

# Investor Presentation

April 2024

WE THINK  
about **tomorrow**



*FIRST...*

*... to FINAL MILE*

# DISCLAIMER

This report contains forward-looking statements which reflect management's expectations regarding Mullen Group Ltd.'s ("**Mullen Group**") future growth, financial condition, results of operations, performance, business prospects, strategies and opportunities. Wherever possible, words such as "anticipate", "may", "will", "believe", "expect", "potential", "continue", "view" and 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.

This report also contains future-oriented financial information and financial outlook information (collectively, "**FOFI**"), in particular the information relating to Mullen Group's 2023 and 2024 budget and business plan constitute FOFI. The FOFI in this report is subject to the same assumptions, risk factors, limitations, and qualifications as set forth throughout this Disclaimer.

In particular, forward-looking statements and FOFI include but are not limited to the following: (i) our financial goals and expectations for 2024; (ii) our capital expenditure plans for 2024; and (iii) our strategic initiatives for 2024 including but not limited to potential acquisitions both strategic and tuck-in. These forward-looking statements and FOFI are based on certain assumptions and analysis made by Mullen Group in light of our experience and our perception of historical trends, current conditions, expected future developments and other factors we believe are appropriate under the circumstances. These assumptions include but are not limited to the following: (i) Mullen Group's Business Units will require capital to support their ongoing operations and growth opportunities and that we will generate sufficient cash in excess of our financial obligations to support the capital expenditures; (ii) Mullen Group's expectation as to how our current Business Units will perform in 2024; (iii) Mullen Group will have ample liquidity to pursue acquisitions that are synergistic and accretive, if the opportunity is available; and (iv) Mullen Group will have an opportunity to monetize non-core assets, deploy technology and optimize operations of our Business Units.

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 and FOFI. Although the forward-looking statements and FOFI contained in this presentation 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 and FOFI. Some of the risks and uncertainties include, but are not limited to those outlined below:

<u>STRATEGIC RISKS:</u>	<u>FINANCIAL RISKS:</u>	<u>OPERATIONAL RISKS:</u>
<ul style="list-style-type: none"><li>geopolitical risks<ul style="list-style-type: none"><li>general economy</li><li>energy programs including natural gas and oil drilling and oil sands development</li><li>changes in the legal framework</li></ul></li><li>e-commerce and supply chain evolution</li><li>acquisitions</li><li>competition</li></ul>	<ul style="list-style-type: none"><li>interest rates</li><li>foreign exchange rates</li><li>investments</li><li>access to financing</li><li>reliance on major customers</li><li>impairment of goodwill or intangible assets</li><li>credit risk</li></ul>	<ul style="list-style-type: none"><li>senior management and employees</li><li>cost escalation &amp; fuel costs</li><li>potential operating risks &amp; insurance</li><li>information technology &amp; cyber security</li><li>business continuity, disaster recovery &amp; crisis management</li><li>environmental, social &amp; governance (ESG)</li><li>environmental liability risks</li><li>weather &amp; seasonality</li><li>access to parts, development of new technology &amp; relationships with key suppliers</li><li>regulation</li><li>litigation</li></ul>

Given these risks and uncertainties, the reader should not place undue reliance on these forward-looking statements and FOFI. These forward-looking statements and FOFI are made as of the date hereof and Mullen Group assumes no obligation to update or revise them to reflect new events or circumstances, except as required by applicable securities legislation. For further information on any strategic, financial, operational and other outlook on Mullen Group's business please refer to Mullen Group's Management's Discussion and Analysis available for viewing on Mullen Group's issuer profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). Additional information on 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 Annual Financial Review as well as in reports on file with applicable securities regulatory authorities and may be accessed through Mullen Group's issuer profile on the SEDAR+ website at [www.sedarplus.ca](http://www.sedarplus.ca). The forward-looking statements and FOFI contained in this report are expressly qualified by this cautionary statement. The forward-looking statements and FOFI contained herein is made as of the date of this report and Mullen Group disclaims any intent or obligation to update publicly any such forward-looking statements or FOFI, whether as a result of new information, future events or results or otherwise, other than as required by applicable Canadian securities laws. Mullen Group relies on litigation protection for forward-looking statements and FOFI.

