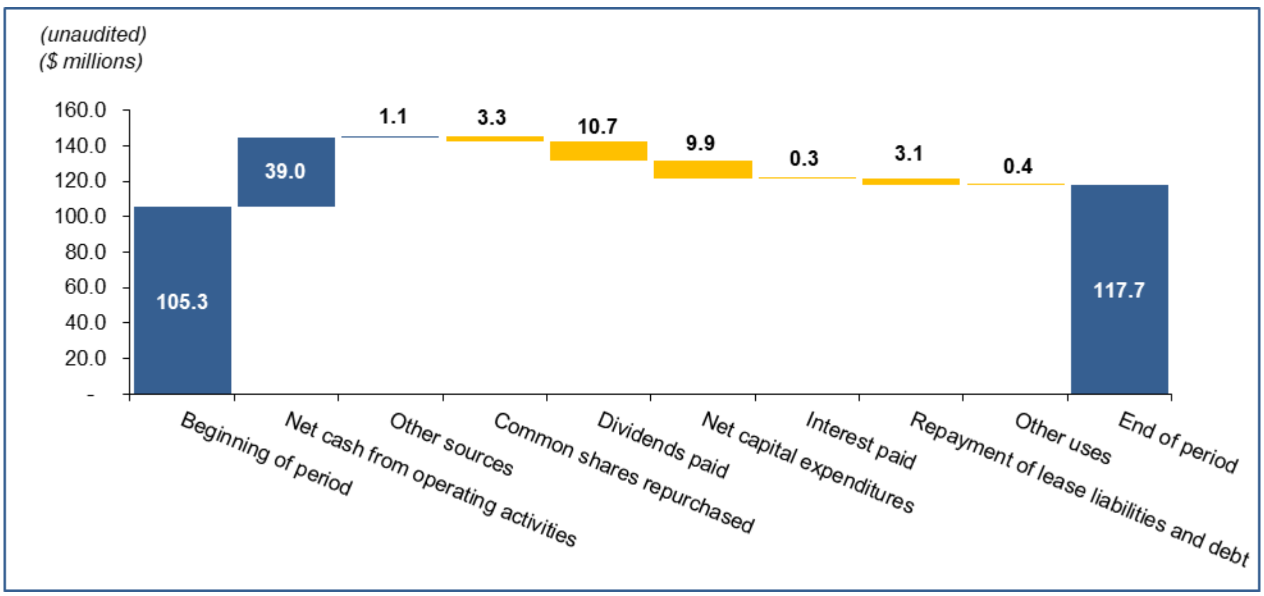
[1] Refer to the section entitled "Glossary of Terms and Reconciliation of Non-GAAP Terms".

The following charts present the sources and uses of cash for comparative purposes.

Three month period ended March 31, 2022



Three month period ended March 31, 2021



Working Capital

At March 31, 2022, we had $56.4 million (December 31, 2021 – $50.8 million) of working capital, which included $111.2 million of amounts drawn on the Credit Facilities (as hereafter defined on page 24) (December 31, 2021 – $89.0 million). This working capital also includes a current liability of $18.3 million (December 31, 2021 – $17.9 million) related to the current portion of lease liabilities. This working capital, the Credit Facilities, and the anticipated cash flow from operating activities in 2022 are available to finance ongoing working capital requirements, the 2022 dividend, the 2022 capital budget, as well as various special projects and acquisition opportunities.

Debt

The details of our debt can be found on page 44 of the 2021 MD&A. As at March 31, 2022, our debt has not changed significantly from those details.

Mullen Group, has financial covenants associated with its Private Placement Debt. As evidenced by the table below, we are in compliance with our financial covenants.

Financial Covenants	Financial Covenant Threshold	March 31 2022	December 31 2021
Private Placement Debt Covenants			
(a) Total net debt[1] to operating cash flow cannot exceed	3.50:1	**2.55:1**	2.52:1
(b) Total earnings available for fixed charges to total fixed charges cannot be less than	1.75:1	**9.90:1**	10.02:1

Total net debt[1] to operating cash flow was 2.55:1 at March 31, 2022. Assuming the $638.4 million of total net debt[1] remains constant, we would need to generate approximately $182.4 million of operating cash flow on a trailing twelve month basis to remain in compliance with this financial covenant. When a business is acquired, the trailing twelve months of operating cash flows generated by the newly acquired business may be added to our trailing twelve months' operating cash flows from the date of acquisition for financial covenant calculation purposes, such has not been included in the above calculation.

Mullen Group is also subject to a priority debt covenant. The term "priority debt" means all indebtedness secured by permitted liens excluding certain qualified subsidiary debt. Priority debt cannot exceed 15.0 percent of total assets. At March 31, 2022, the priority debt was $0.5 million or an insignificant percentage of total assets.

Convertible Debentures

In June 2019, we issued $125.0 million of convertible unsecured subordinated debentures (the "**Debentures**"), by way of a bought deal, at a price of $1,000 per Debenture. The Debentures are publicly traded and are listed on the TSX under the symbol "MTL.DB". The Debentures will mature on November 30, 2026 and bear interest at an annual rate of 5.75 percent payable semi-annually in arrears on May 31 and November 30 in each year beginning November 30, 2019. Each $1,000 Debenture is convertible into 71.4286 Common Shares of Mullen Group (such is based on a conversion price of $14.00) at any time at the option of the holders of the Debentures.

Credit Facilities

On October 1, 2021, we entered into a credit agreement (the "**CIBC Credit Facility**") with Canadian Imperial Bank of Commerce ("**CIBC**"). The CIBC Credit Facility is a $100.0 million revolving demand credit facility to finance the Corporation's general operating requirements including acquisition transactions. The CIBC Credit Facility is unsecured although MT has granted an unlimited guarantee of any indebtedness owing on the CIBC Credit Facility. We also have a loan agreement to borrow up to $150.0 million on an unsecured credit facility with the Royal Bank of Canada (the "**RBC Credit Facility**"). MT has granted an unlimited guarantee of any indebtedness owing on the RBC Credit Facility. As at March 31, 2022, there was $111.2 million drawn on the CIBC Credit Facility and the RBC Credit Facility (collectively, the "**Credit Facilities**").

Contractual Obligations

An overview of Mullen Group's contractual obligations can be found on page 46 of the 2021 MD&A. As at March 31, 2022, Mullen Group's contractual obligations have not changed significantly from this overview.

[1] Refer to the section entitled "Glossary of Terms and Reconciliation of Non-GAAP Terms".

Share Capital

The authorized share capital of the Corporation consists of an unlimited number of Common Shares and an unlimited number of Preferred Shares, issuable in series. The number of, and the specific rights, privileges, restrictions and conditions attaching to any series of Preferred Shares shall be determined by the Board prior to the creation and issuance thereof. As at the date hereof, no series of Preferred Shares has been created.

Common Shares

Common Shares **Authorized: Unlimited Number**	**# of Common Shares**		**Amount *($ millions)***
Balance at December 31, 2021	94,532,178	$	853.6
Common Shares repurchased and cancelled	(926,961)		(4.8)
Balance at March 31, 2022	**93,605,217**	**$**	**848.8**

At March 31, 2022, there were 93,605,217 Common Shares outstanding representing $848.8 million in share capital. In the first quarter of 2022, we repurchased and cancelled 926,961 Common Shares under the NCIB program. We also repurchased 119,535 Common Shares that are scheduled to be cancelled in April 2022.

Stock Option Plan

	Options		**Weighted average exercise price**
Outstanding – December 31, 2021	3,755,000	$	16.89
Granted	—		—
Expired	—		—
Forfeited	(70,000)		(13.90)
Outstanding – March 31, 2022	**3,685,000**	**$**	**16.95**
Exercisable – March 31, 2022	**2,620,000**	**$**	**19.45**

There are 3,082,500 stock options available to be issued under our stock option plan. In the first three months of 2022, there were 70,000 stock options forfeited. As at March 31, 2022, Mullen Group had 3,685,000 stock options outstanding under the stock option plan.

[The remainder of this page intentionally left blank.]

SUMMARY OF QUARTERLY RESULTS

Seasonality of Operations

Revenue and profitability within the LTL and L&W segments are generally lower in the first quarter than during the remainder of the year as freight volumes are typically lower following the holiday season due to less consumer demand and customers reducing shipments. Operating expenses also tend to increase within these segments in the winter months due to decreased fuel efficiency and increased repairs and maintenance expense resulting from cold weather conditions. Generally speaking, the third and fourth quarters tend to be the strongest in terms of demand for the services in these segments.

A significant portion of the operations within the S&I segment is comprised of a wide range of unique businesses providing specialized equipment and services to the oil and gas, environmental, construction, pipeline, utility, telecom and civil industries, predominantly in western Canada. Activity levels, revenue and earnings are influenced by the seasonal activity pattern of western Canada's oil and natural gas exploration industry whereby activity peaks in the winter months and declines during the spring. As a result, the demand for these services has historically been highest in the first quarter and lowest in the second quarter.

