Mullen Group Ltd.

INTERIM REPORT

QUARTER ONE

OUR MISSION

We acquire companies and strive to improve their performance.

WE THINK about tomorrow

FOR THE PERIOD ENDED
MARCH 31, 2025

CONTENTS

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

This MD&A, dated April 22, 2025, has been prepared by management for the three month period ended March 31, 2025, and should be read in conjunction with (i) the audited annual consolidated financial statements for the fiscal year ended December 31, 2024 (the "**Annual Financial Statements**"), together with the Management's Discussion and Analysis thereon (the "**2024 MD&A**"), and (ii) the unaudited condensed interim consolidated financial statements for the three month period ended March 31, 2025, (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.sedarplus.ca 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 22, 2025.

The Interim Financial Statements have been prepared in accordance to and comply with International Financial Reporting Standards ("**IFRS**"), as issued by the International Accounting Standards Board ("**IASB**") (collectively, "**IFRS Accounting Standards**") as set out in 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:

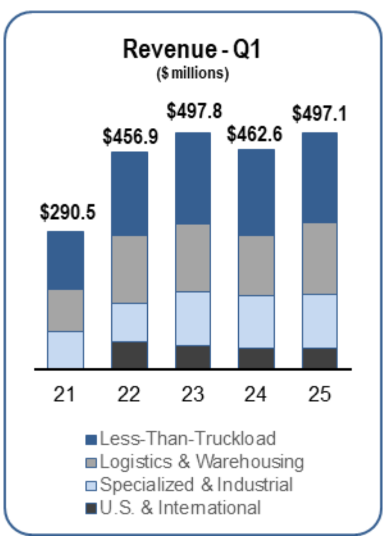
Forward-looking statements *– This MD&A reflects management's expectations regarding Mullen Group's future growth, financial condition, results of operations, performance, business prospects, strategies and opportunities and contains forward-looking statements and forward-looking information (collectively, "**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, operational, human resources and information technology risks, most important of which are: (i) strategic risks which include but are not limited to e-commerce and supply chain evolution; 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; acquisitions; competition; environmental, social and governance; failure to maintain innovation; (ii) financial risks which include but are not limited to prevailing interest rates; foreign exchange rates; change in the return on fair value of investments; liquidity and access to financing; reliance on major customers; impairment of goodwill or intangible assets; credit risk; (iii) operational risks which include but are not limited to cost escalation and fuel costs; potential operating risks and insurance; business continuity, disaster recovery and crisis management; environmental liability risks; weather and seasonality; access to parts and relationships with key suppliers; (iv) human resources risks which include but are not limited to leadership and succession; employee management and labour relations; and (v) information technology risks which include but are not limited to cyber security; infrastructure, software and cloud services; complexity and efficiency. 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 48 of the 2024 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.sedarplus.ca. 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 29 of this MD&A.*

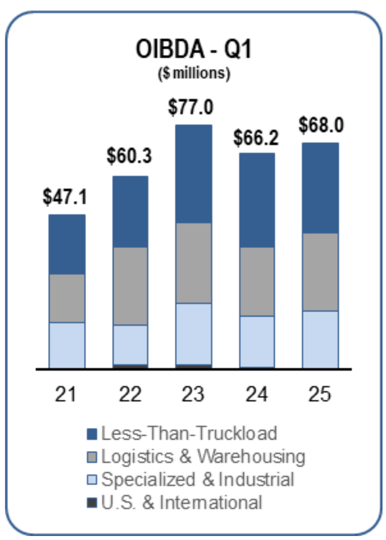
Non-IFRS Financial Measures and Other Financial Measures *– Mullen Group reports on certain non-IFRS financial measures and ratios, which do not have a standard meaning under IFRS Accounting Standards and, therefore, may not be comparable to similar measures presented by other issuers. Management uses these non-IFRS financial measures and ratios in its evaluation of performance and believes these are useful supplementary measures. We provide shareholders and potential investors with certain non-IFRS financial measures and ratios to evaluate our ability to fund our operations and provide information regarding liquidity. Specifically, net income – adjusted[1], earnings per share – adjusted[1], and net revenue[1] are not measures recognized by IFRS Accounting Standards and do not have standardized meanings prescribed by IFRS Accounting Standards. For the reader's reference, the definition, calculation and reconciliation of non-IFRS financial measures are provided in the "Non-IFRS Financial Measures" section of this MD&A. These non-IFRS financial measures should not be considered in isolation or as a substitute for measures prepared in accordance with IFRS Accounting Standards. Investors are cautioned that these indicators should not replace the forgoing IFRS Accounting Standards terms: net income, earnings per share and revenue. See the "Other Financial Measures" section for supplementary financial measures disclosed by the Corporation.*

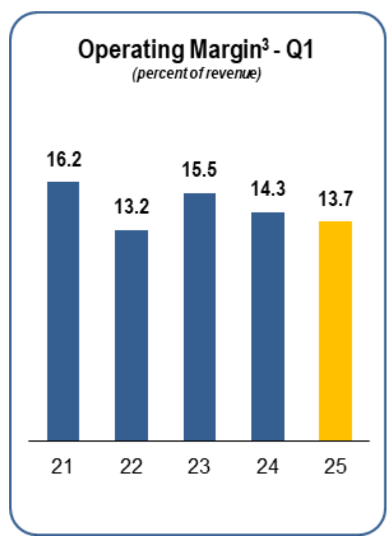
[1] Refer to the section entitled "Non-IFRS Financial Measures".

HIGHLIGHTS

FINANCIAL PERFORMANCE: (unaudited) ($ millions, except share price and per share amounts)	Three month periods ended March 31		
	2025	**2024**	**% Change**
Revenue			
Less-Than-Truckload	$ **191.5**	$ 182.5	4.9
Logistics & Warehousing	**151.8**	126.3	20.2
Specialized & Industrial Services	**112.2**	111.9	0.3
U.S. & International Logistics	**44.9**	44.4	1.1
Corporate and intersegment eliminations	**(3.3)**	(2.5)	32.0
Total Revenue	$ **497.1**	$ 462.6	7.5
OIBDA[1]			
Less-Than-Truckload	$ **29.3**	$ 30.8	(4.9)
Logistics & Warehousing	**25.4**	22.5	12.9
Specialized & Industrial Services	**18.8**	16.7	12.6
U.S. & International Logistics	**0.1**	0.5	(80.0)
Corporate	**(5.6)**	(4.3)	30.2
Total OIBDA	$ **68.0**	$ 66.2	2.7
Net Income & Share Information			
Net income	$ **17.7**	$ 22.2	(20.3)
Earnings per share – basic	$ **0.20**	$ 0.25	(20.0)
Earnings per share – diluted	$ **0.20**	$ 0.25	(20.0)
Net income – adjusted[2]	$ **18.0**	$ 22.4	(19.6)
Earnings per share – adjusted[2]	$ **0.21**	$ 0.25	(16.0)
Net cash from operating activities	$ **39.9**	$ 38.6	3.4
Net cash from operating activities per share[3]	$ **0.46**	$ 0.44	4.5
Cash dividends declared per Common Share	$ **0.21**	$ 0.18	16.7
Share price – March 31	$ **12.50**	$ 14.52	(13.9)







[1] Defined as operating income before depreciation and amortization.
[2] Refer to the section entitled "Non-IFRS Financial Measures".
[3] Refer to the section entitled "Other Financial Measures".

FINANCIAL POSITION:

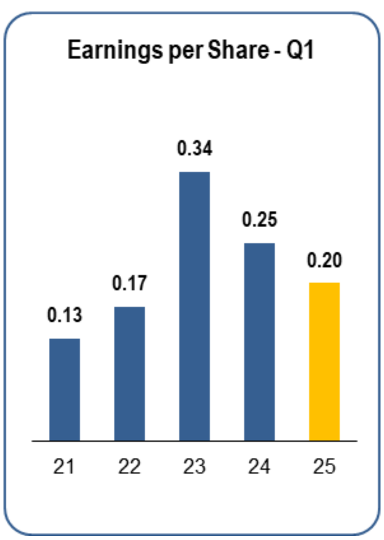
(unaudited) ($ millions)		As at March 31			% Change
		2025		2024	
Cash (bank indebtedness) – net	**$**	**124.0**	$	(78.7)	(257.6)
Working capital (deficit)	**$**	**286.7**	$	(111.7)*	(356.7)
Private Placement Debt – non-current portion	**$**	**649.0**	$	234.5	176.8
Convertible debentures – debt component	**$**	**121.1**	$	118.7	2.0
Lease liabilities – non-current portion	**$**	**175.0**	$	71.2	145.8
Total assets	**$**	**2,332.7**	$	2,058.2	13.3

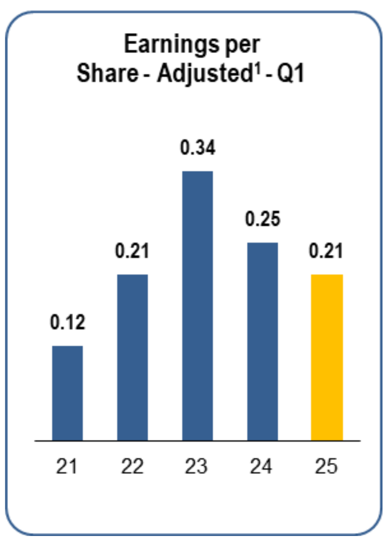
** Working capital deficit was due to the impact of reclassifying $217.2 million of Private Placement Debt notes (net of Cross-Currency Swaps) that matured in October 2024. These notes were repaid with the new debt entered into in July 2024.*

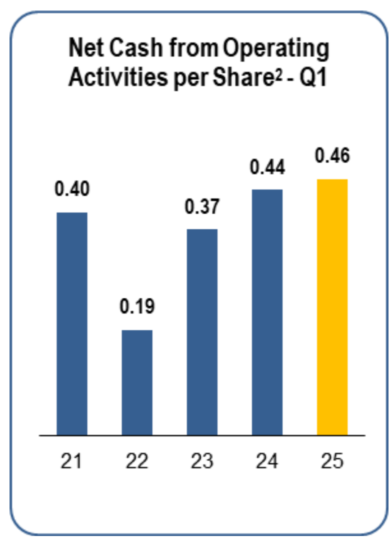
- Well-structured balance sheet
  - Private Placement Debt of $649.0 million (average fixed rate of 5.34 percent per annum) with principal repayments (net of Cross-Currency Swaps) of $207.9 million and $407.8 million due in October 2026 and July 2034, respectively.
  - Working capital of $286.7 million including $131.2 million of cash
- Borrowings of $7.2 million as at March 31, 2025, on $525.0 million of borrowing capacity from our Bank Credit Facilities.
- Real estate – historical cost of $658.8 million.

Q1 PROGRESS:

- Generated near record revenues of $497.1 million.
- Invested $13.7 million towards gross capital expenditures to improve operating efficiencies and to support our sustainability goals.
- Continued to integrate the new acquisitions into our existing network.
- Repurchased and cancelled 202,480 Common Shares for $2.7 million representing an average price of $13.10.







[1] Refer to the section entitled "Non-IFRS Financial Measures".
[2] Refer to the section entitled "Other Financial Measures".

CORPORATE PROFILE

Mullen Group is a public company with a long history of acquiring companies in the transportation and logistics industries. Today, we have one of the largest portfolios of logistics companies in North America, providing a wide range of transportation, warehousing and distribution services through a network of independently operated businesses. Service offerings include less-than-truckload ("**LTL**"), truckload, warehousing, logistics, transload, oversized, third-party logistics and specialized hauling transportation. In addition, our businesses provide 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.

WE ACQUIRE COMPANIES AND STRIVE TO IMPROVE THEIR PERFORMANCE

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.

LTL

Less-Than-Truckload

The LTL segment is comprised of 12 regionally based Business Units focused on providing LTL shipments to over 5,500 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, warehousing and logistics services, utilizing company owned equipment and an extensive network of contractors.

Our L&W segment Business Units services include, specialized transportation, warehousing, fulfillment centres that handle e-commerce transactions, transload facilities designed to handle intermodal containers and bulk shipments, and full truckload. Operations and customer service are supported by a robust suite of leading-edge technology solutions including transportation, inventory, and warehouse management systems, that are customizable and integrated into our customers data 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, generating 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. Third-party logistics ("**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. $350.0 billion industry.

The US 3PL segment currently consists of one Business Unit, HAUListic LLC ("**HAUListic**"), a Warrenville, 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 subcontractor carriers. HAUListic, a non-asset based 3PL provider, does not own any operating assets other than its 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. HAUListic uses the services of contractors to transport tendered freight shipments whereby all freight is moved through a network of licensed and certified contractors.

Corporate Office

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 12, 2025, and is available on the Corporation's issuer profile on SEDAR+ at www.sedarplus.ca, our website at www.mullen-group.com or upon request, free of charge, from the Corporate Investor Services group at ir@mullen-group.com.

ALLOCATING SHAREHOLDER CAPITAL

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 dividends to shareholders.

Acquisitions

THE PLAN	Acquire companies and strive to improve their performance.
2025 INVESTMENTS	• Evaluated several acquisition opportunities, however, there were no acquisitions completed in the first quarter of 2025.

Capital Expenditures

2025 PLAN	In December 2024, the Board approved a $100.0 million capital budget for 2025, exclusive of corporate acquisitions, with $85.0 million allocated towards maintenance capital primarily to invest in trucks, trailers, specialized equipment and technology to improve the operations of the Business Units, $10.0 million allocated towards investment in facilities, land and buildings, and $5.0 million to invest specifically towards sustainability initiatives.
2025 PURCHASES	• In the first quarter, we invested $13.1 million in new operating equipment and $0.6 million into facilities. • In 2025, we committed $2.4 million of capital expenditures towards sustainability initiatives. Equipment consisting of robotic vessel cleaning systems and electric material handling units, including forklifts have been ordered and are arriving from suppliers upon completion of the manufacturing process.

Normal Course Issuer Bid – Common Shares

2025 PLAN	The TSX approved the renewal of the NCIB on March 7, 2025, to purchase for cancellation up to 8,157,012 Common Shares in the open market on or before March 10, 2026.
2025 REPURCHASES	• During the first quarter of 2025 we repurchased and cancelled 202,480 Common Shares for $2.7 million, representing an average price of $13.10 per Common Share. • As at February 28, 2025, the average daily trading volume of the Common Shares on the TSX ("**ADTV**") for the most recently completed six calendar months was 215,683. Pursuant to TSX policies, the maximum number of Common Shares that may be purchased in one day pursuant to the NCIB was the greater of 1,000 and 25.0 precent of ADTV, which amounts to 53,920 Common Shares, subject to certain prescribed exceptions. • Entered into an automatic securities purchase plan (the "**ASPP**") with its broker, to allow for the repurchase of Common Shares at all times during the course of the NCIB including when the Corporation ordinarily would not be active in the market due to its own internal trading blackout period, insider trading rules or otherwise. • The NCIB and the ASPP can be cancelled at the discretion of the Corporation at any time provided the Corporation is not in a blackout period.