# MULLEN GROUP EXECUTIVE TEAM

---



## MURRAY K. MULLEN

*Chair, Senior Executive Officer & President*

Tenure: 46 years

Previous experience: Joined Mullen after receiving a BA in economics from the University of Calgary



## JOANNA K. SCOTT

*Senior Corporate Officer*

Tenure: 9 years

Previous experience and oversight: Legal, human resources, strategy, M&A and corporate services



## RICHARD J. MALONEY

*Senior Operating Officer*

Tenure: 26 years

Previous experience and oversight: Operations, strategy, M&A, risk management and information technology



## CARSON P. URLACHER

*Senior Financial Officer*

Tenure: 17 years

Previous experience and oversight: CPA, CA designation articling at KPMG LLP, and B.Comm from the University of Calgary. Former Corporate Controller of Mullen



# AGENDA

1 |

MULLEN GROUP OVERVIEW

2 |

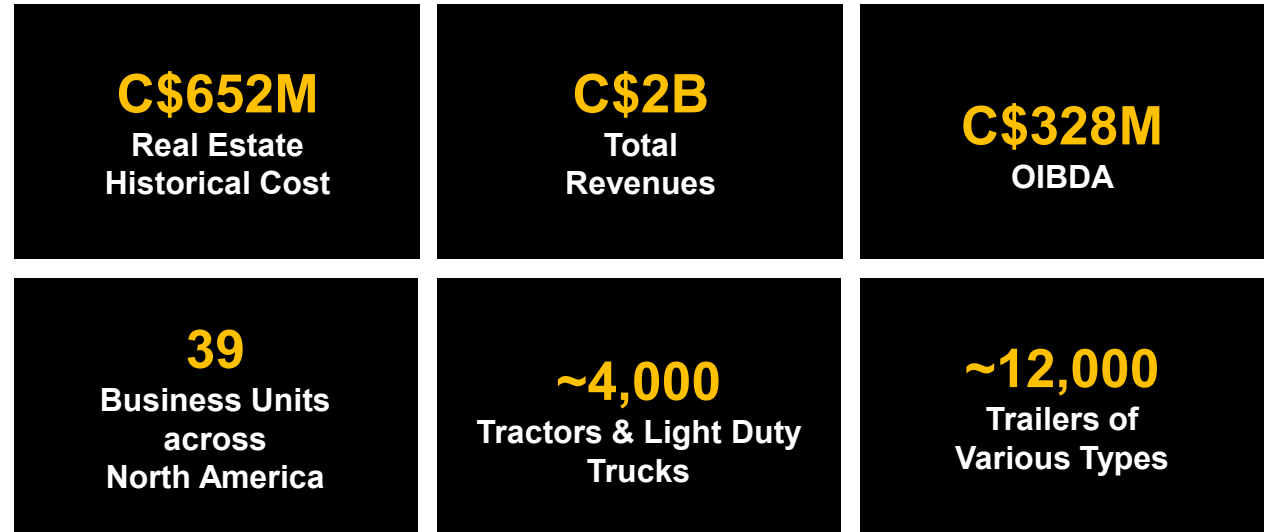
KEY INVESTMENT HIGHLIGHTS

# MULLEN AT A GLANCE

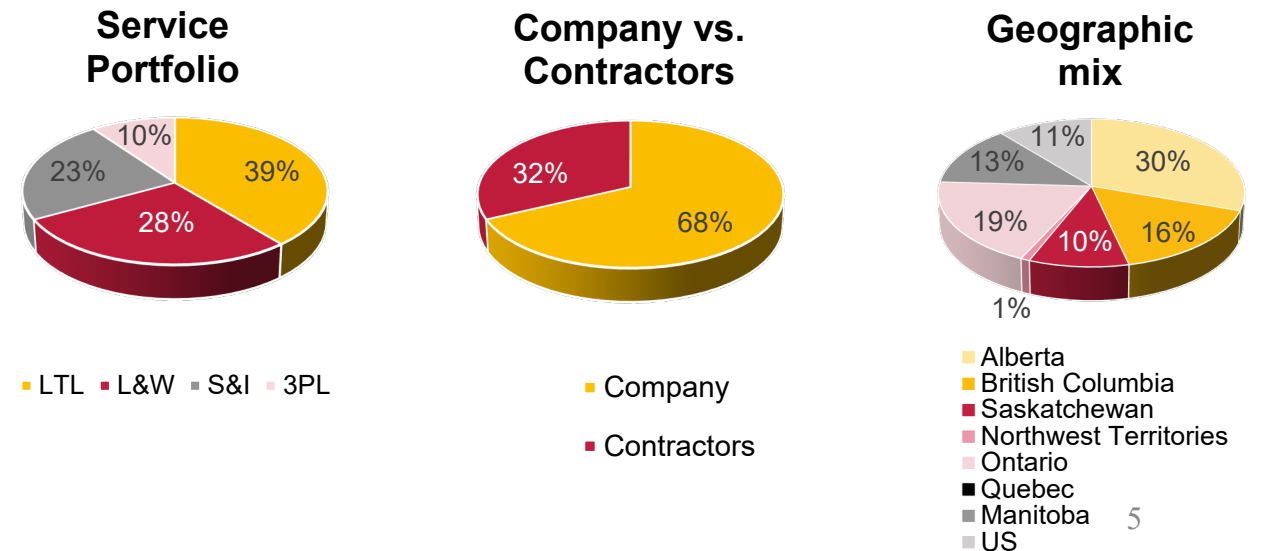
## Overview

- Mullen is **one of the largest logistics companies** in North America, providing a wide range of transportation, warehousing and distribution services
- Provides a diverse set of specialized services related to the **energy, mining, forestry, and construction industries** in western Canada