Financial Results

	TTM[1]	2022	2021				2020		
(unaudited)		Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
($ millions, except per share amounts)	$	$	$	$	$	$	$	$	$
Revenue	**1,643.8**	456.9	**441.9**	**432.5**	**312.5**	**290.5**	297.7	290.9	257.5
OIBDA	**249.6**	60.3	**65.8**	**64.5**	**59.0**	**47.1**	52.2	65.2	55.0
Net income	**75.8**	16.4	**20.2**	**17.5**	**21.7**	**13.0**	10.1	26.2	23.0
Earnings per share									
Basic	**0.79**	0.17	**0.21**	**0.18**	**0.23**	**0.13**	0.10	0.27	0.23
Diluted	**0.79**	0.17	**0.21**	**0.18**	**0.23**	**0.13**	0.10	0.26	0.23
Other Information									
Net foreign exchange loss (gain)	**2.7**	3.3	**0.8**	**(0.2)**	**(1.2)**	**(0.1)**	0.1	(0.1)	(5.2)
Decrease (increase) in fair value of investments	**(1.0)**	(0.2)	**(0.4)**	**0.3**	**(0.7)**	**(0.4)**	(0.4)	0.1	(0.2)

[1] *TTM represents the "trailing twelve months" and consists of a summary of the Corporation's financial results for the most recently completed four quarters.*

Consolidated revenue in the first quarter of 2022 was a record as compared to any previous quarter and increased by $166.4 million to $456.9 million as compared to $290.5 million in 2021. This increase was mainly due to the incremental revenue generated from acquisitions. Net income in the first quarter was $16.4 million, an increase of $3.4 million from the $13.0 million of net income generated in 2021. The increase in net income was mainly attributable to an increase in OIBDA being somewhat offset by a negative variance in net foreign exchange and an increase in income tax expense.

Consolidated revenue in the fourth quarter of 2021 was a record as compared to any previous quarter and increased by $144.2 million to $441.9 million as compared to $297.7 million in 2020. This increase was mainly due to the incremental revenue generated from acquisitions. Net income in the fourth quarter was $20.2 million, an increase of $10.1 million from the $10.1 million of net income generated in 2020. The $10.1 million increase in net income was mainly attributable to an increase in OIBDA.

Consolidated revenue in the third quarter of 2021 increased by $141.6 million to $432.5 million as compared to $290.9 million in 2020. This increase was mainly due to the incremental revenue generated from acquisitions. Net income in the third quarter was $17.5 million, a decrease of $8.7 million from the $26.2 million of net income generated in 2020. The $8.7 million decrease in net income was mainly attributable to an increase in amortization of intangible assets, and an increase in depreciation of right-of-use assets.

Consolidated revenue in the second quarter of 2021 increased by $55.0 million to $312.5 million as compared to $257.5 million in 2020. Revenue increased due to the strength in consumer spending and from the incremental revenue generated from acquisitions. Net income in the second quarter was $21.7 million, a decrease of $1.3 million from the $23.0 million of net income generated in 2020. The $1.3 million decrease in net income was mainly attributable to a negative variance in net foreign exchange being somewhat offset by an increase in OIBDA.

TRANSACTIONS WITH RELATED PARTIES

A description of transactions with related parties can be found on page 68 of the 2021 MD&A. As at March 31, 2022, the transactions with related parties have not changed significantly from these descriptions.

All of the transactions with related parties occurred in the normal course of operations with terms consistent with those offered to arms-length parties and are measured at the exchange amount. Mullen Group has no long-term contracts with any related party other than the $4.9 million of Debentures held by directors and officers of Mullen Group as at December 31, 2021.

PRINCIPAL RISKS AND UNCERTAINTIES

A description of principal risks and uncertainties can be found beginning on page 69 of the 2021 MD&A. As at March 31, 2022, these risks and uncertainties, identified as strategic, financial and operational risks have not changed significantly from those descriptions.

CRITICAL ACCOUNTING ESTIMATES

This MD&A summarizes Mullen Group's financial condition and results of operations and is based upon our Interim Financial Statements, which have been prepared in accordance with IFRS and comply with IAS 34 Interim Financial Reporting. The Interim Financial Statements require management to select significant accounting policies and make certain critical accounting estimates that affect the reported assets, liabilities, revenue and expenses. A description of critical accounting estimates can be found beginning on page 86 of the 2021 MD&A. As at March 31, 2022, our critical accounting estimates have not changed significantly from such description.

SIGNIFICANT ACCOUNTING POLICIES

New Standards and Interpretations Not Yet Adopted

A description of new standards and interpretations not yet adopted can be found on page 89 of the 2021 MD&A. There have been no new standards or interpretations issued during 2022 that significantly impact Mullen Group.

Changes in Accounting Policies

There have been no changes to our accounting policies in 2022 as compared to those disclosed in our Annual Financial Statements.

DISCLOSURE AND INTERNAL CONTROLS

Disclosure Controls and Internal Controls over Financial Reporting

As at March 31, 2022, an evaluation of the effectiveness of our disclosure controls and procedures as defined under the rules adopted by the Canadian securities regulatory authorities was carried out under the supervision and with the participation of management, including the Chief Executive Officer ("**CEO**") and the Senior Accounting Officer ("**SAO**"). In accordance with the provisions of National Instrument 52-109, management, including the CEO and the SAO, have limited the scope of their design of the Corporation's disclosure controls and procedures to exclude controls, policies and procedures of APPS, Bandstra, Babine and HAUListic. This scope limitation is in accordance with National Instrument 52-109 section 3.3(1)(b), which allows for an issuer to limit scope for a business it acquired not more than 365 days prior to the end of the fiscal period. Mullen Group acquired APPS on June 24, 2021. Since being acquired, APPS has generated revenue and earnings before tax of $109.6 million and $5.7 million, respectively. As at March 31, 2022, APPS had $29.0 million of current assets and $15.1 million of current liabilities. Mullen Group acquired Bandstra and Babine on April 16, 2021. Since being acquired, Bandstra and Babine have generated revenue and earnings before tax of $108.2 million and $12.9 million, respectively. As at March 31, 2022, Bandstra and Babine had $37.8 million of current assets and $14.3 million of current liabilities. Mullen Group acquired the assets and business of HAUListic (previously known as QuadExpress) on June 30, 2021. Since being acquired, HAUListic has generated revenue and earnings before tax of $175.5 million and $0.7 million, respectively. As at March 31, 2022, HAUListic had $34.0 million of current assets and $30.3 million of current liabilities. Based on this evaluation, the CEO and the SAO concluded that, as at March 31, 2022, the design and operation of Mullen Group's disclosure controls and procedures were effective to provide reasonable assurance that information required to be disclosed by the Corporation in reports filed with, or submitted to, securities regulatory authorities were reported within the time periods specified under Canadian securities laws.

Internal control over financial reporting is a process designed by or under the supervision of management and effected by the Board, management and other personnel to provide reasonable assurance regarding the reliability of financial reporting and preparation of consolidated financial statements for external purposes in accordance with IFRS. Management is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting, no matter how well designed, has inherent limitations and can provide only reasonable assurance with respect to the preparation and fair presentation of published financial statements. Under the supervision and with the participation of the CEO and SAO, management conducted an evaluation of the effectiveness of its internal control over financial reporting as at March 31, 2022.

The CEO and SAO limited the scope of their design of the Corporation's internal controls over financial reporting to exclude controls, policies and procedures of APPS, Bandstra, Babine and HAUListic due to the time required for the Corporation's management to assess their internal controls over financial reporting to ensure that they are consistent with those of the Corporation. Based on this evaluation, the CEO and the SAO concluded that internal control over financial reporting was effective as at March 31, 2022, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external reporting purposes. We utilize the Internal Control – Integrated Framework (2013) as issued by the Committee of Sponsoring Organizations of the Treadway Commission. As at March 31, 2022, there was no change in our design of internal control over financial reporting that materially affected or is reasonably likely to materially affect our internal control over financial reporting.

