



INTERIM REPORT

QUARTER THREE



FOR THE PERIOD ENDED
SEPTEMBER 30, 2024

CONTENTS

MANAGEMENT'S DISCUSSION AND ANALYSIS ("MD&A") 1

- HIGHLIGHTS 2
- CORPORATE PROFILE 4
- ALLOCATING SHAREHOLDER CAPITAL 5
- CONSOLIDATED FINANCIAL RESULTS 7
- SEGMENTED FINANCIAL RESULTS 15
- CAPITAL RESOURCES AND LIQUIDITY 29
- DEBT AND CONTRACTUAL OBLIGATIONS 31
- SHARE CAPITAL 33
- SUMMARY OF QUARTERLY RESULTS 34
- TRANSACTIONS WITH RELATED PARTIES 35
- PRINCIPAL RISKS AND UNCERTAINTIES 35
- CRITICAL ACCOUNTING ESTIMATES 35
- SIGNIFICANT ACCOUNTING POLICIES 35
- DISCLOSURE AND INTERNAL CONTROLS 35
- FORWARD-LOOKING INFORMATION STATEMENTS 36
- NON-IFRS FINANCIAL MEASURES 38
- OTHER FINANCIAL MEASURES 39

INTERIM FINANCIAL REPORT 41

- CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION 42
- CONDENSED CONSOLIDATED STATEMENT OF INCOME 43
- CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME 43
- CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 44
- CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS 45
- NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS 46

CORPORATE INFORMATION BC

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

This MD&A, dated October 23, 2024, has been prepared by management for the three and nine month periods ended September 30, 2024, and should be read in conjunction with (i) the audited annual consolidated financial statements for the fiscal year ended December 31, 2023 (the "**Annual Financial Statements**"), together with the Management's Discussion and Analysis thereon (the "**2023 MD&A**"), and (ii) the unaudited condensed interim consolidated financial statements for the three and nine month periods ended September 30, 2024, (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 October 23, 2024.

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**"). The Interim Financial Statements comply with IAS 34 Interim Financial Reporting and do not include all of the information required for annual financial statements. Unless otherwise indicated, all amounts contained in this MD&A are in Canadian funds, which is the functional currency of the Corporation.

ADVISORY:

Forward-looking statements – This MD&A reflects management's expectations regarding Mullen Group's future growth, financial condition, results of operations, performance, business prospects, strategies and opportunities and contains forward-looking statements and forward-looking information (collectively, "**forward-looking statements**") within the meaning of applicable securities laws. Wherever possible, words such as "anticipate", "may", "will", "believe", "expect", "potential", "continue", "view", "objective", "should", "plan", "intend", "ongoing", "estimate", "project" or similar expressions have been used to identify these forward-looking statements. These statements reflect management's current beliefs and assumptions and are based on information currently available to management. Forward-looking statements involve significant inherent risks and uncertainties, numerous assumptions and the risk that the predictions and forward-looking statements will not be achieved and that the actual results or events may differ materially from those anticipated in such forward-looking statements. A number of factors could cause actual results, performance or achievements to differ materially from the results discussed or implied in the forward-looking statements. Although the forward-looking statements contained in this MD&A are based upon what management believes to be reasonable beliefs and assumptions, Mullen Group cannot assure readers that actual results will be consistent with these forward-looking statements. Some of the risks and uncertainties include, but are not limited to certain strategic, financial and operational risks, most important of which are: (i) strategic risks which include but are not limited to geopolitical risks such as a slowdown in the general economy; reduced oil and natural gas drilling and decreased oil sands and heavy oil activity; changes in legal frameworks applicable to the Corporation; e-commerce and supply chain evolution; acquisitions; competition; (ii) financial risks which include but are not limited to prevailing interest rates; foreign exchange rates; change in the return on fair value of investments; access to financing; reliance on major customers; customer relationships; impairment of goodwill or intangible assets; credit risk; and (iii) operational risks which include but are not limited to employees & labour relations; labour disruption and driver retention; cost escalation & fuel costs; accidents; cost of liability insurance; digital infrastructure & cyber security; business continuity, disaster recovery & crisis management; environmental liability risks; weather & seasonality; access to parts, development of new technology & relationships with key suppliers; pandemics; political unrest or wars; regulatory framework governing matters such as tax and the environment in the jurisdictions in which the Corporation conducts and will conduct its business; government mandates and litigation. Given these risks and uncertainties, readers should not place undue reliance on the forward-looking statements contained in this MD&A. Readers are cautioned that the foregoing list of factors and risks is not exhaustive. Additional information on these and other factors and risks that could affect the operations or financial results of Mullen Group may be found under the heading "Principal Risks and Uncertainties" starting on page 50 of the 2023 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 36 of this MD&A.

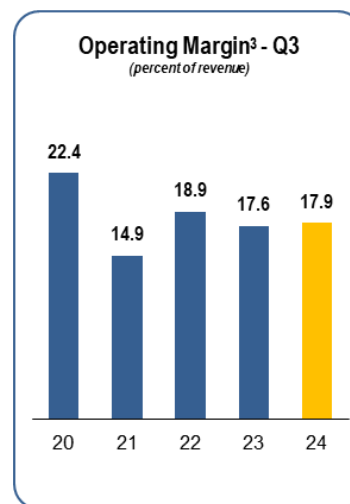
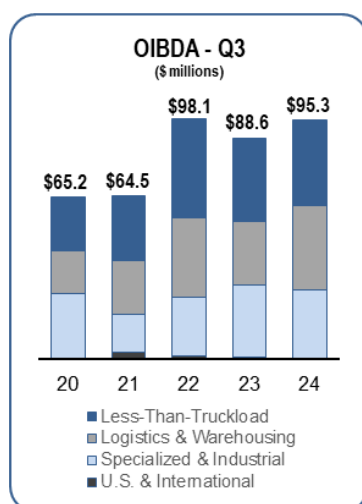
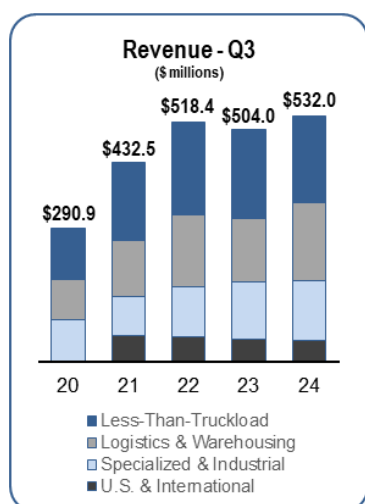
Non-IFRS Financial Measures and Other Financial Measures – Mullen Group reports on certain non-IFRS financial measures and ratios, which do not have a standard meaning under IFRS Accounting Standards and, therefore, may not be comparable to similar measures presented by other issuers. Management uses 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 – adjusted¹, earnings per share – adjusted¹, and net revenue¹ 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			Nine month periods ended		
	September 30			September 30		
	2024	2023	%	2024	2023	%
			Change			Change
Revenue						
Less-Than-Truckload	\$ 188.7	\$ 194.2	(2.8)	\$ 561.0	\$ 580.4	(3.3)
Logistics & Warehousing	168.9	137.1	23.2	446.1	424.1	5.2
Specialized & Industrial Services	131.8	125.4	5.1	353.3	345.5	2.3
U.S. & International Logistics	45.7	48.8	(6.4)	137.0	150.6	(9.0)
Corporate and intersegment eliminations	(3.1)	(1.5)	—	(7.2)	(4.5)	—
Total Revenue	\$ 532.0	\$ 504.0	5.6	\$ 1,490.2	\$ 1,496.1	(0.4)
OIBDA¹						
Less-Than-Truckload	\$ 35.7	\$ 34.5	3.5	\$ 104.0	\$ 100.8	3.2
Logistics & Warehousing	35.2	26.8	31.3	86.7	82.9	4.6
Specialized & Industrial Services	28.5	29.7	(4.0)	68.7	70.7	(2.8)
U.S. & International Logistics	0.3	1.1	(72.7)	1.6	3.2	(50.0)
Corporate	(4.4)	(3.5)	—	(13.8)	(8.6)	—
Total OIBDA	\$ 95.3	\$ 88.6	7.6	\$ 247.2	\$ 249.0	(0.7)
Net Income & Share Information						
Net income	\$ 38.3	\$ 39.1	(2.0)	\$ 93.4	\$ 107.3	(12.9)
Earnings per share – basic	\$ 0.44	\$ 0.44	—	\$ 1.06	\$ 1.19	(10.9)
Earnings per share – diluted	\$ 0.41	\$ 0.42	(2.4)	\$ 1.02	\$ 1.13	(9.7)
Net income – adjusted ²	\$ 35.8	\$ 38.0	(5.8)	\$ 91.1	\$ 104.0	(12.4)
Earnings per share – adjusted ²	\$ 0.41	\$ 0.43	(4.7)	\$ 1.04	\$ 1.15	(9.6)
Net cash from operating activities	\$ 66.2	\$ 49.6	33.5	\$ 184.7	\$ 171.8	7.5
Net cash from operating activities per share	\$ 0.75	\$ 0.56	33.9	\$ 2.10	\$ 1.90	10.5
Cash dividends declared per Common Share	\$ 0.20	\$ 0.18	11.1	\$ 0.56	\$ 0.54	3.7
Share price – September 30	\$ 14.23	\$ 13.42	6.0	\$ 14.23	\$ 13.42	6.0



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:

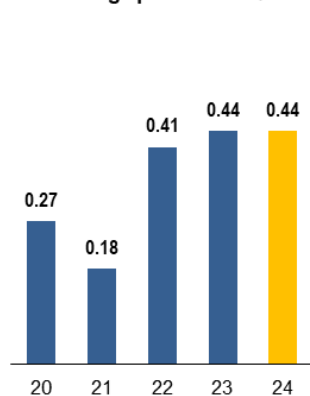
(unaudited) (\$ millions)	As at September 30		
	2024	2023	% Change
Cash (bank indebtedness) – net	\$ 344.4	\$ (104.8)	(428.6)
Working capital	\$ 296.8	\$ 91.9	223.0
Private Placement Debt – non-current portion	\$ 234.0	\$ 480.4	(51.3)
2024 Notes	\$ 398.4	\$ —	100.0
Convertible debentures – debt component	\$ 119.9	\$ 117.6	2.0
Lease liabilities – non-current portion	\$ 184.1	\$ 74.8	146.1
Total assets	\$ 2,574.6	\$ 2,102.6	22.4

- Well-structured balance sheet
 - Issued 2024 Notes by way of private placement of \$300.0 million at 5.93 percent per annum and US\$75.0 million at 6.5 percent per annum that mature in July 2034.
 - Working capital of \$296.8 million including \$344.4 million of cash.
- Repaid \$217.2 million of Private Placement Debt (net of Cross-Currency Swaps) on October 22, 2024, the original maturity date.
- Undrawn New Bank Credit Facilities with a borrowing capacity of \$525.0 million.
- Real estate – historical cost of \$653.2 million.

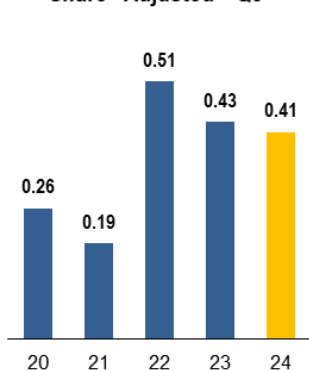
Q3 PROGRESS:

- Generated record quarterly revenues of \$532.0 million, OIBDA of \$95.3 million, and net income of \$38.3 million.
- Operating margins¹ improved by over 1.0 percent in both the LTL and L&W segments as compared to the prior year despite a more competitive operating environment.
- Increased the monthly dividend by 16.7 percent to \$0.07 equating to an annualized dividend of \$0.84 per Common Share.
- Return on equity was 15.3 percent in the quarter and 12.5 percent on a year to date basis.
- Invested \$11.6 million towards gross capital expenditures to improve operating efficiencies and to support our sustainability goals.
- Repurchased and cancelled 147,920 Common Shares for \$2.0 million representing an average price of \$13.36.

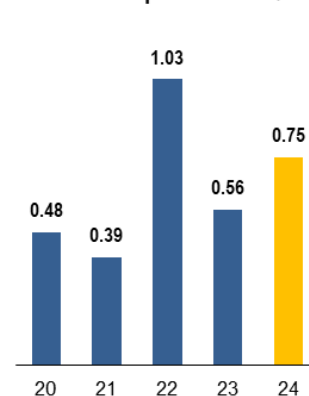
Earnings per Share - Q3



Earnings per Share - Adjusted² - Q3



Cash Flow per Share¹ - Q3



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

² Refer to the section entitled "Non-IFRS Financial Measures".



CORPORATE PROFILE

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

**WE ACQUIRE
COMPANIES AND
STRIVE TO IMPROVE
THEIR PERFORMANCE**

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

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

LTL

Less-Than-Truckload

The LTL segment is comprised of 11 regionally based Business Units focused on providing less-than-truckload ("**LTL**") shipments to over 5,000 communities throughout central and western Canada. Our extensive terminal network is generally regarded as one of the largest LTL networks in Canada, serving local and regional markets with a first and final mile service.

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

L&W

Logistics & Warehousing

We own a large network of Business Units providing shippers throughout North America with a wide range of trucking, 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.





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 14, 2024, 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.
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2024 INVESTMENTS	ContainerWorld Forwarding Services Inc. ("ContainerWorld") <ul style="list-style-type: none">Acquired on May 1, 2024, for total cash consideration of \$21.1 million for all of the outstanding shares including its operating subsidiaries.An integrated supply chain solutions company to the alcoholic beverage and hospitality industries.Operates a network of customs and sufferance bonded warehouses, providing inventory management, freight forwarding, warehousing and distribution services in British Columbia and Ontario.Financial results included within the L&W segment.
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Capital Expenditures

2024 PLAN

In December 2023, the Board approved an \$80.0 million capital budget for 2024, exclusive of corporate acquisitions, investment in facilities, land and buildings, with \$70.0 million allocated towards maintenance capital primarily to invest in trucks, trailers, specialized equipment and technology to improve the operations of the Business Units and \$10.0 million to invest specifically towards sustainability initiatives.

2024 PURCHASES

- In the third quarter of 2024 we invested \$11.3 million (YTD – \$48.2 million) in new operating equipment and \$0.3 million (YTD – \$1.6 million) into facilities.
- In 2024 we committed \$4.7 million of capital expenditures towards sustainability initiatives. Equipment consisting of CNG powered trucks, intermodal containers 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

2024 PLAN

The TSX approved the renewal of the normal course issuer bid ("**NCIB**") on March 7, 2024, to purchase for cancellation up to 8,220,349 Common Shares in the open market on or before March 10, 2025.

2024 REPURCHASES

- During the third quarter of 2024 we repurchased and cancelled 147,920 Common Shares (YTD – 490,728 Common Shares) for \$2.0 million (YTD – \$6.5 million), representing an average price of \$13.36 (YTD – \$13.16) per Common Share.
- As at February 28, 2024, the average daily trading volume of the Common Shares on the TSX ("**ADTV**") for the most recently completed six calendar months was 203,528. 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 percent of ADTV, which amounts to 50,882 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.

Dividends

2024 PLAN

In December 2023, we announced our intention to pay annual dividends of \$0.72 per Common Share (\$0.06 per Common Share on a monthly basis) for 2024.

2024 PAYMENTS

- On July 25, 2024, we announced an increase to the monthly dividend from \$0.06 to \$0.07 per Common Share effective as of the next regular dividend payment, which was payable on September 16, 2024.
- During the third quarter of 2024, we declared monthly dividends totalling \$0.20 (YTD – \$0.56) per Common Share, an increase from \$0.18 (YTD – \$0.54) per Common Share) of dividends declared in the same period last year.
- At September 30, 2024, we had 87,643,314 Common Shares outstanding and a dividend payable of \$6.1 million (December 31, 2023 – \$5.3 million), which was paid on October 15, 2024.
- On October 22, 2024, the Board declared a monthly dividend of \$0.07 per Common Share to the holders of record at the close of business on October 31, 2024.



CONSOLIDATED FINANCIAL RESULTS

THREE AND NINE MONTH PERIODS ENDED SEPTEMBER 30, 2024

Executive Summary

We generated solid results this quarter, including record revenues, despite no substantive growth in the economy and competitive markets, which has led to rate pressures in many verticals. Acquisitions, which is one of the key elements of our strategy, drove the revenue growth. This was also another quarter where our core Business Units continued to execute to plan. In addition, our focus on margin improvement over gaining market share is proving to be a successful strategy. The Business Units are working diligently on reducing costs and implementing efficiency initiatives, steps that contributed to the strong performance during the quarter.

The overall market conditions remain challenging. The Canadian economy continues to underperform due to the negative implications associated with inflation and stubbornly high interest rates, costs that have impacted consumer spending, along with constrained capital investment by the private sector. As a result, freight demand remains soft, and competition is driving pricing to levels not seen in years. Internal growth opportunities are limited to companies that have the lowest cost structure and provide competitive pricing options to customers.

Outlook

There does not appear to be any quick relief to the challenges the freight industry is currently facing. From our perspective, we believe that demand appears to have stabilized, but it is currently at levels not strong enough to drive pricing increases, which remains the achilles heel of the freight industry. In the absence of any structural improvement in demand, capacity must shrink. However, thus far in this economic cycle there has not been enough consolidation or right sizing of industry capacity to bring the markets back into balance. Until this occurs, or carriers become more margin focused, pricing will remain at or near current levels.

Under this scenario we need to be extremely disciplined and patient. Our diversified business model, which is anchored by several core Business Units operating in multiple verticals, will continue to support the overall business. In addition, we are in the enviable position of having a very strong balance sheet, an important element of an acquisition strategy. And, since we believe that acquisitions remain the only plausible means of growing in the near term, we will pursue opportunities that meet our base criteria. Our focus will be "tuck-in" opportunities that help consolidate regional markets, drive scale and provide operational synergies.

Revenue

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

Consolidated												
(unaudited) (\$ millions)	Three month periods ended September 30						Nine month periods ended September 30					
	2024		2023		Change		2024		2023		Change	
	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%
Company	379.9	71.4	345.6	68.6	34.3	9.9	1,042.6	70.0	1,008.2	67.4	34.4	3.4
Contractors	148.1	27.8	156.3	31.0	(8.2)	(5.2)	437.8	29.4	480.6	32.1	(42.8)	(8.9)
Other	4.0	0.8	2.1	0.4	1.9	90.5	9.8	0.6	7.3	0.5	2.5	34.2
Total	532.0	100.0	504.0	100.0	28.0	5.6	1,490.2	100.0	1,496.1	100.0	(5.9)	(0.4)

QTD: Consolidated revenues were \$532.0 million, a record as compared to any previous quarterly period and an increase of 5.6 percent, or \$28.0 million as compared to \$504.0 million in 2023. Revenue per day was \$8.6 million as compared to \$8.1 million in the third quarter of 2023. Revenue per day increased in the third quarter of 2024 mainly due to the incremental revenue generated from acquisitions. The number of working days remained consistent as there were 62 days in 2024 versus 62 in 2023.