- Operates a **decentralized business model** through a number of wholly-owned, independently-operated companies and limited partnerships (“Business Units”). These are divided into four distinct business segments:
  - Less-Than-Truckload
  - Logistics & Warehousing
  - Specialized & Industrial Services
  - U.S. & International Services
- Significantly invested in real estate holdings, with a carrying cost of **~C\$652 million** which includes:
  - 2,237 acres of land
  - 2.0 million square feet of warehousing space
  - 1,300 dock doors
- Publicly-traded since 1993 and listed on the Toronto Stock Exchange (“TSX”) with a **market capitalization of C\$1.2 billion**
- Over the past three decades, Mullen has managed through **all business cycles** and has **grown through acquiring** well-managed companies with strong brands and improving their operations and performance
- Headquartered in Okotoks, Alberta, Canada

## Key Statistics

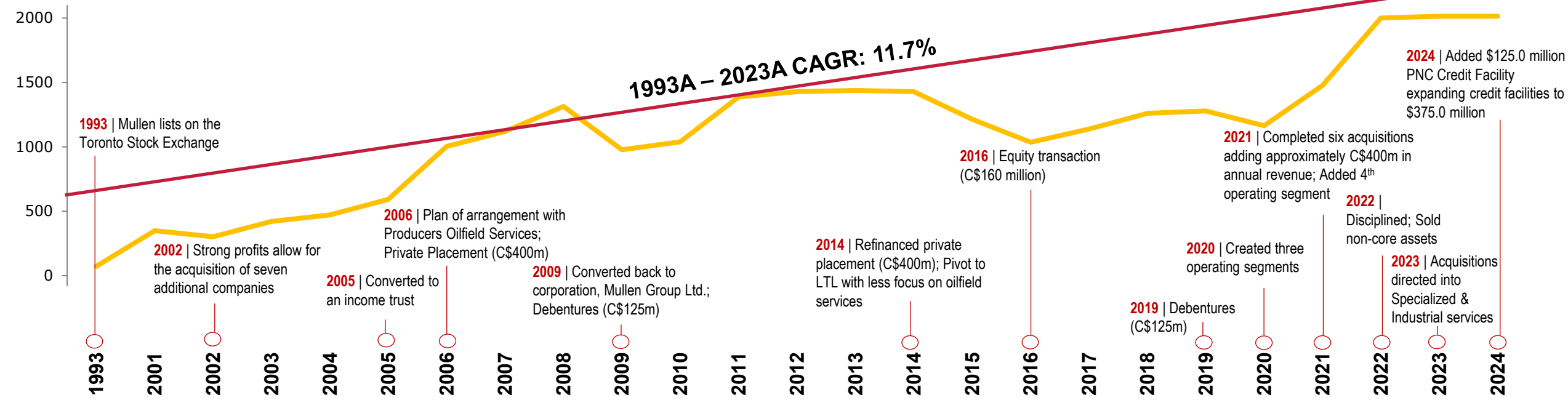


## Balanced Portfolio



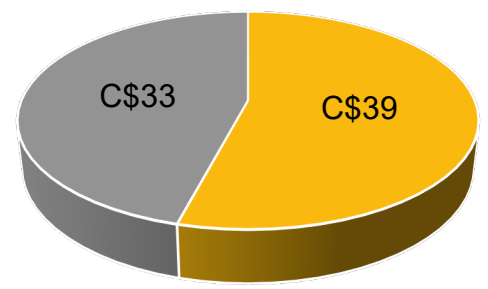
# MULLEN HAS EXPANDED AND DIVERSIFIED INTO A MULTI-DISCIPLINARY TRANSPORTATION AND LOGISTICS PLATFORM

Total revenue (C\$ in millions)