Normal Course Issuer Bid – Debentures

2025 PLAN	On March 7, 2025, we received approval to commence a normal course issuer bid for the Debentures (as hereafter defined on page 25) (the "**Debenture NCIB**"), to purchase for cancellation up to $12.0 million principal amount of Debentures. The Debenture NCIB commenced on March 11, 2025, and expires on March 10, 2026.
2025 REPURCHASES	• We did not repurchase any Debentures under the Debenture NCIB during the first quarter of 2025.

Dividends

2025 PLAN	In December 2024, we announced our intention to pay annual dividends of $0.84 per Common Share ($0.07 per Common Share on a monthly basis) for 2025.
2025 PAYMENTS	• During the first quarter of 2025, we declared monthly dividends totalling $0.21 per Common Share, an increase from $0.18 per Common Share of dividends declared in the same period last year. • At March 31, 2025, we had 87,467,834 Common Shares outstanding and a dividend payable of $6.1 million (December 31, 2024 – $6.1 million), which was paid on April 15, 2025. • Subsequent to quarter end, the Board declared a monthly dividend of $0.07 per Common Share to the holders of record at the close of business on April 30, 2025.

CONSOLIDATED FINANCIAL RESULTS

THREE MONTH PERIOD ENDED MARCH 31, 2025

Executive Summary

Results for the first quarter of 2025 is evidence that we can continue to grow and add value for shareholders despite market volatility and economic conditions, primarily due to our capacity to add new business through acquisitions, which remains the only viable means to achieve growth when the Canadian economy struggles to expand in a meaningful way. During the quarter, revenues were up in each of the four segments and by 7.5 percent on a consolidated basis, impressive results considering all the negativity related to trade and tariffs. This was achieved primarily because of acquisitions and the steady performance of the majority of our Business Units.

From our perspective, overall freight demand has remained constant over the last few quarters, which is consistent with the reported economic reports. In terms of end consumer demand, which is closely correlated to LTL activity, shipment demand was generally flat year over year. However, we continued to experience soft demand for specialized services due to a lack of new major capital projects in Canada, work that is required to replace the completed pipeline construction projects.

Pricing and cost pressures remain the major impediments to achieving improved profitability and margin expansion. There remains an industry oversupply situation in the transportation and warehousing sectors, a situation that leads to undisciplined, and we would argue unsustainable, pricing. In addition, it generally takes time to integrate new acquisitions into our business and to drive margin improvement, which we believe is achievable through the implementation of our quality initiatives and investment in technology. These initiatives take time before change becomes permanent. This was the case in the first quarter where acquisitions added revenue growth albeit at lower margins than our existing business. The quarter results were also impacted by our decision not to accept a customer request to lower rates and take on added risk associated with a winter ice road project, handled by Grimshaw Trucking. This decision negatively impacted revenues by approximately $10.2 million and OIBDA by $3.2 million in the first quarter on a year over year basis, but it was the right decision due to the complexity and added risks associated with the project.

Outlook

We do not see any evidence that there will be any near-term relief to current market challenges. In fact, the recent trade and tariff issue has taken on a more ominous turn, a situation that has the potential to negatively impact economic activity and overall freight demand, at least in the short term. And, while we have not seen any material change to end-consumer demand as of yet, we remain on high alert that the risks to a slowdown have been elevated.

Our plan for the balance of 2025 remains on track, although we have modified it slightly. We will diligently manage costs, delay capital investment for a period until we see more clarity as to how the economy will be impacted, and we will continue to use our well-structured balance sheet to pursue accretive acquisitions, like the recently announced Cole Group of Companies. We know that the Mullen Group is in a unique position to grow given the pressure many of our competitors are facing, accompanied by our ability to access the credit markets to facilitate new growth opportunities.

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Revenue

*Revenue is generated by the Corporation through the 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)*	**2025**		**2024**		**Change**	
	$	**%**	**$**	**%**	**$**	**%**
Company	**358.5**	**72.1**	310.9	67.2	47.6	15.3
Contractors	**134.4**	**27.0**	149.4	32.3	(15.0)	(10.0)
Other	**4.2**	**0.9**	2.3	0.5	1.9	82.6
Total	**497.1**	**100.0**	462.6	100.0	34.5	7.5

Consolidated revenues were $497.1 million, an increase of 7.5 percent, or $34.5 million as compared to $462.6 million in 2024. Revenues were higher this year as compared to the same period last year due to incremental revenue from acquisitions, which contributed to higher revenue per working day. Acquisitions added $37.7 million of incremental revenue, most notably from ContainerWorld Forwarding Services Inc. ("**ContainerWorld**") and Pacific Northwest Moving (Yukon) Limited.

This increase was somewhat offset by the following:

- A slight $1.5 million decline in revenues from our Business Units (excluding fuel surcharge and acquisitions).
- Fuel surcharge revenues declined by $1.7 million (excluding acquisitions) to $49.0 million.

QTD: Revenue Per Working Day						
(unaudited) *($ millions)*		**2025**		**2024**		**Change**
Revenue	**$**	**497.1**	**$**	462.6	$	34.5
Working Days		**62**		62		—
Revenue Per Working Day	**$**	**8.0**	**$**	7.5	$	0.5

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)*	**2025**		**2024**		**Change**	
	$	**%***	**$**	**%***	**$**	**%**
Company						
Wages and benefits	**83.5**	**23.3**	73.8	23.7	9.7	13.1
Fuel	**31.0**	**8.6**	28.4	9.1	2.6	9.2
Repairs and maintenance	**39.5**	**11.0**	37.0	11.9	2.5	6.8
Purchased transportation	**66.3**	**18.5**	46.9	15.1	19.4	41.4
Operating supplies	**20.2**	**5.6**	20.4	6.6	(0.2)	(1.0)
Other	**10.2**	**2.9**	8.9	2.9	1.3	14.6
	250.7	**69.9**	215.4	69.3	35.3	16.4
Contractors	**104.6**	**77.8**	114.9	76.9	(10.3)	(9.0)
Total	**355.3**	**71.5**	330.3	71.4	25.0	7.6

**as a percentage of respective Consolidated revenue*

Consolidated DOE increased by $25.0 million to $355.3 million, or 7.6 percent, as compared to $330.3 million in 2024, primarily due to the $34.5 million increase in consolidated revenues. Other notable highlights were:

- Expenses related to operating company owned equipment increased as a percentage of Company revenue, with operating margins[1] declining year over year, mainly due to higher purchased transportation costs in the LTL and L&W segments, which was somewhat offset by lower repairs and maintenance expense as a percentage of Company revenue in the L&W and S&I segments.

[1] Refer to the section entitled "Other Financial Measures".

- Contractors costs decreased by $10.3 million due to the $15.0 million decline in Contractors revenue. In percentage terms, these costs increased slightly by 0.9 percent, mainly because of lower margins experienced in the US 3PL and LTL segments, being somewhat offset by improved margins in the S&I and L&W segments.

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)***	**2025**		**2024**		**Change**	
	$	**%***	**$**	**%***	**$**	**%**
Wages and benefits	**43.7**	**8.8**	40.1	8.7	3.6	9.0
Communications, utilities and general supplies	**23.6**	**4.7**	19.9	4.3	3.7	18.6
Profit share	**4.1**	**0.8**	4.0	0.9	0.1	2.5
Foreign exchange	**0.1**	**—**	(1.1)	(0.2)	1.2	(109.1)
Stock-based compensation	**0.3**	**0.1**	0.2	—	0.1	50.0
Rent and other	**2.0**	**0.4**	3.0	0.6	(1.0)	(33.3)
Total	**73.8**	**14.8**	66.1	14.3	7.7	11.6

**as a percentage of total Consolidated revenue*

S&A expenses rose by $7.7 million to $73.8 million as compared to $66.1 million in 2024 due to:

- Incremental S&A expenses of $6.4 million associated with acquisitions.
- A $1.2 million negative variance in foreign exchange.
- Higher wages and benefits most notably within Corporate.
- These increases were somewhat offset by lower rent and other expenses.

As a percentage of revenue, S&A expenses increased to 14.8 percent from 14.3 percent last year, due to the acquisition of ContainerWorld having higher S&A expenses as a percentage of revenue as compared to our legacy Business Units.

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)***	**2025**		**2024**		**Change**	
	$	**%**	**$**	**%**	**$**	**%**
LTL	**29.3**	**43.1**	30.8	46.5	(1.5)	(4.9)
L&W	**25.4**	**37.4**	22.5	34.0	2.9	12.9
S&I	**18.8**	**27.6**	16.7	25.2	2.1	12.6
US 3PL	**0.1**	**0.1**	0.5	0.8	(0.4)	(80.0)
Corporate	**(5.6)**	**(8.2)**	(4.3)	(6.5)	(1.3)	30.2
Total	**68.0**	**100.0**	66.2	100.0	1.8	2.7

OIBDA was higher this year in absolute dollar terms due to the $4.0 million of incremental OIBDA from acquisitions being primarily offset by higher Corporate costs and a slight decline in OIBDA due to demarketing certain business in the LTL segment. Other notable highlights were:

- Operating margin[1] declined to 13.7 percent as compared to 14.3 percent last year due to higher DOE as a percentage of consolidated revenues mainly driven by higher purchased transportation costs as well as higher S&A expenses as a percentage of consolidated revenues resulting from the ContainerWorld acquisition.
- Operating margin[1] as a percentage of net revenue[2] was 14.9 percent as compared to 15.7 percent in 2024.

[1] Refer to the section entitled "Other Financial Measures".
[2] Refer to the section entitled "Non-IFRS Financial Measures".

Depreciation of Property, Plant and Equipment

- Depreciation in the first quarter of 2025 increased as compared to the prior year period due to acquisitions in the LTL and L&W segments, and higher depreciation in Corporate. This was somewhat offset by the sale of older assets by certain Business Units predominately in the S&I segment and from the declining balance method of depreciation.
- Depreciation in the LTL segment increased due to the acquisition of PNW and a greater amount of capital expenditures made within the segment.
- Depreciation in the L&W segment increased due to the acquisition of ContainerWorld.

Q1 Consolidated			
(unaudited) *($ millions)*	**2025**	**2024**	**Change**
	$	**$**	**$**
LTL	**6.3**	5.7	0.6
L&W	**3.7**	3.5	0.2
S&I	**6.0**	6.6	(0.6)
US 3PL	**—**	—	—
Corporate	**1.8**	1.5	0.3
Total	**17.8**	17.3	0.5

Depreciation of Right-of-Use Assets

- Depreciation of right-of-use assets increased in the L&W segment mainly due to facility leases associated with the ContainerWorld acquisition.
- Depreciation of right-of-use assets increased in the LTL segment mainly due to equipment leases associated with the PNW acquisition.

Q1 Consolidated			
(unaudited) *($ millions)*	**2025**	**2024**	**Change**
	$	**$**	**$**
LTL	**4.7**	4.3	0.4
L&W	**6.6**	2.2	4.4
S&I	**0.6**	0.6	—
US 3PL	**0.1**	0.1	—
Corporate	**0.2**	0.3	(0.1)
Total	**12.2**	7.5	4.7

Amortization of Intangible Assets

Intangible assets are normally acquired on acquisitions and are mainly comprised of customer relationship values and non-competition agreements that are amortized over a five to ten year period being their estimated life from the date of acquisition. Amortization of intangible assets was $4.1 million in the first quarter of 2025 as compared to $3.2 million in 2024. This increase of $0.9 million was mainly due to the additional amortization recorded on the intangible assets associated with our recent acquisitions.

Finance Costs

Finance costs mainly consist of interest expense on financial liabilities, including: the Private Placement Debt (as hereafter defined on page 25); the Debentures (as hereafter defined on page 25); lease liabilities; and borrowings on the Bank Credit Facilities (as hereafter defined on page 26), less any interest income generated from the debentures issued to equity investments and from cash and cash equivalents.

Finance costs were $11.5 million in 2025 as compared to $9.1 million in 2024. The increase of $2.4 million was mainly attributable to a greater amount of interest expense being recorded on the 2024 Notes and from greater interest expense recognized on lease liabilities by virtue of our recent acquisitions. These increases were somewhat offset by a greater amount of interest income generated from cash and cash equivalents.

Net Foreign Exchange (Gain) Loss

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

(unaudited) *($ millions)*	Three month periods ended March 31 CDN. $ Equivalent 2025	2024
Foreign exchange (gain) loss on U.S. $ debt	**(0.2)**	7.4
Foreign exchange (gain) loss on Cross-Currency Swaps	**(0.6)**	(7.2)
Net foreign exchange (gain) loss	**(0.8)**	0.2

We recorded a foreign exchange gain of $0.2 million related to our $187.0 million U.S. dollar debt, due to the change in the value of the Canadian dollar relative to the U.S. dollar during the first quarter of 2025 as compared to a loss of $7.4 million in 2024. We recorded a foreign exchange gain on Cross-Currency Swaps of $0.6 million during the first quarter of 2025 as compared to a gain of $7.2 million in 2024. 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 2025	2024	Change
Change in fair value of investments	**$ 0.1**	$ (0.1)	$ 0.2
Gain on sale of property, plant & equipment	**(1.2)**	(0.5)	(0.7)
Earnings from equity investment	**(0.4)**	(0.3)	(0.1)
Other (income) expense	**$ (1.5)**	$ (0.9)	$ (0.6)

Other income was $1.5 million in the first quarter as compared to other income of $0.9 million in 2024. The $0.6 million increase in other income was mainly attributable to the $0.7 million positive variance in the gain on sale of property, plant and equipment.