QTD: Revenue Per Working Day					
(unaudited) (\$ millions)	2024		2023		Change
Revenue	\$	532.0	\$	504.0	\$ 28.0
Working Days		62		62	—
Revenue Per Working Day	\$	8.6	\$	8.1	\$ 0.5



The acquisition of ContainerWorld added \$33.6 million of incremental revenues, which was acquired effective May 1, 2024. Consolidated revenues in the quarter were impacted by a combination of factors, including:

- End consumer demand was generally consistent with last year. However, suppliers and manufacturers continued to be reluctant to increase inventory levels in 2024, which negatively impacted overall freight demand.
- Capital investment in Canada, most notably in the private sector of the economy, remained weak on a year over year basis.
- Major capital construction projects, most notably the Trans Mountain Expansion Project ("TMX") and the Coastal GasLink Pipeline Project ("CGL"), have essentially been completed and have not been replaced. The completion of these projects directly impacted our Premay Pipeline Hauling L.P. ("Premay Pipeline") Business Unit along with demand for other specialized services.
- Greater activity levels in western Canada associated with facility maintenance and turnaround projects supported demand levels within our S&I segment.
- Fuel surcharge revenue (excluding acquisitions) declined by \$1.6 million to \$51.8 million.

YTD: Consolidated revenues were \$1,490.2 million, a slight decrease of 0.4 percent, or \$5.9 million as compared to \$1,496.1 million in 2023. Revenues were lower this year as compared to the same period last year due to a slight decline in daily revenue generated by our 40 Business Units.

YTD: Revenue Per Working Day				
(unaudited) (\$ millions)	2024	2023	Change	
Revenue	\$ 1,490.2	\$ 1,496.1	\$	(5.9)
Working Days	188	188		—
Revenue Per Working Day	\$ 7.9	\$ 8.0	\$	(0.1)

- The soft environment for freight and logistics demand led to a year over year decline in revenues of \$72.9 million (excluding acquisitions and fuel surcharge).
- Fuel surcharge revenues declined by \$14.0 million (excluding acquisitions) to \$155.0 million due to the decrease in the price of diesel fuel.
- Acquisitions added \$81.0 million of incremental revenue, offsetting most of the revenue declines.

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.

Consolidated												
(unaudited) (\$ millions)	Three month periods ended September 30						Nine month periods ended September 30					
	2024		2023		Change		2024		2023		Change	
	\$	%*	\$	%*	\$	%	\$	%*	\$	%*	\$	%
Company												
Wages and benefits	87.3	23.0	82.1	23.8	5.2	6.3	240.7	23.1	235.1	23.3	5.6	2.4
Fuel	26.7	7.0	27.1	7.8	(0.4)	(1.5)	83.0	8.0	83.7	8.3	(0.7)	(0.8)
Repairs and maintenance	39.7	10.5	39.9	11.5	(0.2)	(0.5)	115.3	11.1	116.9	11.6	(1.6)	(1.4)
Purchased transportation	65.8	17.3	53.0	15.3	12.8	24.2	172.9	16.6	155.2	15.4	17.7	11.4
Operating supplies	19.7	5.2	18.4	5.3	1.3	7.1	56.3	5.4	61.5	6.1	(5.2)	(8.5)
Other	11.0	2.9	9.6	2.9	1.4	14.6	29.8	2.7	26.9	2.7	2.9	10.8
	250.2	65.9	230.1	66.6	20.1	8.7	698.0	66.9	679.3	67.4	18.7	2.8
Contractors	114.6	77.4	122.0	78.1	(7.4)	(6.1)	337.6	77.1	372.6	77.5	(35.0)	(9.4)
Total	364.8	68.6	352.1	69.9	12.7	3.6	1,035.6	69.5	1,051.9	70.3	(16.3)	(1.5)

*as a percentage of respective Consolidated revenue

QTD: Consolidated DOE increased by \$12.7 million to \$364.8 million, or 3.6 percent, as compared to \$352.1 million in 2023, due to the \$28.0 million increase in consolidated revenues. DOE as a percentage of consolidated revenue improved as compared to 2023. The highlights were:



- Expenses related to operating company owned equipment decreased as a percentage of Company revenue, with operating margins¹ improving year over year, most notably in the LTL segment and the L&W segment. These improvements were somewhat offset by increased Company costs as a percentage of revenue in the S&I segment.
- Contractors costs decreased by \$7.4 million due to the \$8.2 million decline in Contractors revenue. In percentage terms, these costs decreased by 0.7 percent, mainly because of improved margins within the L&W segment.

YTD: Consolidated DOE decreased by \$16.3 million to \$1,035.6 million, or 1.5 percent, as compared to \$1,051.9 million in 2023, primarily due to the \$5.9 million decrease in consolidated revenues. DOE as a percentage of consolidated revenue improved as compared to 2023. The highlights were:

- Company costs increased in absolute dollar terms due to higher Company revenue. As a percentage of Company revenue, Company costs decreased by 0.5 percent mainly due to improved operating margins¹ in the LTL segment and the L&W segment, which was somewhat offset by lower operating margins¹ experienced in the S&I segment.
- Contractors costs decreased by \$35.0 million due to the \$42.8 million decline in Contractors revenue. In percentage terms, these costs decreased slightly by 0.4 percent, mainly because of improved margins in the LTL segment and the S&I segment, being somewhat offset by lower margins experienced in the US 3PL segment.

Selling and Administrative Expenses

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

Consolidated												
(unaudited) (\$ millions)	Three month periods ended September 30						Nine month periods ended September 30					
	2024		2023		Change		2024		2023		Change	
	\$	%*	\$	%*	\$	%	\$	%*	\$	%*	\$	%
Wages and benefits	41.8	7.9	39.4	7.8	2.4	6.1	123.2	8.3	116.5	7.8	6.7	5.8
Communications, utilities and general supplies	19.5	3.7	16.7	3.3	2.8	16.8	59.3	4.0	54.5	3.6	4.8	8.8
Profit share	5.2	1.0	4.8	1.0	0.4	8.3	14.1	0.9	14.2	0.9	(0.1)	(0.7)
Foreign exchange	1.5	0.3	(0.8)	(0.2)	2.3	(287.5)	(0.1)	—	—	—	(0.1)	—
Stock-based compensation	0.2	—	0.3	0.1	(0.1)	(33.3)	0.6	—	0.8	0.1	(0.2)	(25.0)
Rent and other	3.7	0.6	2.9	0.6	0.8	27.6	10.3	0.7	9.2	0.6	1.1	12.0
Total	71.9	13.5	63.3	12.6	8.6	13.6	207.4	13.9	195.2	13.0	12.2	6.3

*as a percentage of total Consolidated revenue

QTD: S&A expenses rose by \$8.6 million to \$71.9 million as compared to \$63.3 million in 2023 due to:

- Incremental S&A expenses of \$5.7 million associated with acquisitions.
- A \$2.3 million negative variance in foreign exchange.
- Inflationary pressures including cost of living wage increases and higher utilities and general supplies costs.

As a percentage of revenue, S&A expenses increased to 13.5 percent from 12.6 percent last year, due to the combination of higher S&A costs experienced at ContainerWorld and from the negative variance in foreign exchange.

YTD: S&A expenses rose by \$12.2 million to \$207.4 million as compared to \$195.2 million in 2023 due to:

- Incremental S&A expenses of \$12.4 million associated with acquisitions.
- Inflationary pressures including cost of living wage increases and higher utilities and general supplies costs.
- These increases were somewhat offset by lower stock-based compensation, lower profit share and a positive variance in foreign exchange.

As a percentage of revenue, S&A expenses increased to 13.9 percent from 13.0 percent last year, due to the combination of lower consolidated revenues and the relatively fixed nature of S&A expenses and higher S&A costs at ContainerWorld.

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



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.

Consolidated												
(unaudited) (\$ millions)	Three month periods ended September 30						Nine month periods ended September 30					
	2024		2023		Change		2024		2023		Change	
	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%
LTL	35.7	37.5	34.5	38.9	1.2	3.5	104.0	42.1	100.8	40.5	3.2	3.2
L&W	35.2	36.9	26.8	30.2	8.4	31.3	86.7	35.1	82.9	33.3	3.8	4.6
S&I	28.5	29.9	29.7	33.5	(1.2)	(4.0)	68.7	27.8	70.7	28.4	(2.0)	(2.8)
US 3PL	0.3	0.3	1.1	1.2	(0.8)	(72.7)	1.6	0.6	3.2	1.3	(1.6)	(50.0)
Corporate	(4.4)	(4.6)	(3.5)	(3.8)	(0.9)	25.7	(13.8)	(5.6)	(8.6)	(3.5)	(5.2)	60.5
Total	95.3	100.0	88.6	100.0	6.7	7.6	247.2	100.0	249.0	100.0	(1.8)	(0.7)

QTD: OIBDA increased by \$6.7 million, or 7.6 percent, to \$95.3 million as acquisitions added \$6.4 million of incremental OIBDA. The LTL segment and the L&W segment (excluding acquisitions) experienced improved results, which was somewhat offset by lower OIBDA in the S&I and US 3PL segments and from higher Corporate costs. Other notable highlights were:

- Operating margin¹ increased to 17.9 percent as compared to 17.6 percent last year due to lower DOE as a percentage of consolidated revenue despite more competitive pricing conditions in certain markets and a reduction in higher margin specialized business. S&A expenses increased as a percentage of consolidated revenue resulting from higher costs noted at ContainerWorld and from the negative variance in foreign exchange.

YTD: OIBDA decreased slightly by \$1.8 million, or 0.7 percent, to \$247.2 million from \$249.0 million in 2023 due to higher Corporate costs and from lower OIBDA at existing Business Units, most notably in the L&W segment due to a lack of capital projects and from lower OIBDA at certain Business Units in the S&I segment from the completion of TMX and CGL. These decreases were somewhat offset by \$14.2 million of incremental OIBDA from acquisitions and from improved results in the LTL segment.

- Operating margin¹ remained consistent at 16.6 percent as lower margins experienced in the L&W segment, the S&I segment and the US 3PL segment were somewhat offset by improved operating margin¹ in the LTL segment.

Depreciation of Property, Plant and Equipment

Consolidated						
(unaudited) (\$ millions)	Three month periods ended September 30			Nine month periods ended September 30		
	2024	2023	Change	2024	2023	Change
	\$	\$	\$	\$	\$	\$
LTL	5.9	6.1	(0.2)	17.4	16.6	0.8
L&W	3.9	3.7	0.2	11.2	10.8	0.4
S&I	6.8	6.8	—	20.1	20.5	(0.4)
US 3PL	—	—	—	—	1.0	(1.0)
Corporate	2.3	1.7	0.6	5.5	5.4	0.1
Total	18.9	18.3	0.6	54.2	54.3	(0.1)

- Depreciation in the third quarter increased as compared to 2023 due to higher depreciation in the L&W segment resulting from the acquisition of ContainerWorld and from higher depreciation in Corporate. These increases were somewhat offset by slightly lower depreciation in the LTL segment while the S&I segment remained consistent as compared to the same period last year.
- Depreciation in 2024 decreased as compared to 2023 due to the US 3PL segment fully depreciating its SilverExpress™ proprietary software in 2023 resulting in no depreciation expense in 2024. The S&I segment also recognized slightly lower depreciation expense. These decreases were somewhat offset by higher depreciation in the LTL segment due to an increase in capital expenditures within the segment, while the increase in the L&W segment was due to acquisitions.

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



Depreciation of Right-of-Use Assets

Consolidated						
(unaudited) (\$ millions)	Three month periods ended September 30			Nine month periods ended September 30		
	2024	2023	Change	2024	2023	Change
	\$	\$	\$	\$	\$	\$
LTL	4.0	4.9	(0.9)	12.4	13.8	(1.4)
L&W	7.6	2.1	5.5	15.8	6.2	9.6
S&I	0.5	0.3	0.2	1.7	0.7	1.0
US 3PL	0.1	0.1	—	0.3	0.5	(0.2)
Corporate	0.1	—	0.1	0.5	—	0.5
Total	12.3	7.4	4.9	30.7	21.2	9.5

- Depreciation of right-of-use assets increased in the third quarter and in 2024 as compared to the corresponding prior year periods and was mainly due to leases associated with the acquisition of ContainerWorld in the L&W segment.
- Depreciation of right-of-use assets increased in the S&I segment due to facility leases entered into on the B. & R. Eckel's Transport Ltd. ("B&R") acquisition in May 2023.
- In 2024 depreciation of right-of-use assets in Corporate consists of B&R's LTL facility leases that were vacated and no longer assigned to a Business Unit. These leases expired in May 2024 and were not renewed. The decrease in the LTL segment was mainly due to reorganizing the operations of B&R.

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 \$3.8 million in the third quarter of 2024 as compared to \$3.3 million in the third quarter of 2023. This increase of \$0.5 million was mainly due to the additional amortization recorded on the intangible assets associated with our recent acquisitions. Amortization of intangible assets was \$10.6 million in 2024 as compared to \$10.3 million in 2023. This increase of \$0.3 million was mainly due to certain intangible assets becoming fully amortized being somewhat offset by 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 31); the 2024 Notes (as hereafter defined on page 31); the Debentures (as hereafter defined on page 32); lease liabilities; and borrowings on the New Bank Credit Facilities (as hereafter defined on page 32), less any interest income generated from the debentures issued to equity investments and from cash and cash equivalents.

Finance costs were \$12.2 million (YTD – \$31.5 million) in the third quarter of 2024 as compared to \$9.6 million (YTD – \$27.4 million) in 2023. The increase of \$2.6 million (YTD – \$4.1 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 September 30			Nine month periods ended September 30		
	2024	2023	Change	2024	2023	Change
	\$	\$	\$	\$	\$	\$
Foreign exchange (gain) loss on U.S. \$ debt	(5.2)	6.4	(11.6)	5.3	(0.6)	5.9
Foreign exchange loss (gain) on Cross-Currency Swaps	2.4	(6.6)	9.0	(7.7)	(2.8)	(4.9)
Net foreign exchange (gain) loss	(2.8)	(0.2)	(2.6)	(2.4)	(3.4)	1.0

We recorded a foreign exchange (gain) loss of \$(5.2) million (YTD – \$5.3 million) related to our \$304.0 million U.S. dollar debt associated with our Private Placement Debt (US\$229.0 million) (as hereafter defined on page 31) and our 2024 Notes (US\$75.0 million) (as hereafter defined on page 31), due to the change in the value of the Canadian dollar relative to the U.S. dollar during the third quarter of 2024 as compared to a loss (gain) of \$6.4 million (YTD – \$(0.6) million) in 2023. We recorded a foreign exchange loss (gain) on Cross-Currency Swaps of \$2.4 million (YTD – \$(7.7) million) in the third quarter of



2024 as compared to a (gain) loss of \$(6.6) million (YTD – \$(2.8) million) in 2023. 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 September 30			Nine month periods ended September 30		
	2024	2023	Change	2024	2023	Change
	\$	\$	\$	\$	\$	\$
Change in fair value of investments	—	(0.2)	0.2	(0.3)	—	(0.3)
Loss (gain) on sale of property, plant & equipment	0.3	(0.4)	0.7	0.3	(1.2)	1.5
Loss on fair value of equity investment	—	—	—	—	0.6	(0.6)
(Earnings) loss from equity investments	0.1	(0.2)	0.3	(1.5)	(1.6)	0.1
Other (income) expense	0.4	(0.8)	1.2	(1.5)	(2.2)	0.7

Other (income) expense was \$0.4 million (YTD – \$(1.5) million) in the third quarter of 2024 as compared to other (income) expense of \$(0.8) million (YTD – \$(2.2) million) in 2023. The negative variance was mainly attributable to the year over year change in loss on sale of property, plant and equipment, which was somewhat offset by the \$0.6 million loss on fair value of equity investment in 2023 that pertained to the acquisition of Butler Ridge Energy Services (2011) Ltd.

Income Taxes

(unaudited) (\$ millions)	Three month periods ended September 30			Nine month periods ended September 30		
	2024	2023	Change	2024	2023	Change
	\$	\$	\$	\$	\$	\$
Income before income taxes	50.5	51.0	(0.5)	124.1	141.4	(17.3)
Combined statutory tax rate	25%	25%	—	25%	25%	—
Expected income tax	12.6	12.8	(0.2)	31.0	35.4	(4.4)
Add (deduct):						
Non-deductible (taxable) portion of net foreign exchange (gain) loss	(0.3)	—	(0.3)	(0.3)	(0.4)	0.1
Non-deductible (taxable) portion of the change in fair value of investments	—	—	—	—	0.1	(0.1)
Stock-based compensation expense	—	0.1	(0.1)	0.1	0.2	(0.1)
Changes in unrecognized deferred tax asset	(0.5)	—	(0.5)	(0.6)	(0.4)	(0.2)
Other	0.4	(1.0)	1.4	0.5	(0.8)	1.3
Income tax expense	12.2	11.9	0.3	30.7	34.1	(3.4)

Income tax expense was \$12.2 million (YTD – \$30.7 million) in the third quarter of 2024 as compared to \$11.9 million (YTD – \$34.1 million) in 2023. Income tax expense in the third quarter of 2024 increased slightly as compared to the prior year period. The decrease in income tax expense in 2024, as compared to the prior year period, was mainly attributable to the lower amount of income being generated.