FORWARD-LOOKING INFORMATION STATEMENTS

This MD&A contains forward-looking statements within the meaning of applicable Canadian Securities laws. Readers are cautioned that expectations, estimates, projections and assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements. The following is a list of forward-looking statements contained within this MD&A, along with the respective assumptions:

- Mullen Group's plan to acquire competing and complementary companies; to invest $70.0 million in capital expenditures with $60.0 million allocated towards the replacement of operating equipment and productivity improvements and $10.0 million allocated to our sustainability initiatives; to allocate $100.0 million as part of our 3-year plan to repurchase our Common Shares under the NCIB program; and to pay annual dividends of $0.60 per Common Share ($0.05 per Common Share on a monthly basis) for 2022, as referred to in the Capital Allocations section beginning on page 6. These forward-looking statements are based on the assumption we will generate sufficient cash in excess of our financial obligations to support our plan.
- Mullen Group's comment that we expect overall freight demand and our revenues to remain strong for the foreseeable future, as referred to in the Outlook section within the Consolidated Financial Results Section beginning on page 7. This forward-looking statement is based on the assumption that using the month of March, which was our best month in the quarter, overall freight demand and our revenues should remain strong, although consumer product demand may slow due to consumers being stretched by inflation. Any reduction in consumer discretionary demand should be offset by increases in the demand for capital goods, which appears to be gaining momentum as business investment accelerates. There is also increasing evidence that supply chain bottlenecks will improve from current levels as health protocols associated with COVID-19 are relaxed and overall freight demand moderates. This will undoubtedly help improve productivity levels and reduce excessive costs associated with the bottlenecks.
- Mullen Group's expectations that freight volumes will moderate throughout the balance of the year, as referred to in the LTL segment beginning on page 13. This forward-looking statement is based on the assumption that consumer demand will normalize after two years of exceptional growth, driven by robust consumer spending and shippers adjusting buying cycles due to supply chain constraints. This surge in demand, which was unprecedented, contributed meaningful top line growth but it also led to higher costs as our Business Units struggled to meet customer requests.
- Mullen Group's belief that the L&W segment will continue to produce strong results, as referred to in the L&W segment beginning on page 15. This forward-looking statement is based on the assumption that freight demand will remain robust given that the market is in the early stages of a capital reinvestment cycle, governments have announced infrastructure programs accompanied by reduced capacity in the trucking industry. We have 12 Business Units well positioned to continue capitalizing on these strong market fundamentals.
- Mullen Group's belief that there is reason for optimism that the S&I segment will begin to recover in the last half of 2022, as referred to in the S&I segment beginning on page 18. This forward-looking statement is based on the assumption that rising commodity prices along with a growing consensus that additional supply is needed to balance the crude oil and natural gas markets should result in a substantial increase in capital spending by oil and natural gas producers. If this occurs, pricing will undoubtably improve from the current unsustainable levels. Furthermore, additional infrastructure projects are being considered which will drive future demand for the services our Business Units offer.
- Mullen Group's expectation that freight demand will moderate in the short term, as referred to in the US 3PL segment beginning on page 20. This forward-looking statement is based on the assumption that the supply chain stabilizes and consumer spending in discretionary items moderates due to inflationary pressures. As freight demand slows, we expect Contractors will adjust pricing. This should not have a material impact on HAUListic due to the nature of the 3PL business.

- Mullen Group's intention to use working capital, the Credit Facilities and the anticipated cash flow from operating activities in 2022 to finance its ongoing working capital requirements, the 2022 dividend, the 2022 capital budget, as well as various special projects and acquisition opportunities, as referred to in the Capital Resources and Liquidity section beginning on page 22. This forward-looking statement is based on our belief that our access to cash will exceed our expected requirements.

Although we believe that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because we can give no assurance that they will prove to be correct.

Forward-looking statements address future events and conditions and, therefore, involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. Accordingly, readers should not place undue reliance on the forward-looking statements contained in this MD&A. Readers are cautioned that the foregoing list of factors and risks is not exhaustive. Additional information on these and other factors that could affect the operations or financial results of Mullen Group along with the forward-looking statements in this MD&A, may be found in the Advisory on page 1 as well as in reports on file with applicable securities regulatory authorities and may be accessed through the Corporation's issuer profile on SEDAR at www.sedar.com. The forward-looking statements contained in this MD&A are made as of the date hereof and we undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless so required by applicable securities law. We rely on litigation protection for "forward-looking" statements.

GLOSSARY OF TERMS AND RECONCILIATION OF NON-GAAP TERMS

The Interim Financial Statements attached and referred to in this MD&A were prepared according to Canadian GAAP. References to Adjusted OIBDA, adjusted operating margin, operating margin, net income – adjusted, earnings per share – adjusted, net capital expenditures, net debt, total net debt, net revenue, cash flow per share and consolidated direct operating expenses – adjusted for CEWS and HAUListic are not measures recognized by Canadian GAAP and do not have standardized meanings prescribed by Canadian GAAP. This MD&A reports on certain financial performance measures that are described and presented in order to provide shareholders and potential investors with additional measures to evaluate our ability to fund our operations and information regarding our liquidity. In addition, these measures are used by management in its evaluation of performance. These Non-GAAP Terms may not be comparable to similar measures presented by other issuers and should not be considered in isolation or as a substitute for measures prepared in accordance with Canadian GAAP. Investors are cautioned that these indicators should not replace the foregoing Canadian GAAP terms: net income, earnings per share, purchases of property, plant and equipment, proceeds on sale of property, plant and equipment and debt.

Adjusted OIBDA

Adjusted OIBDA is a Non-GAAP term and is calculated by subtracting CEWS from OIBDA. Management calculates Adjusted OIBDA by excluding CEWS to more clearly reflect earnings from an operating perspective.

(unaudited) ***($ millions)***	**Three month periods ended March 31**			
		2022		**2021**
OIBDA	**$**	**60.3**	$	47.1
CEWS		**—**		(6.0)
Adjusted OIBDA	**$**	**60.3**	$	41.1

(unaudited) ***($ millions)***	**Three month periods ended March 31**					
	2022		**2021**		**Change**	
	$	**%**	**$**	**%**	**$**	**%**
LTL	**23.1**	**38.3**	18.3	44.5	4.8	26.2
L&W	**25.5**	**42.3**	14.7	35.8	10.8	73.5
S&I	**13.3**	**22.1**	11.2	27.3	2.1	18.8
US 3PL	**1.1**	**1.8**	—	—	1.1	—
Corporate	**(2.7)**	**(4.5)**	(3.1)	(7.6)	0.4	(12.9)
Total	**60.3**	**100.0**	41.1	100.0	19.2	46.7

Adjusted Operating Margin

Adjusted operating margin is a Non-GAAP term and is defined as Adjusted OIBDA divided by revenue. Management relies on adjusted operating margin as a measurement since it provides an indication of our ability to generate an appropriate return without CEWS.

(unaudited) ***($ millions)***	Three month periods ended March 31			
		2022		**2021**
Adjusted OIBDA	**$**	**60.3**	$	41.1
Revenue	**$**	**456.9**	$	290.5
Adjusted operating margin		**13.2%**		14.1%

Operating Margin

Operating margin is a Non-GAAP term 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) ***($ millions)***	Three month periods ended March 31			
		2022		**2021**
OIBDA	**$**	**60.3**	$	47.1
Revenue	**$**	**456.9**	$	290.5
Operating margin		**13.2%**		16.2%

Net Income – Adjusted and Earnings per Share – Adjusted

The following table illustrates net income and basic earnings per share before considering the impact of the net foreign exchange gains or losses, and the change in fair value of investments. Management adjusts net income and earnings per share by excluding these specific factors to more clearly reflect earnings from a operating perspective.

(unaudited) ***($ millions, except share and per share amounts)***	Three month periods ended March 31			
		2022		**2021**
Income before income taxes	**$**	**22.9**	$	16.2
Add (deduct):				
Net foreign exchange loss (gain)		**3.3**		(0.1)
Change in fair value of investments		**(0.2)**		(0.4)
Income before income taxes – adjusted		**26.0**		15.7
Income tax rate		**25%**		25%
Computed expected income tax expense		**(6.5)**		(3.9)
Net income – adjusted		**19.5**		11.8
Weighted average number of Common Shares outstanding – basic		**94,184,879**		96,849,066
Earnings per share – adjusted	**$**	**0.21**	$	0.12

Net Capital Expenditures

Net capital expenditures are calculated by subtracting the amount of cash received from the sale of property, plant and equipment from the amount of cash used to purchase property, plant and equipment. Management calculates net capital expenditures to evaluate and manage its capital expenditure budget and to assist in allocating capital amongst its Business Units.

(unaudited) ***($ millions)***	Three month periods ended March 31			
		2022		**2021**
Purchase of property, plant and equipment	**$**	**14.4**	$	12.5
Proceeds on sale of property, plant and equipment		**(2.1)**		(2.6)
Net capital expenditures	**$**	**12.3**	$	9.9

Net Debt

Net debt is calculated by subtracting total working capital (current assets less current liabilities) from total debt (long-term debt plus the debt component of lease liabilities and Debentures). Management calculates net debt to monitor its capital structure and makes adjustments to it in light of changes in economic conditions.

(unaudited) ***($ millions)***		**March 31, 2022**		**December 31, 2021**
Long-term debt (including bank indebtedness)	**$**	**572.4**	$	550.5
Convertible debentures - debt component		**114.0**		113.5
Lease liabilities (non-current portion)		**73.6**		63.3
Total debt		**760.0**		727.3
Less working capital:				
Current assets		**352.6**		309.1
Current liabilities (excluding bank indebtedness)		**(181.2)**		(169.3)
Total working capital		**171.4**		139.8
Net debt	**$**	**588.6**	$	587.5

Total Net Debt

The term "*total net debt*" means all debt excluding the Debentures but includes the Private Placement Debt, lease liabilities, the Credit Facilities and letters of credit less any unrealized gain on Cross-Currency Swaps plus any unrealized loss on Cross-Currency Swaps, as disclosed within Derivatives on the condensed consolidated statement of financial position. Management calculates total net debt to monitor its capital structure and makes adjustments to it in light of changes in economic conditions.