Income Taxes

(unaudited) *($ millions)*	Three month periods ended March 31 2025	2024	Change
Income before income taxes	**$ 24.7**	$ 29.8	$ (5.1)
Combined statutory tax rate	**25%**	25%	—
Expected income tax	**6.2**	7.5	(1.3)
Add (deduct):			
Non-deductible (taxable) portion of net foreign exchange (gain) loss	**(0.1)**	—	(0.1)
Stock-based compensation expense	**0.1**	—	0.1
Changes in unrecognized deferred tax asset	**1.0**	—	1.0
Other	**(0.2)**	0.1	(0.3)
Income tax expense	**$ 7.0**	$ 7.6	$ (0.6)

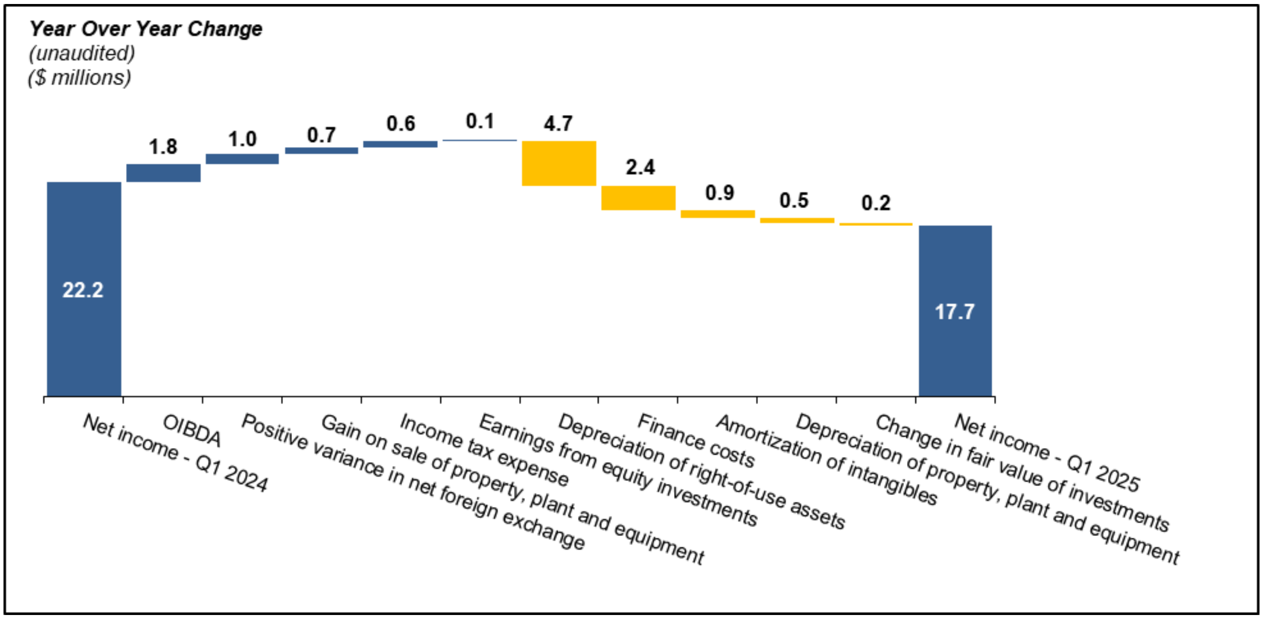
Income tax expense was $7.0 million in the first quarter as compared to $7.6 million in 2024. The decrease was mainly attributable to the lower amount of income being generated in 2025 as compared to 2024.

Net Income

(unaudited) *($ millions, except share and per share amounts)*	Three month periods ended March 31				
		2025		**2024**	**% Change**
Net income	**$**	**17.7**	$	22.2	(20.3)
Weighted average number of Common Shares outstanding		**87,646,158**		88,052,799	(0.5)
Earnings per share – basic	**$**	**0.20**	$	0.25	(20.0)

Net income decreased to $17.7 million in the first quarter as compared to $22.2 million in 2024. The graph below highlights each of the factors contributing to the decrease in net income:

Three month period ended March 31, 2025



Basic earnings per share decreased to $0.20 in the first quarter of 2025 as compared to $0.25 in 2024. This decrease resulted from the effect of the $4.5 million decrease in net income. The weighted average number of Common Shares outstanding decreased from 88,052,799 to 87,646,158, which was due to the repurchase and cancellation of Common Shares under the NCIB.

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

Net income – adjusted[1] and earnings per share – adjusted[1] were $18.0 million or $0.21 in the first quarter of 2025 as compared to $22.4 million or $0.25 in 2024, respectively. Management adjusted net income and earnings per share by excluding specific factors to more clearly reflect earnings from an operating perspective.

Subsequent Event

On April 14, 2025, Mullen Group announced that it had entered into a definitive share purchase agreement to acquire the shares of Cole Group Inc., Cole International Inc., ABCO International Freight Inc. and all related entities (collectively the "**Cole Group**"). This transaction is scheduled to close in the second quarter, subject to receiving regulatory approvals.

The Cole Group is an industry leading privately owned, full spectrum logistics services company specializing in customs brokerage, freight forwarding and trade consulting, operating throughout Canada and the U.S. Employing over 700 employees and operating from 43 locations throughout Canada and the U.S., which includes strategically situated offices at various air and seaports of entry and land border crossings, the Cole Group provides industry leading customs and logistics services to a diverse group of North American and international customers through a suite of proprietary technology solutions.

[1] Refer to the section entitled "Non-IFRS Financial Measures".

SEGMENTED FINANCIAL RESULTS

THREE MONTH PERIODS ENDED

Three month period ended March 31, 2025 *(unaudited)* *($ millions)*	LTL	L&W	S&I	US 3PL	Corporate and intersegment eliminations	Total
	$	**$**	**$**	**$**	**$**	**$**
Revenue	**191.5**	**151.8**	**112.2**	**44.9**	**(3.3)**	**497.1**
Direct operating expenses	**133.3**	**104.6**	**80.4**	**41.3**	**(4.3)**	**355.3**
Selling and administrative expenses	**28.9**	**21.8**	**13.0**	**3.5**	**6.6**[1]	**73.8**
OIBDA	**29.3**	**25.4**	**18.8**	**0.1**	**(5.6)**	**68.0**
Net capital expenditures[2]	**8.6**	**(0.4)**	**0.4**	**—**	**0.1**	**8.7**

Three month period ended March 31, 2024 *(unaudited)* *($ millions)*	LTL	L&W	S&I	US 3PL	Corporate and intersegment eliminations	Total
	$	$	$	$	$	$
Revenue	182.5	126.3	111.9	44.4	(2.5)	462.6
Direct operating expenses	123.7	87.2	82.3	40.5	(3.4)	330.3
Selling and administrative expenses	28.0	16.6	12.9	3.4	5.2[3]	66.1
OIBDA	30.8	22.5	16.7	0.5	(4.3)	66.2
Net capital expenditures[2]	12.0	2.8	2.1	—	0.7	17.6

[1] *Includes a $0.2 million foreign exchange loss.*
[2] *Refer to the section entitled "Other Financial Measures".*
[3] *Includes a $0.2 million foreign exchange gain.*

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LESS-THAN-TRUCKLOAD

Highlights for the Quarter

The LTL segment is a strategic focus of our organization and remains the largest and most profitable segment. Overall segment revenues were up by $9.0 million, despite a $10.2 million decline at Grimshaw Trucking due to a decision to demarket a winter ice road project. Acquisitions contributed to the overall revenue growth along with market share gain as some competitors exited certain lanes. With overall LTL freight demand remaining flat, our 12 Business Units focused on managing costs and improving lane density. As a result of these efforts, we increased OIBDA levels over the same period one year earlier, after adjusting for the loss of the winter road project.

Market Outlook

We see nothing that suggests that the Canadian economy will experience any sustained growth, or that consumer spending will grow meaningfully, over the balance of 2025. Under this scenario, we will rely upon "tuck-in" acquisitions to supplement the lack of overall demand growth. There is also a scenario where our existing Business Units could gain market share as competitors either fold or exit certain lanes. On balance, we expect overall business activity and segment financial results to remain near current levels for the foreseeable future.

Revenue

Q1 – LTL

(unaudited) *($ millions)*	2025		2024		Change	
	$	%	$	%	$	%
Company	**177.8**	**92.8**	162.1	88.8	15.7	9.7
Contractors	**12.8**	**6.7**	20.2	11.1	(7.4)	(36.6)
Other	**0.9**	**0.5**	0.2	0.1	0.7	350.0
Total	**191.5**	**100.0**	182.5	100.0	9.0	4.9

Segment revenues were $191.5 million, an increase of 4.9 percent, or $9.0 million as compared to $182.5 million in 2024. Acquisitions added $11.6 million of incremental revenues, which was the main contributor to the increase in revenue per day.

QTD: Revenue Per Working Day LTL

(unaudited) *($ millions)*	2025	2024	Change
Revenue	**$ 191.5**	$ 182.5	$ 9.0
Working Days	**62**	62	—
Revenue Per Working Day	**$ 3.1**	$ 2.9	$ 0.2

- Revenue from our Business Units (excluding fuel surcharge and acquisitions) declined by $1.1 million due to a $10.2 million decrease at Grimshaw Trucking L.P. ("**Grimshaw Trucking**") resulting from demarketing business associated with a winter ice road project due to pricing and execution risk. Demand for services from our other Business Units remained generally consistent as compared to last year.
- Fuel surcharge revenues declined by $1.5 million to $34.0 million (excluding acquisitions).

Direct Operating Expenses

Q1 – LTL *(unaudited)* *($ millions)*	2025		2024		Change	
	$	%*	$	%*	$	%
Company						
Wages and benefits	**41.0**	**23.1**	38.8	23.9	2.2	5.7
Fuel	**17.8**	**10.0**	16.2	10.0	1.6	9.9
Repairs and maintenance	**16.8**	**9.4**	15.2	9.4	1.6	10.5
Purchased transportation	**42.2**	**23.7**	35.5	21.9	6.7	18.9
Operating supplies	**3.0**	**1.7**	2.7	1.7	0.3	11.1
Other	**5.0**	**2.9**	4.4	2.7	0.6	13.6
	125.8	**70.8**	112.8	69.6	13.0	11.5
Contractors	**7.5**	**58.6**	10.9	54.0	(3.4)	(31.2)
Total	**133.3**	**69.6**	123.7	67.8	9.6	7.8

**as a percentage of respective LTL revenue*

DOE increased by $9.6 million to $133.3 million as compared to $123.7 million in 2024, primarily due to a $9.0 million increase in segment revenue. As a percentage of segment revenue, DOE increased by 1.8 percent to 69.6 percent from 67.8 percent in 2024.

- Company costs increased by $13.0 million on higher purchased transportation, wages, repairs and maintenance, and fuel costs. As a percentage of Company revenue, these expenses increased by 1.2 percent to 70.8 percent from 69.6 percent in 2024 due to the increase in purchased transportation costs from using third-party service providers.
- Contractors costs decreased by $3.4 million due to the $7.4 million decline in Contractors revenue. Contractors costs as a percentage of Contractors revenue increased to 58.6 percent from 54.0 percent in 2024 due to demarketing the winter ice road project.

Selling and Administrative Expenses

Q1 – LTL *(unaudited)* *($ millions)*	2025		2024		Change	
	$	%*	$	%*	$	%
Wages and benefits	**17.6**	**9.2**	16.8	9.2	0.8	4.8
Communications, utilities and general supplies	**9.7**	**5.1**	9.0	4.9	0.7	7.8
Profit share	**1.3**	**0.7**	1.4	0.8	(0.1)	(7.1)
Foreign exchange	**—**	**—**	—	—	—	—
Rent and other	**0.3**	**0.1**	0.8	0.4	(0.5)	(62.5)
Total	**28.9**	**15.1**	28.0	15.3	0.9	3.2

**as a percentage of total LTL revenue*

S&A expenses increased by $0.9 million to $28.9 million as compared to $28.0 million in 2024.

- The increase in wages and benefits was mainly due to incremental costs from acquisitions.
- Increased communication, utilities and general supply costs was due to certain one time technology costs at Gardewine Group Limited Partnership being somewhat offset by lower rent and other costs.
- As a percentage of segment revenue, these expenses decreased slightly to 15.1 percent as compared to 15.3 percent in 2024.

OIBDA

Segment OIBDA was $29.3 million, a decrease of $1.5 million, or 4.9 percent, as compared to $30.8 million in 2024 due to a $3.2 million decline from demarketing the winter ice road project at Grimshaw Trucking, being somewhat offset by incremental OIBDA from acquisitions of $1.3 million.

- Operating margin[1] decreased by 1.6 percent to 15.3 percent as compared to 16.9 percent in the prior year period, primarily due to higher DOE and from demarketing the winter ice road project.

[1] Refer to the section entitled "Other Financial Measures".

Capital Expenditures

- The majority of the capital invested in 2025 consisted of trucks, trailers and various pieces of operating equipment to replace older less efficient equipment.
- Net capital expenditures[1] decreased by $3.4 million as compared to the prior year based upon our decision to delay reinvestment or take delivery of capital equipment.

Q1 – LTL			
(unaudited) ***($ millions)***	**2025**	**2024**	**Change**
	$	**$**	**$**
Purchase of property, plant and equipment	**8.7**	12.4	(3.7)
Proceeds on sale of property, plant and equipment	**(0.1)**	(0.4)	0.3
Net capital expenditures[1]	**8.6**	12.0	(3.4)

LOGISTICS & WAREHOUSING

Highlights for the Quarter

This was an excellent quarter for the L&W segment with growth in terms of both revenues and OIBDA. Once again, acquisitions were the main contributor, with ContainerWorld adding $26.1 million in incremental revenue gain. All of our 11 Business Units did an excellent job managing in a no growth economy and very competitive markets. Notable highlights were Kleysen Group, which had another excellent quarter although not quite as good as prior periods due to unfavourable weather conditions in western Canada that impacted salt sales, and Bandstra Transportation, which took advantage of strong demand associated with mining work in the province of British Columbia.

Market Outlook

We expect overall market conditions to remain challenging for the foreseeable future, or at least until government policy initiatives are implemented that will encourage additional capital investment in Canada, a main ingredient to improving freight demand in the L&W segment. Controlling costs and improving margins at ContainerWorld will be a priority. And we continue to evaluate acquisition opportunities that are complementary to our existing Business Units, where we can realize synergies and improve profitability.

Revenue

Q1 – L&W						
(unaudited) ***($ millions)***	**2025**		**2024**		**Change**	
	$	**%**	**$**	**%**	**$**	**%**
Company	**88.5**	**58.3**	66.0	52.3	22.5	34.1
Contractors	**62.0**	**40.8**	59.9	47.4	2.1	3.5
Other	**1.3**	**0.9**	0.4	0.3	0.9	225.0
Total	**151.8**	**100.0**	126.3	100.0	25.5	20.2

Segment revenues were $151.8 million, an increase of 20.2 percent, or $25.5 million as compared to $126.3 million in 2024 and was due to the following:

- Acquisitions added $26.1 million of incremental revenues, which was the main contributor to the increase in revenue per day.
- Revenue from our Business Units (excluding acquisitions and fuel surcharge) was largely consistent with last year, reflecting the lack of growth in the economy and continued softness in capital investment.
- Fuel surcharge revenue increased by $0.1 million to $13.2 million in 2025.