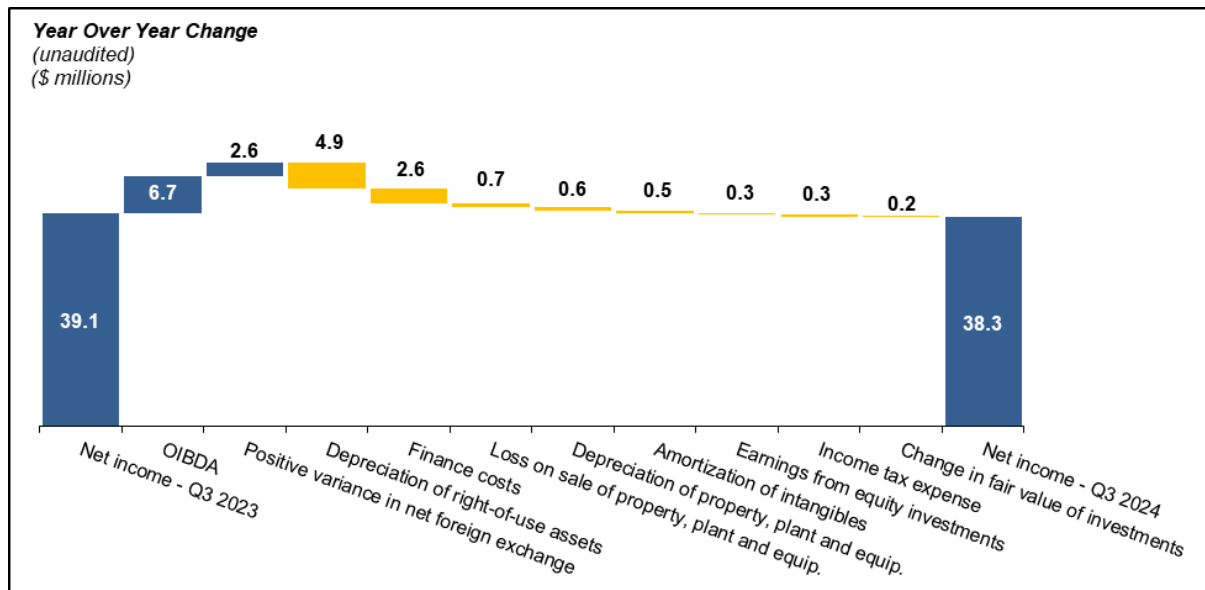


Net Income

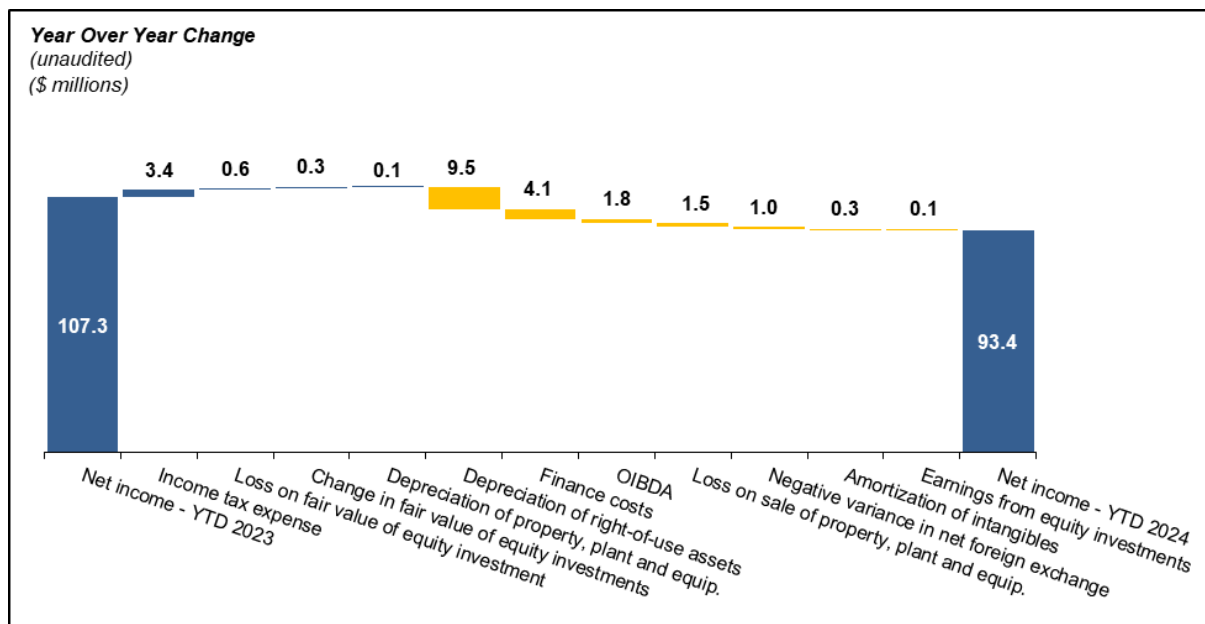
(unaudited) (\$ millions, except share and per share amounts)	Three month periods ended September 30			Nine month periods ended September 30		
	2024	2023	% Change	2024	2023	% Change
Net income	\$ 38.3	\$ 39.1	(2.0)	\$ 93.4	\$ 107.3	(12.9)
Weighted average number of Common Shares outstanding	87,703,145	88,737,882	(1.2)	87,917,375	90,439,968	(2.8)
Earnings per share – basic	\$ 0.44	\$ 0.44	—	\$ 1.06	\$ 1.19	(10.9)

Net income declined by \$0.8 million to \$38.3 million in the third quarter of 2024 as compared to \$39.1 million during the same period in 2023. Net income decreased to \$93.4 million in 2024 as compared to \$107.3 million in 2023. The graphs below highlight each of the factors contributing to the change in net income.

Three month period ended September 30, 2024



Nine month period ended September 30, 2024



Basic earnings per share remained consistent at \$0.44 in the third quarter of 2024 as compared to the same period in 2023. Basic earnings per share decreased to \$1.06 in 2024 as compared to \$1.19 in 2023. This decrease resulted from the effect of the \$13.9 million decline in net income. The weighted average number of Common Shares outstanding decreased to 87,703,145 (YTD – 87,917,375) from 88,737,882 (YTD – 90,439,968) in 2023, which was due to the repurchase and cancellation of Common Shares under the NCIB.

Net Income – Adjusted¹ and Earnings per Share – Adjusted¹

Net income – adjusted and earnings per share – adjusted were \$35.8 million (YTD – \$91.1 million) or \$0.41 (YTD – \$1.04) in 2024 as compared to \$38.0 million (YTD – \$104.0 million) or \$0.43 (YTD – \$1.15) in 2023, respectively. Management adjusted net income and earnings per share by excluding specific factors to more clearly reflect earnings from an operating perspective.

Subsequent Events

On October 22, 2024, Mullen Group used approximately \$217.2 million of cash to repay certain notes that matured relating to its Private Placement Debt (as hereafter defined on page 31).

7121326 Manitoba Ltd. o/a Westman Courier and Freight – Effective October 1, 2024, we acquired all of the shares of 7121326 Manitoba Ltd. o/a Westman Courier and Freight ("**Westman**") for total cash consideration of \$7.7 million. Westman specializes in small parcel to full truckload service to and from communities throughout Manitoba and into Thunder Bay, Ontario. Westman operates a fleet of 75 trucks and vans with depots in Winnipeg, Brandon, Swan River, Dauphin, Thompson, and Thunder Bay. The acquisition of Westman aligns with our strategy of acquiring transportation and logistics companies. The financial results of Westman will be integrated into Gardewine Group Limited Partnership, which is included within the LTL segment.

Subsequent to September 30, 2024, until the date of this report, we repurchased 2,300 Common Shares at a total cost of \$32,171.

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



SEGMENTED FINANCIAL RESULTS

THREE MONTH PERIODS ENDED

Three month period ended September 30, 2024 (unaudited) (\$ millions)	LTL	L&W	S&I	US 3PL	Corporate and intersegment eliminations	Total
	\$	\$	\$	\$	\$	\$
Revenue	188.7	168.9	131.8	45.7	(3.1)	532.0
Direct operating expenses	125.7	111.6	90.6	41.7	(4.8)	364.8
Selling and administrative expenses	27.3	22.1	12.7	3.7	6.1 ¹	71.9
OIBDA	35.7	35.2	28.5	0.3	(4.4)	95.3
Net capital expenditures ²	5.4	(0.3)	3.4	—	(0.3)	8.2

Three month period ended September 30, 2023 (unaudited) (\$ millions)	LTL	L&W	S&I	US 3PL	Corporate and intersegment eliminations	Total
	\$	\$	\$	\$	\$	\$
Revenue	194.2	137.1	125.4	48.8	(1.5)	504.0
Direct operating expenses	131.5	94.4	84.4	44.4	(2.6)	352.1
Selling and administrative expenses	28.2	15.9	11.3	3.3	4.6 ³	63.3
OIBDA	34.5	26.8	29.7	1.1	(3.5)	88.6
Net capital expenditures ²	9.3	6.1	4.7	—	0.7	20.8

¹ Includes a \$1.3 million foreign exchange loss.

² Refer to the section entitled "Other Financial Measures".

³ Includes a \$0.3 million foreign exchange gain.

NINE MONTH PERIODS ENDED

Nine month period ended September 30, 2024 (unaudited) (\$ millions)	LTL	L&W	S&I	US 3PL	Corporate and intersegment eliminations	Total
	\$	\$	\$	\$	\$	\$
Revenue	561.0	446.1	353.3	137.0	(7.2)	1,490.2
Direct operating expenses	374.3	300.6	246.9	125.1	(11.3)	1,035.6
Selling and administrative expenses	82.7	58.8	37.7	10.3	17.9 ¹	207.4
OIBDA	104.0	86.7	68.7	1.6	(13.8)	247.2
Net capital expenditures ²	20.7	8.9	8.2	—	2.7	40.5

Nine month period ended September 30, 2023 (unaudited) (\$ millions)	LTL	L&W	S&I	US 3PL	Corporate and intersegment eliminations	Total
	\$	\$	\$	\$	\$	\$
Revenue	580.4	424.1	345.5	150.6	(4.5)	1,496.1
Direct operating expenses	394.2	290.4	240.7	136.6	(10.0)	1,051.9
Selling and administrative expenses	85.4	50.8	34.1	10.8	14.1 ³	195.2
OIBDA	100.8	82.9	70.7	3.2	(8.6)	249.0
Net capital expenditures ²	26.5	17.3	14.3	—	5.9	64.0

¹ Includes a \$1.0 million foreign exchange loss.

² Refer to the section entitled "Other Financial Measures".

³ Includes a \$0.2 million foreign exchange loss.





Highlights for the Quarter

The LTL segment is a strategic focus of our organization and remains the largest and most profitable segment in our group. Revenues were down by a modest 2.8 percent, or \$5.5 million, during the quarter ended September 30, 2024, as compared to last year, primarily due to lower fuel surcharge revenue associated with the decline in diesel fuel prices year over year, and the demarketing of underperforming business. With overall freight demand generally flat with last year, we anticipated competition to intensify and pricing pressures to emerge. Despite these market conditions, we achieved our target of improving operating margin¹ by 1.0 percent, to 18.9 percent.

Market Outlook

In the absence of any sustained growth in the Canadian economy, we believe that overall LTL freight demand should remain stable, although we anticipate competitive pressures will negatively impact pricing. Our focus remains on reducing operating costs, enhancing our technology platforms to ensure we meet customer requirements, and through the efficient utilization of assets across our 11 Business Units. In addition, we believe acquisitions that add lane density and geographic expansion are key to improving margins.

Revenue

LTL												
(unaudited) (\$ millions)	Three month periods ended September 30						Nine month periods ended September 30					
	2024		2023		Change		2024		2023		Change	
	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%
Company	175.9	93.2	181.1	93.3	(5.2)	(2.9)	514.7	91.7	535.5	92.3	(20.8)	(3.9)
Contractors	12.6	6.7	12.5	6.4	0.1	0.8	45.7	8.1	43.8	7.5	1.9	4.3
Other	0.2	0.1	0.6	0.3	(0.4)	(66.7)	0.6	0.2	1.1	0.2	(0.5)	(45.5)
Total	188.7	100.0	194.2	100.0	(5.5)	(2.8)	561.0	100.0	580.4	100.0	(19.4)	(3.3)

QTD: Segment revenues were \$188.7 million, a decrease of 2.8 percent or \$5.5 million as compared to \$194.2 million in 2023.

- Fuel surcharge revenues decreased by \$1.6 million to \$33.8 million (excluding acquisitions).
- Revenue from our Business Units (excluding fuel surcharge) declined by \$3.9 million due to a softening in overall demand and from demarketing underperforming business resulting in a slight decline in revenue per working day.

YTD: Segment revenues were \$561.0 million, a decrease of 3.3 percent or \$19.4 million as compared to \$580.4 million in 2023.

- Fuel surcharge revenues declined by \$8.7 million to \$104.5 million (excluding acquisitions) due to lower diesel fuel prices.
- Revenue from our Business Units (excluding fuel surcharge and acquisitions) declined by \$18.0 million due to a slight decline in revenue per working day on lower freight demand and from demarketing underperforming business.
- Acquisitions added \$7.3 million of incremental revenues.

QTD: Revenue Per Working Day LTL

(unaudited) (\$ millions)	2024	2023	Change
Revenue	\$ 188.7	\$ 194.2	\$ (5.5)
Working Days	62	62	—
Revenue Per Working Day	\$ 3.0	\$ 3.1	\$ (0.1)

YTD: Revenue Per Working Day LTL

(unaudited) (\$ millions)	2024	2023	Change
Revenue	\$ 561.0	\$ 580.4	\$ (19.4)
Working Days	188	188	—
Revenue Per Working Day	\$ 3.0	\$ 3.1	\$ (0.1)

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



Direct Operating Expenses

LTL												
(unaudited) (\$ millions)	Three month periods ended September 30						Nine month periods ended September 30					
	2024		2023		Change		2024		2023		Change	
	\$	%*	\$	%*	\$	%	\$	%*	\$	%*	\$	%
Company												
Wages and benefits	40.2	22.9	42.6	23.5	(2.4)	(5.6)	119.1	23.1	123.4	23.0	(4.3)	(3.5)
Fuel	13.9	7.9	15.0	8.3	(1.1)	(7.3)	45.1	8.8	48.0	9.0	(2.9)	(6.0)
Repairs and maintenance	16.8	9.6	17.7	9.8	(0.9)	(5.1)	48.0	9.3	50.4	9.4	(2.4)	(4.8)
Purchased transportation	40.4	23.0	41.2	22.7	(0.8)	(1.9)	114.9	22.3	123.4	23.0	(8.5)	(6.9)
Operating supplies	2.6	1.5	2.7	1.5	(0.1)	(3.7)	7.7	1.5	8.3	1.5	(0.6)	(7.2)
Other	4.6	2.5	5.2	2.9	(0.6)	(11.5)	14.0	2.8	15.2	3.0	(1.2)	(7.9)
	118.5	67.4	124.4	68.7	(5.9)	(4.7)	348.8	67.8	368.7	68.9	(19.9)	(5.4)
Contractors	7.2	57.1	7.1	56.8	0.1	1.4	25.5	55.8	25.5	58.2	—	—
Total	125.7	66.6	131.5	67.7	(5.8)	(4.4)	374.3	66.7	394.2	67.9	(19.9)	(5.0)

*as a percentage of respective LTL revenue

QTD: DOE decreased by \$5.8 million to \$125.7 million as compared to \$131.5 million in 2023, primarily due to \$5.5 million of lower segment revenue. As a percentage of segment revenue, DOE decreased by 1.1 percent to 66.6 percent from 67.7 percent in 2023.

- Company costs decreased by \$5.9 million mainly due to the \$5.2 million decrease in Company revenue. As a percentage of Company revenue, these expenses decreased by 1.3 percent to 67.4 percent from 68.7 percent in 2023 due to more efficient operations, most notably from restructuring B&R's LTL operations.
- Contractors costs increased by \$0.1 million due to the \$0.1 million increase in Contractors revenue. Contractors costs as a percentage of Contractors revenue increased slightly to 57.1 percent from 56.8 percent in 2023.

YTD: DOE declined by \$19.9 million to \$374.3 million as compared to \$394.2 million in 2023, primarily due to a \$19.4 million decline in segment revenue. As a percentage of segment revenue, DOE decreased by 1.2 percent to 66.7 percent from 67.9 percent in 2023.

- Company costs decreased by \$19.9 million mainly due to the \$20.8 million decrease in Company revenue. As a percentage of Company revenue, these expenses decreased by 1.1 percent to 67.8 percent from 68.9 percent in 2023 due to more efficient operations, mainly from restructuring B&R's LTL operations.
- Contractors costs remained consistent as compared to the prior year despite the \$1.9 million increase in Contractors revenue. Contractors costs as a percentage of Contractors revenue decreased to 55.8 percent from 58.2 percent in 2023 due to the greater availability of subcontractors in certain markets.



Selling and Administrative Expenses

LTL												
(unaudited) (\$ millions)	Three month periods ended September 30						Nine month periods ended September 30					
	2024		2023		Change		2024		2023		Change	
	\$	%*	\$	%*	\$	%	\$	%*	\$	%*	\$	%
Wages and benefits	16.6	8.8	17.6	9.1	(1.0)	(5.7)	50.2	8.9	51.6	8.9	(1.4)	(2.7)
Communications, utilities and general supplies	7.7	4.1	7.8	4.0	(0.1)	(1.3)	24.6	4.4	25.3	4.4	(0.7)	(2.8)
Profit share	1.6	0.8	1.6	0.8	—	—	4.8	0.9	4.6	0.8	0.2	4.3
Foreign exchange	—	—	—	—	—	—	—	—	—	—	—	—
Rent and other	1.4	0.8	1.2	0.6	0.2	16.7	3.1	0.5	3.9	0.6	(0.8)	(20.5)
Total	27.3	14.5	28.2	14.5	(0.9)	(3.2)	82.7	14.7	85.4	14.7	(2.7)	(3.2)

*as a percentage of total LTL revenue

QTD: S&A expenses decreased by \$0.9 million to \$27.3 million as compared to \$28.2 million in 2023.

- The decrease in wages and benefits expenses resulted mainly from restructuring B&R's LTL operations.
- Lower communications, utilities and general supplies costs were due to cost control measures.
- As a percentage of segment revenue, these expenses remained consistent at 14.5 percent as compared to the prior year period.

YTD: S&A expenses decreased by \$2.7 million to \$82.7 million as compared to \$85.4 million in 2023.

- The decrease in wages and benefits expenses resulted from restructuring B&R's LTL operations.
- Lower rent, communications, utilities and general supplies costs were due to cost control measures.
- As a percentage of segment revenue, these expenses remained consistent on a year over year basis at 14.7 percent as our Business Units were able to adapt their cost structures to the impact of lower segment revenues.

OIBDA

QTD: Segment OIBDA was \$35.7 million, an increase of \$1.2 million, or 3.5 percent, as compared to \$34.5 million in 2023 due to more efficient operations and from implementing cost control measures.

- Operating margin¹ improved by 1.1 percent to 18.9 percent as compared to 17.8 percent in the prior year period, primarily due to lower DOE resulting from more efficient operations.

YTD: Segment OIBDA was \$104.0 million, an increase of \$3.2 million, or 3.2 percent, as compared to \$100.8 million in 2023 due to \$1.5 million of incremental OIBDA from the B&R acquisition and lower DOE as a percentage of revenue.

- Operating margin¹ improved by 1.1 percent to 18.5 percent as compared to 17.4 percent in the prior year period, primarily due to lower DOE resulting from more efficient operations.

Capital Expenditures

LTL						
(unaudited) (\$ millions)	Three month periods ended September 30			Nine month periods ended September 30		
	2024	2023	Change	2024	2023	Change
	\$	\$	\$	\$	\$	\$
Purchase of property, plant and equipment	6.2	9.7	(3.5)	22.2	27.7	(5.5)
Proceeds on sale of property, plant and equipment	(0.8)	(0.4)	(0.4)	(1.5)	(1.2)	(0.3)
Net capital expenditures ¹	5.4	9.3	(3.9)	20.7	26.5	(5.8)

- The majority of the capital invested in 2024 consisted of trucks and trailers to support growth opportunities as well as replace older less efficient equipment.

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





Highlights for the Quarter

The trucking and warehousing industry continues to face significant near-term challenges due to a combination of demand and supply issues. On the demand side, overall freight shipments, in most verticals, were flat with prior year levels. However, many carriers added significant fleet capacity during the last business cycle, most notably in the long-haul sector of the industry. As a result, pricing pressures have intensified throughout 2024. Despite these market headwinds, the L&W segment generated solid revenue growth primarily due to the acquisition of ContainerWorld. In addition, our two largest Business Units in the segment, Bandstra Transportation and Kleysen Group, generated strong results once again.

Market Outlook

We expect overall market conditions to remain challenging for the foreseeable future, primarily, we believe, due to high interest rates and a reluctance by the private sector to invest in new capital projects in Canada. Furthermore, 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. We will mitigate these market challenges by realigning Business Units, focusing on costs, and through acquisitions, like ContainerWorld, which we believe will drive growth for the balance of 2024. And we continue to evaluate opportunities that are complementary to our existing Business Units, where we can realize synergies and improve profitability.