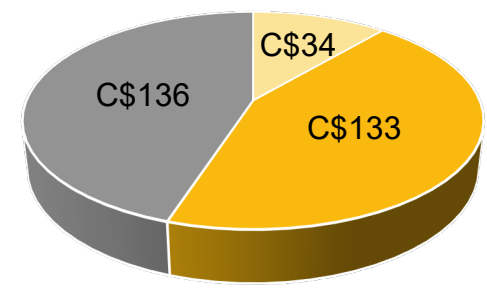
## 1993

C\$72 million



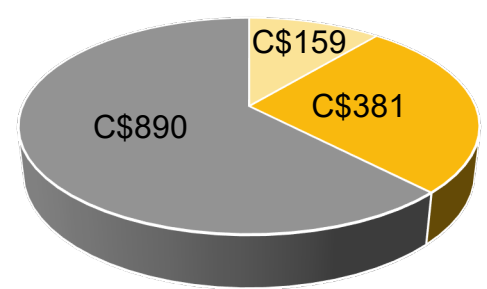
## 2002

C\$302 million



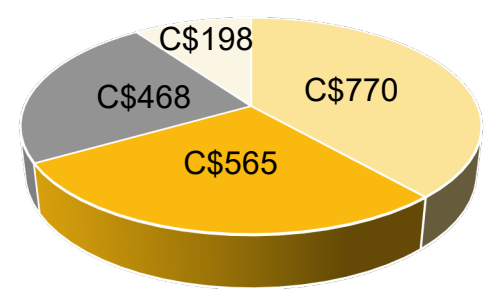
## 2012

C\$1,427 million



## 2023

C\$1,995 million



Less-Than-Truckload
  Logistics & Warehousing
  Specialized & Industrial Services
  U.S. & International Logistics

# MULLEN SEGMENT OVERVIEW



	Less-Than-Truckload	Logistics & Warehousing	Specialized & Industrial Services	U.S. & International Logistics
REVENUE				
OVERVIEW	<ul style="list-style-type: none"> <li>Largest final mile network in western Canada and Ontario with service capabilities extending into the United States</li> <li>Diverse network of service centres which provide cross dock capacity to deliver to over 5,000 points of service</li> </ul>	<ul style="list-style-type: none"> <li>One of Canada's premier logistics and warehousing companies serving North America</li> <li>Provides safe and reliable movement of freight through a multimode transportation service</li> <li>Services include full truckload, specialized trucking, intermodal and transload</li> </ul>	<ul style="list-style-type: none"> <li>Serves Canada's natural resources and infrastructure sectors</li> <li>Includes water management, environmental services, civil construction, industrial cleaning and pipeline construction</li> <li>Operate fleets of highly specialized equipment and facilities</li> </ul>	<ul style="list-style-type: none"> <li>Offers a wide range of logistics services through a combination of professional representatives and a network of independently owned and managed Station Agents</li> <li>Serves over 2,700 customers in the US and Mexico and utilizes over 6,000 certified sub-contractor carriers</li> </ul>
BUSINESS UNITS				
ASSET MIX	Asset Based	Hybrid: Asset Light + Asset Based	Asset Based	Non-Asset Based (Technology Only)
OPERATING MARGIN	17.0%	19.8%	20.4%	1.8%

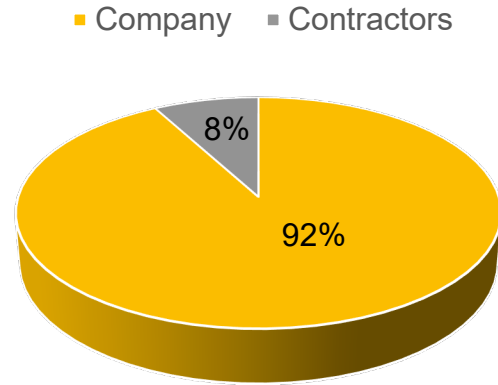
Note: All data is as of December 31, 2023

# SEGMENT OVERVIEW: LESS-THAN-TRUCKLOAD

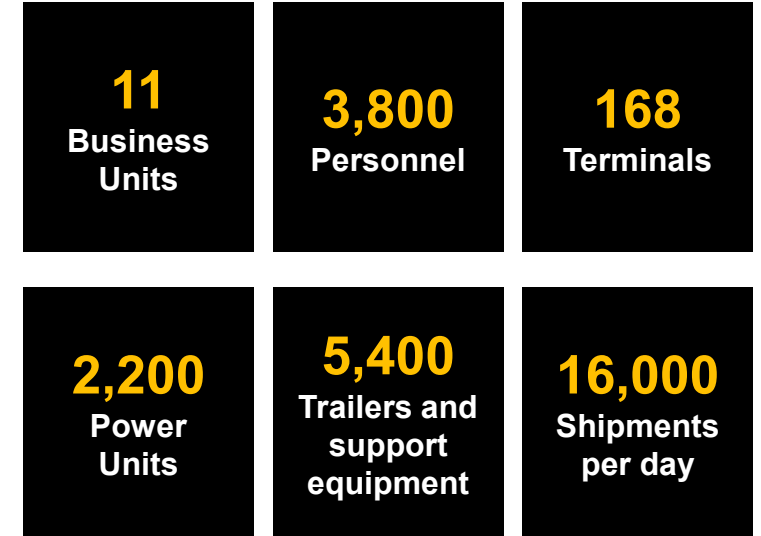
## Overview

- Operates the largest final mile network in western Canada and Ontario with service capabilities extending into the United States
- Owns and operates a network of terminals with 1,500 cross dock doors to deliver over 3.5 million shipments of consumer related goods to 5,500 communities each year
- Areas of particular focus include: liquor, beverages, ambient and temperature controlled delivery services along with pharmaceutical and package delivery capabilities