QTD: Revenue Per Working Day L&W						
(unaudited) ***($ millions)***		**2025**		**2024**		**Change**
Revenue	**$**	**151.8**	**$**	126.3	$	25.5
Working Days		**62**		62		—
Revenue Per Working Day	**$**	**2.4**	**$**	2.0	$	0.4

[1] Refer to the section entitled "Other Financial Measures".

Direct Operating Expenses

Q1 – L&W						
(unaudited) *($ millions)*	**2025**		**2024**		**Change**	
	$	**%***	**$**	**%***	**$**	**%**
Company						
Wages and benefits	**19.2**	**21.7**	14.0	21.2	5.2	37.1
Fuel	**5.8**	**6.6**	5.4	8.2	0.4	7.4
Repairs and maintenance	**7.7**	**8.7**	7.4	11.2	0.3	4.1
Purchased transportation	**17.0**	**19.2**	7.3	11.1	9.7	132.9
Operating supplies	**7.2**	**8.1**	7.9	12.0	(0.7)	(8.9)
Other	**2.9**	**3.3**	1.8	2.7	1.1	61.1
	59.8	**67.6**	43.8	66.4	16.0	36.5
Contractors	**44.8**	**72.3**	43.4	72.5	1.4	3.2
Total	**104.6**	**68.9**	87.2	69.0	17.4	20.0

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

DOE increased by $17.4 million to $104.6 million as compared to $87.2 million in 2024, primarily due to the $25.5 million increase in segment revenue. As a percentage of segment revenue, DOE decreased slightly by 0.1 percent to 68.9 percent from 69.0 percent in 2024.

- Company costs increased by $16.0 million as higher purchased transportation and wages costs were somewhat offset by lower operating supplies cost. As a percentage of Company revenue, these expenses increased by 1.2 percent to 67.6 percent from 66.4 percent in 2024 due to higher purchased transportation costs, which was somewhat offset by lower operating supplies, repairs and maintenance, and fuel costs as a percentage of Company revenue.
- Contractors costs increased by $1.4 million to $44.8 million due to the $2.1 million increase in Contractors revenue. Contractors costs as a percentage of Contractors revenue decreased slightly as pricing pressures were fully recovered from subcontractors in most markets.

Selling and Administrative Expenses

Q1 – L&W						
(unaudited) *($ millions)*	**2025**		**2024**		**Change**	
	$	**%***	**$**	**%***	**$**	**%**
Wages and benefits	**13.2**	**8.7**	10.7	8.5	2.5	23.4
Communications, utilities and general supplies	**6.7**	**4.4**	4.2	3.3	2.5	59.5
Profit share	**1.6**	**1.1**	1.5	1.2	0.1	6.7
Foreign exchange	**—**	**—**	(0.4)	(0.3)	0.4	(100.0)
Rent and other	**0.3**	**0.2**	0.6	0.4	(0.3)	(50.0)
Total	**21.8**	**14.4**	16.6	13.1	5.2	31.3

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

S&A expenses increased by $5.2 million to $21.8 million as compared to $16.6 million in 2024.

- The increase was mainly due to $5.5 million of incremental S&A expenses from acquisitions.
- The increase was somewhat offset by a $0.3 million decrease in lower rent and other expenses.
- As a percentage of segment revenue, these expenses increased to 14.4 percent from 13.1 percent last year, due to the incremental S&A expenses from the ContainerWorld acquisition.

OIBDA

Segment OIBDA was $25.4 million, an increase of $2.9 million, or 12.9 percent, as compared to $22.5 million in 2024. Acquisitions added $2.7 million of incremental OIBDA.

- Operating margin[1] decreased by 1.1 percent to 16.7 percent as compared to 17.8 percent in the prior year period due to lower margins experienced from acquisitions.

[1] Refer to the section entitled "Other Financial Measures".

Capital Expenditures

- The majority of the capital invested in 2025 consisted of trucks, trailers and various pieces of operating equipment to replace older less efficient equipment. The majority of capital sold during 2025 consisted of various pieces of older less efficient operating equipment.
- Net capital expenditures[1] decreased by $3.2 million as compared to the prior year based upon our decision to delay reinvestment or take delivery of capital equipment.

Q1 – L&W			
(unaudited) ***($ millions)***	**2025**	**2024**	**Change**
	$	**$**	**$**
Purchase of property, plant and equipment	**1.2**	3.0	(1.8)
Proceeds on sale of property, plant and equipment	**(1.6)**	(0.2)	(1.4)
Net capital expenditures[1]	**(0.4)**	2.8	(3.2)

S&I

SPECIALIZED & INDUSTRIAL SERVICES

Highlights for the Quarter

The S&I segment results for the quarter were consistent with the prior period. Revenues were up slightly, which was a combination of the production services Business Units reporting increased revenues due to the earlier start to maintenance and turnaround work, which has been enhanced with our investments in automated and robotic tank cleaning technology. Offsetting this increase was lower revenues recorded by our drilling related Business Units, some of which relates to delays in drilling activity caused by inclement weather as well as the deferral of drilling activity due to volatility created by geopolitical tensions and commodity price fluctuations. From an earnings perspective, the segment improved operating margin[1], most of which relates to the higher margin business performed by the production services Business Units and their robotic enabled service offerings. Within the quarter there were competitors in the drilling related sector that shutdown their operations reflecting the challenging operating environment for competitors that are not well capitalized.

Market Outlook

New capital investment into Canada will remain muted until Canadians have elected a government that establishes policy that supports capital investment into Canada's natural resources and energy sectors. For now, our customers appear to be content with maintaining current production levels, which will lend itself to more service, maintenance and turnaround work. This will continue to provide for a challenging operating environment for competitors that do not have a diverse service offering. Within the Mullen Group, we will continue to invest in new technologies and equipment that are tied to maintenance, turnaround and infrastructure work, to ensure we continue to diversify and automate our service offerings.

Revenue

Q1 – S&I						
(unaudited) ***($ millions)***	**2025**		**2024**		**Change**	
	$	**%**	**$**	**%**	**$**	**%**
Company	**92.2**	**82.2**	82.8	74.0	9.4	11.4
Contractors	**18.8**	**16.8**	28.4	25.4	(9.6)	(33.8)
Other	**1.2**	**1.0**	0.7	0.6	0.5	71.4
Total	**112.2**	**100.0**	111.9	100.0	0.3	0.3

Segment revenues were $112.2 million, a slight increase of 0.3 percent, or $0.3 million as compared to $111.9 million in 2024. This increase was due to a $4.6 million increase from our production services Business Units resulting from the commencement of robotics work related to facility maintenance and turnaround projects at Cascade Energy Services L.P. ("**Cascade Energy**"). This increase was somewhat offset by the following:

- Premay Pipeline Hauling L.P. saw a $2.4 million decrease in revenue on continued weakness for demand associated with pipeline hauling and stringing services.

[1] Refer to the section entitled "Other Financial Measures".

- Revenues generated by the drilling related services Business Units declined by $2.8 million on lower demand mainly in the northeast British Columbia region.
- Fuel surcharge revenue decreased by $0.3 million to $1.8 million as compared to the prior year period.

QTD: Revenue Per Working Day S&I						
(unaudited) *($ millions)*		**2025**		**2024**		**Change**
Revenue	**$**	**112.2**	**$**	111.9	$	0.3
Working Days		**62**		62		—
Revenue Per Working Day	**$**	**1.8**	**$**	1.8	$	—

Direct Operating Expenses

Q1 – S&I						
(unaudited) *($ millions)*	**2025**		**2024**		**Change**	
	$	**%***	**$**	**%***	**$**	**%**
Company						
Wages and benefits	**23.3**	**25.3**	21.0	25.4	2.3	11.0
Fuel	**7.4**	**8.0**	6.9	8.3	0.5	7.2
Repairs and maintenance	**15.0**	**16.3**	14.4	17.4	0.6	4.2
Purchased transportation	**7.1**	**7.7**	4.1	5.0	3.0	73.2
Operating supplies	**10.0**	**10.8**	9.9	12.0	0.1	1.0
Other	**2.2**	**2.4**	2.4	2.8	(0.2)	(8.3)
	65.0	**70.5**	58.7	70.9	6.3	10.7
Contractors	**15.4**	**81.9**	23.6	83.1	(8.2)	(34.7)
Total	**80.4**	**71.7**	82.3	73.5	(1.9)	(2.3)

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

DOE decreased by $1.9 million to $80.4 million as compared to $82.3 million in 2024, despite a $0.3 million increase in segment revenue. As a percentage of segment revenue, DOE decreased by 1.8 percent to 71.7 percent from 73.5 percent in 2024 due to lower Contractors and Company costs.

- Company costs increased in absolute dollar terms due to higher Company revenue. Company costs decreased as a percentage of Company revenue due to lower repairs and maintenance, and operating supplies costs being somewhat offset by higher purchased transportation costs resulting from the operations at B. & R. Eckel's Transport Ltd.
- Contractors costs, as a percentage of Contractors revenue, decreased as compared to the prior year period due to a reduction in low margin subcontractors' costs associated with pipeline hauling and stringing services and from the greater availability of subcontractors in certain markets.

Selling and Administrative Expenses

Q1 – S&I						
(unaudited) *($ millions)*	**2025**		**2024**		**Change**	
	$	**%***	**$**	**%***	**$**	**%**
Wages and benefits	**7.4**	**6.6**	7.4	6.6	—	—
Communications, utilities and general supplies	**4.2**	**3.7**	4.2	3.8	—	—
Profit share	**1.0**	**0.9**	0.8	0.7	0.2	25.0
Foreign exchange	**—**	**—**	—	—	—	—
Rent and other	**0.4**	**0.4**	0.5	0.4	(0.1)	(20.0)
Total	**13.0**	**11.6**	12.9	11.5	0.1	0.8

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

S&A expenses were $13.0 million as compared to $12.9 million in 2024.

- The slight increase of $0.1 million was due to higher profit share.
- As a percentage of segment revenue, these expenses increased to 11.6 percent as compared to 11.5 percent in 2024.

OIBDA

Segment OIBDA was $18.8 million, an increase of $2.1 million as compared to $16.7 million in 2024. Cascade Energy and Canadian Dewatering L.P. experienced increases in OIBDA due to the commencement of robotics work related to facility maintenance and dewatering projects, respectively. These increases were somewhat offset by lower OIBDA from our drilling related services Business Units and from Smook Contractors Ltd. ("**Smook**").

- Operating margin[1] increased to 16.8 percent as compared to 14.9 percent in 2024 on lower DOE due to a greater proportion of higher margin project work.

Capital Expenditures

- The majority of the capital invested in 2025 consisted of trucks and trailers to support strong demand at Cascade Energy and operating equipment to replace older less efficient equipment at Smook.
- Net capital expenditures[1] decreased by $1.7 million as compared to the prior year due to the sale of underutilized equipment.

Q1 – S&I

(unaudited) *($ millions)*	2025	2024	Change
	$	$	$
Purchase of property, plant and equipment	**3.3**	3.6	(0.3)
Proceeds on sale of property, plant and equipment	**(2.9)**	(1.5)	(1.4)
Net capital expenditures[1]	**0.4**	2.1	(1.7)

US 3PL

U.S. & INTERNATIONAL LOGISTICS

Highlights for the Quarter

Our US 3PL segment continued to face headwinds in the quarter as a result of the trade and tariff issues that have impacted the global economy. Many customers have elected to wait for clearer signs of stability in trade prior to ramping up manufacturing or ordering inventory, which has a direct impact on the movement of freight. Despite these challenges, HAUListic reported operating results that were consistent with prior year. Revenues were up slightly from the prior period while HAUListic reported a decrease in OIBDA, most of which came from negative variances in foreign exchange and some one time corporate expenses. In the quarter, HAUListic managed the size of its workforce to match the slowing in freight activity.

Market Outlook

We expect the overall market conditions to remain challenging until there is greater certainty around global trade and tariffs. The freight markets, which suffer from an excess supply of trucking capacity, will be challenged, however, we are seeing more trucking company failures which should bring about a better balance once freight volumes normalize. We are expected to close the acquisition of the customs brokerage business of Cole Group in the second quarter and it will be operated as a standalone business with operating results being reported within this segment. Cole Group is an industry leader in the complex field of customs and tariffs. They also provide 3PL and freight forwarding services, which we see synergies with the service offerings of HAUListic. Both Cole Group and HAUListic operate proprietary technology platforms, which we will continue to invest in.

[1] Refer to the section entitled "Other Financial Measures".

Revenue

Q1 – US 3PL						
(unaudited) *($ millions)*	**2025**		**2024**		**Change**	
	$	**%**	**$**	**%**	**$**	**%**
Company	**—**	**—**	—	—	—	—
Contractors	**44.9**	**100.0**	44.4	100.0	0.5	1.1
Other	**—**	**—**	—	—	—	—
Total	**44.9**	**100.0**	44.4	100.0	0.5	1.1

Segment revenue increased by $0.5 million to $44.9 million as compared to $44.4 million in 2024 due to the impact of a weaker Canadian dollar relative to the U.S. dollar in the first quarter of 2025 as compared to the prior year period. This increase in revenue was somewhat offset by lower freight demand for truckload shipments and lower pricing per shipment resulting from the ongoing competitive operating environment in the U.S. market.

Revenue Per Working Day US 3PL			
(unaudited) *($ millions)*	**2025**	**2024**	**Change**
Revenue	**$ 44.9**	$ 44.4	$ 0.5
Working Days	**62**	62	—
Revenue Per Working Day	**$ 0.7**	$ 0.7	$ —

Direct Operating Expenses

Q1 – US 3PL						
(unaudited) *($ millions)*	**2025**		**2024**		**Change**	
	$	**%***	**$**	**%***	**$**	**%**
Company						
Wages and benefits	**—**	**—**	—	—	—	—
Fuel	**—**	**—**	—	—	—	—
Repairs and maintenance	**—**	**—**	—	—	—	—
Purchased transportation	**—**	**—**	—	—	—	—
Operating supplies	**—**	**—**	—	—	—	—
Other	**0.3**	**—**	0.2	—	0.1	50.0
	0.3	**—**	0.2	—	0.1	50.0
Contractors	**41.0**	**91.3**	40.3	90.8	0.7	1.7
Total	**41.3**	**92.0**	40.5	91.2	0.8	2.0

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

DOE were $41.3 million as compared to $40.5 million in 2024. The increase of $0.8 million was due to the $0.5 million increase in segment revenue.