(unaudited) ***($ millions)***		**March 31, 2022**
Private Placement Debt	**$**	**456.5**
Lease liabilities (including the current portion)		**91.9**
Bank indebtedness		**115.0**
Letters of credit		**4.0**
Long-term debt (including the current portion)		**0.9**
Total debt		**668.3**
Less: unrealized gain on Cross-Currency Swaps		**(29.9)**
Add: unrealized loss on Cross-Currency Swaps		**—**
Total net debt	**$**	**638.4**

Net Revenue

Net revenue is calculated by subtracting DOE (primarily comprised of expenses associated with the use of Contractors) from revenue. Management calculates and measures net revenue within the US 3PL segment as it provides an important measurement in evaluating our financial performance and it provides an indication of our ability to generate an appropriate return in the 3PL market.

(unaudited) ***($ millions)***	**Three month periods ended March 31**			
		2022		**2021**
Revenue	**$**	**57.3**	$	—
Direct operating expenses		**52.6**		—
Net revenue	**$**	**4.7**	$	—

Cash Flow per Share

Cash flow per share is calculated by dividing net cash from operating activities by the weighted average number of Common Shares outstanding. Management measures cash flow per share to provide investors with an indication of the amount of cash being generated on a per share basis, after consideration of working capital and income taxes paid.

(unaudited) *($ millions, except share and per share amounts)*	Three month periods ended March 31	
	2022	2021
Net cash from operating activities	**$ 18.0**	$ 39.0
Weighted average number of Common Shares outstanding	**94,184,879**	96,849,066
Cash flow per share	**$ 0.19**	$ 0.40

Q1 Consolidated Direct Operating Expenses – Adjusted for CEWS and HAUListic

Q1 Consolidated Direct Operating Expenses – Adjusted for CEWS and HAUListic is calculated by subtracting DOE CEWS and HAUListic's DOE from consolidated DOE. Management uses this calcuation to assess DOE as a percentage of revenue as it provides an indication of our ability to generate an appropriate return without CEWS and provides an indication of our ability to generate an appropriate return as compared to the associated risk and the amount of assets employed.

(unaudited) *($ millions)*	2022		2021		Change	
	$	**%**	**$**	**%**	**$**	**%**
Company	**209.7**	**71.4**	141.2	69.1	68.5	48.5
CEWS	**—**	**—**	4.3	2.1	(4.3)	(100.0)
HAUListic	**(0.3)**	**—**	—	—	(0.3)	—
Company – adjusted	**209.4**	**71.3**	145.5	71.2	63.9	43.9
Contractors	**127.4**	**78.9**	63.7	75.1	63.7	100.0
HAUListic	**(52.3)**	**—**	—	—	(52.3)	—
Contractors – adjusted	**75.1**	**72.1**	63.7	75.1	11.4	17.9
Total – adjusted	**284.5**	**71.3**	209.2	72.0	75.3	36.0

[The remainder of this page intentionally left blank.]

MARCH 31, 2022

INTERIM FINANCIAL REPORT

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(unaudited) *(thousands)*	**Note**		**March 31 2022**		**December 31 2021**
Assets					
Current assets:					
Trade and other receivables	**6**	**$**	**283,664**	$	248,868
Inventory			**37,809**		35,121
Prepaid expenses			**22,815**		19,074
Current tax receivable			**8,354**		6,046
			352,642		309,109
Non-current assets:					
Property, plant and equipment			**982,979**		985,971
Right-of-use assets			**88,599**		78,032
Goodwill			**359,538**		358,726
Intangible assets			**94,758**		99,155
Investments			**40,013**		38,518
Deferred tax assets			**8,741**		9,630
Derivative financial instruments	**7**		**29,942**		37,392
Other assets	**8**		**1,954**		5,463
			1,606,524		1,612,887
Total Assets		**$**	**1,959,166**	$	1,921,996
Liabilities and Equity					
Current liabilities:					
Bank indebtedness	**11**	**$**	**115,038**	$	89,045
Accounts payable and accrued liabilities			**157,534**		144,198
Dividends payable	**9**		**4,680**		3,781
Current tax payable			**589**		3,338
Lease liabilities – current portion			**18,329**		17,890
Current portion of long-term debt			**56**		54
			296,226		258,306
Non-current liabilities:					
Convertible debentures – debt component	**11**		**114,045**		113,458
Long-term debt	**11**		**457,368**		461,505
Lease liabilities			**73,611**		63,363
Asset retirement obligations			**1,622**		1,616
Deferred tax liabilities			**132,323**		135,084
			778,969		775,026
Equity:					
Share capital	**12**		**848,760**		853,614
Convertible debentures – equity component			**9,116**		9,116
Contributed surplus			**20,769**		22,578
Accumulated other comprehensive income			**692**		1,088
Retained earnings			**4,634**		2,268
			883,971		888,664
Subsequent event	**19**				
Total Liabilities and Equity		**$**	**1,959,166**	$	1,921,996

The notes which begin on page 38 are an integral part of these condensed interim consolidated financial statements.

Approved by the Board of Directors on April 20, 2022, after review by the Audit Committee.

"Signed: Murray K. Mullen"
Murray K. Mullen, Director

"Signed: Philip J. Scherman"
Philip J. Scherman, Director

CONDENSED CONSOLIDATED STATEMENT OF INCOME

(unaudited) *(thousands, except per share amounts)*	Note	Three month periods ended March 31 2022		2021	
Revenue	**15**	**$**	**456,873**	$	290,507
Direct operating expenses			**337,085**		204,880
Selling and administrative expenses			**59,520**		38,555
Operating income before depreciation and amortization			**60,268**		47,072
Depreciation of property, plant and equipment			**17,320**		16,808
Depreciation of right-of-use assets			**5,696**		3,018
Amortization of intangible assets			**4,629**		5,014
Finance costs			**8,023**		7,023
Net foreign exchange loss (gain)	**7**		**3,282**		(132)
Other (income) expense	**16**		**(1,582)**		(871)
Income before income taxes			**22,900**		16,212
Income tax expense	**10**		**6,451**		3,252
Net income		**$**	**16,449**	$	12,960
Earnings per share:	**13**				
Basic		**$**	**0.17**	$	0.13
Diluted		**$**	**0.17**	$	0.13
Weighted average number of Common Shares outstanding:	**13**				
Basic			**94,185**		96,849
Diluted			**94,243**		96,849

The notes which begin on page 38 are an integral part of these condensed interim consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(unaudited) *(thousands)*	Three month periods ended March 31 2022		2021	
Net income	**$**	**16,449**	$	12,960
Other comprehensive income *Items that may be reclassified subsequently to statement of income*				
Exchange differences from translating foreign operations		**(396)**		—
Other comprehensive income (loss), net of tax		**(396)**		—
Total comprehensive income	**$**	**16,053**	$	12,960

The notes which begin on page 38 are an integral part of these condensed interim consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(unaudited) (*thousands*)	Note	Share capital	Convertible debentures – equity component	Contributed surplus	Accumulated Other Comprehensive Income	Retained earnings	Total
Balance at January 1, 2022		**$ 853,614**	**$ 9,116**	**$ 22,578**	**$ 1,088**	**$ 2,268**	**$ 888,664**
Net income for the period		**—**	**—**	**—**	**—**	**16,449**	**16,449**
Other comprehensive income, net of tax		**—**	**—**	**—**	**(396)**	**—**	**(396)**
Common Shares repurchased	**12**	**(4,854)**	**—**	**(1,953)**	**—**	**—**	**(6,807)**
Stock-based compensation expense		**—**	**—**	**144**	**—**	**—**	**144**
Dividends declared to common shareholders	**9**	**—**	**—**	**—**	**—**	**(14,083)**	**(14,083)**
Balance at March 31, 2022		**$ 848,760**	**$ 9,116**	**$ 20,769**	**$ 692**	**$ 4,634**	**$ 883,971**

(unaudited) (*thousands*)	Note	Share capital	Convertible debentures – equity component	Contributed surplus	Accumulated Other Comprehensive Income	Deficit	Total
Balance at January 1, 2021		$ 874,888	$ 9,116	$ 36,577	$ —	$ (24,163)	$ 896,418
Net income for the period		—	—	—	—	12,960	12,960
Other comprehensive income, net of tax		—	—	—	—	—	—
Common Shares repurchased	**12**	(2,312)	—	(967)	—	—	(3,279)
Stock-based compensation expense		—	—	66	—	—	66
Dividends declared to common shareholders	**9**	—	—	—	—	(11,611)	(11,611)
Balance at March 31, 2021		$ 872,576	$ 9,116	$ 35,676	$ —	$ (22,814)	$ 894,554

The notes which begin on page 38 are an integral part of these condensed interim consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