## Company vs. Contractors Revenue Mix

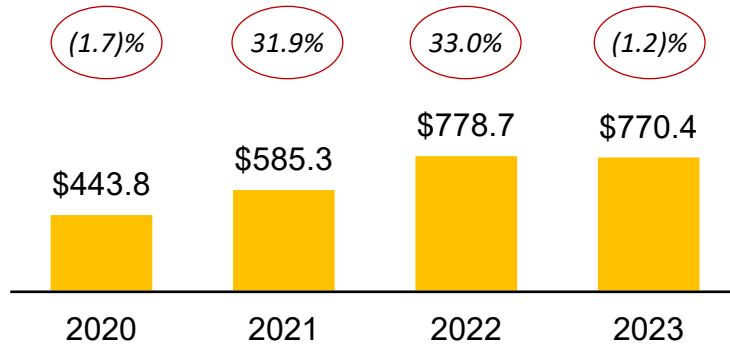


## Key Statistics



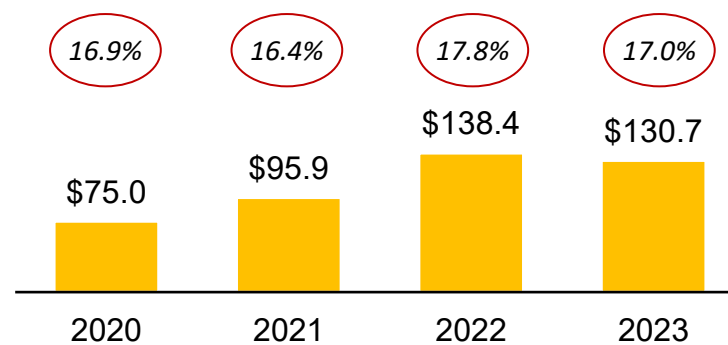
## Revenue: 2020 – 2023(C\$m)

### Growth



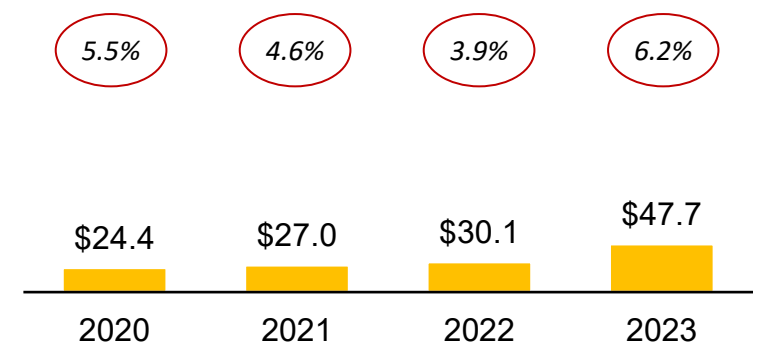
## OIBDA: 2020 – 2023(C\$m)

### Margin



## Net capex (C\$m)

### % of revenue



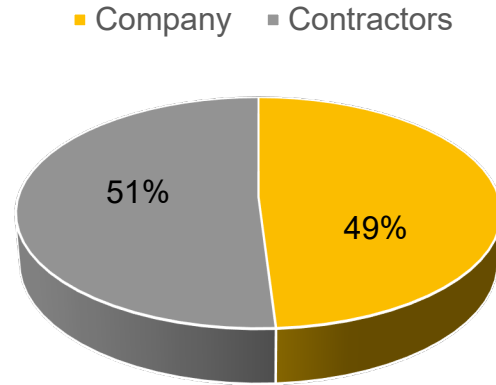


# SEGMENT OVERVIEW: LOGISTICS & WAREHOUSING

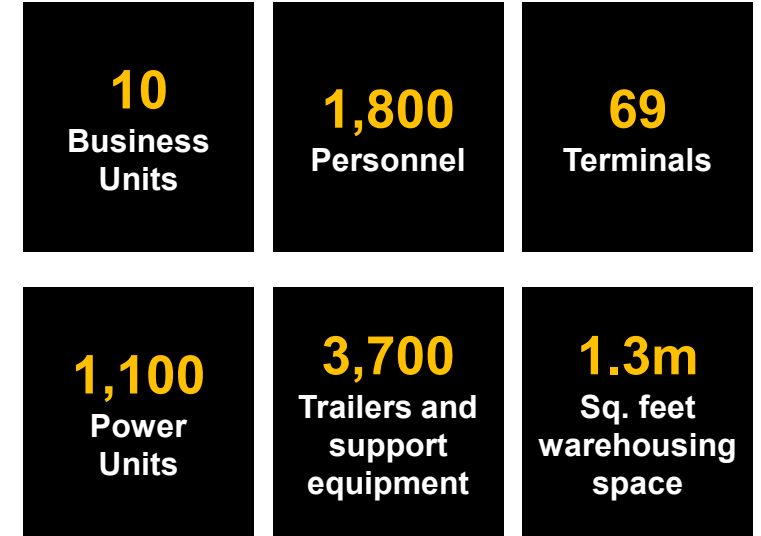
## Overview

- Provides transportation and logistics solutions to customers throughout North America
- Diverse network of terminals and transload facilities providing safe and reliable movement of freight through a multimode transportation service
- Service offerings include 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 customizable group of leading edge technology solutions and platforms