- As a percentage of segment revenue, DOE increased in 2025 as compared to the prior year period due to the timing of when contract freight rates were entered into with customers as compared to spot market pricing and the availability of contractors in the open market, which resulted in lower margins.

Selling and Administrative Expenses

Q1 – US 3PL						
(unaudited) *($ millions)*	**2025**		**2024**		**Change**	
	$	**%***	**$**	**%***	**$**	**%**
Wages and benefits	**2.3**	**5.1**	2.6	5.9	(0.3)	(11.5)
Communications, utilities and general supplies	**1.0**	**2.2**	0.7	1.6	0.3	42.9
Profit share	**—**	**—**	—	—	—	—
Foreign exchange	**—**	**—**	(0.2)	(0.5)	0.2	(100.0)
Rent and other	**0.2**	**0.5**	0.3	0.7	(0.1)	(33.3)
Total	**3.5**	**7.8**	3.4	7.7	0.1	2.9

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

S&A expenses were $3.5 million as compared to $3.4 million in 2024. The slight increase of $0.1 million was due to higher general supply costs and a $0.2 million negative variance in foreign exchange.

- As a percentage of segment revenue, S&A expenses increased slightly due to the increases noted above and the stability in segment revenues on a year over year basis.

OIBDA

Segment OIBDA was $0.1 million, a decrease of $0.4 million as compared to $0.5 million in 2024, primarily due to the increase in DOE.

- Operating margin[1] declined to 0.2 percent from 1.1 percent in 2024, primarily due to higher DOE as a percentage of revenue.
- Operating margin[1] as a percentage of net revenue[2] was 2.8 percent as compared to 12.8 percent in 2024.

Capital Expenditures

This asset light operating segment did not have any capital expenditures or dispositions and therefore generates cash in excess of its operating needs.

CORPORATE

The Corporate Office recorded a loss of $5.6 million as compared to a loss of $4.3 million in 2024. The $1.3 million increase was mainly attributable to higher salary expense resulting from greater staffing levels to prepare for future growth as well as a $0.4 million negative variance in foreign exchange.

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[1] Refer to the section entitled "Other Financial Measures".
[2] Refer to the section entitled "Non-IFRS Financial Measures".

CAPITAL RESOURCES AND LIQUIDITY

Consolidated Cash Flow Summary

(unaudited) ($ millions)	Three month periods ended March 31			
		2025		2024
Net cash from operating activities	**$**	**39.9**	$	38.6
Net cash used in financing activities		**(26.4)**		(8.6)
Net cash used in investing activities		**(8.7)**		(19.5)
Change in cash and cash equivalents		**4.8**		10.5
Effect of exchange rate fluctuations on cash held		**0.1**		(0.7)
Cash and cash equivalents, beginning of period		**126.3**		2.3
Cash and cash equivalents, end of period	**$**	**131.2**	$	12.1

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 $39.9 million in 2025 as compared to $38.6 million in 2024. The increase of $1.3 million was mainly due to using less cash to finance working capital requirements in 2025 as compared to 2024 and higher OIBDA recognized in the current year. These increases were somewhat offset by an increase in the amount of income tax paid in 2025.

Cash Used In Financing Activities

Net cash used in financing activities was $26.4 million in 2025 as compared to $8.6 million in 2024. The $17.8 million increase in net cash used in financing activities was mainly due to borrowing less on our Bank Credit Facilities, higher repayments of lease liabilities and to pay higher dividends to common shareholders due to increasing the monthly dividend to $0.07 from $0.06 per Common Share in 2024.

Cash Used In Investing Activities

Net cash used in investing activities decreased to $8.7 million in 2025 as compared to $19.5 million in 2024. This $10.8 million decrease was mainly due to an $8.9 million decrease in net capital expenditures[1] and from an increase in interest received.

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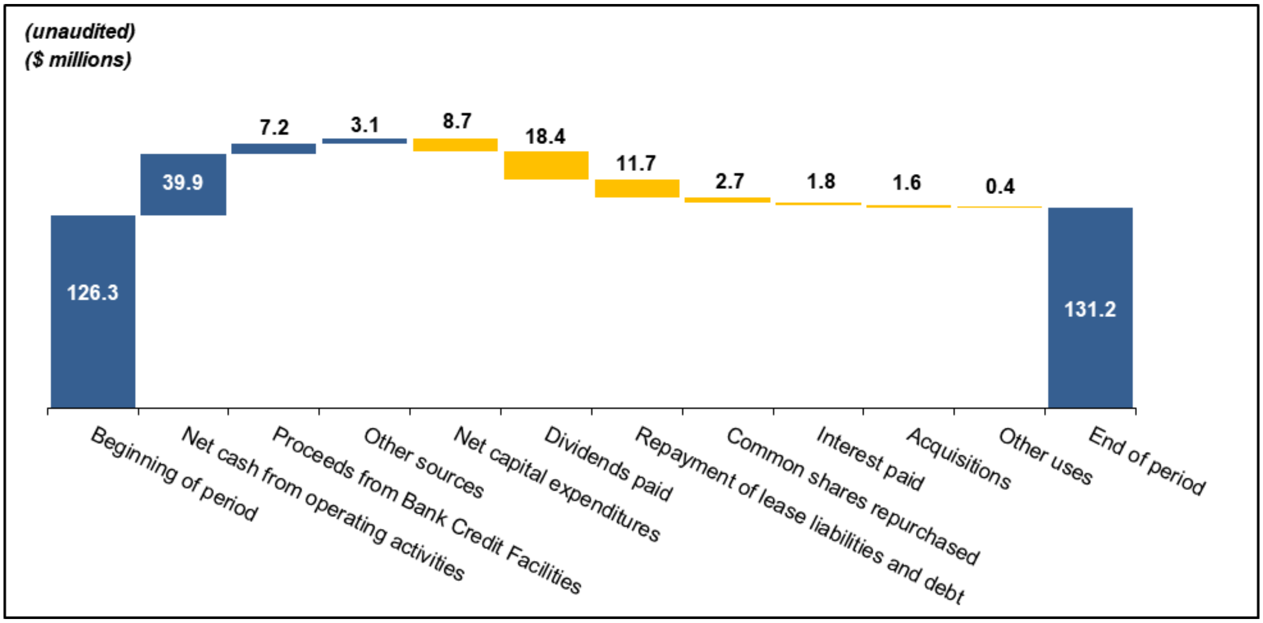
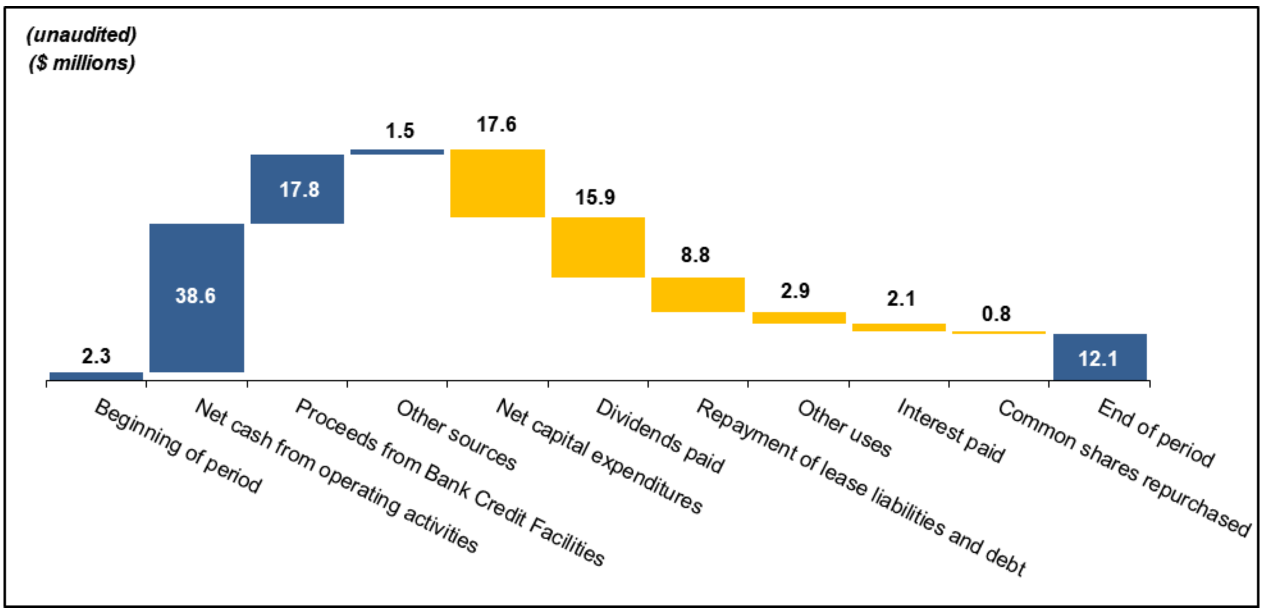
[1] Refer to the section entitled "Other Financial Measures".

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

Three month period ended March 31, 2025



Three month period ended March 31, 2024



Working Capital

At March 31, 2025, we had working capital of $286.7 million as compared to $281.5 million of working capital as at December 31, 2024. Working capital included $131.2 million of cash and cash equivalents. Mullen Group also has $525.0 million of borrowing capacity on its Bank Credit Facilities. This working capital, the Bank Credit Facilities and the anticipated cash flow from operating activities in 2025 are available to finance ongoing working capital requirements, the NCIB program, the 2025 dividends, the 2025 capital budget, as well as various special projects and acquisition opportunities.

DEBT AND CONTRACTUAL OBLIGATIONS

Private Placement Debt

The details of our debt issued in 2014 and 2024 (the "**Private Placement Debt**") can be found on page 39 of the 2024 MD&A. Our Private Placement Debt is comprised of two series of secured debt. The first series is as follows: U.S. $112.0 million of Series H Notes, CDN. $3.0 million of Series J Notes and CDN. $80.0 million of Series L Notes (collectively, the "**2014 Notes**"). The 2014 Notes have an average fixed interest rate of 3.99 percent and maturity date in October 2026. The second series is as follows: CDN. $300.0 million of Series M Notes and U.S. $75.0 million of Series N Notes (collectively, the "**2024 Notes**"). The 2024 Notes have an average fixed interest rate of 6.04 percent and maturity date in July 2034. As at March 31, 2025, our Private Placement Debt has not changed significantly from those details.

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

2014 Notes

Financial Covenants	Financial Covenant Threshold	March 31 2025	December 31 2024
2014 Notes Covenants			
(a) 2014 total net debt[1] to 2014 operating cash flow cannot exceed	3.50:1	**2.47:1**	2.51:1
(b) Total earnings available for fixed charges to total fixed charges cannot be less than	1.75:1	**7.55:1**	8.14:1

[1] Refer to the section entitled "Other Financial Measures".

2014 total net debt[1] to 2014 operating cash flow was 2.47:1 at March 31, 2025. Assuming the $846.4 million of 2014 total net debt[1] remains constant, we would need to generate approximately $241.8 million of 2014 operating cash flow on a trailing twelve month basis to remain in compliance with this financial covenant.

2024 Notes

Financial Covenants	Financial Covenant Threshold	March 31 2025	December 31 2024
2024 Notes Covenants			
(a) 2024 total net debt[1] to 2024 operating cash flow cannot exceed	3.50:1	**2.23:1**	2.24:1
(b) Total earnings available for fixed charges to total fixed charges cannot be less than	1.75:1	**6.53:1**	6.96:1

[1] Refer to the section entitled "Other Financial Measures".

2024 total net debt[1] to 2024 operating cash flow was 2.23:1 at March 31, 2025. Assuming the $764.0 million of 2024 total net debt[1] remains constant, we would need to generate approximately $218.3 million of 2024 operating cash flow on a trailing twelve month basis to remain in compliance with this financial covenant.

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, 2025, the priority debt was $9.1 million or 0.4 percent 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 was 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. The conversion price of the Debentures is subject to adjustment per the Debenture agreement. As of March 31, 2025, the conversion price of the Debentures remained consistent with December 31, 2024 at $13.71. Each $1,000 Debenture is now convertible into 72.9395 Common Shares of Mullen Group.

On March 7, 2025, Mullen Group received approval to commence the Debenture NCIB. Mullen Group may repurchase from time to time up to a maximum of $12.0 million principal amount of Debentures, representing 10.0 percent of the Corporation's Public Float of the Debentures. The Debenture NCIB commenced on March 11, 2025, and expires at the closing of trading on March 10, 2026. For the three month period ended March 31, 2025, Mullen Group did not repurchase any Debentures under the Debenture NCIB.

[1] Refer to the section entitled "Other Financial Measures".

Bank Credit Facilities

As at March 31, 2025, Mullen Group had four credit facilities (the "**Bank Credit Facilities**") that provide revolving demand credit and borrowing capacity to the Corporation of $525.0 million. The Bank Credit Facilities rank pari passu with the Private Placement Debt and are secured. As at March 31, 2025, there was $7.2 million drawn on the Bank Credit Facilities. The Bank Credit Facilities do not have any financial covenants, however, Mullen Group cannot be in default of its 2014 Notes, its 2024 Notes, 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. The Bank Credit Facilities are included within bank indebtedness on the consolidated statement of financial position.

The Private Placement Debt and the Bank Credit Facilities are guaranteed by Mullen Group's subsidiaries, MT and MGL Holding Co. Ltd. (each, a "**Guarantor**") and secured by a first ranking charge over all present and after-acquired property of the Corporation and each Guarantor.

Mullen Group has $3.6 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 Bank Credit Facilities.

Contractual Obligations

An overview of Mullen Group's contractual obligations can be found on page 41 of the 2024 MD&A. As at March 31, 2025, Mullen Group's contractual obligations have not changed significantly from this overview.

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, 2024	87,670,314	$	797.8
Common Shares repurchased and cancelled	(202,480)		(2.8)
Balance at March 31, 2025	**87,467,834**	**$**	**795.0**

At March 31, 2025, there were 87,467,834 Common Shares outstanding representing $795.0 million in share capital. During the first quarter of 2025 we repurchased and cancelled 202,480 Common Shares under the NCIB program. Mullen Group has also repurchased 107,840 Common Shares that are scheduled to be cancelled in April 2025.

Stock Option Plan

	Options		**Weighted average exercise price**
Outstanding – December 31, 2024	3,785,700	$	15.48
Granted	240,000		14.00
Expired	—		—
Forfeited	(55,000)		(18.56)
Exercised	—		—
Outstanding – March 31, 2025	**3,970,700**	**$**	**15.34**
Exercisable – March 31, 2025	**2,643,200**	**$**	**15.95**

There are 2,707,500 stock options available to be issued under our stock option plan. In 2025 we granted 240,000 stock options at a weighted average exercise price of $14.00. In 2025 there were 55,000 stock options forfeited. As at March 31, 2025, Mullen Group had 3,970,700 stock options outstanding under the stock option plan.