(unaudited) *(thousands)*	Note	Three month periods ended March 31 2022	2021
Cash provided by (used in):			
Cash flows from operating activities:			
Net income		**$ 16,449**	$ 12,960
Adjustments for:			
Depreciation and amortization		**27,645**	24,840
Finance costs		**8,023**	7,023
Stock-based compensation expense		**144**	66
Foreign exchange loss (gain) on cross-currency swaps	**7**	**7,450**	3,463
Foreign exchange (gain) loss		**(4,168)**	(3,150)
Other (income) expense	**16**	**(1,582)**	(871)
Income tax expense	**10**	**6,451**	3,252
Cash flows from operating activities before non-cash working capital items		**60,412**	47,583
Changes in non-cash working capital items from operating activities	**17**	**(29,068)**	2,855
Cash generated from operating activities		**31,344**	50,438
Income tax paid		**(13,380)**	(11,425)
Net cash from operating activities		**17,964**	39,013
Cash flows from financing activities:			
Bank indebtedness	**11**	**25,993**	—
Repurchase of Common Shares	**12**	**(11,137)**	(3,279)
Cash dividends paid to common shareholders		**(13,184)**	(10,654)
Interest paid		**(1,275)**	(280)
Repayment of long-term debt and loans		**(13)**	(3)
Repayment of lease liabilities		**(5,588)**	(3,127)
Changes in non-cash working capital items from financing activities	**17**	**525**	546
Net cash used in financing activities		**(4,679)**	(16,797)
Cash flows from investing activities:			
Acquisitions net of cash acquired	**5**	**(3,689)**	—
Purchase of property, plant and equipment		**(14,415)**	(12,564)
Proceeds on sale of property, plant and equipment		**2,140**	2,627
Net investment in finance leases		**40**	316
Interest received		**141**	167
Other assets		**3,491**	18
Changes in non-cash working capital items from investing activities	**17**	**(1,294)**	5
Net cash used in investing activities		**(13,586)**	(9,431)
Change in cash and cash equivalents		**(301)**	12,785
Cash and cash equivalents at January 1		**—**	105,340
Effect of exchange rate fluctuations on cash held		**301**	(445)
Cash and cash equivalents at March 31		**$ —**	$ 117,680

The notes which begin on page 38 are an integral part of these condensed interim consolidated financial statements.

(Tabular amounts in thousands, except share and per share amounts)

1. Reporting Entity

Mullen Group Ltd. ("**Mullen Group**" and/or the "**Corporation**") was incorporated pursuant to the laws of the Province of Alberta and is a publicly-traded company listed on the Toronto Stock Exchange ("**TSX**") under the symbol 'MTL'. The Corporation maintains its registered office in Okotoks, Alberta, Canada. The business of Mullen Group is operated through wholly-owned (either directly or indirectly) subsidiaries and limited partnerships ("**Business Units**"). The Corporation is recognized as one of the leading suppliers of trucking and logistics services in Canada providing a wide range of service offerings including less-than-truckload, truckload, warehousing, logistics, transload, oversized and specialized hauling transportation. The Corporation also operates as a third-party logistics provider in the U.S. In addition, Mullen Group provides a diverse set of specialized services related to the energy, mining, forestry and construction industries in western Canada, including water management, fluid hauling and environmental reclamation. These unaudited condensed interim consolidated financial statements ("**Interim Financial Statements**") include the accounts of the Corporation, its subsidiaries and its limited partnerships.

2. Basis of Presentation

(a) Statement of Compliance

These Interim Financial Statements have been prepared in accordance to and comply with International Financial Reporting Standards ("**IFRS**"), which include the International Accounting Standards ("**IAS**") and the interpretations developed by the International Financial Reporting Interpretations Committee ("**IFRIC**"), as issued by the International Accounting Standards Board ("**IASB**"). These Interim Financial Statements comply with IAS 34 Interim Financial Reporting and do not include all of the information required for annual financial statements.

(b) Basis of Measurement

These Interim Financial Statements have been prepared on the historical cost basis except for investments (excluding investments accounted for by the equity method), and derivative financial instruments ("**Derivatives**"), which are measured at fair value through profit or loss.

(c) Functional and Presentation Currency

These Interim Financial Statements are presented in Canadian dollars, which is the functional currency of the Corporation. All financial information presented in Canadian dollars has been rounded to the nearest thousand except for per share amounts.

3. Significant Accounting Policies

The accompanying Interim Financial Statements should be read in conjunction with Note 3 to Mullen Group's audited annual consolidated financial statements for the year ended December 31, 2021, (the "**Annual Financial Statements**") as the accounting policies applied by the Corporation in these Interim Financial Statements are the same as those disclosed therein.

4. Determination of Fair Values

The following table compares the fair value of certain financial assets and financial liabilities to its corresponding carrying amount as presented in the condensed consolidated statement of financial position.

March 31, 2022 **Financial Instrument**	**Fair Value Hierarchy**		**Carrying Amount**		**Fair Value**
Investments (excluding investments accounted for by using the equity method)	Level 1	$	2,606	$	2,606
Derivative Financial Instruments[1]	Level 2	$	29,942	$	29,942
Private Placement Debt	Level 2	$	456,538	$	430,048
Convertible Debentures – debt component	Level 2	$	114,045	$	117,229

[1] *The fair value of the Derivative Financial Instruments is determined using Level 2 of the fair value hierarchy. Level 2 fair values are determined by referencing observable market data, including future foreign currency curves, interest rates, credit spreads and other financial measures.*

(Tabular amounts in thousands, except share and per share amounts)

5. Acquisitions

2022 Acquisitions

Monarch Messenger Services Ltd. – Effective January 1, 2022, Mullen Group acquired the assets and business of Monarch Messenger Services Ltd. ("**Monarch**") for total cash consideration of $3.7 million. Monarch is a privately held company headquartered in Calgary, Alberta and provides courier and small package delivery transportation services as well as ambient temperature controlled freight in Alberta. The acquisition of the assets and business of Monarch aligns with Mullen Group's strategy of acquiring transportation and logistics companies that have a strong regional presence. The financial results of Monarch were integrated into DirectIT Group of Companies which is included within the Less-Than-Truckload segment and Caneda Transport Ltd., which is included within the Logistics & Warehousing segment.

This acquisition has been accounted for by the acquisition method, and results of operations have been included in these Interim Financial Statements from the date of acquisition. The goodwill acquired in this acquisition primarily relates to the assembled workforce and the synergies from the integration of the acquired business.

		2022
Assets:		
Non-cash working capital items	$	—
Property, plant and equipment		1,994
Right-of-use assets		—
Intangible assets		460
Goodwill		1,235
		3,689
Assumed liabilities		—
		—
Net assets before cash and cash equivalents		3,689
Cash and cash equivalents		—
Net assets		3,689
Consideration:		
Cash		3,689
	$	3,689

Due to the limited time between the closing of the acquisition and the preparation of these Interim Financial Statements, the value of the assets acquired and the liabilities assumed are based upon preliminary financial information available to management as of the date of this report and are subject to change.

6. Trade and Other Receivables

		March 31 2022		**December 31 2021**
Trade receivables	**$**	**239,721**	$	214,480
Other receivables		**39,620**		31,741
Net investment in finance leases		**342**		364
Contract assets		**3,981**		2,283
	$	**283,664**	$	248,868

(Tabular amounts in thousands, except share and per share amounts)

7. Derivative Financial Instruments

On July 25, 2014, Mullen Group entered into two cross-currency swap contracts with a Canadian bank to swap $117.0 million U.S. dollars and $112.0 million U.S. dollars into Canadian dollars (collectively, the "**Cross-Currency Swaps**") at foreign exchange rates of $1.1047 and $1.1148 that mature on October 22, 2024 and October 22, 2026, respectively. These Cross-Currency Swaps provide an economic hedge on the principal amount of the Series G and Series H Notes.

For the three month period ended March 31, 2022, Mullen Group has recorded a net foreign exchange loss (gain) of $3.3 million (2021 – $(0.1) million). This was due to the impact of the change over the period in the value of the Canadian dollar relative to the U.S. dollar on the Corporation's U.S. dollar debt and from the change in the fair value of its Cross-Currency Swaps as summarized in the table below:

Net Foreign Exchange Loss (Gain)	**Three month periods ended March 31**			
	CDN. $ Equivalent			
		2022		**2021**
Foreign exchange (gain) loss on U.S. $ debt	**$**	**(4,168)**	$	(3,595)
Foreign exchange loss (gain) on Cross-Currency Swaps		**7,450**		3,463
Net foreign exchange loss (gain)	**$**	**3,282**	$	(132)

For the three month period ended March 31, 2022, Mullen Group recorded a foreign exchange (gain) loss on U.S. dollar debt of $(4.2) million (2021 – $(3.6) million) as summarized in the table below:

Foreign Exchange (Gain) Loss on U.S. $ Debt	**Three month periods ended March 31**					
	2022			**2021**		
($ thousands, except exchange rate amounts)	**U.S. $ Debt**	**Exchange Rate**	**CDN. $ Equivalent**	**U.S. $ Debt**	**Exchange Rate**	**CDN. $ Equivalent**
Ending – March 31	**229,000**	**1.2496**	**286,158**	229,000	1.2575	287,968
Beginning – January 1	**229,000**	**1.2678**	**290,326**	229,000	1.2732	291,563
Foreign exchange (gain) loss on U.S. $ debt			**(4,168)**			(3,595)