Revenue

L&W												
<i>(unaudited)</i> (\$ millions)	Three month periods ended September 30						Nine month periods ended September 30					
	2024		2023		Change		2024		2023		Change	
	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%
Company	100.4	59.4	65.2	47.6	35.2	54.0	250.8	56.2	202.6	47.8	48.2	23.8
Contractors	67.1	39.7	71.5	52.2	(4.4)	(6.2)	192.5	43.2	220.2	51.9	(27.7)	(12.6)
Other	1.4	0.9	0.4	0.2	1.0	250.0	2.8	0.6	1.3	0.3	1.5	115.4
Total	168.9	100.0	137.1	100.0	31.8	23.2	446.1	100.0	424.1	100.0	22.0	5.2

QTD: Segment revenues were \$168.9 million, an increase of 23.2 percent, or \$31.8 million as compared to \$137.1 million in 2023 and was due to the following:

- Acquisitions added \$33.6 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) declined by \$1.4 million due to a softer environment for freight and logistics demand as suppliers and manufacturers continued to remain reluctant on increasing inventory levels in 2024 as well as a lack of capital investment in Canada. Revenues also declined from competitive pricing in certain markets.
- Fuel surcharge revenue decreased by \$0.4 million to \$15.8 million.

QTD: Revenue Per Working Day L&W			
<i>(unaudited)</i> (\$ millions)	2024	2023	Change
Revenue	\$ 168.9	\$ 137.1	\$ 31.8
Working Days	62	62	—
Revenue Per Working Day	\$ 2.7	\$ 2.2	\$ 0.5

YTD: Segment revenues were \$446.1 million, an increase of 5.2 percent, or \$22.0 million as compared to \$424.1 million in 2023 and was due to the following:

- Acquisitions added \$55.8 million of incremental revenues.
- Revenue from our Business Units (excluding acquisitions and fuel surcharge) declined by \$29.0 million due to the ongoing freight recession and from a more competitive pricing environment in certain markets.
- Fuel surcharge revenue decreased by \$4.8 million to \$44.3 million in 2024 due to lower diesel fuel prices.

YTD: Revenue Per Working Day L&W			
<i>(unaudited)</i> (\$ millions)	2024	2023	Change
Revenue	\$ 446.1	\$ 424.1	\$ 22.0
Working Days	188	188	—
Revenue Per Working Day	\$ 2.4	\$ 2.3	\$ 0.1



Direct Operating Expenses

L&W												
(unaudited) (\$ millions)	Three month periods ended September 30						Nine month periods ended September 30					
	2024		2023		Change		2024		2023		Change	
	\$	%*	\$	%*	\$	%	\$	%*	\$	%*	\$	%
Company												
Wages and benefits	21.4	21.3	14.9	22.9	6.5	43.6	53.8	21.5	43.7	21.6	10.1	23.1
Fuel	6.2	6.2	5.7	8.7	0.5	8.8	17.5	7.0	17.0	8.4	0.5	2.9
Repairs and maintenance	8.0	8.0	6.9	10.6	1.1	15.9	23.1	9.2	21.6	10.7	1.5	6.9
Purchased transportation	19.4	19.3	8.8	13.5	10.6	120.5	42.5	16.9	26.0	12.8	16.5	63.5
Operating supplies	5.6	5.6	4.6	7.1	1.0	21.7	17.8	7.1	18.0	8.9	(0.2)	(1.1)
Other	3.3	3.2	2.0	3.0	1.3	65.0	7.9	3.1	6.2	3.0	1.7	27.4
	63.9	63.6	42.9	65.8	21.0	49.0	162.6	64.8	132.5	65.4	30.1	22.7
Contractors	47.7	71.1	51.5	72.0	(3.8)	(7.4)	138.0	71.7	157.9	71.7	(19.9)	(12.6)
Total	111.6	66.1	94.4	68.9	17.2	18.2	300.6	67.4	290.4	68.5	10.2	3.5

*as a percentage of respective L&W revenue

QTD: DOE increased by \$17.2 million to \$111.6 million as compared to \$94.4 million in 2023, primarily due to the \$31.8 million increase in segment revenue. As a percentage of segment revenue, DOE decreased by 2.8 percent to 66.1 percent from 68.9 percent in 2023.

- Company costs increased by \$21.0 million and was mainly due to higher Company revenue. As a percentage of Company revenue, these expenses decreased by 2.2 percent to 63.6 percent from 65.8 percent in 2023 due to lower fuel, and repairs and maintenance costs as well as implementing other cost control measures. Purchased transportation costs increased due to the financial results at ContainerWorld who utilizes a greater proportion of third-party subcontractors within their operations.
- Contractors costs declined by \$3.8 million to \$47.7 million due to the \$4.4 million decrease in Contractors revenue. Contractors costs as a percentage of Contractors revenue decreased by 0.9 percent to 71.1 percent from 72.0 percent in 2023 due to the greater availability of subcontractors in certain markets.

YTD: DOE increased by \$10.2 million to \$300.6 million as compared to \$290.4 million in 2023, primarily due to the \$22.0 million increase in segment revenue. As a percentage of segment revenue, DOE decreased by 1.1 percent to 67.4 percent from 68.5 percent in 2023.

- Company costs increased by \$30.1 million on higher Company revenue mainly resulting from acquisitions. As a percentage of Company revenue, these expenses decreased by 0.6 percent to 64.8 percent from 65.4 percent in 2023 due to lower fuel, and repairs and maintenance costs.
- Contractors costs declined by \$19.9 million to \$138.0 million due to the \$27.7 million decrease in Contractors revenue. Contractors costs as a percentage of Contractors revenue remained consistent at 71.7 percent despite a more competitive operating environment in 2024.



Selling and Administrative Expenses

L&W												
(unaudited) (\$ millions)	Three month periods ended September 30						Nine month periods ended September 30					
	2024		2023		Change		2024		2023		Change	
	\$	%*	\$	%*	\$	%	\$	%*	\$	%*	\$	%
Wages and benefits	13.4	7.9	10.6	7.7	2.8	26.4	36.5	8.2	32.2	7.6	4.3	13.4
Communications, utilities and general supplies	6.0	3.6	3.6	2.6	2.4	66.7	15.6	3.5	12.1	2.9	3.5	28.9
Profit share	1.9	1.1	1.6	1.2	0.3	18.8	5.0	1.1	5.5	1.3	(0.5)	(9.1)
Foreign exchange	0.1	0.1	(0.2)	(0.1)	0.3	(150.0)	(0.5)	(0.1)	(0.2)	—	(0.3)	150.0
Rent and other	0.7	0.4	0.3	0.2	0.4	133.3	2.2	0.5	1.2	0.2	1.0	83.3
Total	22.1	13.1	15.9	11.6	6.2	39.0	58.8	13.2	50.8	12.0	8.0	15.7

*as a percentage of total L&W revenue

QTD: S&A expenses increased by \$6.2 million to \$22.1 million as compared to \$15.9 million in 2023.

- The increase of \$6.2 million was mainly due to \$5.7 million of incremental S&A expenses from acquisitions and higher inflationary costs associated with wages, utilities and general supplies.
- As a percentage of segment revenue, these expenses increased to 13.1 percent from 11.6 percent last year and was mainly due to higher S&A expenses from acquisitions.

YTD: S&A expenses increased by \$8.0 million to \$58.8 million as compared to \$50.8 million in 2023.

- The increase of \$8.0 million was due to \$10.0 million of incremental S&A expenses from acquisitions being somewhat offset by cost control measures, a \$0.3 million positive variance in foreign exchange and a \$0.5 million decrease in profit share.
- As a percentage of segment revenue, these expenses increased to 13.2 percent from 12.0 percent last year as most Business Units, owned for more than one year, generated less revenue combined with the relatively fixed nature of S&A expenses.

OIBDA

QTD: Segment OIBDA was \$35.2 million, an increase of \$8.4 million, or 31.3 percent, as compared to \$26.8 million in 2023 due to the following factors:

- Acquisitions added \$6.4 million of incremental OIBDA.
- OIBDA generated by our Business Units, owned for more than one year, improved by \$2.0 million due to more efficient operations resulting in lower DOE.
- Operating margin¹ improved by 1.3 percent to 20.8 percent as compared to 19.5 percent in the prior year period, primarily due to the impact of lower DOE being somewhat offset by higher S&A costs.

YTD: Segment OIBDA was \$86.7 million, an increase of \$3.8 million, or 4.6 percent, as compared to \$82.9 million in 2023 due to the increase in segment revenue.

- Acquisitions added \$10.6 million of incremental OIBDA.
- OIBDA generated by our Business Units, owned for more than one year, declined by \$6.0 million due to a more competitive operating environment in 2024.
- Operating margin¹ remained relatively consistent at 19.4 percent as compared to 19.5 percent in the prior year period, primarily due to a more competitive pricing environment and higher S&A expenses as a percentage of segment revenue.

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



Capital Expenditures

L&W						
<i>(unaudited)</i> (\$ millions)	Three month periods ended September 30			Nine month periods ended September 30		
	2024	2023	Change	2024	2023	Change
	\$	\$	\$	\$	\$	\$
Purchase of property, plant and equipment	0.7	6.9	(6.2)	11.1	19.7	(8.6)
Proceeds on sale of property, plant and equipment	(1.0)	(0.8)	(0.2)	(2.2)	(2.4)	0.2
Net capital expenditures ¹	(0.3)	6.1	(6.4)	8.9	17.3	(8.4)

- The majority of the capital invested in 2024 consisted of trucks, trailers and various pieces of operating equipment to replace older less efficient equipment.



SPECIALIZED & INDUSTRIAL SERVICES

Highlights for the Quarter

The S&I segment performed reasonably well in the third quarter despite volatility with commodity prices, owing to the diversity of operations within this operating segment. In terms of revenue, the Business Units tied to production services, plant maintenance and turnaround work, reported increased revenues as compared to the same period last year, as did our Business Units tied to drilling related services. Offsetting these increases were declines in revenues from Premay Pipeline as work tied to pipeline construction activity had completed in prior periods and was not replaced. From an OIBDA perspective, margins were off slightly, which was a combination of the improved results from our Business Units that performed maintenance and turnaround work, offset by a reduction in higher margin pipeline related work. In addition, OIBDA was negatively impacted by certain one-time costs associated with the closure of OK Drilling Services L.P. ("**OK Drilling**").

Market Outlook

We continue to monitor global geopolitical issues that impact the supply/demand fundamentals of commodity prices and ultimately our S&I segment. There is still little evidence of any new capital investment in larger scale resource development in Canada any time soon, however, it appears that producers in western Canada will be maintaining production at current levels, subject to any material impacts to commodity pricing. There are no major maintenance and turnaround projects scheduled for the final quarter of 2024 and we expect activity levels to remain steady for the balance of the year. As we enter the 2025 budgeting and capital planning cycle, we will be monitoring our customers' capital spending plans to ensure alignment with our 2025 business planning process and invest accordingly, remaining focused on margin over market share and the optimization of asset utilization in each of our Business Units. As we had reported in the prior quarter, we would be exiting business lines that did not meet return on investment requirements and we are currently winding down our drilling operations, TREO Drilling Services and OK Drilling, and are actively reviewing other business lines within the segment.

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



Revenue

S&I												
(unaudited) (\$ millions)	Three month periods ended September 30						Nine month periods ended September 30					
	2024		2023		Change		2024		2023		Change	
	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%
Company	103.7	78.7	99.2	79.1	4.5	4.5	277.2	78.5	270.0	78.1	7.2	2.7
Contractors	26.6	20.2	25.8	20.6	0.8	3.1	72.9	20.6	74.5	21.6	(1.6)	(2.1)
Other	1.5	1.1	0.4	0.3	1.1	275.0	3.2	0.9	1.0	0.3	2.2	220.0
Total	131.8	100.0	125.4	100.0	6.4	5.1	353.3	100.0	345.5	100.0	7.8	2.3

QTD: Segment revenues were \$131.8 million, an increase of 5.1 percent, or \$6.4 million as compared to \$125.4 million in 2023.

- Greater activity levels in the Western Canadian Sedimentary Basin ("WCSB") resulted in higher revenue from our production services Business Units due to the commencement of certain projects related to facility maintenance and turnaround work. The drilling related services Business Units also experienced higher revenues due to increased demand for their services being somewhat offset by lower revenue at OK Drilling as we commenced the windup of its operating activities.
- The substantial completion of TMX and CGL led to lower activity levels resulting in a \$4.4 million reduction in revenue for pipeline hauling and stringing services at Premay Pipeline. Canadian Dewatering L.P. ("Canadian Dewatering") also experienced lower demand for dewatering services and Smook Contractors Ltd. ("Smook") experienced lower demand for civil construction services in northern Manitoba.
- Fuel surcharge revenue increased by \$0.4 million to \$2.2 million as compared to the prior year period.

QTD: Revenue Per Working Day S&I				
(unaudited) (\$ millions)	2024	2023	Change	
Revenue	\$ 131.8	\$ 125.4	\$	6.4
Working Days	62	62		—
Revenue Per Working Day	\$ 2.1	\$ 2.0	\$	0.1

YTD: Segment revenues were \$353.3 million, an increase of 2.3 percent, or \$7.8 million as compared to \$345.5 million in 2023.

- Greater activity levels in the WCSB resulted in higher revenue by our drilling related services Business Units while revenues within our production services Business Units increased due to the commencement of facility turnaround work.
- Acquisitions also added \$17.9 million of incremental revenue.
- The substantial completion of TMX and CGL led to lower activity levels resulting in a \$21.6 million reduction in revenue for Premay Pipeline and a \$4.3 million decrease at Canadian Dewatering. Smook also experienced a \$5.9 million decline in revenue.
- Fuel surcharge revenue decreased by \$0.7 million to \$6.2 million as compared to the prior year period.

YTD: Revenue Per Working Day S&I				
(unaudited) (\$ millions)	2024	2023	Change	
Revenue	\$ 353.3	\$ 345.5	\$	7.8
Working Days	188	188		—
Revenue Per Working Day	\$ 1.9	\$ 1.8	\$	0.1



Direct Operating Expenses

S&I												
(unaudited) (\$ millions)	Three month periods ended September 30						Nine month periods ended September 30					
	2024		2023		Change		2024		2023		Change	
	\$	%*	\$	%*	\$	%	\$	%*	\$	%*	\$	%
Company												
Wages and benefits	25.7	24.8	24.7	24.9	1.0	4.0	67.8	24.5	68.0	25.2	(0.2)	(0.3)
Fuel	6.6	6.4	6.4	6.5	0.2	3.1	20.4	7.4	18.7	6.9	1.7	9.1
Repairs and maintenance	14.8	14.3	15.4	15.5	(0.6)	(3.9)	44.1	15.9	44.9	16.6	(0.8)	(1.8)
Purchased transportation	6.1	5.9	3.0	3.0	3.1	103.3	15.6	5.6	5.8	2.1	9.8	169.0
Operating supplies	11.5	11.1	11.1	11.2	0.4	3.6	30.8	11.1	35.2	13.0	(4.4)	(12.5)
Other	3.7	3.5	2.2	2.2	1.5	68.2	8.2	2.9	6.3	2.5	1.9	30.2
	68.4	66.0	62.8	63.3	5.6	8.9	186.9	67.4	178.9	66.3	8.0	4.5
Contractors	22.2	83.5	21.6	83.7	0.6	2.8	60.0	82.3	61.8	83.0	(1.8)	(2.9)
Total	90.6	68.7	84.4	67.3	6.2	7.3	246.9	69.9	240.7	69.7	6.2	2.6

*as a percentage of respective S&I revenue

QTD: DOE increased by \$6.2 million to \$90.6 million as compared to \$84.4 million in 2023. The increase of \$6.2 million was due to the \$6.4 million increase in segment revenue. As a percentage of segment revenue, DOE increased by 1.4 percent to 68.7 percent from 67.3 percent in 2023 due to higher Company costs.

- Company costs increased in absolute dollar terms due to the year over year increase in Company revenue. Company costs increased as a percentage of Company revenue due to a reduction of higher margin business.
- Contractors costs increased in absolute dollar terms due to the increase in Contractors revenue. Contractors costs, as a percentage of Contractors revenue decreased as compared to the corresponding prior year period due to the greater availability of subcontractors in certain markets.

YTD: DOE increased by \$6.2 million to \$246.9 million as compared to \$240.7 million in 2023. The increase of \$6.2 million was due to the \$7.8 million increase in segment revenue. As a percentage of segment revenue, DOE increased by 0.2 percent to 69.9 percent from 69.7 percent in 2023 due to higher Company costs.

- Company costs increased in absolute dollar terms due to the increase in Company revenue. Company costs increased as a percentage of Company revenue due to higher purchased transportation costs resulting from the operations at B&R and from using subcontractors for certain facility maintenance turnaround work.
- Contractors costs decreased in absolute dollar terms due to the decline in Contractors revenue. Contractors costs, as a percentage of Contractors revenue decreased as compared to the corresponding prior year period due to the greater availability of subcontractors in certain markets.

Selling and Administrative Expenses

S&I												
(unaudited) (\$ millions)	Three month periods ended September 30						Nine month periods ended September 30					
	2024		2023		Change		2024		2023		Change	
	\$	%*	\$	%*	\$	%	\$	%*	\$	%*	\$	%
Wages and benefits	7.2	5.5	6.1	4.9	1.1	18.0	21.6	6.1	18.0	5.2	3.6	20.0
Communications, utilities and general supplies	3.7	2.8	3.3	2.6	0.4	12.1	11.7	3.3	10.7	3.1	1.0	9.3
Profit share	1.4	1.1	1.6	1.3	(0.2)	(12.5)	3.5	1.0	4.0	1.2	(0.5)	(12.5)
Foreign exchange	—	—	—	—	—	—	—	—	—	—	—	—
Rent and other	0.4	0.2	0.3	0.2	0.1	33.3	0.9	0.3	1.4	0.4	(0.5)	(35.7)
Total	12.7	9.6	11.3	9.0	1.4	12.4	37.7	10.7	34.1	9.9	3.6	10.6

*as a percentage of total S&I revenue



QTD: S&A expenses were \$12.7 million as compared to \$11.3 million in 2023.

- The increase of \$1.4 million was due to \$1.5 million of higher inflationary and severance costs associated with wages, utilities and general supplies.
- As a percentage of segment revenue, these expenses increased to 9.6 percent as compared to 9.0 percent in 2023.

YTD: S&A expenses were \$37.7 million as compared to \$34.1 million in 2023.

- The increase of \$3.6 million was due to \$2.4 million of incremental S&A expenses from acquisitions and higher inflationary costs associated with wages, utilities and general supplies.
- As a percentage of segment revenue, these expenses increased to 10.7 percent as compared to 9.9 percent in 2023.

OIBDA

QTD: Segment OIBDA was \$28.5 million, a decrease of \$1.2 million as compared to \$29.7 million in 2023. The production services Business Units experienced an increase in OIBDA due to the commencement of certain projects. This increase was somewhat offset by lower OIBDA at Premay Pipeline and Canadian Dewatering on reduced activity levels and from lower OIBDA from our drilling related services Business Units as OK Drilling experienced certain windup costs.

- Operating margin¹ decreased to 21.6 percent as compared to 23.7 percent in 2023 on higher DOE due to a reduction in higher margin business and from higher S&A costs.

YTD: Segment OIBDA was \$68.7 million, a decrease of \$2.0 million as compared to \$70.7 million in 2023. Acquisitions added \$2.1 million of incremental OIBDA. The drilling related services Business Units improved OIBDA as compared to 2023 while the production services Business Units also experienced higher OIBDA due to certain project work. These increases were somewhat offset by lower OIBDA at Premay Pipeline. Canadian Dewatering experienced lower OIBDA due to a change in sales mix and from lower demand for dewatering services.

- Operating margin¹ decreased to 19.4 percent as compared to 20.5 percent in 2023 due to the combination of higher DOE as a percentage of segment revenue and higher S&A expenses.