## Company vs. Contractors Revenue Mix

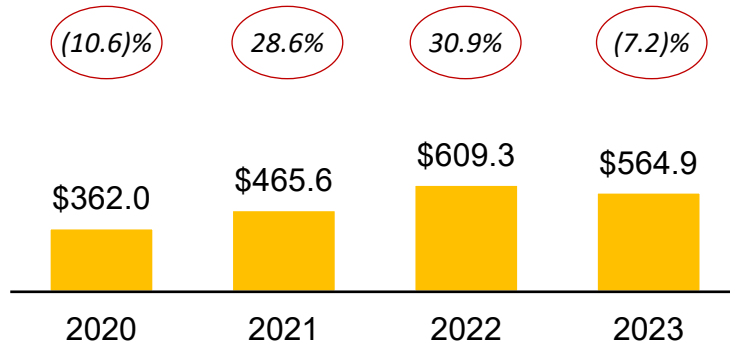


## Key Statistics



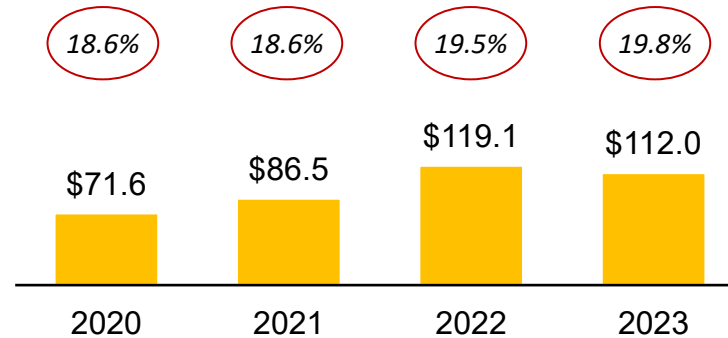
## Revenue: 2020 – 2023 (C\$m)

### Growth



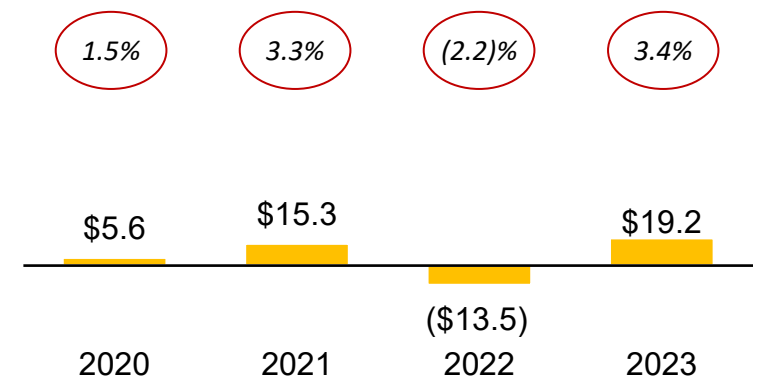
## OIBDA: 2020 – 2023 (C\$m)