For the three month period ended March 31, 2022, Mullen Group recorded a foreign exchange loss (gain) on its Cross-Currency Swaps of $7.5 million (2021 – $3.5 million). This was due to the change over the period in the fair value of these Cross-Currency Swaps as summarized in the table below:

Foreign Exchange Loss (Gain) on Cross-Currency Swaps	**Three month periods ended March 31**			
	2022		**2021**	
	U.S. $ Swaps	**CDN. $ Change in Fair Value of Swaps**	**U.S. $ Swaps**	**CDN. $ Change in Fair Value of Swaps**
Cross-Currency Swap maturing October 22, 2024	**117,000**	**3,924**	117,000	1,656
Cross-Currency Swap maturing October 22, 2026	**112,000**	**3,526**	112,000	1,807
Foreign exchange loss (gain) on Cross-Currency Swaps		**7,450**		3,463

8. Other Assets

		March 31 2022		**December 31 2021**
Promissory notes	**$**	**571**	$	651
Net investment in finance leases(1)		**71**		89
Deposit on acquisition(2)		**—**		3,406
Other		**1,312**		1,317
	$	**1,954**	$	5,463

(1) Net investment in finance leases includes amounts owing after 12 months and mainly consists of the net investment in subleases on real property where the Business Unit has entered into the head lease.

(2) Deposit on acquisition in 2021 consisted of amounts funded to close the January 1, 2022 acquisition of Monarch. ▶ ***For more information, refer to Note 5***.

(Tabular amounts in thousands, except share and per share amounts)

9. Dividends Payable

For the three month period ended March 31, 2022, Mullen Group declared dividends totalling $0.15 per Common Share (2021 – $0.12 per Common Share). On December 8, 2021, Mullen Group announced its intention to pay annual dividends of $0.60 per Common Share ($0.05 per Common Share on a monthly basis) for 2022. At March 31, 2022, Mullen Group had 93,605,217 Common Shares outstanding and a dividend payable of $4.7 million (December 31, 2021 – $3.8 million), which was paid on April 18, 2022. Mullen Group also declared a dividend of $0.05 per Common Share on April 19, 2022, to the holders of record at the close of business on April 30, 2022.

10. Income Taxes

The following table provides a reconciliation of the effective tax rates based on the applicable tax rates in various provincial jurisdictions during the period.

	Three month periods ended March 31	
	2022	**2021**
Income before income taxes	**$ 22,900**	$ 16,212
Combined statutory tax rate	**25%**	25%
Expected income tax	**5,725**	4,053
Add (deduct):		
Non-deductible (taxable) portion of net foreign exchange loss (gain)	**377**	(15)
Non-deductible (taxable) portion of the change in fair value of investments	**(26)**	(51)
Stock-based compensation expense	**33**	15
Changes in unrecognized deferred tax asset	**377**	(936)
Other	**(35)**	186
Income tax expense	**$ 6,451**	$ 3,252

11. Long-Term Debt, Credit Facilities and Convertible Unsecured Subordinated Debentures

Mullen Group has two unsecured credit facilities to borrow an aggregate of up to $250.0 million with its $150.0 million unsecured credit facility with the Royal Bank of Canada (the "**RBC Credit Facility**") and its $100.0 million unsecured credit facility with the Canadian Imperial Bank of Commerce (the "**CIBC Credit Facility**"). Interest on the RBC Credit Facility is payable monthly and is based on either the bank prime rate plus 0.50 percent or bankers' acceptance rates plus an acceptance fee of 1.50 percent. Interest on the CIBC Credit Facility is based on either the Canadian bank prime rate plus 0.50 percent or the U.S. bank base rate plus 0.50 percent, in each case payable in arrears or bankers' acceptance rates plus an acceptance fee of 1.50 percent payable upon acceptance. As at March 31,2022, there was $111.2 million drawn on the CIBC Credit Facility and the RBC Credit Facility (collectively, the "**Credit Facilities**"), which was included within bank indebtedness on the condensed consolidated statement of financial position. These Credit Facilities are unsecured although the Corporation's wholly-owned subsidiary, MT Investments Inc. ("**MT**"), has granted an unlimited guarantee of any indebtedness owing on the Credit Facilities. These Credit Facilities do not have any financial covenants, however, Mullen Group cannot be in default of its Private Placement Debt and it must be in compliance with certain reporting and general covenants. Mullen Group is in compliance with all of these reporting and general covenants.

Mullen Group has $4.0 million of letters of credit outstanding, which were issued to guarantee certain performance and payment obligations. These letters of credit reduce the amount available under the RBC Credit Facility.

Mullen Group's long-term debt is mainly comprised of a series of unsecured debt (collectively, the "**Private Placement Debt**"), the details of which are set forth below:

Notes	Principal amount	Maturity	Interest Rate[(1)]
Series G	$ 117,000 U.S.	October 22, 2024	3.84%
Series H	$ 112,000 U.S.	October 22, 2026	3.94%
Series I	$ 30,000 CDN.	October 22, 2024	3.88%
Series J	$ 3,000 CDN.	October 22, 2026	4.00%
Series K	$ 58,000 CDN.	October 22, 2024	3.95%
Series L	$ 80,000 CDN.	October 22, 2026	4.07%

(1) Interest is payable semi-annually.

Mullen Group's unamortized debt issuance costs of $0.6 million related to its Private Placement Debt have been netted against its carrying value at March 31, 2022 (December 31, 2021 – $0.7 million). Mullen Group has certain financial covenants that must be met under its unsecured Private Placement Debt, which include a total net debt to operating cash flow ratio and a total earnings available for fixed charges to total fixed charges ratio. Mullen Group's total net debt cannot exceed 3.5 times operating cash flow calculated using the trailing twelve months financial results normalized for acquisitions. The term "**total net debt**" is defined in the Private Placement Debt agreement as all debt excluding the Debentures less any unrealized gain on Cross-Currency Swaps plus any unrealized loss on Cross-Currency Swaps, as disclosed within Derivatives on the condensed consolidated statement of financial position but includes Private Placement Debt, lease liabilities, the Credit Facilities and letters of credit. The term "**operating**

(Tabular amounts in thousands, except share and per share amounts)

cash flow" is also defined in the Private Placement Debt agreement and means, for any quarterly period, the trailing twelve month consolidated net income adjusted for all amounts deducted in the computation thereof on account of (i) taxes imposed on or measured by income or excess profits, (ii) depreciation and amortization taken during such period, (iii) total interest charges, including interest on the Debentures and lease liabilities; and (iv) non-cash charges. Mullen Group cannot have a fixed charge coverage ratio less than 1.75:1 calculated using the trailing twelve months financial results. Mullen Group is in compliance with all the Private Placement Debt financial covenants.

Mullen Group entered into Cross-Currency Swaps to swap the Series G and Series H Notes into Canadian dollars at foreign exchange rates of $1.1047 and $1.1148 that mature on October 22, 2024 and October 22, 2026, respectively. ▶ **For more information, refer to Note 7**.

The following table summarizes the Corporation's total debt:

		March 31, 2022		December 31, 2021
Current liabilities:				
Private Placement Debt	**$**	**—**	$	—
Lease liabilities – current portion		**18,329**		17,890
Current portion of long-term debt		**56**		54
Bank indebtedness		**115,038**		89,045
		133,423		106,989
Non-current liabilities:				
Private Placement Debt		**456,538**		460,660
Lease liabilities		**73,611**		63,363
Long-term debt		**830**		845
		530,979		524,868
	$	**664,402**	$	631,857

The details of total debt, as at the date hereof, are as follows:

			March 31, 2022		December 31, 2021	
	Year of Maturity	Interest Rate	Face Value	Carrying Amount	Face Value	Carrying Amount
			$	**$**	$	$
Bank indebtedness	—	Variable	**115,038**	**115,038**	89,045	89,045
Lease liabilities	2022 – 2028	3.20%	**108,125**	**91,940**	94,147	81,253
Private Placement Debt	2024 – 2026	3.84% - 4.07%	**457,158**	**456,538**	461,326	460,660
Various financing loans	2024	3.31%	**886**	**886**	899	899
			681,207	**664,402**	645,417	631,857

In addition, Mullen Group has an aggregate principal amount of $125.0 million of convertible unsecured subordinated debentures (the "**Debentures**"). The Debentures mature on November 30, 2026 and are publicly listed on the TSX under 'MTL.DB'. The Debentures bear interest at a rate of 5.75 percent per annum, payable semi-annually in arrears on May 31 and November 30 of each year. The carrying amount of the debt component of the Debentures at March 31, 2022, was $114.0 million (December 31, 2021 – $113.5 million).

12. Share Capital

The authorized share capital of Mullen Group consists of an unlimited number of no par value Common Shares and an unlimited number of Preferred Shares, issuable in series.