Capital Expenditures

S&I						
(unaudited) (\$ millions)	Three month periods ended September 30			Nine month periods ended September 30		
	2024	2023	Change	2024	2023	Change
	\$	\$	\$	\$	\$	\$
Purchase of property, plant and equipment	5.1	7.1	(2.0)	14.6	21.2	(6.6)
Proceeds on sale of property, plant and equipment	(1.7)	(2.4)	0.7	(6.4)	(6.9)	0.5
Net capital expenditures ¹	3.4	4.7	(1.3)	8.2	14.3	(6.1)

- The majority of the capital invested in 2024 mainly consisted of operating equipment for those Business Units involved in the transportation of fluids, servicing of wells and drilling related services. Canadian Dewatering also replenished some water management equipment.

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





Highlights for the Quarter

The 3PL industry in the U.S. continued to experience headwinds in the third quarter. A combination of freight volumes remaining stagnant with an excess supply of trucking capacity created a very competitive operating environment. HAUListic's results reflect this market. While HAUListic's business model allows it to aggressively negotiate pricing with contract carriers, the slight decline in revenue recorded in the third quarter as compared to the same period last year, resulted in a decrease in operating margin¹ due mainly to the fixed nature of the S&A expenses. HAUListic remained diligent on enhancing its proprietary transportation management system ("TMS") – SilverExpress™, and the recruitment of independent sales agents, both of which will support HAUListic's longer term operations when markets come more into balance.

Market Outlook

We expect the 3PL industry to remain challenged for the balance of the year as the supply/demand fundamentals of excess trucking capacity coupled with not enough freight volume continue to play out, however, we are not foreseeing any material reduction in revenues. HAUListic remains committed to its business model, the continued enhancement of the SilverExpress™ TMS through artificial intelligence ("AI") and the recruiting campaign focused on independent sales agents, which is targeted at former employees of large 3PLs that have downsized their respective sales forces.

Revenue

US 3PL												
(unaudited) (\$ millions)	Three month periods ended September 30						Nine month periods ended September 30					
	2024		2023		Change		2024		2023		Change	
	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%
Company	—	—	—	—	—	—	—	—	—	—	—	—
Contractors	45.7	100.0	48.8	100.0	(3.1)	(6.4)	137.0	100.0	150.6	100.0	(13.6)	(9.0)
Other	—	—	—	—	—	—	—	—	—	—	—	—
Total	45.7	100.0	48.8	100.0	(3.1)	(6.4)	137.0	100.0	150.6	100.0	(13.6)	(9.0)

QTD: Segment revenue decreased by \$3.1 million to \$45.7 million as compared to \$48.8 million in 2023 due to lower freight demand for full truckload shipments and lower pricing per shipment resulting from the ongoing competitive operating environment in the U.S. market.

QTD: Revenue Per Working Day US 3PL			
(unaudited) (\$ millions)	2024	2023	Change
Revenue	\$ 45.7	\$ 48.8	\$ (3.1)
Working Days	62	62	—
Revenue Per Working Day	\$ 0.7	\$ 0.8	\$ (0.1)

YTD: Segment revenue decreased by \$13.6 million to \$137.0 million as compared to \$150.6 million in 2023 due to the ongoing competitive operating environment in the U.S. market.

YTD: Revenue Per Working Day US 3PL			
(unaudited) (\$ millions)	2024	2023	Change
Revenue	\$ 137.0	\$ 150.6	\$ (13.6)
Working Days	188	188	—
Revenue Per Working Day	\$ 0.7	\$ 0.8	\$ (0.1)

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



Direct Operating Expenses

US 3PL												
(unaudited) (\$ millions)	Three month periods ended September 30						Nine month periods ended September 30					
	2024		2023		Change		2024		2023		Change	
	\$	%*	\$	%*	\$	%	\$	%*	\$	%*	\$	%
Company												
Wages and benefits	—	—	—	—	—	—	—	—	—	—	—	—
Fuel	—	—	—	—	—	—	—	—	—	—	—	—
Repairs and maintenance	—	—	—	—	—	—	—	—	—	—	—	—
Purchased transportation	—	—	—	—	—	—	—	—	—	—	—	—
Operating supplies	—	—	—	—	—	—	—	—	—	—	—	—
Other	0.2	—	0.2	—	—	—	0.7	—	0.6	—	0.1	16.7
	0.2	—	0.2	—	—	—	0.7	—	0.6	—	0.1	16.7
Contractors	41.5	90.8	44.2	90.6	(2.7)	(6.1)	124.4	90.8	136.0	90.3	(11.6)	(8.5)
Total	41.7	91.2	44.4	91.0	(2.7)	(6.1)	125.1	91.3	136.6	90.7	(11.5)	(8.4)

*as a percentage of respective US 3PL revenue

QTD: DOE were \$41.7 million as compared to \$44.4 million in 2023. The decrease of \$2.7 million was due to the \$3.1 million decrease in segment revenue.

- As a percentage of segment revenue, DOE remained relatively consistent in 2024 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.

YTD: DOE were \$125.1 million as compared to \$136.6 million in 2023. The decrease of \$11.5 million was due to the \$13.6 million decrease in segment revenue.

- As a percentage of segment revenue, DOE increased in 2024 as compared to the prior year period due to lower margins recognized on contracted freight shipments.

Selling and Administrative Expenses

US 3PL												
(unaudited) (\$ millions)	Three month periods ended September 30						Nine month periods ended September 30					
	2024		2023		Change		2024		2023		Change	
	\$	%*	\$	%*	\$	%	\$	%*	\$	%*	\$	%
Wages and benefits	2.4	5.3	2.4	4.9	—	—	7.3	5.3	7.2	4.8	0.1	1.4
Communications, utilities and general supplies	0.8	1.8	0.7	1.4	0.1	14.3	2.3	1.7	2.6	1.7	(0.3)	(11.5)
Profit share	0.1	0.2	—	—	0.1	—	0.1	0.1	0.1	0.1	—	—
Foreign exchange	0.1	0.2	(0.2)	(0.4)	0.3	(150.0)	(0.2)	(0.1)	—	—	(0.2)	—
Rent and other	0.3	0.6	0.4	0.9	(0.1)	(25.0)	0.8	0.5	0.9	0.6	(0.1)	(11.1)
Total	3.7	8.1	3.3	6.8	0.4	12.1	10.3	7.5	10.8	7.2	(0.5)	(4.6)

*as a percentage of total US 3PL revenue

QTD: S&A expenses were \$3.7 million as compared to \$3.3 million in 2023. The increase of \$0.4 million was mainly due to a negative variance in foreign exchange.

- As a percentage of segment revenue, S&A expenses increased as compared to the prior year due to the combination of lower segment revenue and the relatively fixed nature of S&A expenses.



YTD: S&A expenses were \$10.3 million as compared to \$10.8 million in 2023. The decrease of \$0.5 million was due to a positive variance in foreign exchange and from lower general supplies costs resulting from cost control measures.

- As a percentage of segment revenue, S&A expenses remained relatively consistent compared to the prior year.

OIBDA

QTD: Segment OIBDA was \$0.3 million, a decrease of \$0.8 million as compared to \$1.1 million in 2023, primarily due to lower segment revenue.

- Operating margin¹ declined in the third quarter primarily due to higher S&A expenses as a percentage of revenue.
- Operating margin¹ as a percentage of net revenue² was 7.5 percent as compared to 25.0 percent in 2023.

YTD: Segment OIBDA was \$1.6 million, a decrease of \$1.6 million as compared to \$3.2 million in 2023, primarily due to lower segment revenue.

- Operating margin¹ declined to 1.2 percent from 2.1 percent in 2023, primarily due to higher DOE as a percentage of revenue.
- Operating margin¹ as a percentage of net revenue² was 13.4 percent as compared to 22.9 percent in 2023.

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 \$4.4 million in the third quarter of 2024 as compared to a loss of \$3.5 million in 2023. The \$0.9 million increase was mainly attributable to a \$1.6 million negative variance in foreign exchange, which was somewhat offset by cost control measures.

The Corporate Office recorded a loss of \$13.8 million in the first nine months of 2024 as compared to a loss of \$8.6 million for the same period in 2023. The \$5.2 million increase was mainly attributable to a \$0.8 million negative variance in foreign exchange, higher professional fees associated with restructuring the Corporation's balance sheet and acquisitions, higher information technology costs, and from a lower annual distribution received from our equity investments.

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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

<i>(\$ millions)</i>	Nine month periods ended September 30	
	2024	2023
Net cash from operating activities	\$ 184.7	\$ 171.8
Net cash from (used in) financing activities	223.2	(85.2)
Net cash used in investing activities	(66.3)	(86.1)
Change in cash and cash equivalents	341.6	0.5
Effect of exchange rate fluctuations on cash held	0.5	0.1
Cash and cash equivalents, beginning of period	2.3	8.8
Cash and cash equivalents, end of period	\$ 344.4	\$ 9.4

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 \$184.7 million in 2024 as compared to \$171.8 million in 2023. The increase of \$12.9 million was mainly due to a reduction in the amount of income tax paid in 2024 as compared to 2023, which was somewhat offset by using more cash to finance working capital requirements in 2024 as compared to 2023 and from slightly lower OIBDA.

Cash From (Used In) Financing Activities

Net cash from financing activities was \$223.2 million in 2024 as compared to using \$85.2 million in 2023. The \$308.4 million year over year variance was mainly due to issuing the 2024 Notes (as hereafter defined on page 31) for \$399.3 million. In addition, there was a decrease in cash used to repurchase and cancel Common Shares under the NCIB, from a decrease in cash used to repay debt due to the 2023 debt repaid on the B&R acquisition and from a slight decrease in dividends paid to common shareholders due to a reduction in the number of Common Shares outstanding. The issuance of the 2024 Notes and the decreases in cash being used was somewhat offset by the change in the amounts being borrowed and repaid on our Bank Credit Facilities (as hereafter defined on page 32), a greater amount of cash used to repay lease liabilities and pay interest obligations.

Cash Used In Investing Activities

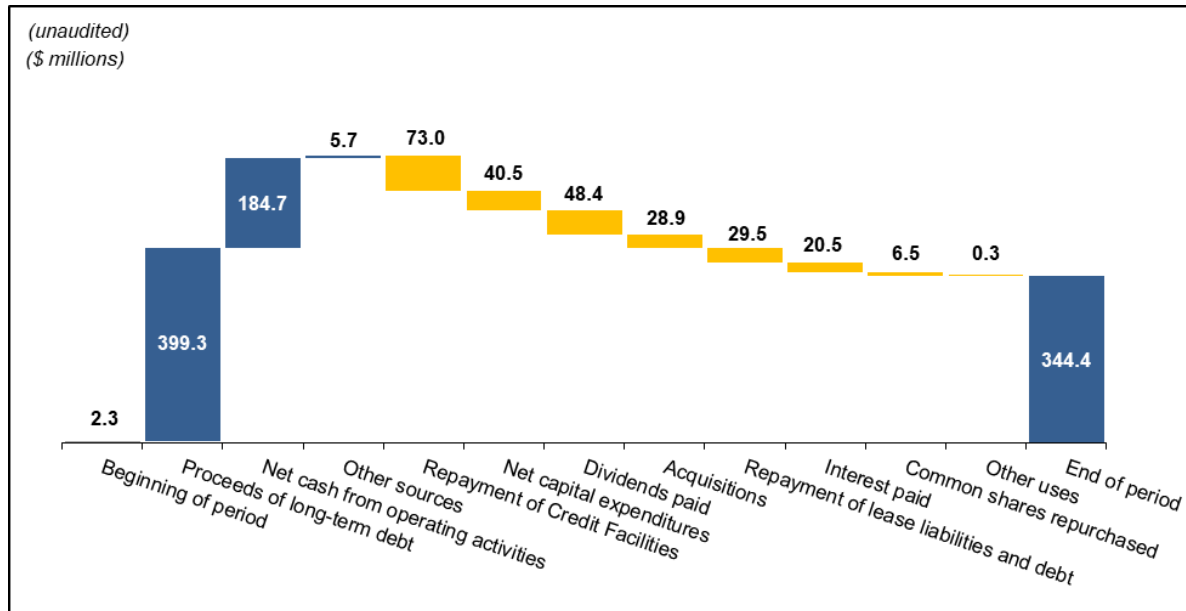
Net cash used in investing activities decreased to \$66.3 million in 2024 as compared to \$86.1 million in 2023. This \$19.8 million decrease was mainly due to a \$23.5 million decrease in net capital expenditures¹ being somewhat offset by higher acquisition costs.

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

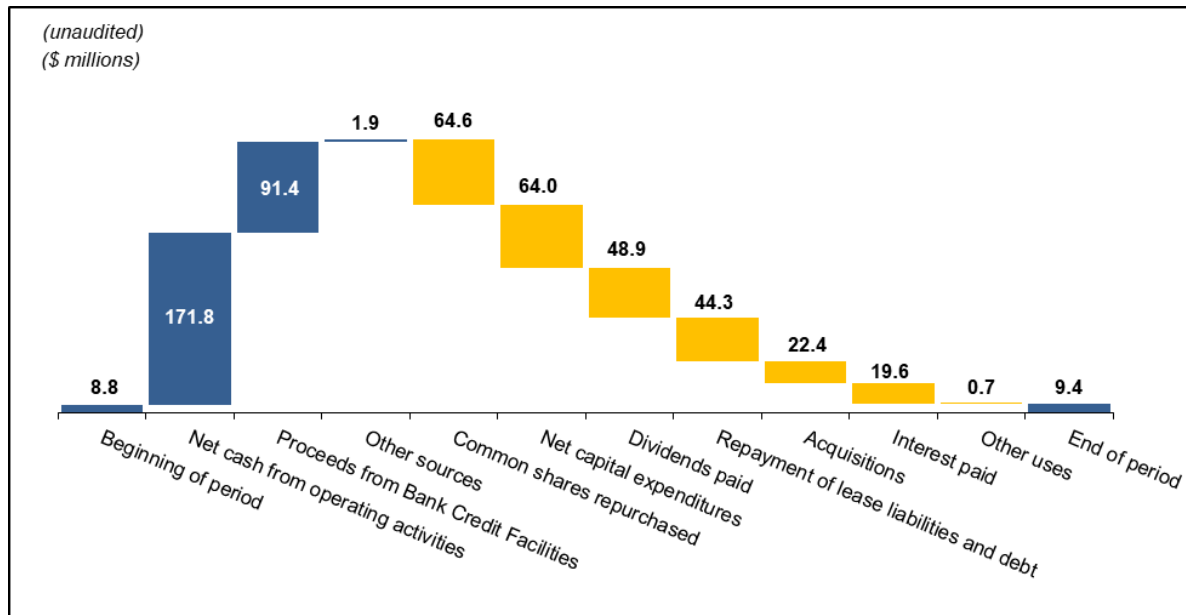


The following charts present the sources and uses of cash for comparative purposes.

Nine month period ended September 30, 2024



Nine month period ended September 30, 2023



Working Capital

At September 30, 2024, we had \$296.8 million of working capital as compared to a \$119.1 million working capital deficit as at December 31, 2023. Working capital included \$344.4 million of cash and cash equivalents as a result of the Offering (as hereafter defined on page 31). This working capital also included a current liability of \$245.9 million related to the current portion of long-term debt. The majority of the current portion of long-term debt was due to certain notes under the Private Placement Debt (as hereafter defined on page 31) that matured on October 22, 2024. Some of our Cross-Currency Swaps matured in conjunction with the maturity of the notes under the Private Placement Debt. These Cross-Currency Swaps and a portion of the \$344.4 million of cash and cash equivalents was used to repay the notes that matured on October 22, 2024. Mullen Group also has \$525.0 million of borrowing capacity on its undrawn New Bank Credit Facilities (as hereafter defined on page 32). This working capital, the New Bank Credit Facilities, and the anticipated cash flow from operating activities in 2024 are available to finance ongoing working capital requirements, the NCIB program, the 2024 dividend, the 2024 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 (the "**Private Placement Debt**") can be found on page 41 of the 2023 MD&A. As at September 30, 2024, 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 table below, we are in compliance with our financial covenants.

Financial Covenants	Financial Covenant Threshold	September 30 2024	June 30 2024	March 31 2024	December 31 2023
Private Placement Debt Covenants					
(a) Total net debt ¹ to operating cash flow cannot exceed	3.50:1	3.20:1	2.36:1	1.94:1	1.83:1
(b) Total earnings available for fixed charges to total fixed charges cannot be less than	1.75:1	8.84:1	9.82:1	9.93:1	10.51:1

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

Total net debt¹ to operating cash flow was 3.20:1 at September 30, 2024. Mullen Group had \$344.4 million of cash at September 30, 2024, funds that were mainly generated from the Offering (as defined below). The \$344.4 million of cash does not reduce total net debt¹ per the definition under the Private Placement Debt agreement. However, if Mullen Group had elected to repay the notes that matured on October 22, 2024, under the Private Placement Debt in September 2024, total net debt¹ to operating cash flow would have decreased to 2.54:1 under the Private Placement Debt agreement.

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 September 30, 2024, the priority debt was \$0.7 million or an insignificant percentage of total assets.

2024 Notes

On July 10, 2024, the Corporation closed a private placement (the "**Offering**") whereby it agreed to issue an aggregate principal amount of \$300.0 million of Series M notes at 5.93 percent per annum and US\$75.0 million of Series N notes at 6.5 percent per annum, (collectively, the "**2024 Notes**"). The 2024 Notes mature on July 10, 2034. Interest on the 2024 Notes accrue from the date of issue and are payable semi-annually in arrears on June 7 and December 7, beginning on December 7, 2024. Mullen Group used some of the net proceeds from the 2024 Notes to repay certain notes on its existing Private Placement Debt that matured on October 22, 2024. The remaining net proceeds are being used for general corporate purposes.

The 2024 Notes 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 certain financial covenants that must be met under its 2024 Notes, which include a total net debt¹ to operating cash flow ratio and a total fixed charges coverage ratio. Mullen Group's total net debt¹ cannot exceed 3.5 times operating cash flow calculated using the trailing twelve months financial results normalized for acquisitions. The term "**total net debt**¹" is defined in the 2024 Note agreement as all debt including the Debentures (as hereafter defined on page 32) less any real property lease liabilities and any unrealized gain on Cross-Currency Swaps plus any unrealized loss on Cross-Currency Swaps, as disclosed within Derivatives on the condensed consolidated statement of financial position but includes the Private Placement Debt, lease liabilities associated with operating equipment, the New Bank Credit Facilities (as hereafter defined on page 32) and letters of credit. The term "**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.

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



Mullen Group is in compliance with all the 2024 Note financial covenants. The table below summarizes the financial covenants associated with the 2024 Notes.

Financial Covenants	Financial Covenant Threshold	September 30 2024
2024 Notes		
(a) Total net debt ¹ to operating cash flow cannot exceed	3.50:1	2.92:1
(b) Total earnings available for fixed charges to total fixed charges cannot be less than	1.75:1	7.43:1

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

Total net debt¹ to operating cash flow was 2.92:1 at September 30, 2024. Consistent with the Private Placement Debt agreement, the \$344.4 million of cash does not reduce total net debt¹ per the definition under the 2024 Note agreement. However, if Mullen Group had elected to repay the notes that matured on October 22, 2024, under the Private Placement Debt in September 2024, total net debt¹ to operating cash flow would have decreased to 2.26:1 under the 2024 Note agreement.