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]	2025	2024				2023		
(unaudited)		Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
($ millions, except per share amounts)	$	$	$	$	$	$	$	$	$
Revenue	**2,023.8**	497.1	**499.1**	**532.0**	**495.6**	**462.6**	498.6	504.0	494.3
OIBDA	**334.0**	68.0	**85.0**	**95.3**	**85.7**	**66.2**	79.2	88.6	83.4
Net income	**107.8**	17.7	**18.9**	**38.3**	**32.9**	**22.2**	29.4	39.1	36.5
Earnings per share									
Basic	**1.22**	0.20	**0.21**	**0.44**	**0.37**	**0.25**	0.33	0.44	0.41
Diluted	**1.18**	0.20	**0.21**	**0.41**	**0.36**	**0.25**	0.32	0.42	0.39
Other Information									
Net foreign exchange (gain) loss	**5.3**	(0.8)	**8.7**	**(2.8)**	**0.2**	**0.2**	(0.8)	(0.2)	(1.7)
Decrease (increase) in fair value of investments	**(0.5)**	0.1	**(0.4)**	**—**	**(0.2)**	**(0.1)**	(0.3)	(0.2)	(0.1)

[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 2025 increased by $34.5 million to $497.1 million as compared to $462.6 million in 2024. This increase was mainly due to incremental revenue from acquisitions being somewhat offset by a softer environment for freight and logistics demand at our legacy Business Units. Net income in the first quarter was $17.7 million, a decrease of $4.5 million from the $22.2 million of net income generated in 2024. The $4.5 million decrease in net income was mainly attributable to an increase in depreciation of right-of-use assets and an increase in interest expense being somewhat offset by higher OIBDA and lower income tax expense.

Consolidated revenue in the fourth quarter of 2024 were $499.1 million, a slight increase of $0.5 million as compared to $498.6 million in 2023. This increase was mainly due to $36.5 million in incremental revenue from the acquisitions, which were somewhat offset by softer end consumer demand as suppliers and manufacturers continued to be reluctant to increase inventory levels in 2024. Net income in the fourth quarter was $18.9 million, a decrease of $10.5 million from the $29.4 million generated in 2023. The $10.5 million decrease in net income was mainly attributable to an increase in depreciation of right-of-use assets and an increase in interest expense.

Consolidated revenue in the third quarter of 2024 increased by $28.0 million to $532.0 million as compared to $504.0 million in 2023. This increase was mainly due to $33.6 million of incremental revenue from acquisitions being somewhat offset by a softer environment for freight and logistics demand and a reduction in fuel surcharge revenue. Net income in the third quarter was $38.3 million, a decrease of $0.8 million from the $39.1 million of net income generated in 2023. The $0.8 million decrease in net income was mainly attributable to an increase in depreciation of right-of-use assets and an increase in interest expense, which was somewhat offset by an increase in OIBDA and a positive variance in net foreign exchange.

Consolidated revenue in the second quarter of 2024 increased by $1.3 million to $495.6 million as compared to $494.3 million in 2023. This increase was mainly due to $26.9 million of incremental revenue from acquisitions being somewhat offset by a softer environment for freight and logistics demand and a reduction in fuel surcharge revenue. Net income in the second quarter was $32.9 million, a decrease of $3.6 million from the $36.5 million of net income generated in 2023. The $3.6 million decrease in net income was mainly attributable to an increase in depreciation of right-of-use assets, a negative variance in net foreign exchange and an increase in loss on sale of property, plant and equipment.

TRANSACTIONS WITH RELATED PARTIES

A description of transactions with related parties can be found on page 47 of the 2024 MD&A. As at March 31, 2025, 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, 2024.

PRINCIPAL RISKS AND UNCERTAINTIES

A description of principal risks and uncertainties can be found beginning on page 48 of the 2024 MD&A. As at March 31, 2025, 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 Accounting Standards 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 66 of the 2024 MD&A. As at March 31, 2025, 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 68 of the 2024 MD&A. There have been no new standards or interpretations issued during 2025 that significantly impact Mullen Group.

Changes in Accounting Policies

There have been no changes to our accounting policies in 2025 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, 2025, 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 Senior Executive Officer ("**SEO**"), acting in the capacity of the Chief Executive Officer and the Senior Financial Officer ("**SFO**"), acting in the capacity of the Chief Financial Officer. In accordance with the provisions of National Instrument 52-109, management including the SEO and SFO, have limited the scope of their design of the Corporation's disclosure controls and procedures to exclude controls, policies and procedures of ContainerWorld. 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 ContainerWorld effective May 1, 2024. Since being acquired, ContainerWorld has generated revenue and earnings (loss) before tax of $112.7 million and $(7.6) million, respectively. As at March 31, 2025, ContainerWorld had $31.0 million of current assets and $57.7 million of current liabilities. Based on this evaluation, the SEO and the SFO concluded that, as at March 31, 2025, the design of Mullen Group's disclosure controls and procedures were effective.

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 SEO and SFO, management conducted an evaluation of the effectiveness of its internal control over financial reporting as at March 31, 2025.

Based on this evaluation, the SEO and the SFO concluded that internal control over financial reporting was effective as at March 31, 2025, 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, 2025, 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 2025 business plan; to acquire companies and strive to improve their performance; to purchase for cancellation up to 8,157,012 Common Shares in the open market under the NCIB; to set the 2025 annual dividend at $0.84 per Common Share ($0.07 per Common Share on a monthly basis); to invest $100.0 million in capital expenditures in 2025, exclusive of acquisitions, with $85.0 million allocated towards maintenance capital primarily to invest in trucks, trailers, specialized equipment and technology to improve the operations of the Business Units, $10.0 million allocated towards investment in facilities, land and buildings, and $5.0 million to invest specifically towards our sustainability initiatives, as referred to in the Allocating Shareholder Capital section beginning on page 5. These forward-looking statements are based on the assumptions that we will generate sufficient cash in excess of our financial obligations to support our 2025 plan.
- Mullen Group's view that we do not see any evidence that there will be any near-term relief to current market challenges; that we will diligently manage costs, delay capital investment for a period until we see more clarity as to how the economy will be impacted, and we will continue to use our well-structured balance sheet to pursue accretive acquisitions, like the recently announced Cole Group of Companies, as referred to in the Outlook within the Consolidated Financial Results Section beginning on page 7. This forward-looking statement assumes that the recent trade and tariff issue has taken on a more ominous turn, a situation that has the potential to negatively impact economic activity and overall freight demand, at least in the short term.
- Mullen Group's comment that we see nothing that suggests that the Canadian economy will experience any sustained growth, or that consumer spending will grow meaningfully, over the balance of 2025; that there is also a scenario where our existing Business Units could gain market share as competitors either fold or exit certain lanes, as referred to in the LTL segment Market Outlook beginning on page 14. This forward-looking statement assumes that overall business activity and segment financial results will remain near current levels for the foreseeable future.
- Mullen Group's comment that overall market conditions will remain challenging for the foreseeable future, or at least until government policy initiatives are implemented that will encourage additional capital investment in Canada, a main ingredient to improving freight demand in the L&W segment, as referred to in the L&W segment Market Outlook beginning on page 16. This forward-looking statement assumes that in the absence of a demand recovery or a significant reduction in capacity occurs, we believe the markets will remain very competitive and prices will be depressed.
- Mullen Group's comment that new capital investment into Canada will remain muted until Canadians have elected a government that establishes policy that supports capital investment into Canada's natural resources and energy sectors; that this will continue to provide for a challenging operating environment for competitors that do not have a diverse service offering, as referred to in the S&I segment Market Outlook beginning on page 18. This forward-looking statement assumes that we will continue to invest in new technologies and equipment that are tied to maintenance, turnaround and infrastructure work, to ensure we continue to diversify and automate our service offerings.
- Mullen Group's comment that we expect the overall market conditions to remain challenging until there is greater certainty around global trade and tariffs; that freight markets, which suffer from an excess supply of trucking capacity, will be challenged; that Cole Group will be operated as a standalone business with operating results being reported within this segment; that we will continue to invest in proprietary technology platforms at both Cole Group and HAUListic, as referred to in the US 3PL segment Market Outlook beginning on page 20. This forward-looking statement assumes that we continue to see more trucking company failures which should bring about a better balance once freight volumes normalize and that we will close the acquisition of the customs brokerage business of Cole Group in the second quarter.
- Mullen Group's intention to use the Bank Credit Facilities and the anticipated cash flow from operating activities in 2025 to finance its ongoing working capital requirements, the NCIB program, the 2025 dividend, the 2025 capital budget, as well as various special projects and acquisition opportunities, as referred to in the Capital Resources and Liquidity section beginning on page 23. 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.sedarplus.ca. 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.

NON-IFRS FINANCIAL MEASURES

The Interim Financial Statements attached and referred to in this MD&A were prepared according to IFRS Accounting Standards. References to net income – adjusted, earnings per share – adjusted, and net revenue are not measures recognized by IFRS Accounting Standards and do not have standardized meanings prescribed by IFRS Accounting Standards. 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-IFRS 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 IFRS Accounting Standards. Investors are cautioned that these indicators should not replace the foregoing IFRS Accounting Standards terms: net income, earnings per share and revenue.

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, the change in fair value of investments, and the loss on fair value of equity investment. Management adjusts net income and earnings per share by excluding these specific factors to more clearly reflect earnings from an operating perspective.

(unaudited) ***($ millions, except share and per share amounts)***	**Three month periods ended March 31**	
	2025	**2024**
Income before income taxes	**$ 24.7**	$ 29.8
Add (deduct):		
Net foreign exchange (gain) loss	**(0.8)**	0.2
Change in fair value of investment	**0.1**	(0.1)
Income before income taxes – adjusted	**24.0**	29.9
Income tax rate	**25%**	25%
Computed expected income tax expense	**(6.0)**	(7.5)
Net income – adjusted	**18.0**	22.4
Weighted average number of Common Shares outstanding – basic	**87,646,158**	88,052,799
Earnings per share – adjusted	**$ 0.21**	$ 0.25

Net Revenue

Net revenue is calculated by subtracting DOE in the US 3PL segment (primarily comprised of expenses associated with the use of Contractors) from revenue as our one Business Unit in the segment, a non-asset based 3PL provider, does not own any operating assets other than its proprietary integrated transportation management platform. Management calculates and measures net revenue within the US 3PL segment as it provides an important measurement in evaluating our financial performance as well as our ability to generate an appropriate return in the non-asset based 3PL market.

US 3PL Segment

(unaudited) ***($ millions)***	**Three month periods ended March 31**	
	2025	**2024**
Revenue	**$ 44.9**	$ 44.4
Direct operating expenses	**41.3**	40.5
Net Revenue	**$ 3.6**	$ 3.9

Consolidated

(unaudited) ***($ millions)***	**Three month periods ended March 31**	
	2025	**2024**
Revenue	**$ 497.1**	$ 462.6
US 3PL direct operating expenses	**41.3**	40.5
Net Revenue	**$ 455.8**	$ 422.1

OTHER FINANCIAL MEASURES

Other financial measures consist of supplementary financial measures and capital management measures.

Supplementary Financial Measures

Supplementary financial measures are financial measures disclosed by a company that (a) are, or are intended to be, disclosed on a periodic basis to depict the historical or expected future financial performance, financial position or cash flow of a company, (b) are not disclosed in the financial statements of a company, (c) are not non-IFRS financial measures, and (d) are not non-IFRS ratios. The following are supplementary financial measures disclosed by the Corporation.

Operating Margin

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

(unaudited) *($ millions)*	Three month periods ended March 31			
		2025		**2024**
OIBDA	**$**	**68.0**	$	66.2
Revenue	**$**	**497.1**	$	462.6
Operating margin		**13.7%**		14.3%

Operating Margin as a Percentage of Net Revenue[1]

Operating margin as a percentage of net revenue[1] is a supplementary financial measure and is defined as OIBDA divided by net revenue[1]. Management relies on operating margin as a percentage of net revenue[1] 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			
		2025		**2024**
OIBDA	**$**	**68.0**	$	66.2
Net revenue[1]	**$**	**455.8**	$	422.1
Operating margin as a percentage of net revenue		**14.9%**		15.7%

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			
		2025		**2024**
Purchase of property, plant and equipment	**$**	**13.7**	$	19.2
Proceeds on sale of property, plant and equipment		**(5.0)**		(1.6)
Net capital expenditures	**$**	**8.7**	$	17.6

Net Cash From Operating Activities Per Share

Net cash from operating activities 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			
		2025		**2024**
Net cash from operating activities	**$**	**39.9**	$	38.6
Weighted average number of Common Shares outstanding		**87,646,158**		88,052,799
Net cash from operating activities per share	**$**	**0.46**	$	0.44

[1] Refer to the section entitled "Non-IFRS Financial Measures".

Return On Equity

Return on equity is a supplementary financial measure and is defined as net income divided by average equity during the period. Management relies on return on equity to assist in capital allocation and to ensure we generate an appropriate return as compared to the associated risk.

(unaudited) *($ millions)*	Trailing twelve months ended March 31	
	2025	**2024**
Net income	**$ 107.8**	$ 127.2
Average equity	**$ 997.1**	$ 964.6
Return on equity	**10.8%**	13.2%

Capital Management Measures

Capital management measures are financial measures disclosed by a company that (a) are intended to enable users to evaluate a company's objectives, policies and processes for managing the entity's capital, (b) are not a component of a line item disclosed in the primary financial statements of the company, (c) are disclosed in the notes of the financial statements of the company, and (d) are not disclosed in the primary financial statements of the company. The Corporation has disclosed the following capital management measures.

Total Net Debt – 2014 Notes Calculation

The term "2014 *total net debt*" is defined in the 2014 Notes agreement as all debt including the Private Placement Debt, lease liabilities, the Bank 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. 2014 total net debt specifically excludes the Debentures. 2014 total net debt is defined within 2014 Notes agreement and is used to calculate our 2014 total net debt to 2014 operating cash flow covenant. Management calculates and discloses 2014 total net debt to provide users of this MD&A with an understanding of how our debt covenant is calculated.