The number of, and the specific rights, privileges, restrictions and conditions attaching to any series of Preferred Shares shall be determined by the Board of Directors (the "**Board**") of Mullen Group prior to the creation and issuance thereof. With respect to the payment of dividends and distribution of assets in the event of liquidation, dissolution or winding-up of Mullen Group, whether voluntarily or involuntarily, the Preferred Shares are entitled to preference over the Common Shares and any other shares ranking junior to the Preferred Shares from time to time and may also be given such other preferences over the Common Shares and any other shares ranking junior to the Preferred Shares as may be determined at the time of creation of such series. As at the date hereof, no series of Preferred Shares had been created.

(Tabular amounts in thousands, except share and per share amounts)

All of the issued Common Shares of Mullen Group have been paid in full.

	# of Common Shares	
	2022	**2021**
Issued Common Shares at January 1	**94,532,178**	96,852,047
Common Shares repurchased and cancelled	**(926,961)**	(268,260)
Issued Common Shares at March 31	**93,605,217**	96,583,787

Mullen Group had a normal course issuer bid ("**NCIB**"), commencing March 9, 2021, to purchase for cancellation up to 7,928,623 Common Shares in the open market on or before March 8, 2022. On March 7, 2022, Mullen Group commenced the renewal of its NCIB commencing March 10, 2022, to purchase for cancellation up to 8,828,623 Common Shares in the open market on or before March 9, 2023. For the three month period ending March 31, 2022, Mullen Group had purchased and cancelled 926,961 Common Shares for $11.1 million under its NCIB programs. Mullen Group has also repurchased 119,535 Common Shares that are scheduled to be cancelled in April 2022.

All purchases were made in accordance with the NCIB at prevalent market prices as permitted by the Toronto Stock Exchange, with consideration allocated to share capital up to the average carrying amount of the shares and any excess allocated to contributed surplus. The NCIB can be cancelled at the discretion of the Corporation at any time.

13. Earnings per Share

(a) Basic Earnings per Share

Basic earnings per share is calculated as net income attributable to common shareholders divided by the weighted average number of Common Shares outstanding for the period. Net income attributable to common shareholders for the three month period ended March 31, 2022, was $16.4 million (2021 – $13.0 million). The weighted average number of Common Shares outstanding for the three month periods ended March 31, 2022 and 2021 was calculated as follows:

		Three month periods ended March 31	
	Note	**2022**	**2021**
Issued Common Shares at beginning of period	**12**	**94,532,178**	96,852,047
Effect of Common Shares repurchased and cancelled	**12**	**(347,299)**	(2,981)
Weighted average number of Common Shares at end of period – basic		**94,184,879**	96,849,066

(b) Diluted Earnings per Share

Diluted earnings per share is calculated by adjusting net income attributable to common shareholders and the basic weighted average number of Common Shares outstanding by the effects of all potentially dilutive transactions to existing common shareholders. In calculating diluted earnings per share, net income was adjusted as follows:

	Three month periods ended March 31			
		2022		**2021**
Net income	**$**	**16,449**	$	12,960
Effect of the Debentures		**—**		—
Net income – adjusted	**$**	**16,449**	$	12,960

The diluted weighted average number of Common Shares was calculated as follows:

	Three month periods ended March 31	
	2022	**2021**
Weighted average number of Common Shares – basic	**94,184,879**	96,849,066
Effect of "in the money" stock options	**57,933**	—
Effect of the Debentures	**—**	—
Weighted average number of Common Shares at end of period – diluted	**94,242,812**	96,849,066

For the three month period ended March 31, 2022, 3,015,000 stock options (2021 – 3,390,000) were excluded from the diluted weighted average number of Common Shares calculation as their effect would have been anti-dilutive. The average market value of the Corporation's Common Shares for the purposes of calculating the dilutive effect of stock options was based on quoted market prices for the periods ended March 31, 2022 and 2021. For the three month periods ended March 31, 2022 and 2021, the Common Shares that would be issued upon conversion of the Debentures were excluded from the diluted weighted average calculation as their effect was anti-dilutive.

14. Seasonality of Operations

Revenue and profitability within the Less-Than-Truckload segment and the Logistics & Warehousing segment are generally lower in the first quarter than during the remainder of the year as freight volumes are typically lower in the first quarter following the holiday season due to less consumer demand and customers reducing shipments. Operating expenses also tend to increase within these segments in the winter months due to decreased fuel efficiency and increased repairs and maintenance expense resulting from cold weather conditions. The COVID-19 pandemic has had an impact on this typical pattern.

A significant portion of the operations within the Specialized & Industrial Services segment is comprised of a wide range of unique businesses providing specialized equipment and services to the oil and natural gas, environmental, construction, pipeline, utility, telecom and civil industries. Earnings are influenced by the seasonal activity pattern of western Canada's oil and natural gas exploration industry whereby activity usually peaks in the winter months and declines during the spring when wet weather and the spring thaw may make the ground unstable. Consequently, municipalities and provincial transportation departments enforce road bans that restrict the movement of heavy equipment, thereby reducing activity levels. Additionally, certain oil and natural gas producing areas are only accessible in the winter months because the ground surrounding the drilling sites in these areas consists of swampy terrain. Seasonal factors and unexpected weather patterns may lead to declines in the activity levels of exploration and production companies and corresponding declines in the demand for the goods and services provided by Mullen Group. As a result, the demand for these services is traditionally highest in the first quarter and lowest in the second quarter.

15. Revenue

The business of Mullen Group is operated through its Business Units, which are divided into four distinct operating segments for reporting purposes – Less-Than-Truckload, Logistics & Warehousing, Specialized & Industrial Services and U.S. & International Logistics. The segments are differentiated by the type of service provided, equipment requirements and customer needs. Mullen Group provides the capital and financial expertise, technology and systems support, shared services and strategic planning (the "**Corporate Office**") for the Business Units. The Corporate Office also invests in certain public and private corporations. In addition, the Corporate Office, through its subsidiary MT, owns a network of real estate holdings and facilities that are leased primarily to the Business Units. Such properties are leased by MT to the Business Units on commercially reasonable terms. The day to day management of the Business Units is conducted at the subsidiary level.

At March 31, 2022, the Less-Than-Truckload segment consisted of 10 Business Units and is often referred to as the final or last mile delivery of general freight consisting of smaller shipments, packages and parcels. Through an extensive terminal network the pickup, handling and delivery of a wide range of freight including ambient, temperature controlled and consumer goods is coordinated from regional hubs located in Ontario and western Canada. We are committed to investing in the most advanced technologies available ensuring the continued improvement in all aspects of our business, shortening delivery times and providing customers with visibility, via tracking and tracing, to their shipments during transit.

At March 31, 2022, the Logistics & Warehousing segment consisted of 12 Business Units and provides shippers throughout North America with a wide range of trucking and logistics service offerings including full truckload, specialized transportation, warehousing, fulfillment centres that handle e-commerce transactions, and transload facilities designed for intermodal and bulk shipments. Operations and customer service are supported by a robust suite of leading edge technology solutions including a fully integrated transportation management system, customized inventory management and warehouse systems along with our proprietary Moveitonline® and Haulistic™ technology platforms, applications that are positioning our organization for an evolving and changing supply chain.

At March 31, 2022, the Specialized & Industrial Services segment consisted of 14 Business Units and is comprised of a wide range of unique businesses providing specialized equipment and services to the oil and natural gas, environmental, construction, pipeline, utility, telecom and civil industries. Strategically located throughout western Canada, these specialty Business Units are focused on providing advanced technology solutions and leading edge service capabilities.

At March 31, 2022, the U.S. & International Logistics segment consisted of one Business Unit, being a global technology enabled, non-asset based third-party logistics service provider focused on freight brokerage services across multiple modes of transportation. The operations and customer service are provided through its proprietary transportation management system technology platform known as SilverExpress, which aligns customer shipments with transportation carriers.

(Tabular amounts in thousands, except share and per share amounts)

Disaggregation of revenue:

The following tables detail Mullen Group's revenue by type of service and timing of the transfer of goods or services by segment:

Three month period ended March 31, 2022	Less-Than-Truckload	Logistics & Warehousing	Specialized & Industrial Services	U.S. & International Logistics	Corporate	Intersegment eliminations	Total
	$	$	$	$	$	$	$
Revenue by service line							
Transportation	**169,659**	**85,185**	**41,898**	**—**	**—**	**—**	**296,742**
Logistics	**8,988**	**30,413**	**5,163**	**57,277**	**—**	**—**	**101,841**
Other(1)	**1,184**	**28,433**	**36,635**	**—**	**908**	**—**	**67,160**
Eliminations	**(4,192)**	**(1,562)**	**(429)**	**—**	**—**	**(2,687)**	**(8,870)**
	175,639	**142,469**	**83,267**	**57,277**	**908**	**(2,687)**	**456,873**
Timing of revenue recognition							
Over time	**169,694**	**86,581**	**55,872**	**—**	**901**	**—**	**313,048**
Point in time	**10,137**	**57,450**	**27,824**	**57,277**	**7**	**—**	**152,695**
Eliminations	**(4,192)**	**(1,562)**	**(429)**	**—**	**—**	**(2,687)**	**(8,870)**
	175,639	**142,469**	**83,267**	**57,277**	**908**	**(2,687)**	**456,873**

(1) Included within other revenue is $10.4 million of rental revenue comprised of nil, $1.4 million, $8.1 million, nil and $0.9 million recorded in the Less-Than-Truckload segment, the Logistics & Warehousing segment, the Specialized & Industrial Services segment, the U.S. & International Logistics segment and Corporate, respectively.