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 September 30, 2024, the priority debt was \$11.2 million or an insignificant percentage of total assets.

Convertible Debentures

In June 2019, we issued \$125.0 million of convertible unsecured subordinated debentures (the "**Debentures**"), by way of a bought deal, at a price of \$1,000 per Debenture. The Debentures are publicly traded and are listed on the TSX under the symbol "MTL.DB". The Debentures will mature on November 30, 2026 and bear interest at an annual rate of 5.75 percent payable semi-annually in arrears on May 31 and November 30 in each year beginning November 30, 2019. Each \$1,000 Debenture 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 September 30, 2024, the conversion price of the Debentures decreased to \$13.71 from \$14.00. Each \$1,000 Debenture is now convertible into 72.9395 Common Shares of Mullen Group.

Bank Credit Facilities

On October 1, 2021, we entered into a credit agreement (the "**CIBC Credit Facility**") with Canadian Imperial Bank of Commerce ("**CIBC**"). The CIBC Credit Facility was a \$100.0 million revolving demand credit facility. We also had a loan agreement to borrow up to \$150.0 million with the Royal Bank of Canada (the "**RBC Credit Facility**"). On January 5, 2024, we entered into a \$125.0 million credit agreement (the "**PNC Credit Facility**") with PNC Bank Canada Branch. The CIBC Credit Facility, the RBC Credit Facility, and the PNC Credit Facility (collectively, the "**Bank Credit Facilities**") were subsequently amended.

In conjunction with the closing of the Offering, the Corporation entered into amended and restated credit facilities with the Bank Credit Facilities lending group (the "**Amended Bank Credit Facilities**") and entered into a new \$125.0 million credit agreement with the Toronto-Dominion Bank (the "**TD Credit Facility**", and together with the Amended Bank Credit Facilities, the "**New Bank Credit Facilities**"). The New Bank Credit Facilities provide revolving demand credit and upsizes the borrowing capacity to the Corporation to an aggregate of \$525.0 million, including increasing its borrowing capacity with CIBC from \$100.0 million to \$125.0 million. All material terms in the New Bank Credit Facilities are substantially similar to the terms under the Bank Credit Facilities and to each other. The New Bank Credit Facilities rank pari passu with the 2024 Notes and are secured.

The New Bank Credit Facilities are guaranteed by the Guarantors and secured by a first ranking charge over all present and after-acquired property of the Corporation and each Guarantor.

Contractual Obligations

An overview of Mullen Group's contractual obligations can be found on page 41 of the 2023 MD&A. As at September 30, 2024, other than the 2024 Notes and the lease liabilities assumed on the ContainerWorld acquisition, Mullen Group's contractual obligations have not changed significantly from this overview.

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



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, 2023	88,074,042	\$ 801.3
Common Shares repurchased and cancelled	(490,728)	(4.5)
Stock options exercised	60,000	0.7
Balance at September 30, 2024	87,643,314	\$ 797.5

At September 30, 2024, there were 87,643,314 Common Shares outstanding representing \$797.5 million in share capital. In 2024 we repurchased and cancelled 490,728 Common Shares under the NCIB program. In 2024 there were 60,000 stock options exercised.

Stock Option Plan

	Options	Weighted average exercise price
Outstanding – December 31, 2023	3,902,500	\$ 15.74
Granted	225,000	14.92
Expired	(115,000)	(27.78)
Forfeited	(232,500)	(15.20)
Exercised	(60,000)	(10.15)
Outstanding – September 30, 2024	3,720,000	\$ 15.45
Exercisable – September 30, 2024	2,432,500	\$ 16.44

There are 2,987,500 stock options available to be issued under our stock option plan. In 2024 we granted 225,000 stock options at a weighted average exercise price of \$14.92. In 2024 there were 115,000 stock options that had expired, 232,500 stock options forfeited and 60,000 stock options were exercised. As at September 30, 2024, Mullen Group had 3,720,000 stock options outstanding under the stock option plan.

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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⁾	2024			2023			2022	
(unaudited)		Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
(\$ millions, except per share amounts)	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revenue	1,988.8	532.0	495.6	462.6	498.6	504.0	494.3	497.8	502.7
OIBDA	326.4	95.3	85.7	66.2	79.2	88.6	83.4	77.0	77.6
Net income	122.8	38.3	32.9	22.2	29.4	39.1	36.5	31.7	61.5
Earnings per share									
Basic	1.39	0.44	0.37	0.25	0.33	0.44	0.41	0.34	0.66
Diluted	1.34	0.41	0.36	0.25	0.32	0.42	0.39	0.33	0.62
Other Information									
Net foreign exchange (gain) loss	(3.2)	(2.8)	0.2	0.2	(0.8)	(0.2)	(1.7)	(1.5)	(2.1)
Decrease (increase) in fair value of investments	(0.6)	—	(0.2)	(0.1)	(0.3)	(0.2)	(0.1)	0.3	(0.4)

⁽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 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.

Consolidated revenue in the first quarter of 2024 decreased by \$35.2 million to \$462.6 million as compared to \$497.8 million in 2023. This decrease was mainly due to a softer environment for freight and logistics demand, more competitive pricing conditions, lower pipeline construction activity, and a reduction in fuel surcharge revenue, being somewhat offset by incremental revenue from acquisitions. Net income in the first quarter was \$22.2 million, a decrease of \$9.5 million from the \$31.7 million of net income generated in 2023. The \$9.5 million decrease in net income was mainly attributable to lower OIBDA, a negative variance in foreign exchange and an increase in depreciation of right-of-use assets.

Consolidated revenue in the fourth quarter of 2023 decreased by \$4.1 million to \$498.6 million as compared to \$502.7 million in 2022. This decrease was mainly due to a reduction in fuel surcharge revenue, and a decline in demand for most freight services, predominately in the L&W segment. These decreases were somewhat offset by incremental revenue from acquisitions and from greater demand for services within the S&I segment. Net income in the fourth quarter was \$29.4 million, a decrease of \$32.1 million from the \$61.5 million of net income generated in 2022. The \$32.1 million decrease in net income was mainly attributable to the gain on sale of property, plant and equipment recognized in 2022.



TRANSACTIONS WITH RELATED PARTIES

A description of transactions with related parties can be found on page 49 of the 2023 MD&A. As at September 30, 2024, 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, 2023.

PRINCIPAL RISKS AND UNCERTAINTIES

A description of principal risks and uncertainties can be found beginning on page 50 of the 2023 MD&A. As at September 30, 2024, 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 2023 MD&A. As at September 30, 2024, 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 2023 MD&A. There have been no new standards or interpretations issued during 2024 that significantly impact Mullen Group.

Changes in Accounting Policies

On January 1, 2024, Mullen Group adopted the amendments made to International Accounting Standards 1 – Presentation of Financial Statements that clarifies how to classify debt and other liabilities as either current or non-current.

On January 1, 2024, Mullen Group adopted the amendments made to International Accounting Standards 7 – Statement of Cash Flows and International Financial Reporting Standard 7 – Financial Instruments: Disclosures regarding supplier financing arrangements.

There has been no material impact to Mullen Group's consolidated financial statements as a result of these amendments.

DISCLOSURE AND INTERNAL CONTROLS

Disclosure Controls and Internal Controls over Financial Reporting

As at September 30, 2024, 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. Based on this evaluation, the SEO and the SFO concluded that, as at September 30, 2024, the design and operation 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 September 30, 2024.



Based on this evaluation, the SEO and the SFO concluded that internal control over financial reporting was effective as at September 30, 2024, 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 September 30, 2024, 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 2024 business plan; to acquire companies and strive to improve their performance; to purchase for cancellation up to 8,220,349 Common Shares in the open market under the NCIB; to set the 2024 annual dividend at \$0.72 per Common Share (\$0.06 per Common Share on a monthly basis); to invest \$80.0 million in capital expenditures in 2024 with \$70.0 million allocated towards maintenance capital primarily to invest in trucks, trailers, specialized equipment and technology to improve the operations of the Business Units and \$10.0 million allocated to 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 2024 plan.
- Mullen Group's belief that pricing will remain at or near current levels, as referred to in the Outlook within the Consolidated Financial Results section beginning on page 7. This forward-looking statement is based on our belief that demand appears to have stabilized, but it is currently at levels not strong enough to drive pricing increases, which remains the achilles heel of the freight industry. In the absence of any structural improvement in demand, capacity must shrink. However, thus far in this economic cycle there has not been enough consolidation or right sizing of industry capacity to bring the markets back into balance.
- Mullen Group's belief that acquisitions remain the only plausible means of growing in the near term, thus we will pursue opportunities that meet our base criteria while our focus will be on "tuck-in" opportunities that help consolidate regional markets, drive scale and provide operational synergies, as referred to in the Outlook within the Consolidated Financial Results section beginning on page 7. This forward-looking statement assumes that our diversified business model, which is anchored by several core Business Units operating in multiple verticals, will continue to support the overall business. In addition, we are in the enviable position of having a very strong balance sheet, an important element of an acquisition strategy.
- Mullen Group's belief that acquisitions that add lane density and geographic expansion are key to improving margins, as referred to in the LTL segment Market Outlook beginning on page 16. This forward-looking statement assumes that overall LTL freight demand should remain stable, although we anticipate competitive pressures will negatively impact pricing. Our focus remains on reducing operating costs, enhancing our technology platforms to ensure we meet customer requirements, and through the efficient utilization of assets across our 11 Business Units.
- Mullen Group's expectation that overall market conditions will remain challenging for the foreseeable future and that markets will remain very competitive, and prices will be depressed, as referred to in the L&W segment Market Outlook beginning on page 19. This forward-looking statement is due to high interest rates and a reluctance by the private sector to invest in new capital projects in Canada. We will mitigate these market challenges by realigning Business Units, focusing on costs, and through acquisitions, like ContainerWorld, which we believe will drive growth for the balance of 2024. And we continue to evaluate opportunities that are complementary to our existing Business Units, where we can realize synergies and improve profitability.
- Mullen Group's expectation that activity levels will remain steady for the balance of the year and that we will remain focused on margin over market share and the optimization of asset utilization in each of our Business Units, as referred to in the S&I segment Market Outlook beginning on page 22. These forward-looking statements are based on the assumption that there is little evidence of any new capital investment in larger scale resource development in Canada any time soon, however, it appears that producers in western Canada will be maintaining production at current levels, subject to any material impacts to commodity pricing. There are no major maintenance and turnaround projects scheduled for the final quarter of 2024. As we enter the 2025 budgeting and capital planning cycle, we will be monitoring our customers' capital spending plans to ensure alignment with our 2025 business planning process and invest accordingly. As we had reported in the prior quarter, we would be exiting business lines that did not meet return on investment requirements and we are currently winding down our drilling operations, TREO Drilling Services and OK Drilling, and are actively reviewing other business lines within the segment.



- Mullen Group's comment that we expect the 3PL industry to remain challenged for the balance of the year, as referred to in the US 3PL segment Market Outlook beginning on page 26. This forward-looking statement assumes that the supply/demand fundamentals of excess trucking capacity coupled with not enough freight volume will continue to play out, however, we are not foreseeing any material reduction in revenues. HAUListic remains committed to its business model, the continued enhancement of the SilverExpress™ TMS through AI and the recruiting campaign focused on independent sales agents, which is targeted at former employees of large 3PLs that have downsized their respective sales forces.
- Mullen Group's intention to use the New Bank Credit Facilities and the anticipated cash flow from operating activities in 2024 to finance its ongoing working capital requirements, the NCIB program, the 2024 dividend, the 2024 capital budget, as well as various special projects and acquisition opportunities, as referred to in the Capital Resources and Liquidity section beginning on page 29. 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.

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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.

<i>(unaudited)</i> (\$ millions, except share and per share amounts)	Three month periods ended September 30		Nine month periods ended September 30	
	2024	2023	2024	2023
Income before income taxes	\$ 50.5	\$ 51.0	\$ 124.1	\$ 141.4
Add (deduct):				
Net foreign exchange (gain) loss	(2.8)	(0.2)	(2.4)	(3.4)
Change in fair value of investments	—	(0.2)	(0.3)	—
Loss on fair value of equity investment	—	—	—	0.6
Income before income taxes – adjusted	47.7	50.6	121.4	138.6
Income tax rate	25%	25%	25%	25%
Computed expected income tax expense	11.9	12.6	30.3	34.6
Net income – adjusted	35.8	38.0	91.1	104.0
Weighted average number of Common Shares outstanding – basic	87,703,145	88,737,882	87,917,375	90,439,968
Earnings per share – adjusted	\$ 0.41	\$ 0.43	\$ 1.04	\$ 1.15

Net Revenue

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

<i>(unaudited)</i> (\$ millions)	Three month periods ended September 30		Nine month periods ended September 30	
	2024	2023	2024	2023
Revenue	\$ 45.7	\$ 48.8	\$ 137.0	\$ 150.6
Direct operating expenses	41.7	44.4	125.1	136.6
Net Revenue	\$ 4.0	\$ 4.4	\$ 11.9	\$ 14.0



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.

<i>(unaudited)</i> (\$ millions)	Three month periods ended September 30		Nine month periods ended September 30	
	2024	2023	2024	2023
OIBDA	\$ 95.3	\$ 88.6	\$ 247.2	\$ 249.0
Revenue	\$ 532.0	\$ 504.0	\$ 1,490.2	\$ 1,496.1
Operating margin	17.9%	17.6%	16.6%	16.6%

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.

<i>(unaudited)</i> (\$ millions)	Three month periods ended September 30		Nine month periods ended September 30	
	2024	2023	2024	2023
Purchase of property, plant and equipment	\$ 11.6	\$ 23.8	\$ 49.8	\$ 74.4
Proceeds on sale of property, plant and equipment	(3.4)	(3.0)	(9.3)	(10.4)
Net capital expenditures	\$ 8.2	\$ 20.8	\$ 40.5	\$ 64.0

Cash Flow per Share

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

<i>(unaudited)</i> (\$ millions, except share and per share amounts)	Three month periods ended September 30		Nine month periods ended September 30	
	2024	2023	2024	2023
Net cash from operating activities	\$ 66.2	\$ 49.6	\$ 184.7	\$ 171.8
Weighted average number of Common Shares outstanding	87,703,145	88,737,882	87,917,375	90,439,968
Cash flow per share	\$ 0.75	\$ 0.56	\$ 2.10	\$ 1.90



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 measure.

Total Net Debt – Private Placement Debt Calculation

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

<i>(unaudited)</i> (\$ millions)	September 30, 2024
Private Placement Debt (including the current portion)	\$ 878.4
Lease liabilities (including the current portion)	225.9
Bank indebtedness	—
Letters of credit	3.4
Long-term debt (including the current portion)	0.1
Total debt	1,107.8
Less: unrealized gain on Cross-Currency Swaps	(51.1)
Add: unrealized loss on Cross-Currency Swaps	—
Total net debt	\$ 1,056.7

Total Net Debt – 2024 Notes Calculation

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

<i>(unaudited)</i> (\$ millions)	September 30, 2024
Private Placement Debt (including the current portion)	\$ 878.4
Lease liabilities (including the current portion)	225.9
Debentures	119.9
Bank indebtedness	—
Letters of credit	3.4
Long-term debt (including the current portion)	0.1
Total debt	1,227.7
Less: Real property lease liabilities	(211.1)
Less: unrealized gain on Cross-Currency Swaps	(51.1)
Add: unrealized loss on Cross-Currency Swaps	—
Total net debt	\$ 965.5





SEPTEMBER 30, 2024

INTERIM FINANCIAL REPORT

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

<i>(unaudited)</i> <i>(thousands)</i>	Note	September 30 2024	December 31 2023
Assets			
Current assets:			
Cash and cash equivalents		\$ 344,409	\$ 2,295
Trade and other receivables	6	314,304	278,011
Inventory		47,094	47,693
Derivative financial instruments – current portion	7	28,525	24,023
Prepaid expenses		30,896	22,238
Current tax receivable		8,297	8,991
		773,525	383,251
Non-current assets:			
Property, plant and equipment		1,030,826	1,035,192
Right-of-use assets	8	218,166	92,978
Goodwill		368,884	367,084
Intangible assets		106,057	91,002
Investments		44,955	43,201
Deferred tax assets		7,273	7,285
Derivative financial instruments	7	22,614	19,334
Other assets		2,308	2,335
		1,801,083	1,658,411
Total Assets		\$ 2,574,608	\$ 2,041,662
Liabilities and Equity			
Current liabilities:			
Bank indebtedness	11	\$ —	\$ 73,000
Accounts payable and accrued liabilities		180,877	151,180
Dividends payable	9	6,135	5,284
Current tax payable		1,906	3,757
Lease liabilities – current portion	12	41,803	25,578
Current portion of long-term debt	11	245,962	243,596
		476,683	502,395
Non-current liabilities:			
Convertible debentures – debt component	11	119,914	118,153
Long-term debt	11	632,526	230,931
Lease liabilities	12	184,115	72,826
Decommissioning liabilities		1,616	1,599
Deferred tax liabilities		145,351	140,874
		1,083,522	564,383
Equity:			
Share capital	13	797,451	801,255
Convertible debentures – equity component		9,116	9,116
Contributed surplus		20,669	20,141
Accumulated other comprehensive income		2,797	2,298
Retained earnings		184,370	142,074
		1,014,403	974,884
Subsequent events	20		
Total Liabilities and Equity		\$ 2,574,608	\$ 2,041,662

The notes which begin on page 46 are an integral part of these condensed interim consolidated financial statements.

Approved by the Board of Directors on October 23, 2024, 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 September 30		Nine month periods ended September 30	
		2024	2023	2024	2023
Revenue	16	\$ 532,035	\$ 503,943	\$ 1,490,221	\$ 1,496,051
Direct operating expenses		364,823	352,049	1,035,659	1,051,863
Selling and administrative expenses		71,916	63,371	207,343	195,234
Operating income before depreciation and amortization		95,296	88,523	247,219	248,954
Depreciation of property, plant and equipment		18,908	18,311	54,186	54,337
Depreciation of right-of-use assets		12,283	7,406	30,663	21,189
Amortization of intangible assets		3,771	3,286	10,602	10,320
Finance costs		12,194	9,659	31,503	27,411
Net foreign exchange (gain) loss	7	(2,847)	(141)	(2,438)	(3,357)
Other (income) expense	17	430	(1,005)	(1,478)	(2,394)
Income before income taxes		50,557	51,007	124,181	141,448
Income tax expense	10	12,205	11,916	30,749	34,145
Net income		\$ 38,352	\$ 39,091	\$ 93,432	\$ 107,303
Earnings per share:	14				
Basic		\$ 0.44	\$ 0.44	\$ 1.06	\$ 1.19
Diluted		\$ 0.41	\$ 0.42	\$ 1.02	\$ 1.13
Weighted average number of Common Shares outstanding:	14				
Basic		87,703	88,738	87,917	90,440
Diluted		97,044	97,892	97,264	99,611

The notes which begin on page 46 are an integral part of these condensed interim consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(unaudited) (thousands)	Three month periods ended September 30		Nine month periods ended September 30	
	2024	2023	2024	2023
Net income	\$ 38,352	\$ 39,091	\$ 93,432	\$ 107,303
Other comprehensive income				
Items that may be reclassified subsequently to statement of income				
Exchange differences from translating foreign operations	(318)	515	499	(50)
Other comprehensive (loss) income, net of tax	(318)	515	499	(50)
Total comprehensive income	\$ 38,034	\$ 39,606	\$ 93,931	\$ 107,253

The notes which begin on page 46 are an integral part of these condensed interim consolidated financial statements.



CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

<i>(unaudited)</i> <i>(thousands)</i>	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		—	—	—	—	93,432	93,432
Other comprehensive income (loss), net of tax		—	—	—	499	—	499
Common Shares repurchased	13	(4,526)	—	—	—	(1,932)	(6,458)
Common Shares issued on exercise of stock options	13	722	—	(113)	—	—	609
Stock-based compensation expense		—	—	641	—	—	641
Dividends declared to common shareholders	9	—	—	—	—	(49,204)	(49,204)
Balance at September 30, 2024		\$ 797,451	\$ 9,116	\$ 20,669	\$ 2,797	\$ 184,370	\$ 1,014,403

<i>(unaudited)</i> <i>(thousands)</i>	Note	Share capital	Convertible debentures – equity component	Contributed surplus	Accumulated Other Comprehensive Income	Retained earnings	Total
Balance at January 1, 2023		\$ 845,267	\$ 9,116	\$ 18,619	\$ 2,868	\$ 97,527	\$ 973,397
Net income for the period		—	—	—	—	107,303	107,303
Other comprehensive income (loss), net of tax		—	—	—	(50)	—	(50)
Common Shares repurchased	13	(40,868)	—	468	—	(25,821)	(66,221)
Common Shares issued on acquisition		812	—	—	—	—	812
Stock-based compensation expense		—	—	762	—	—	762
Dividends declared to common shareholders	9	—	—	—	—	(48,596)	(48,596)
Balance at September 30, 2023		\$ 805,211	\$ 9,116	\$ 19,849	\$ 2,818	\$ 130,413	\$ 967,407

The notes which begin on page 46 are an integral part of these condensed interim consolidated financial statements.



CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

<i>(unaudited)</i> <i>(thousands)</i>	Note	Nine month periods ended September 30	
		2024	2023
Cash provided by (used in):			
Cash flows from operating activities:			
Net income		\$ 93,432	\$ 107,303
Adjustments for:			
Depreciation and amortization		95,451	85,846
Finance costs		31,503	27,411
Stock-based compensation expense		641	762
Foreign exchange loss (gain) on cross-currency swaps	7	(7,782)	(2,807)
Foreign exchange (gain) loss		4,403	(602)
Other (income) expense	17	(1,478)	(2,394)
Income tax expense	10	30,749	34,145
Cash flows from operating activities before non-cash working capital items		246,919	249,664
Changes in non-cash working capital items from operating activities	18	(26,820)	(20,139)
Cash generated from operating activities		220,099	229,525
Income tax		(35,401)	(57,743)
Net cash from operating activities		184,698	171,782
Cash flows from financing activities:			
Bank indebtedness	11	(73,000)	91,400
Net proceeds of long-term debt	11	399,255	—
Repurchase of Common Shares	13	(6,458)	(64,621)
Cash dividends paid to common shareholders		(48,353)	(48,855)
Interest paid		(20,566)	(19,555)
Repayment of long-term debt and loans		(847)	(23,870)
Repayment of lease liabilities		(28,662)	(20,423)
Net proceeds from Common Share issuances	13	609	—
Changes in non-cash working capital items from financing activities	18	1,209	780
Net cash from (used in) financing activities		223,187	(85,144)
Cash flows from investing activities:			
Acquisitions net of cash acquired	5	(28,866)	(22,421)
Purchase of property, plant and equipment		(49,817)	(74,391)
Proceeds on sale of property, plant and equipment		9,342	10,371
Purchase of intangible assets		(50)	—
Interest received		3,073	552
Net investment in finance leases		175	149
Other assets		(14)	(97)
Proceeds on sale of investments		70	—
Dividends from equity investees		—	350
Changes in non-cash working capital items from investing activities	18	(162)	(615)
Net cash used in investing activities		(66,249)	(86,102)
Change in cash and cash equivalents		341,636	536
Cash and cash equivalents at January 1		2,295	8,757
Effect of exchange rate fluctuations on cash held		478	108
Cash and cash equivalents at September 30		\$ 344,409	\$ 9,401

The notes which begin on page 46 are an integral part of these condensed interim consolidated financial statements.



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

Three and nine month periods ended September 30, 2024 and 2023 (unaudited)
(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**"). These Interim Financial Statements comply with IAS 34 Interim Financial Reporting and do not include all of the information required for annual financial statements.

(b) Basis of Measurement

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

(c) Functional and Presentation Currency

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

3. Material Accounting Policies

Except as indicated below, 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, 2023, (the "**Annual Financial Statements**") as the accounting policies applied by the Corporation in these Interim Financial Statements are the same as those disclosed therein.

Changes in Accounting Policies

On January 1, 2024, Mullen Group adopted the amendments made to International Accounting Standards 1 – Presentation of Financial Statements that clarifies how to classify debt and other liabilities as either current or non-current.

On January 1, 2024, Mullen Group adopted the amendments made to International Accounting Standards 7 – Statement of Cash Flows and International Financial Reporting Standard 7 – Financial Instruments: Disclosures regarding supplier financing arrangements.

There has been no material impact to Mullen Group's consolidated financial statements as a result of these amendments.

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.

September 30, 2024 Financial Instrument	Fair Value Hierarchy	Carrying Amount	Fair Value
Investments (excluding investments accounted for by using the equity method)	Level 1	\$ 1,233	\$ 1,233
Derivative Financial Instruments ⁽¹⁾ (including the current portion)	Level 2	\$ 51,139	\$ 51,139
Private Placement Debt (including the current portion) and 2024 Notes	Level 2	\$ 878,385	\$ 818,005
Convertible Debentures – debt component	Level 2	\$ 119,914	\$ 108,152

⁽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. Acquisitions

2024 Acquisitions

ContainerWorld Forwarding Services Inc. – Effective May 1, 2024, Mullen Group acquired all of the issued and outstanding shares of ContainerWorld Forwarding Services Inc. and its operating subsidiaries ("**ContainerWorld**") for total cash consideration of \$21.1 million. Mullen Group recognized \$27.7 million of cash used to acquire ContainerWorld on its condensed consolidated statement of cash flows, which includes \$6.6 million of bank indebtedness, and \$21.1 million of cash consideration. There is also \$2.5 million of potential contingent consideration payable to the vendors pursuant to the purchase and sale agreement for achieving certain financial targets over the calendar year ending December 31, 2024. Mullen Group initially estimated the fair value of this contingent consideration to be \$2.5 million. However, based upon additional information and ContainerWorld's year to date financial results, Mullen Group has now estimated the fair value of this contingent consideration to be nil. ContainerWorld is a privately held company headquartered in Richmond, British Columbia and offers integrated supply chain solutions to the alcoholic beverage and hospitality industries. Through a network of customs and sufferance bonded warehouses, ContainerWorld provides inventory management, freight forwarding, warehousing, and distribution services to international and domestic customers in the provinces of British Columbia and Ontario. The acquisition of ContainerWorld aligns with Mullen Group's strategy of acquiring warehousing, distribution and transportation companies that have a strong regional presence. The financial results of ContainerWorld are included in the Logistics & Warehousing segment.

1938359 Alberta Ltd. operating as Rockyview Transport – Effective September 1, 2024, Mullen Group acquired certain assets and the courier and small package business of 1938359 Alberta Ltd. operating as Rockyview Transport ("**RVT**") for total cash consideration of \$1.1 million. RVT is a privately held company headquartered in Calgary, Alberta and provides courier and small package delivery transportation services. The acquisition of certain assets and the courier and small package business of RVT aligns with Mullen Group's strategy of acquiring transportation and logistics businesses. The financial results of RVT were integrated into West Direct Express Ltd., which is included within the Less-Than-Truckload segment.

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

	ContainerWorld	RVT	Total
Assets:			
Non-cash working capital items ⁽¹⁾	\$ (14,345)	\$ (82)	\$ (14,427)
Property, plant and equipment	9,654	20	9,674
Right-of-use assets	141,358	612	141,970
Intangible assets	24,300	1,020	25,320
Goodwill	1,085 ⁽²⁾	80	1,165
Other	36	—	36
	162,088	1,650	163,738
Assumed liabilities:			
Lease liabilities (long-term portion)	126,340	525	126,865
Deferred income taxes	8,007	—	8,007
	134,347	525	134,872
Net assets before cash and cash equivalents	27,741	1,125	28,866
Cash and cash equivalents (bank indebtedness)	(6,608)	—	(6,608)
Net assets	21,133	1,125	22,258
Consideration:			
Cash	21,133	1,125	22,258
	\$ 21,133	\$ 1,125	\$ 22,258

⁽¹⁾ Includes the fair value of accounts receivable and the fair value of the current portion of lease liabilities of \$18.8 million and \$15.4 million, respectively.

⁽²⁾ Goodwill is not deductible for tax purposes.

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



6. Trade and Other Receivables

	September 30 2024	December 31 2023
Trade receivables	\$ 269,776	\$ 245,424
Other receivables	39,478	29,983
Net investment in finance leases	227	169
Contract assets	4,823	2,435
	\$ 314,304	\$ 278,011

7. Derivative Financial Instruments

On July 25, 2014, Mullen Group entered into two cross-currency swap contracts with a Canadian bank to swap \$117.0 million U.S. dollars and \$112.0 million U.S. dollars into Canadian dollars (collectively, the "**Cross-Currency Swaps**") at foreign exchange rates of \$1.1047 and \$1.1148 that mature on October 22, 2024 and October 22, 2026, respectively. These Cross-Currency Swaps provide an economic hedge on the principal amount of the Series G and Series H Notes. As at September 30, 2024, the carrying value of these Cross-Currency Swaps (including the current portion) was \$51.1 million (December 31, 2023 – \$43.4 million) and was recorded in the condensed consolidated statement of financial position within derivative financial instruments. As at September 30, 2024, the value of the Cross-Currency Swap that matures on October 22, 2024, has been classified within current assets.

For the nine month period ended September 30, 2024, Mullen Group has recorded a net foreign exchange (gain) loss of \$(2.4) million (2023 – \$(3.4) 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	Nine month periods ended September 30			
	CDN. \$ Equivalent			
	2024		2023	
Foreign exchange loss (gain) on U.S. \$ debt	\$	5,344	\$	(550)
Foreign exchange (gain) loss on Cross-Currency Swaps		(7,782)		(2,807)
Net foreign exchange (gain) loss	\$	(2,438)	\$	(3,357)

For the nine month period ended September 30, 2024, Mullen Group recorded a foreign exchange loss (gain) on U.S. dollar debt of \$5.3 million (2023 – \$(0.6) million) as summarized in the table below:

(\$ thousands, except exchange rate amounts)	Nine month periods ended September 30					
	2024			2023		
	U.S. \$ Debt	Exchange Rate	CDN. \$ Equivalent	U.S. \$ Debt	Exchange Rate	CDN. \$ Equivalent
Beginning – January 1	229,000	1.3226	302,875	229,000	1.3544	310,157
Add: Series N Notes	75,000	1.3620	102,150	—	—	—
Subtotal	304,000	—	405,025	229,000	—	310,157
Ending – September 30	304,000	1.3499	410,370	229,000	1.3520	309,607
Unrealized foreign exchange loss (gain) on U.S. debt			5,344			(550)

For the nine month period ended September 30, 2024, Mullen Group recorded a foreign exchange (gain) loss on its Cross-Currency Swaps of \$(7.8) million (2023 – \$(2.8) 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	Nine month periods ended September 30			
	2024		2023	
	U.S. \$ Swaps	CDN. \$ Change in Fair Value of Swaps	U.S. \$ Swaps	CDN. \$ Change in Fair Value of Swaps
Cross-Currency Swap maturing October 22, 2024	117,000	(4,502)	117,000	(1,101)
Cross-Currency Swap maturing October 22, 2026	112,000	(3,280)	112,000	(1,706)
Foreign exchange (gain) loss on Cross-Currency Swaps		(7,782)		(2,807)



8. Right-of-Use Assets

Estimates: Right-of-Use-Assets involves estimating each asset's useful life. The estimated useful life chosen is Mullen Group's best estimate and is based on historical experience.

Policy: As lease liabilities are recognized, there is a corresponding right-of-use asset recorded at the date of which the asset becomes available for use. Right-of-use assets are depreciated over the shorter of the assets' useful life and the lease term on a straight line basis. ► **For more information, refer to Note 5.**

Supporting information:

	Real Property	Operating Equipment	Total
Cost			
Balance at January 1, 2024	\$ 127,447	\$ 30,049	\$ 157,496
Additions ⁽¹⁾	144,763	13,015	157,778
Subleases	(252)	—	(252)
Disposals	(1,826)	(927)	(2,753)
Balance at September 30, 2024	270,132	42,137	312,269
Accumulated Depreciation			
Balance at January 1, 2024	42,381	22,137	64,518
Depreciation expense	23,403	7,260	30,663
Disposals	(510)	(568)	(1,078)
Balance at September 30, 2024	65,274	28,829	94,103
Net book value at September 30, 2024	\$ 204,858	\$ 13,308	\$ 218,166

	Real Property	Operating Equipment	Total
Cost			
Balance at January 1, 2023	\$ 99,854	\$ 29,932	\$ 129,786
Additions ⁽¹⁾	33,182	1,100	34,282
Subleases	(225)	—	(225)
Disposals	(5,364)	(983)	(6,347)
Balance at December 31, 2023	127,447	30,049	157,496
Accumulated Depreciation			
Balance at January 1, 2023	26,572	15,458	42,030
Depreciation expense	21,471	7,662	29,133
Disposals	(5,662)	(983)	(6,645)
Balance at December 31, 2023	42,381	22,137	64,518
Net book value at December 31, 2023	\$ 85,066	\$ 7,912	\$ 92,978

⁽¹⁾ Additions include right-of-use assets acquired by way of business acquisitions of \$142.0 million (2023 - \$9.5 million). ► **For more information, refer to Note 5.**

9. Dividends Payable

For the nine month period ended September 30, 2024, Mullen Group declared dividends totalling \$0.56 per Common Share (2023 – \$0.54 per Common Share). On December 11, 2023, Mullen Group announced its intention to pay annual dividends of \$0.72 per Common Share (\$0.06 per Common Share on a monthly basis) for 2024. On July 25, 2024, Mullen Group announced an increase to the monthly dividend from \$0.06 to \$0.07 per share effective as of the next regular dividend payment, which was payable on September 16, 2024. At September 30, 2024, Mullen Group had 87,643,314 Common Shares outstanding and a dividend payable of \$6.1 million (December 31, 2023 – \$5.3 million), which was paid on October 15, 2024. Mullen Group also declared a dividend of \$0.07 per Common Share on October 22, 2024, to the holders of record at the close of business on October 31, 2024.



10. Income Taxes

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

	Three month periods ended September 30		Nine month periods ended September 30	
	2024	2023	2024	2023
Income before income taxes	\$ 50,557	\$ 51,007	\$ 124,181	\$ 141,448
Combined statutory tax rate	25%	25%	25%	25%
Expected income tax	12,639	12,752	31,045	35,362
Add (deduct):				
Non-deductible (taxable) loss (gain) portion of net foreign exchange	(327)	(16)	(280)	(386)
Non-deductible (taxable) portion of the change in fair value of investments	(2)	(25)	(32)	58
Stock-based compensation expense	51	64	147	175
Changes in unrecognized deferred tax asset	(591)	(16)	(646)	(386)
Other	435	(843)	515	(678)
Income tax expense	\$ 12,205	\$ 11,916	\$ 30,749	\$ 34,145

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

Mullen Group's long-term debt includes 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 G	\$ 117,000 U.S.	October 22, 2024	3.84%
Series H	\$ 112,000 U.S.	October 22, 2026	3.94%
Series I	\$ 30,000 CDN.	October 22, 2024	3.88%
Series J	\$ 3,000 CDN.	October 22, 2026	4.00%
Series K	\$ 58,000 CDN.	October 22, 2024	3.95%
Series L	\$ 80,000 CDN.	October 22, 2026	4.07%

⁽¹⁾ Interest is payable semi-annually.

Mullen Group's unamortized debt issuance costs of \$0.2 million related to its Private Placement Debt have been netted against its carrying value at September 30, 2024 (December 31, 2023 – \$0.3 million). Mullen Group has certain financial covenants that must be met under its secured Private Placement Debt, which include a total net debt to operating cash flow ratio and a total earnings available for fixed charges to total fixed charges ratio. Mullen Group's total net debt cannot exceed 3.5 times operating cash flow calculated using the trailing twelve months financial results normalized for acquisitions. The term "**total net debt**" is defined in the Private Placement Debt agreement as all debt including the Private Placement Debt, the 2024 Notes, lease liabilities, the New 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. Total net debt specifically excludes the Debentures. The term "**operating cash flow**" is also defined in the Private Placement Debt agreement and means, for any quarterly period, the trailing twelve month consolidated net income adjusted for all amounts deducted in the computation thereof on account of (i) taxes imposed on or measured by income or excess profits, (ii) depreciation and amortization taken during such period, (iii) total interest charges, including interest on the Debentures and lease liabilities; and (iv) non-cash charges. Mullen Group cannot have a fixed charge coverage ratio less than 1.75:1 calculated using the trailing twelve months financial results. Mullen Group is in compliance with all the Private Placement Debt financial covenants.

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

On July 10, 2024, the Corporation closed a private placement (the "**Offering**") whereby it issued an aggregate principal amount of \$300.0 million of Series M notes at 5.93 percent per annum and US \$75.0 million of Series N notes at 6.5 percent per annum, (collectively, the "**2024 Notes**"). The 2024 Notes mature on July 10, 2034. Interest on the 2024 Notes accrue from the date of issue and are payable semi-annually in arrears on June 7 and December 7, beginning on December 7, 2024. Mullen Group used a portion of the net proceeds from the 2024 Notes to repay certain notes that matured on October 22, 2024 related to its existing Private Placement Debt. Mullen Group's unamortized debt issuance costs of \$2.8 million related to its 2024 Notes have been netted against its carrying value at September 30, 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 "**total net debt**" is defined in the 2024 Note agreement as all debt including the Debentures, the Private Placement Debt, the 2024 Notes, lease liabilities associated with operating equipment, the New 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. Total net debt specifically excludes any real property lease liabilities. The term "**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 had three credit facilities to borrow an aggregate of up to \$375.0 million. The \$375.0 million of borrowing capacity comes from revolving demand credit facilities consisting of a \$100.0 million credit facility (the "**CIBC Credit Facility**") with Canadian Imperial Bank of Commerce ("**CIBC**"), a \$150.0 million credit facility (the "**RBC Credit Facility**") with Royal Bank of Canada, and the \$125.0 million credit facility (the "**PNC Credit Facility**") with PNC Bank Canada Branch that was entered into on January 5, 2024, (collectively, the "**Bank Credit Facilities**"). At December 31, 2023, there was \$73.0 million drawn on the Bank Credit Facilities as disclosed within bank indebtedness on the condensed consolidated statement of financial position. Interest on the RBC Credit Facility is payable monthly and is based on either the bank prime rate plus 0.50 percent or bankers' acceptance rates plus an acceptance fee of 1.50 percent. Interest on the CIBC Credit Facility is based on either the Canadian bank prime rate plus 0.50 percent or the U.S. bank base rate plus 0.50 percent in each case payable in arrears or bankers' acceptance rates plus an acceptable fee of 1.50 percent payable upon acceptance. Interest on the PNC Credit Facility is payable monthly and is based on either the Canadian bank prime rate plus 0.50 percent or the U.S. bank base rate plus 0.50 percent, in each case payable monthly in arrears or bankers' acceptance rates plus an acceptance fee of 1.50 percent payable upon acceptance.