(unaudited) *($ millions)*	**March 31, 2025**
Private Placement Debt (including the current portion)	**$ 649.0**
Lease liabilities (including the current portion)	**217.6**
Bank indebtedness	**7.2**
Letters of credit	**3.6**
Long-term debt (including the current portion)	**0.1**
Total debt	**877.5**
Less: unrealized gain on Cross-Currency Swaps	**(31.1)**
Add: unrealized loss on Cross-Currency Swaps	**—**
2014 total net debt	**$ 846.4**

Total Net Debt – 2024 Notes Calculation

The term "2024 *total net debt*" is defined in the 2024 Notes agreement as all debt including the Debentures, the Private Placement Debt, lease liabilities associated with operating equipment, the Bank 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. 2024 total net debt specifically excludes any real property lease liabilities. 2024 total net debt is defined within our 2024 Notes agreement and is used to calculate our 2024 total net debt to 2024 operating cash flow covenant. Management calculates and discloses 2024 total net debt to provide users of this MD&A with an understanding of how our debt covenant is calculated.

(unaudited) *($ millions)*	**March 31, 2025**
Private Placement Debt (including the current portion)	**$ 649.0**
Lease liabilities (including the current portion)	**217.6**
Debentures	**121.1**
Bank indebtedness	**7.2**
Letters of credit	**3.6**
Long-term debt (including the current portion)	**0.1**
Total debt	**998.6**
Less: real property lease liabilities	**(203.5)**
Less: unrealized gain on Cross-Currency Swaps	**(31.1)**
Add: unrealized loss on Cross-Currency Swaps	—
2024 total net debt	**$ 764.0**

MARCH 31, 2025

INTERIM FINANCIAL REPORT

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(unaudited) *(thousands)*	Note		March 31 2025		December 31 2024
Assets					
Current assets:					
Cash and cash equivalents		$	**131,150**	$	126,286
Trade and other receivables	**5**		**303,276**		292,273
Inventory			**46,647**		45,735
Prepaid expenses			**24,679**		22,612
Current tax receivable			**8,899**		7,519
			514,651		494,425
Non-current assets:					
Property, plant and equipment			**1,038,250**		1,046,150
Right-of-use assets			**204,370**		217,682
Goodwill			**374,877**		374,205
Intangible assets			**110,190**		112,221
Investments			**44,207**		44,216
Deferred tax assets			**7,015**		7,142
Derivative financial instruments	**6**		**31,116**		30,560
Other assets			**8,067**		5,887
			1,818,092		1,838,063
Total Assets		$	**2,332,743**	$	2,332,488
Liabilities and Equity					
Current liabilities:					
Bank indebtedness	**9**	$	**7,200**	$	—
Accounts payable and accrued liabilities			**171,494**		159,023
Dividends payable	**7**		**6,123**		6,137
Current tax payable			**509**		4,322
Lease liabilities – current portion			**42,576**		43,433
Current portion of long-term debt	**9**		**25**		25
			227,927		212,940
Non-current liabilities:					
Convertible debentures – debt component	**9**		**121,088**		120,501
Long-term debt	**9**		**649,102**		649,257
Lease liabilities			**175,037**		184,340
Decommissioning liabilities			**1,658**		1,652
Deferred tax liabilities			**145,437**		146,925
			1,092,322		1,102,675
Equity:					
Share capital	**10**		**795,035**		797,814
Convertible debentures – equity component			**9,116**		9,116
Contributed surplus			**21,144**		20,880
Accumulated other comprehensive income			**4,258**		4,283
Retained earnings			**182,941**		184,780
			1,012,494		1,016,873
Subsequent event	**17**				
Total Liabilities and Equity		$	**2,332,743**	$	2,332,488

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 22, 2025, after review by the Audit Committee.

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

"Signed: Richard Whitley"
Richard Whitley, Director

CONDENSED CONSOLIDATED STATEMENT OF INCOME

(unaudited) *(thousands, except per share amounts)*	**Note**	**Three month periods ended March 31** **2025**	 **2024**
Revenue	**13**	**$ 497,143**	$ 462,585
Direct operating expenses		**355,381**	330,341
Selling and administrative expenses		**73,785**	66,052
Operating income before depreciation and amortization		**67,977**	66,192
Depreciation of property, plant and equipment		**17,769**	17,343
Depreciation of right-of-use assets		**12,226**	7,505
Amortization of intangible assets		**4,129**	3,209
Finance costs		**11,455**	9,125
Net foreign exchange (gain) loss	**6**	**(799)**	184
Other (income) expense	**14**	**(1,498)**	(1,019)
Income before income taxes		**24,695**	29,845
Income tax expense	**8**	**6,968**	7,627
Net income		**$ 17,727**	$ 22,218
Earnings per share:	**11**		
Basic		**$ 0.20**	$ 0.25
Diluted		**$ 0.20**	$ 0.25
Weighted average number of Common Shares outstanding:	**11**		
Basic		**87,646**	88,053
Diluted		**87,831**	97,254

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** **2025**	 **2024**
Net income	**$ 17,727**	$ **22,218**
Other comprehensive income *Items that may be reclassified subsequently to statement of income*		
Exchange differences from translating foreign operations	**(25)**	**577**
Other comprehensive (loss) income, net of tax	**(25)**	**577**
Total comprehensive income	**$ 17,702**	$ **22,795**

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, 2025		**$ 797,814**	**$ 9,116**	**$ 20,880**	**$ 4,283**	**$ 184,780**	**$ 1,016,873**
Net income for the period		**—**	**—**	**—**	**—**	**17,727**	**17,727**
Other comprehensive (loss) income, net of tax		**—**	**—**	**—**	**(25)**	**—**	**(25)**
Common Shares repurchased	**10**	**(2,779)**	**—**	**—**	**—**	**(1,174)**	**(3,953)**
Stock-based compensation expense		**—**	**—**	**264**	**—**	**—**	**264**
Dividends declared to common shareholders	**7**	**—**	**—**	**—**	**—**	**(18,392)**	**(18,392)**
Balance at March 31, 2025		**$ 795,035**	**$ 9,116**	**$ 21,144**	**$ 4,258**	**$ 182,941**	**$ 1,012,494**

(unaudited) (*thousands*)	Note	Share capital	Convertible debentures – equity component	Contributed surplus	Accumulated Other Comprehensive Income	Retained earnings	Total
Balance at January 1, 2024		$ 801,255	$ 9,116	$ 20,141	$ 2,298	$ 142,074	$ 974,884
Net income for the period		—	—	—	—	22,218	22,218
Other comprehensive (loss) income, net of tax		—	—	—	577	—	577
Common Shares repurchased	**10**	(577)	—	—	—	(214)	(791)
Common Shares issued on exercise of stock options	**10**	482	—	(76)	—	—	406
Stock-based compensation expense		—	—	188	—	—	188
Dividends declared to common shareholders	**7**	—	—	—	—	(15,848)	(15,848)
Balance at March 31, 2024		$ 801,160	$ 9,116	$ 20,253	$ 2,875	$ 148,230	$ 981,634

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 2025	 2024
Cash provided by (used in):			
Cash flows from operating activities:			
Net income		**$ 17,727**	$ 22,218
Adjustments for:			
Depreciation and amortization		**34,124**	28,057
Finance costs		**11,455**	9,125
Stock-based compensation expense		**264**	188
Foreign exchange (gain) loss on cross-currency swaps	**6**	**(556)**	(7,235)
Foreign exchange (gain) loss		**(333)**	7,597
Other (income) expense	**14**	**(1,498)**	(1,019)
Income tax expense	**8**	**6,968**	7,627
Cash flows from operating activities before non-cash working capital items		**68,151**	66,558
Changes in non-cash working capital items from operating activities	**15**	**(13,364)**	(15,286)
Cash generated from operating activities		**54,787**	51,272
Income tax paid		**(14,881)**	(12,638)
Net cash from operating activities		**39,906**	38,634
Cash flows from financing activities:			
Bank indebtedness	**9**	**7,200**	17,800
Repurchase of Common Shares	**10**	**(2,653)**	(791)
Cash dividends paid to common shareholders		**(18,406)**	(15,849)
Interest paid		**(1,843)**	(2,165)
Repayment of long-term debt and loans		**(4)**	(806)
Repayment of lease liabilities		**(11,729)**	(8,044)
Net proceeds from Common Share issuances		**—**	406
Changes in non-cash working capital items from financing activities	**15**	**1,015**	846
Net cash used in financing activities		**(26,420)**	(8,603)
Cash flows from investing activities:			
Acquisitions net of cash acquired		**(1,641)**	—
Purchase of property, plant and equipment		**(13,697)**	(19,155)
Proceeds on sale of property, plant and equipment		**5,013**	1,594
Interest received		**1,492**	250
Net investment in finance leases		**267**	44
Other assets		**(25)**	(32)
Dividends from equity investees		**300**	—
Changes in non-cash working capital items from investing activities	**15**	**(440)**	(2,210)
Net cash used in investing activities		**(8,731)**	(19,509)
Change in cash and cash equivalents		**4,755**	10,522
Cash and cash equivalents at January 1		**126,286**	2,295
Effect of exchange rate fluctuations on cash held		**109**	(725)
Cash and cash equivalents at March 31		**$ 131,150**	$ 12,092

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, as issued by the International Accounting Standards Board ("**IFRS Accounting Standards**") as set out in 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. Material 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, 2024, (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, 2025 **Financial Instrument**	**Fair Value Hierarchy**		**Carrying Amount**		**Fair Value**
Investments (excluding investments accounted for by using the equity method)	Level 1	$	1,635	$	1,635
Derivative Financial Instruments[(1)]	Level 2	$	31,116	$	31,116
Private Placement Debt	Level 2	$	649,032	$	639,252
Convertible Debentures – debt component	Level 2	$	121,088	$	120,486

[(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.*

5. Trade and Other Receivables

		March 31 2025		**December 31 2024**
Trade receivables	**$**	**256,462**	$	256,404
Other receivables		**42,192**		30,138
Net investment in finance leases		**1,215**		983
Contract assets		**3,407**		4,748
	$	**303,276**	$	292,273

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

6. 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 matured on October 22, 2024 and mature on October 22, 2026, respectively. These Cross-Currency Swaps provide an economic hedge on the principal amount of the Series G and Series H Notes. As at March 31, 2025, the carrying value of these Cross-Currency Swaps was $31.1 million (December 31, 2024 – $30.6 million) and was recorded in the condensed consolidated statement of financial position within derivative financial instruments.

For the three month period ended March 31, 2025, Mullen Group has recorded a net foreign exchange (gain) loss of $(0.8) million (2024 – $0.2 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 (Gain) Loss	**Three month periods ended March 31**			
	CDN. $ Equivalent			
		2025		**2024**
Foreign exchange (gain) loss on U.S. $ debt	**$**	**(243)**	$	7,419
Foreign exchange (gain) loss on Cross-Currency Swaps		**(556)**		(7,235)
Net foreign exchange (gain) loss	**$**	**(799)**	$	184

For the three month period ended March 31, 2025, Mullen Group recorded a foreign exchange (gain) loss on U.S. dollar debt of $(0.2) million (2024 – $7.4 million) as summarized in the table below:

Foreign Exchange (Gain) Loss on U.S. $ Debt	**Three month periods ended March 31**					
	2025			**2024**		
($ thousands, except exchange rate amounts)	**U.S. $ Debt**	**Exchange Rate**	**CDN. $ Equivalent**	**U.S. $ Debt**	**Exchange Rate**	**CDN. $ Equivalent**
Beginning – January 1	**187,000**	**1.4389**	**269,074**	229,000	1.3226	302,875
Ending – March 31	**187,000**	**1.4376**	**268,831**	229,000	1.3550	310,294
Unrealized foreign exchange (gain) loss on U.S. debt			**(243)**			7,419

For the three month period ended March 31, 2025, Mullen Group recorded a foreign exchange (gain) loss on its Cross-Currency Swaps of $(0.6) million (2024 – $(7.2) 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 (Gain) Loss on Cross-Currency Swaps	**Three month periods ended March 31**			
	2025		**2024**	
	U.S. $ Swaps	**CDN. $ Change in Fair Value of Swaps**	**U.S. $ Swaps**	**CDN. $ Change in Fair Value of Swaps**
Cross-Currency Swap matured October 22, 2024		**—**	**117,000**	(4,071)
Cross-Currency Swap maturing October 22, 2026	**112,000**	**(556)**	**112,000**	(3,164)
Foreign exchange (gain) loss on Cross-Currency Swaps		**(556)**		(7,235)

7. Dividends Payable

For the three month period ended March 31, 2025, Mullen Group declared dividends totalling $0.21 per Common Share (2024 – $0.18 per Common Share). On December 9, 2024, Mullen Group announced its intention to pay annual dividends of $0.84 per Common Share ($0.07 per Common Share on a monthly basis) for 2025. At March 31, 2025, Mullen Group had 87,467,834 Common Shares outstanding and a dividend payable of $6.1 million (December 31, 2024 – $6.1 million), which was paid on April 15, 2025. Mullen Group also declared a dividend of $0.07 per Common Share on April 21, 2025, to the holders of record at the close of business on April 30, 2025.

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

8. 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			
		2025		**2024**
Income before income taxes	**$**	**24,695**	$	29,845
Combined statutory tax rate		**25%**		25%
Expected income tax		**6,174**		7,461
Add (deduct):				
Non-deductible (taxable) portion of net foreign exchange (gain) loss		**(92)**		21
Non-deductible (taxable) portion of the change in fair value of investments		**7**		(20)
Stock-based compensation expense		**61**		43
Changes in unrecognized deferred tax asset		**961**		21
Other		**(143)**		101
Income tax expense	**$**	**6,968**	$	7,627

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

As at March 31, 2025, Mullen Group had four credit facilities (the "**Bank Credit Facilities**") that provide revolving demand credit and borrowing capacity to the Corporation of $525.0 million. The Bank Credit Facilities rank pari passu with the Private Placement Debt and are secured. As at March 31, 2025, there was $7.2 million drawn on the Bank Credit Facilities. The Bank Credit Facilities do not have any financial covenants, however, Mullen Group cannot be in default of its 2014 Notes, its 2024 Notes, 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. The Bank Credit Facilities are included within bank indebtedness on the consolidated statement of financial position.

The Private Placement Debt and the Bank Credit Facilities are guaranteed by Mullen Group's subsidiaries, MT Investments Inc. ("MT") and MGL Holding Co. Ltd. (each, a "**Guarantor**") and secured by a first ranking charge over all present and after-acquired property of the Corporation and each Guarantor.

Mullen Group has $3.6 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 Bank Credit Facilities.