Three month period ended March 31, 2021	Less-than-Truckload	Logistics & Warehousing	Specialized & Industrial Services	U.S. & International Logistics	Corporate	Intersegment eliminations	Total
	$	$	$	$	$	$	$
Revenue by service line							
Transportation	112,363	50,319	42,948	—	—	—	205,630
Logistics	9,142	18,946	4,802	—	—	—	32,890
Other(1)	1,222	23,142	31,804	—	862	—	57,030
Eliminations	(2,064)	(1,058)	(259)	—	—	(1,662)	(5,043)
	120,663	91,349	79,295	—	862	(1,662)	290,507
Timing of revenue recognition							
Over time	112,424	51,368	56,046	—	854	—	220,692
Point in time	10,303	41,039	23,508	—	8	—	74,858
Eliminations	(2,064)	(1,058)	(259)	—	—	(1,662)	(5,043)
	120,663	91,349	79,295	—	862	(1,662)	290,507

(1) Included within other revenue is $7.5 million of rental revenue comprised of $0.1 million, $1.0 million, $5.6 million, nil and $0.8 million recorded in the Less-Than-Truckload segment, the Logistics & Warehousing segment, the Specialized & Industrial Services segment, the U.S. & International Logistics segment and Corporate, respectively.

(Tabular amounts in thousands, except share and per share amounts)

16. Other (Income) Expense

	Three month periods ended March 31	
	2022	**2021**
Change in fair value of investments	**$ (227)**	$ (442)
Gain on sale of property, plant and equipment	**(93)**	(249)
Earnings from equity investments	**(1,268)**	(186)
Accretion on asset retirement obligations	**6**	6
Other (income) expense	**$ (1,582)**	$ (871)

17. Changes in Non-Cash Working Capital

	Three month periods ended March 31	
	2022	**2021**
Trade and other receivables	**$ (34,818)**	$ 7,621
Inventory	**(2,688)**	(1,120)
Prepaid expenses	**(3,741)**	(1,605)
Accounts payable and accrued liabilities	**11,410**	(1,490)
	$ (29,837)	$ 3,406

	Three month periods ended March 31	
	2022	**2021**
Changes in non-cash working capital items from:		
Operating activities	**$ (29,068)**	$ 2,855
Financing activities	**525**	546
Investing activities	**(1,294)**	5
	$ (29,837)	$ 3,406

18. Operating Segments

Mullen Group reports its financial results in four operating segments. These four operating segments have been differentiated by the sector of the economy in which the businesses operate, the type of services provided, the equipment requirements and the customer needs. The Less-Than-Truckload segment provides final or last mile delivery of general freight consisting of smaller shipments, packages and parcels. Through an extensive terminal network the pickup, handling and delivery of a wide range of freight including ambient, temperature controlled and consumer goods is coordinated from regional hubs located in Ontario and western Canada. The Logistics & Warehousing segment provides shippers throughout North America with a wide range of trucking and logistics service offerings including full truckload, specialized transportation, warehousing, fulfillment centres that handle e-commerce transactions, and transload facilities designed for intermodal and bulk shipments. The Specialized & Industrial Services segment provides specialized equipment and services to the oil and natural gas, environmental, construction, pipeline, utility, telecom and civil industries. The U.S. & International Logistics segment provides third-party logistics services focused on freight brokerage across multiple modes of transportation.

(Tabular amounts in thousands, except share and per share amounts)

The following tables provide financial results by segment:

						Intersegment eliminations				
Three month period ended March 31, 2022	**Less-Than-Truckload**	**Logistics & Warehousing**	**Specialized & Industrial Services**	**U.S. & International Logistics**	**Corporate**	**Less-Than-Truckload**	**Logistics & Warehousing**	**Specialized & Industrial Services**	**U.S. & International Logistics**	**Total**
	$	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Revenue	**175,639**	**142,469**	**83,267**	**57,277**	**908**	**(516)**	**(977)**	**(1,194)**	**—**	**456,873**
Income (loss) before income taxes	**8,468**	**15,553**	**3,797**	**(376)**	**(4,542)**	**—**	**—**	**—**	**—**	**22,900**
Depreciation of property, plant and equipment	**5,000**	**3,863**	**6,481**	**475**	**1,501**	**—**	**—**	**—**	**—**	**17,320**
Amortization of intangible assets	**1,945**	**1,780**	**476**	**428**	**—**	**—**	**—**	**—**	**—**	**4,629**
Capital expenditures(1)	**6,844**	**4,945**	**1,077**	**—**	**1,648**	**—**	**(52)**	**(47)**	**—**	**14,415**
Total assets at March 31, 2022	**540,292**	**401,275**	**374,445**	**79,750**	**563,404**	**—**	**—**	**—**	**—**	**1,959,166**

(1) Excludes business acquisitions.

						Intersegment eliminations				
Three month period ended March 31, 2021	**Less-Than-Truckload**	**Logistics & Warehousing**	**Specialized & Industrial Services**	**U.S. & International Logistics**	**Corporate**	**Less-Than-Truckload**	**Logistics & Warehousing**	**Specialized & Industrial Services**	**U.S. & International Logistics**	**Total**
	$	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Revenue	120,663	91,349	79,295	—	862	(199)	(1,197)	(266)	—	290,507
Income (loss) before income taxes	7,034	8,099	2,757	—	(1,678)	—	—	—	—	16,212
Depreciation of property, plant and equipment	4,428	2,756	8,112	—	1,512	—	—	—	—	16,808
Amortization of intangible assets	1,922	1,754	1,338	—	—	—	—	—	—	5,014
Capital expenditures(1)	7,584	2,928	1,036	—	1,322	(55)	(160)	(91)	—	12,564
Total assets at December 31, 2021	517,659	366,624	385,411	80,816	571,486	—	—	—	—	1,921,996

(1) Excludes business acquisitions.

Performance is measured based on segment income before income tax, as included in the internal management reports that are reviewed by Mullen Group's CEO and President. Segment income is used to measure performance as management believes that such information is the most relevant in evaluating the results of segments relative to other entities that operate within these industries.

(Tabular amounts in thousands, except share and per share amounts)

The following geographical information is based upon the Business Unit's head office location.

2022	Revenue	Operating Income Before Depreciation and Amortization	Property, Plant and Equipment	Total Non-Current Assets	Total Assets
Canada	$ 399,596	$ 59,142	$ 980,636	$ 1,558,569	$ 1,879,416
United States*	57,277	1,126	2,343	47,955	79,750
Total	**$ 456,873**	**$ 60,268**	**$ 982,979**	**$ 1,606,524**	**$ 1,959,166**

** Commenced U.S. operations on June 30, 2021.*

19. Subsequent Events

Subsequent to March 31, 2022, until the date of this report, the Corporation repurchased 119,535 Common Shares at a total cost of $1.6 million.

CORPORATE INFORMATION

DIRECTORS | OFFICERS

Murray K. Mullen
Chair of the Board, Chief Executive Officer,
President and Director

Sonia Tibbatts, MBA
Lead Director

Stephen H. Lockwood, LLB
Director

Christine E. McGinley, CPA, CA, ICD.D
Director

Jamil Murji, CFA
Director

David E. Mullen
Director

Philip J. Scherman, FCPA, FCA, ICD.D
Director

P. Stephen Clark, FCPA, FCMA, ICD.D
Chief Financial Officer

Richard J. Maloney
Senior Vice President

Joanna K. Scott
Corporate Secretary and
Vice President, Corporate Services

Carson Urlacher, CPA, CA
Senior Accounting Officer

CORPORATE OFFICE

Mullen Group Ltd.
Chimney Rock Centre
121A, 31 Southridge Drive
Okotoks, Alberta T1S 2N3
Telephone: 403-995-5200
Canada/U.S.: 1-866-995-7711
Facsimile: 403-995-5296
Internet: www.mullen-group.com
Email: IR@mullen-group.com

BANKER

The Royal Bank of Canada
Calgary, Alberta

AUDITORS

PricewaterhouseCoopers LLP
Calgary, Alberta

STOCK EXCHANGE

Toronto Stock Exchange
Trading Symbol: MTL

TRANSFER AGENT AND REGISTRAR

Computershare Trust Company of Canada
Toronto, Ontario
Telephone: 1-800-564-6253
Internet: www.investorcentre.com
Shareholder Inquiries:
www.investorcentre.com/service

ONLINE INFORMATION

To receive news releases by email,
or to review this report online,
please visit Mullen Group's website at
***www.mullen-group.com**.*

WE THINK tomorrow™