### Margin



## Net capex (C\$m)

### % of revenue

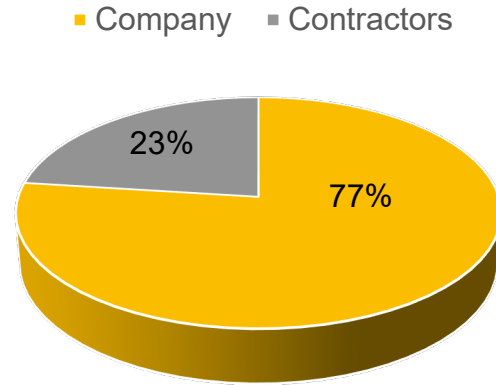


# SEGMENT OVERVIEW: SPECIALIZED & INDUSTRIAL SERVICES

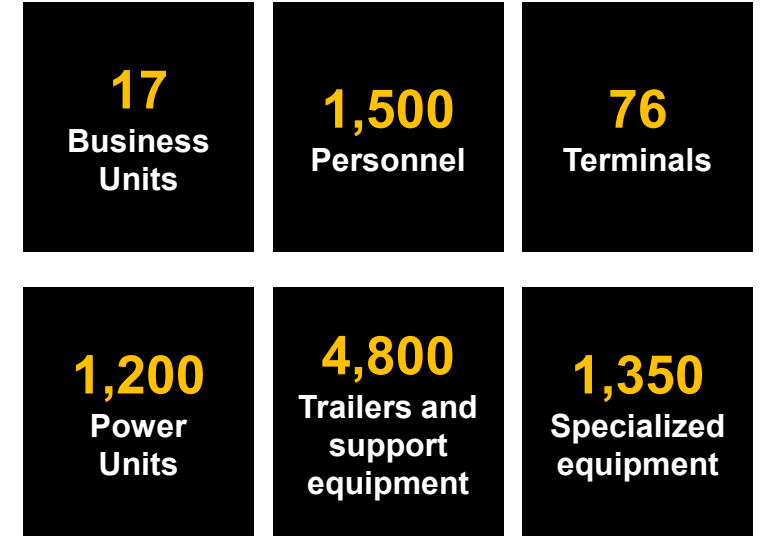
## Overview

- Servicing Canada's natural resources and infrastructure sectors
- Diverse sets of specialized services includes those that support the **energy, mining, forestry and construction industries** in western Canada, including water management, fluid hauling and environmental reclamation
- Investments in this segment will continue to be focused on advancing technology in leading edge service capabilities

## Company vs. Contractors Revenue Mix

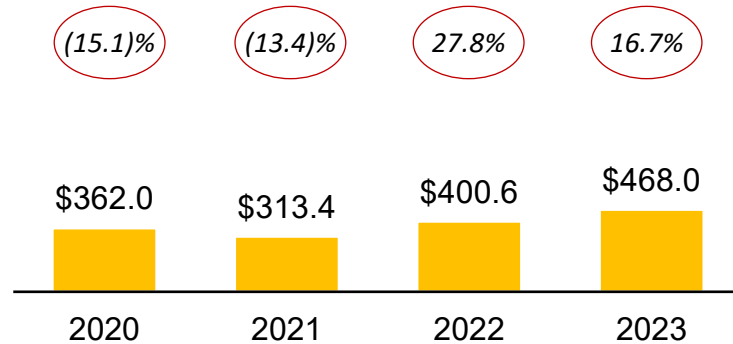


## Key Statistics



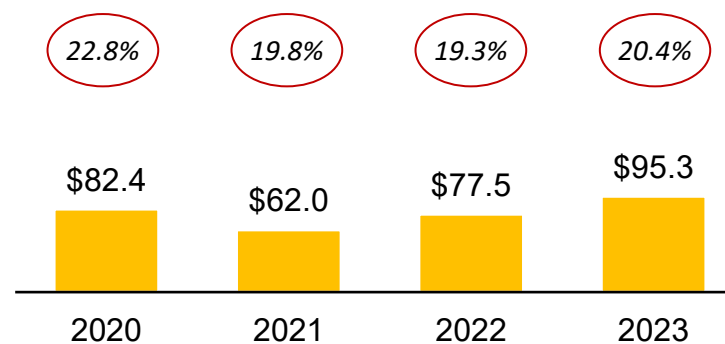
## Revenue: 2020 – 2023 (C\$m)

### Growth



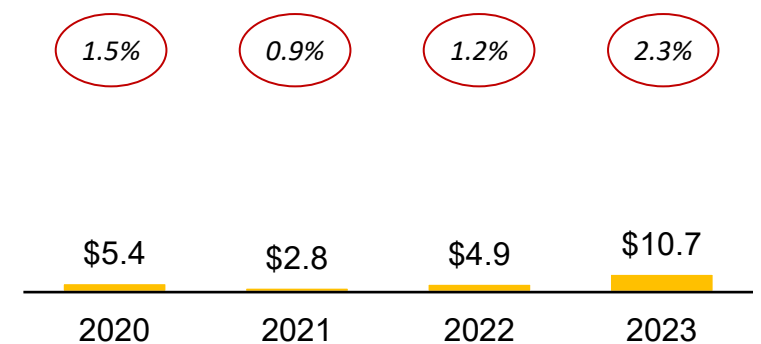
## OIBDA: 2020 – 2023 (C\$m)

### Margin



## Net capex (C\$m)

### % of revenue



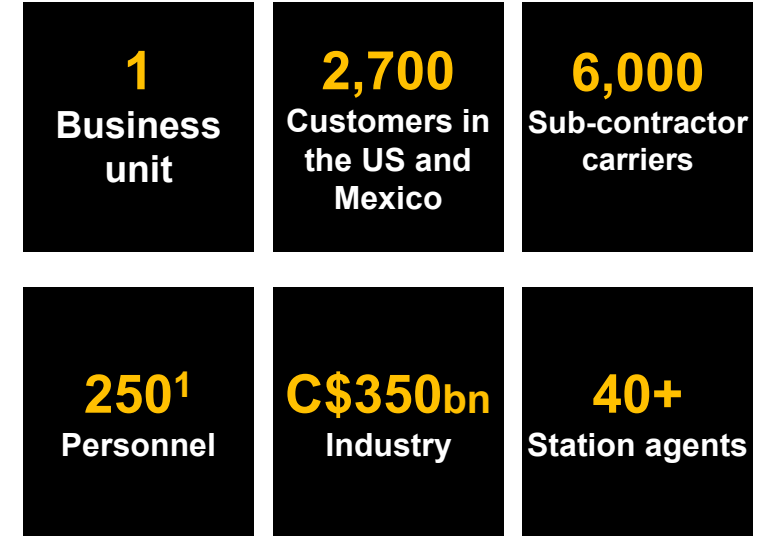
# SEGMENT OVERVIEW: U.S. & INTERNATIONAL LOGISTICS