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

Notes	**Principal amount**		**Maturity**	**Interest Rate[1]**
Series H	$	112,000 U.S.	October 22, 2026	3.94%
Series J	$	3,000 CDN.	October 22, 2026	4.00%
Series L	$	80,000 CDN.	October 22, 2026	4.07%
Series M	$	300,000 CDN.	July 10, 2034	5.93%
Series N	$	75,000 U.S.	July 10, 2034	6.50%

[1] *Interest is payable semi-annually.*

Together the Series H Notes, Series J Notes and Series L Notes are collectively referred to as the "**2014 Notes**". Mullen Group has certain financial covenants that must be met under its secured 2014 Notes, 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 "**2014 total net debt**" is defined in the 2014 Notes agreement as all debt including the 2014 Notes, the 2024 Notes, lease liabilities, the Bank 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. 2014 total net debt specifically excludes the Debentures. The term "**2014 operating cash flow**" is also defined in the 2014 Notes 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 2014 Notes financial covenants.

Mullen Group entered into Cross-Currency Swaps to swap the principal amount of the Series G and Series H Notes into Canadian dollars at foreign exchange rates of $1.1047 and $1.1148 that matured on October 22, 2024 and matures on October 22, 2026, respectively. ▶ **For more information, refer to Note 6.**

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

On July 10, 2024, the Corporation closed a private placement (the "**Offering**") whereby it issued the Series M Notes and Series N Notes (collectively, the "**2024 Notes**"). Interest on the 2024 Notes accrue from the date of issuance and are payable semi-annually in arrears on June 7 and December 7, beginning December 7, 2024.

Mullen Group has certain financial covenants that must be met under its 2024 Notes, which include a total net debt to operating cash flow ratio and a total fixed charges coverage 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 "**2024 total net debt**" is defined in the 2024 Note agreement as all debt including the Debentures, the 2014 Notes, the 2024 Notes, lease liabilities associated with operating equipment, the Bank 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. 2024 total net debt specifically excludes any real property lease liabilities. The term "**2024 operating cash flow**" is also defined in the 2024 Note 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, (iv) interest charges with respect to the Debentures; and (v) 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 2024 Note financial covenants.

Mullen Group's unamortized debt issuance costs of $2.8 million related to its Private Placement Debt have been netted against its carrying value at March 31, 2025 (December 31, 2024 – $2.9 million).

The following table summarizes the Corporation's long-term debt, lease liabilities and Bank Credit Facilities:

		March 31, 2025		December 31, 2024
Current liabilities:				
Lease liabilities – current portion		**42,576**		43,433
Current portion of long-term debt		**25**		25
Bank indebtedness		**7,200**		—
		49,801		43,458
Non-current liabilities:				
Private Placement Debt		**649,032**		649,182
Lease liabilities		**175,037**		184,340
Long-term debt		**70**		75
		824,139		833,597
	$	**873,940**	$	877,055

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

	Year of Maturity	Interest Rate	**March 31, 2025** Face Value	**March 31, 2025** Carrying Amount	December 31, 2024 Face Value	December 31, 2024 Carrying Amount
			$	**$**	$	$
Bank indebtedness	—	Variable	**7,200**	**7,200**	—	—
Lease liabilities	2025 – 2059	3.20%	**247,009**	**217,613**	257,474	227,773
2014 Notes	2026	3.94% - 4.07%	**244,012**	**243,890**	244,157	244,015
2024 Notes	2034	5.93% - 6.50%	**407,820**	**405,142**	407,918	405,167
Various financing loans	2025 – 2027	5.99%	**95**	**95**	100	100
			906,136	**873,940**	909,649	877,055

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, 2025, was $121.1 million (December 31, 2024 – $120.5 million). The conversion price of the Debentures is subject to adjustment per the Debentures agreement. As of March 31, 2025, the conversion price of the Debentures was $13.71. Each $1,000 Debenture is convertible into 72.9395 Common Shares of Mullen Group.

On March 7, 2025, Mullen Group received approval to commence a normal course issuer bid for the Debentures (the "**Debenture NCIB**"). Mullen Group may repurchase from time to time up to a maximum of $12.0 million principal amount of Debentures, representing 10% of the Corporation's Public Float of the Debentures. The Debenture NCIB commenced on March 11, 2025, and expires at the closing of trading on March 10, 2026. For the three month period ended March 31, 2025, Mullen Group did not repurchase any Debentures under the Debenture NCIB.

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

10. 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.

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

	# of Common Shares	
	2025	**2024**
Issued Common Shares at January 1	**87,670,314**	88,074,042
Common Shares repurchased and cancelled	**(202,480)**	(56,608)
Stock Options exercised	**—**	40,000
Issued Common Shares at March 31	**87,467,834**	88,057,434

Mullen Group had a normal course issuer bid ("**NCIB**"), commencing March 11, 2024, to purchase for cancellation up to 8,220,349 Common Shares in the open market on or before March 10, 2025. On March 7, 2025, Mullen Group announced the renewal of its NCIB commencing March 11, 2025, to purchase for cancellation up to 8,157,012 Common Shares in the open market on or before March 10, 2026. For the three month period ended March 31, 2025, Mullen Group had purchased and cancelled 202,480 Common Shares for $2.7 million under its NCIB programs. Mullen Group has also repurchased 107,840 Common Shares that are scheduled to be cancelled in April 2025.

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

11. 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, 2025, was $17.7 million (2024 – $22.2 million). The weighted average number of Common Shares outstanding for the three month periods ended March 31, 2025 and 2024 was calculated as follows:

		Three month periods ended March 31	
	Note	**2025**	**2024**
Issued Common Shares at beginning of period	**10**	**87,670,314**	88,074,042
Effect of Common Shares repurchased and cancelled	**10**	**(24,156)**	(37,946)
Effect of stock options exercised	**10**	**—**	16,703
Weighted average number of Common Shares at end of period – basic		**87,646,158**	88,052,799

(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	
	2025	**2024**
Net income	**$ 17,727**	$ 22,218
Effect of the Debentures	**—**	1,788
Net income – adjusted	**$ 17,727**	$ 24,006

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

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

	Three month periods ended March 31	
	2025	**2024**
Weighted average number of Common Shares – basic	**87,646,158**	88,052,799
Effect of "in the money" stock options	**185,052**	272,957
Effect of the Debentures	**—**	8,928,571
Weighted average number of Common Shares at end of period – diluted	**87,831,210**	97,254,327

For the three month period ended March 31, 2025, 3,010,000 stock options (2024 – 2,717,500) 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, 2025 and 2024. For the three month period ended March 31, 2025, 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. For the three month period ended March 31, 2024, the Common Shares that would be issued upon conversion of the Debentures were included in the diluted weighted average calculation as their effect was dilutive.

12. 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.

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.

13. 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, 2025, the Less-Than-Truckload segment consisted of 12 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.

At March 31, 2025, the Logistics & Warehousing segment consisted of 11 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, 2025, the Specialized & Industrial Services segment consisted of 15 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, 2025, 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, 2025	**Less-Than-Truckload**	**Logistics & Warehousing**	**Specialized & Industrial Services**	**U.S. & International Logistics**	**Corporate**	**Intersegment eliminations**	**Total**
	$	**$**	**$**	**$**	**$**	**$**	**$**
Revenue by service line							
Transportation	**190,809**	**83,070**	**52,503**	**—**	**—**	**—**	**326,382**
Logistics	**4,265**	**35,034**	**9,917**	**44,895**	**—**	**—**	**94,111**
Rental	**132**	**2,244**	**8,791**	**—**	**952**	**—**	**12,119**
Other	**1,628**	**32,438**	**41,897**	**—**	**17**	**—**	**75,980**
Eliminations	**(5,350)**	**(985)**	**(908)**	**—**	**—**	**(4,206)**	**(11,449)**
	191,484	**151,801**	**112,200**	**44,895**	**969**	**(4,206)**	**497,143**
Timing of revenue recognition							
Over time	**190,940**	**85,315**	**69,080**	**—**	**952**	**—**	**346,287**
Point in time	**5,894**	**67,471**	**44,028**	**44,895**	**17**	**—**	**162,305**
Eliminations	**(5,350)**	**(985)**	**(908)**	**—**	**—**	**(4,206)**	**(11,449)**
	191,484	**151,801**	**112,200**	**44,895**	**969**	**(4,206)**	**497,143**

Three month period ended March 31, 2024	**Less-Than-Truckload**	**Logistics & Warehousing**	**Specialized & Industrial Services**	**U.S. & International Logistics**	**Corporate**	**Intersegment eliminations**	**Total**
	$	**$**	**$**	**$**	**$**	**$**	**$**
Revenue by service line							
Transportation	174,233	75,301	56,261	—	—	—	305,795
Logistics	12,322	23,976	14,165	44,354	—	—	94,817
Rental	45	1,862	6,939	—	973	—	9,819
Other	828	26,257	35,230	—	17	—	62,332
Eliminations	(4,888)	(1,136)	(698)	—	—	(3,456)	(10,178)
	182,540	126,260	111,897	44,354	990	(3,456)	462,585
Timing of revenue recognition							
Over time	174,278	77,163	69,297	—	974	—	321,712
Point in time	13,150	50,233	43,298	44,354	16	—	151,051
Eliminations	(4,888)	(1,136)	(698)	—	—	(3,456)	(10,178)
	182,540	126,260	111,897	44,354	990	(3,456)	462,585

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

14. Other (Income) Expense

	Three month periods ended March 31	
	2025	**2024**
Change in fair value of investments	**$ 51**	$ (170)
Gain on sale of property, plant and equipment	**(1,185)**	(505)
Earnings from equity investments	**(370)**	(350)
Accretion on decommissioning liabilities	**6**	6
Other (income) expense	**$ (1,498)**	$ (1,019)

15. Changes in Non-Cash Working Capital

	Three month periods ended March 31	
	2025	**2024**
Trade and other receivables	**$ (10,781)**	$ 278
Inventory	**(912)**	767
Prepaid expenses	**(2,077)**	(3,094)
Accounts payable and accrued liabilities	**981**	(14,601)
	$ (12,789)	$ (16,650)

	Three month periods ended March 31	
	2025	**2024**
Changes in non-cash working capital items from:		
Operating activities	**$ (13,364)**	$ (15,286)
Financing activities	**1,015**	846
Investing activities	**(440)**	(2,210)
	$ (12,789)	$ (16,650)

16. 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, 2025	**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	**191,484**	**151,801**	**112,200**	**44,895**	**969**	**(1,241)**	**(1,719)**	**(1,246)**	**—**	**497,143**
Direct operating expenses	**133,307**	**104,664**	**80,420**	**41,240**	**(44)**	**(1,241)**	**(1,719)**	**(1,246)**	**—**	**355,381**
Selling and administrative expenses	**28,906**	**21,750**	**12,979**	**3,567**	**6,583**	**—**	**—**	**—**	**—**	**73,785**
Income (loss) before income taxes	**11,251**	**10,482**	**10,140**	**(966)**	**(6,212)**	**—**	**—**	**—**	**—**	**24,695**
Depreciation of property, plant and equipment	**6,297**	**3,678**	**6,036**	**—**	**1,758**	**—**	**—**	**—**	**—**	**17,769**
Amortization of intangible assets	**2,095**	**1,129**	**420**	**485**	**—**	**—**	**—**	**—**	**—**	**4,129**
Capital expenditures[(1)]	**8,757**	**1,209**	**3,286**	**—**	**575**	**—**	**(130)**	**—**	**—**	**13,697**
Total assets at March 31, 2025	**618,966**	**532,650**	**394,220**	**73,642**	**713,265**	**—**	**—**	**—**	**—**	**2,332,743**

[(1)] *Excludes business acquisitions.*

						Intersegment eliminations				
Three month period ended March 31, 2024	**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	182,540	126,260	111,897	44,354	990	(1,156)	(789)	(1,511)	—	462,585
Direct operating expenses	123,689	87,232	82,311	40,553	12	(1,156)	(789)	(1,511)	—	330,341
Selling and administrative expenses	28,024	16,508	12,837	3,284	5,399	—	—	—	—	66,052
Income (loss) before income taxes	14,647	13,658	6,443	(483)	(4,420)	—	—	—	—	29,845
Depreciation of property, plant and equipment	5,660	3,498	6,651	—	1,534	—	—	—	—	17,343
Amortization of intangible assets	1,698	635	420	456	—	—	—	—	—	3,209
Capital expenditures[(1)]	12,386	2,995	3,591	—	679	(26)	(50)	(420)	—	19,155
Total assets at December 31, 2024	599,298	560,517	395,044	67,304	710,325	—	—	—	—	2,332,488

[(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 Senior Executive Officer 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 for the three month periods ended March 31, 2025 and 2024.

2025		Revenue		Operating Income Before Depreciation and Amortization		Property, Plant and Equipment		Total Non-Current Assets		Total Assets
Canada	$	452,248	$	67,889	$	1,038,250	$	1,771,358	$	2,259,101
United States		44,895		88		—		46,734		73,642
Total	$	497,143	$	67,977	$	1,038,250	$	1,818,092	$	2,332,743

2024		Revenue		Operating Income Before Depreciation and Amortization		Property, Plant and Equipment		Total Non-Current Assets		Total Assets
Canada	$	418,231	$	65,675	$	1,035,915	$	1,612,829	$	1,991,043
United States		44,354		517		—		46,311		67,166
Total	$	462,585	$	66,192	$	1,035,915	$	1,659,140	$	2,058,209

17. Subsequent Event

On April 14, 2025, Mullen Group announced that it had entered into a definitive share purchase agreement to acquire the shares of Cole Group Inc., Cole International Inc., ABCO International Freight Inc. and all related entities (collectively the "**Cole Group**"). This transaction is scheduled to close in the second quarter, subject to receiving regulatory approvals.

The Cole Group is an industry leading privately owned, full spectrum logistics services company specializing in customs brokerage, freight forwarding and trade consulting operating throughout Canada and the U.S. Employing over 700 employees and operating from 43 locations throughout Canada and the U.S., which includes strategically situated offices at various air and seaports of entry and land border crossings, the Cole Group provides industry leading customs and logistics services to a diverse group of North American and international customers through a suite of proprietary technology solutions.

CORPORATE INFORMATION

DIRECTORS | OFFICERS

Murray Mullen
Chair of the Board, Senior Executive Officer,
President and Director

Sonia Tibbatts, MBA
Lead Director

Benoit Durand, CFA, ICD.D
Director

Laura Hartwell, ICD.D
Director

Stephen Lockwood, LLB
Director

Christine McGinley, CPA, CA, ICD.D
Director

Jamil Murji, CFA
Director

Richard Whitley, FCPA, FCA
Director

Richard Maloney
Senior Operating Officer

Joanna Scott
Senior Corporate Officer

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