Mullen Group has \$3.4 million of letters of credit outstanding, which were issued to guarantee certain performance and payment obligations. These letters of credit reduce the amount available under the RBC Credit Facility.

In conjunction with the closing of the Offering, the Corporation entered into amended and restated credit facilities with the Bank Credit Facilities lending group (the "**Amended Bank Credit Facilities**") and entered into a new \$125.0 million credit agreement with the Toronto-Dominion Bank (the "**TD Credit Facility**", and together with the Amended Bank Credit Facilities, the "**New Bank Credit Facilities**"). The New Bank Credit Facilities provide revolving demand credit and upsizes the borrowing capacity to the Corporation to an aggregate of \$525.0 million, including increasing its borrowing capacity with CIBC from \$100.0 million to \$125.0 million. All material terms in the New Bank Credit Facilities are substantially similar to the terms under the Bank Credit Facilities and to each other. The New Bank Credit Facilities rank pari passu with the 2024 Notes and are secured. As at September 30, 2024, there were no amounts drawn on the New Bank Credit Facilities. The New Bank Credit Facilities do not have any financial covenants, however, Mullen Group cannot be in default of its Private Placement Debt, the 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 2024 Notes, the Private Placement Debt and the New Bank Credit Facilities are guaranteed by Mullen Group's subsidiaries, MT Investments Inc. 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.

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

	September 30, 2024	December 31, 2023
Current liabilities:		
Private Placement Debt – current portion	\$ 245,938	\$ 242,744
Lease liabilities – current portion	41,803	25,578
Current portion of long-term debt	24	852
Bank indebtedness	—	73,000
	287,765	342,174
Non-current liabilities:		
Private Placement Debt	234,027	230,832
2024 Notes	398,420	—
Lease liabilities	184,115	72,826
Long-term debt	79	99
	816,641	303,757
	\$ 1,104,406	\$ 645,931



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

	Year of Maturity	Interest Rate	September 30, 2024		December 31, 2023	
			Face Value	Carrying Amount	Face Value	Carrying Amount
			\$	\$	\$	\$
Bank indebtedness	—	Variable	—	—	73,000	73,000
Lease liabilities	2024 – 2059	3.20%	257,580	225,918	112,237	98,404
Private Placement Debt	2024 – 2026	3.84% - 4.07%	480,127	479,965	473,876	473,576
2024 Notes	2034	5.93% - 6.50%	401,243	398,420	—	—
Various financing loans	2024 – 2027	3.31% - 5.99%	103	103	951	951
			1,139,053	1,104,406	660,064	645,931

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 September 30, 2024, was \$119.9 million (December 31, 2023 - \$118.2 million). The conversion price of the Debentures is subject to adjustment per the Debentures agreement. As of September 30, 2024, the conversion price of the Debentures decreased to \$13.71 from \$14.00. Each \$1,000 Debenture is now convertible into 72.9395 Common Shares of Mullen Group.

12. Lease Liabilities

Estimates: The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, Mullen Group's incremental borrowing rate. Generally, Mullen Group uses its incremental borrowing rate as the discount rate, which is estimated at the inception of the lease. At transition, lease liabilities were measured at the present value of the remaining lease payments, discounted at Mullen Group's incremental borrowing rate. Mullen Group's incremental borrowing rate is estimated using prevailing interest rates, market precedents and Mullen Group's credit rating.

Judgements: Mullen Group assesses whether a contract is or contains a lease at inception of the contract. This assessment involves the exercise of judgement about whether it depends on a specified asset, whether Mullen Group obtains substantially all the economic benefits from the use of that asset, and whether Mullen Group has the right to direct the use of the asset. Furthermore, Mullen Group assesses and reassesses the likelihood of it exercising renewal options.

Policy: The Corporation has recognized lease liabilities in relation to leases. Mullen Group assesses whether a contract is or contains a lease at inception of the contract. As lease liabilities are recognized, there is a corresponding right-of-use asset recorded at the date of which the asset becomes available for use. As lease payments are made there is a reduction to the principal portion of the lease liability as well as an amount allocated to finance costs. Finance costs are expensed within the condensed consolidated statement of comprehensive income over the lease term. Right-of-use assets are depreciated over the shorter of the asset's useful life and the lease term on a straight line basis. The Corporation uses a single discount rate for a portfolio of leases with reasonably similar characteristics.



Supporting information:

	Period ended September 30, 2024	
Beginning – January 1, 2024	\$	98,404
Additions ⁽¹⁾		157,885
Disposals		(1,709)
Lease payments		(32,807)
Interest expense		4,145
Ending balance – September 30, 2024		225,918
Less:		
Lease liabilities – current portion		41,803
Lease liabilities	\$	184,115
		Year ended December 31, 2023
Beginning – January 1, 2023	\$	91,863
Additions ⁽¹⁾		34,852
Disposals		(225)
Lease payments		(31,389)
Interest expense		3,303
Ending balance – December 31, 2023		98,404
Less:		
Lease liabilities – current portion		25,578
Lease liabilities	\$	72,826

⁽¹⁾ Additions include lease liabilities (current and long-term) assumed by way of business acquisitions of \$142.3 million (2023 - \$9.5 million). ► For more information, refer to Note 5.

The following are the contractual maturities of lease liabilities, including the value of any options to extend a lease where Mullen Group is reasonably certain to do so:

	September 30, 2024	
Three months or less	\$	12,430
2025 – 2026		87,775
2027 – 2028		60,052
Thereafter		97,323
Contractual cash flows	\$	257,580
Carrying amount	\$	225,918

Mullen Group's lease liabilities mainly relate to real property leases that are utilized by the Business Units within their operations. Certain Business Units have also entered into leases pertaining to various pieces of operating equipment including rail cars, trucks and trailers. Leases are entered into and terminated when they meet specific business requirements. The Corporation has recognized these lease liabilities, which are measured at the present value of the remaining lease payments at an average incremental borrowing rate of 3.2 percent.

13. 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	
	2024	2023
Issued Common Shares at January 1	88,074,042	92,953,005
Common Shares repurchased and cancelled	(490,728)	(4,384,337)
Stock Options exercised	60,000	—
Common Shares issued on acquisition	—	57,180
Issued Common Shares at September 30	87,643,314	88,625,848

Mullen Group had a normal course issuer bid ("NCIB"), commencing March 10, 2023, to purchase for cancellation up to 8,644,508 Common Shares in the open market on or before March 9, 2024. On March 7, 2024, Mullen Group announced the renewal of its 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. For the nine month period ended September 30, 2024, Mullen Group had purchased and cancelled 490,728 Common Shares for \$6.5 million under its NCIB programs.

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.

In 2024, Mullen Group issued 60,000 Common Shares on the exercise of stock options. In the first quarter of 2023, Mullen Group issued 57,180 Common Shares as partial consideration for the acquisition of Butler Ridge Energy Services (2011) Ltd.

14. 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 and nine month periods ended September 30, 2024, were \$38.4 million and \$93.4 million (2023 – \$39.1 million and \$107.3 million), respectively. The weighted average number of Common Shares outstanding for the three and nine month periods ended September 30, 2024 and 2023 was calculated as follows:

	Note	Three month periods ended September 30		Nine month periods ended September 30	
		2024	2023	2024	2023
Issued Common Shares at beginning of period	13	87,776,234	88,740,372	88,074,042	92,953,005
Effect of Common Shares repurchased and cancelled	13	(81,948)	(2,490)	(194,843)	(2,557,859)
Effect of Common Shares issued on acquisition		—	—	—	44,822
Effect of stock options exercised	13	8,859	—	38,176	—
Weighted average number of Common Shares at end of period – basic		87,703,145	88,737,882	87,917,375	90,439,968

(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 September 30		Nine month periods ended September 30	
		2024	2023	2024	2023
Net income	\$	38,352	\$ 39,091	\$ 93,432	\$ 107,303
Effect of the Debentures		1,788	1,788	5,363	5,363
Net income – adjusted	\$	40,140	\$ 40,879	\$ 98,795	\$ 112,666



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

	Three month periods ended September 30		Nine month periods ended September 30	
	2024	2023	2024	2023
Weighted average number of Common Shares – basic	87,703,145	88,737,882	87,917,375	90,439,968
Effect of "in the money" stock options	223,605	225,342	229,063	242,562
Effect of the Debentures	9,117,438	8,928,575	9,117,438	8,928,575
Weighted average number of Common Shares at end of period – diluted	97,044,188	97,891,799	97,263,876	99,611,105

For the three and nine month periods ended September 30, 2024, 2,725,000 (2023 – 2,550,000) stock options 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 September 30, 2024 and 2023. For the three and nine month periods ended September 30, 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.

15. 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.

16. 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 September 30, 2024, the Less-Than-Truckload segment consisted of 11 Business Units and is often referred to as the final or last mile delivery of general freight consisting of smaller shipments, packages and parcels. Through an extensive terminal network the pickup, handling and delivery of a wide range of freight including ambient, temperature controlled and consumer goods is coordinated from regional hubs located in Ontario and western Canada. We are committed to investing in the most advanced technologies available ensuring the continued improvement in all aspects of our business, shortening delivery times and providing customers with visibility, via tracking and tracing, to their shipments during transit.

At September 30, 2024, 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 September 30, 2024, the Specialized & Industrial Services segment consisted of 17 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 September 30, 2024, 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



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
Three and nine month periods ended September 30, 2024 and 2023 (unaudited)
(Tabular amounts in thousands, except share and per share amounts)

customer service are provided through its proprietary transportation management system technology platform known as SilverExpress, which aligns customer shipments with transportation carriers.

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:

Nine month period ended September 30, 2024	Less-Than- Truckload	Logistics & Warehousing	Specialized & Industrial Services	U.S. & International Logistics	Corporate	Intersegment eliminations	Total
	\$	\$	\$	\$	\$	\$	\$
Revenue by service line							
Transportation	550,653	267,125	155,249	—	—	—	973,027
Logistics	22,404	92,896	35,406	137,031	—	—	287,737
Other ⁽¹⁾	3,490	90,025	166,634	—	3,414	—	263,563
Eliminations	(15,592)	(3,900)	(3,949)	—	—	(10,665)	(34,106)
	560,955	446,146	353,340	137,031	3,414	(10,665)	1,490,221
Timing of revenue recognition							
Over time	550,821	273,291	212,002	—	2,968	—	1,039,082
Point in time	25,726	176,755	145,287	137,031	446	—	485,245
Eliminations	(15,592)	(3,900)	(3,949)	—	—	(10,665)	(34,106)
	560,955	446,146	353,340	137,031	3,414	(10,665)	1,490,221

⁽¹⁾ Included within other revenue is \$39.6 million of rental revenue comprised of \$0.2 million, \$6.2 million, \$30.2 million, nil and \$3.0 million recorded in the Less-Than-Truckload segment, the Logistics & Warehousing segment, the Specialized & Industrial Services segment, the U.S. & International Logistics segment and Corporate, respectively.

Nine month period ended September 30, 2023	Less-Than- Truckload	Logistics & Warehousing	Specialized & Industrial Services	U.S. & International Logistics	Corporate	Intersegment eliminations	Total
	\$	\$	\$	\$	\$	\$	\$
Revenue by service line							
Transportation	567,436	262,122	163,982	—	—	—	993,540
Logistics	22,976	90,823	20,572	150,569	—	—	284,940
Other ⁽¹⁾	4,406	73,937	164,065	—	4,548	—	246,956
Eliminations	(14,459)	(2,824)	(3,069)	—	—	(9,033)	(29,385)
	580,359	424,058	345,550	150,569	4,548	(9,033)	1,496,051
Timing of revenue recognition							
Over time	567,621	266,670	231,277	—	2,762	—	1,068,330
Point in time	27,197	160,212	117,342	150,569	1,786	—	457,106
Eliminations	(14,459)	(2,824)	(3,069)	—	—	(9,033)	(29,385)
	580,359	424,058	345,550	150,569	4,548	(9,033)	1,496,051

⁽¹⁾ Included within other revenue is \$40.6 million of rental revenue comprised of \$0.2 million, \$4.5 million, \$33.1 million, nil and \$2.8 million recorded in the Less-Than-Truckload segment, the Logistics & Warehousing segment, the Specialized & Industrial Services segment, the U.S. & International Logistics segment and Corporate, respectively.



17. Other (Income) Expense

	Three month periods ended September 30		Nine month periods ended September 30	
	2024	2023	2024	2023
Change in fair value of investments	\$ (10)	\$ (218)	\$ (276)	\$ (67)
Loss (gain) on sale of property, plant and equipment	360	(493)	329	(1,251)
Loss on fair value of equity investment	—	—	—	562
(Earnings) loss from equity investments	74	(299)	(1,548)	(1,655)
Accretion on decommissioning liabilities	6	5	17	17
Other (income) expense	\$ 430	\$ (1,005)	\$ (1,478)	\$ (2,394)

18. Changes in Non-Cash Working Capital

	Nine month periods ended September 30	
	2024	2023
Trade and other receivables	\$ (17,407)	\$ (6,550)
Inventory	604	(4,048)
Prepaid expenses	(5,742)	(15,072)
Accounts payable and accrued liabilities	(3,228)	5,696
	\$ (25,773)	\$ (19,974)

	Nine month periods ended September 30	
	2024	2023
Changes in non-cash working capital items from:		
Operating activities	\$ (26,820)	\$ (20,139)
Financing activities	1,209	780
Investing activities	(162)	(615)
	\$ (25,773)	\$ (19,974)

19. 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.



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
Three and nine month periods ended September 30, 2024 and 2023 (unaudited)
(Tabular amounts in thousands, except share and per share amounts)

The following tables provide financial results by segment:

Three month period ended September 30, 2024	Intersegment eliminations									Total
	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	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Revenue	188,633	168,901	131,878	45,746	1,008	(1,338)	(1,834)	(959)	—	532,035
Income (loss) before income taxes	18,695	18,891	18,272	(647)	(4,654)	—	—	—	—	50,557
Depreciation of property, plant and equipment	5,917	3,934	6,812	—	2,245	—	—	—	—	18,908
Amortization of intangible assets	1,694	1,196	420	461	—	—	—	—	—	3,771
Capital expenditures ⁽¹⁾	6,168	622	5,056	—	133	(2)	(374)	(23)	—	11,580
Total assets at September 30, 2024	571,585	568,673	421,312	67,107	945,931	—	—	—	—	2,574,608

⁽¹⁾ Excludes business acquisitions.

Three month period ended September 30, 2023	Intersegment eliminations									Total
	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	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Revenue	194,110	137,080	125,402	48,811	1,033	(507)	(1,137)	(849)	—	503,943
Income (loss) before income taxes	16,858	17,777	19,943	84	(3,655)	—	—	—	—	51,007
Depreciation of property, plant and equipment	6,061	3,705	6,882	—	1,663	—	—	—	—	18,311
Amortization of intangible assets	1,838	635	360	453	—	—	—	—	—	3,286
Capital expenditures ⁽¹⁾	9,678	6,862	7,096	—	741	(433)	(95)	(56)	—	23,793
Total assets at December 31, 2023	566,671	386,003	422,594	65,024	601,370	—	—	—	—	2,041,662

⁽¹⁾ Excludes business acquisitions.



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
Three and nine month periods ended September 30, 2024 and 2023 (unaudited)
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Nine month period ended September 30, 2024	Intersegment eliminations									Total
	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	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Revenue	560,955	446,146	353,340	137,031	3,414	(3,801)	(3,585)	(3,279)	—	1,490,221
Income (loss) before income taxes	53,443	47,346	37,979	(1,398)	(13,189)	—	—	—	—	124,181
Depreciation of property, plant and equipment	17,439	11,214	20,088	—	5,445	—	—	—	—	54,186
Amortization of intangible assets	5,043	2,919	1,261	1,379	—	—	—	—	—	10,602
Capital expenditures ⁽¹⁾	22,186	11,064	14,593	—	3,104	(28)	(424)	(678)	—	49,817
Total assets at September 30, 2024	571,585	568,673	421,312	67,107	945,931	—	—	—	—	2,574,608

⁽¹⁾ Excludes business acquisitions.

Nine month period ended September 30, 2023	Intersegment eliminations									Total
	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	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Revenue	580,359	424,058	345,550	150,569	4,548	(1,622)	(3,082)	(4,329)	—	1,496,051
Income (loss) before income taxes	50,309	56,271	42,323	(896)	(6,559)	—	—	—	—	141,448
Depreciation of property, plant and equipment	16,630	10,775	20,543	1,011	5,378	—	—	—	—	54,337
Amortization of intangible assets	5,874	2,049	1,033	1,364	—	—	—	—	—	10,320
Capital expenditures ⁽¹⁾	27,744	19,672	21,171	—	6,616	(480)	(259)	(73)	—	74,391
Total assets at December 31, 2023	566,671	386,003	422,594	65,024	601,370	—	—	—	—	2,041,662

⁽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.



The following geographical information is based upon the Business Unit's head office location for the nine month periods ended September 30, 2024 and 2023.

2024	Revenue	Operating Income Before Depreciation and Amortization	Property, Plant and Equipment	Total Non- Current Assets	Total Assets
Canada	\$ 1,353,190	\$ 245,590	\$ 1,030,826	\$ 1,756,073	\$ 2,507,501
United States	137,031	1,629	—	45,010	67,107
Total	\$ 1,490,221	\$ 247,219	\$ 1,030,826	\$ 1,801,083	\$ 2,574,608

2023	Revenue	Operating Income Before Depreciation and Amortization	Property, Plant and Equipment	Total Non- Current Assets	Total Assets
Canada	\$ 1,345,482	\$ 245,722	\$ 1,025,660	\$ 1,640,684	\$ 2,032,744
United States	150,569	3,232	—	47,337	69,872
Total	\$ 1,496,051	\$ 248,954	\$ 1,025,660	\$ 1,688,021	\$ 2,102,616

20. Subsequent Events

On October 22, 2024, Mullen Group used approximately \$217.2 million of cash to repay certain notes that matured relating to its Private Placement Debt.

Subsequent to September 30, 2024, until the date of this report, the Corporation repurchased 2,300 Common Shares at a total cost of \$32,171.

7121326 Manitoba Ltd. o/a Westman Courier and Freight – Effective October 1, 2024, we acquired all of the shares of 7121326 Manitoba Ltd. o/a Westman Courier and Freight ("**Westman**") for total cash consideration of \$7.7 million. Westman specializes in small parcel to full truckload service to and from communities throughout Manitoba and into Thunder Bay, Ontario. Westman operates a fleet of 75 trucks and vans with depots in Winnipeg, Brandon, Swan River, Dauphin, Thompson, and Thunder Bay. The acquisition of Westman aligns with our strategy of acquiring transportation and logistics companies. The financial results of Westman will be integrated into Gardewine Group Limited Partnership, which is included within the Less-Than-Truckload segment.



CORPORATE INFORMATION

DIRECTORS | OFFICERS

Murray K. 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 H. Lockwood, LLB

Director

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

Director

Jamil Murji, CFA

Director

Richard Whitley, FCPA, FCA

Director

Richard J. Maloney

Senior Operating Officer

Joanna K. Scott

Senior Corporate Officer

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Toronto Stock Exchange

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www.mullen-group.com.*

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about tomorrow