## Overview

- The U.S. & International Logistics segment currently consists of one Business Unit, HAUListic
- HAUListic owns a **leading edge integrated transportation** management system, branded as SilverExpress™
- Using SilverExpress™, we offer a wide range of logistics services through a combination of professional representatives and a network of independently owned and managed Station Agents

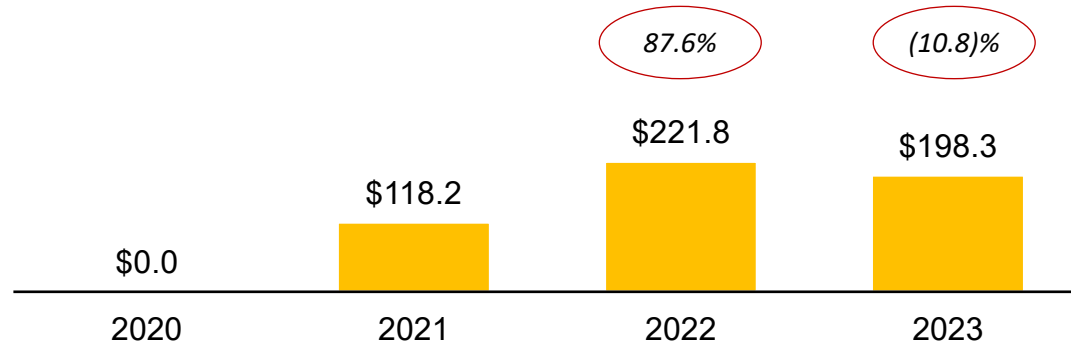


## Key Statistics



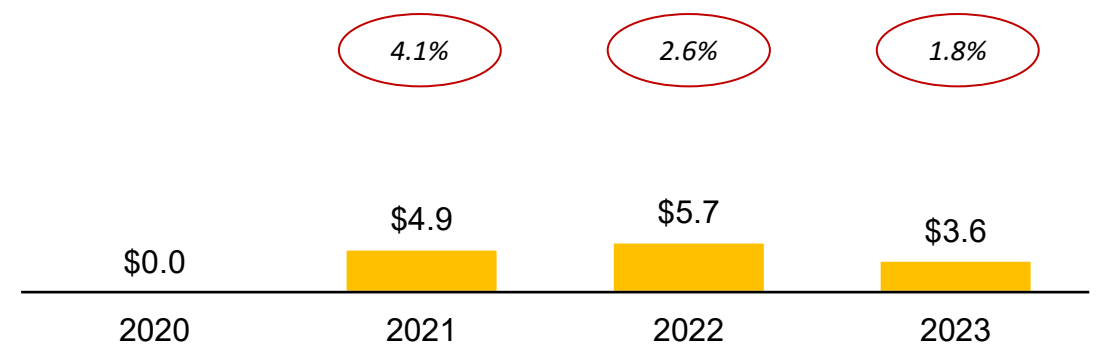
## Revenue: 2020 – 2023 (C\$m)

*Growth*



## OIBDA: 2020 – 2023 (C\$m)

*Margin*



Note: <sup>1</sup> Made up of 67 employees from HAUListic and the remainder of the 183 personnel are employed by the station agents

# STRATEGIC PRIORITIES: DIVERSITY & DISCIPLINE

1

Maximize  
Operational  
Performance of  
our  
**Self-Managed**  
Business Units

2

Commitment to  
**Quality** and  
**Leadership**  
Development

3

**Prioritize Margin  
over Market  
Share:** work with  
Business Units to  
drive process  
improvements

4

**Maintain Balance  
Sheet Flexibility:**  
Maintain well  
structured balance  
sheet and effective  
capital deployment

# AGENDA

1 |

MULLEN GROUP OVERVIEW

2 |

KEY INVESTMENT HIGHLIGHTS

# KEY INVESTMENT HIGHLIGHTS

1 Leading, defensible and growing market positions in global transportation and logistics



2 Superior resiliency as demonstrated by Mullen's 2023 performance



3 Stable and diversified blue-chip customer base



4 Over 10 years of positive FCF generation highlights superior cross-cycle performance



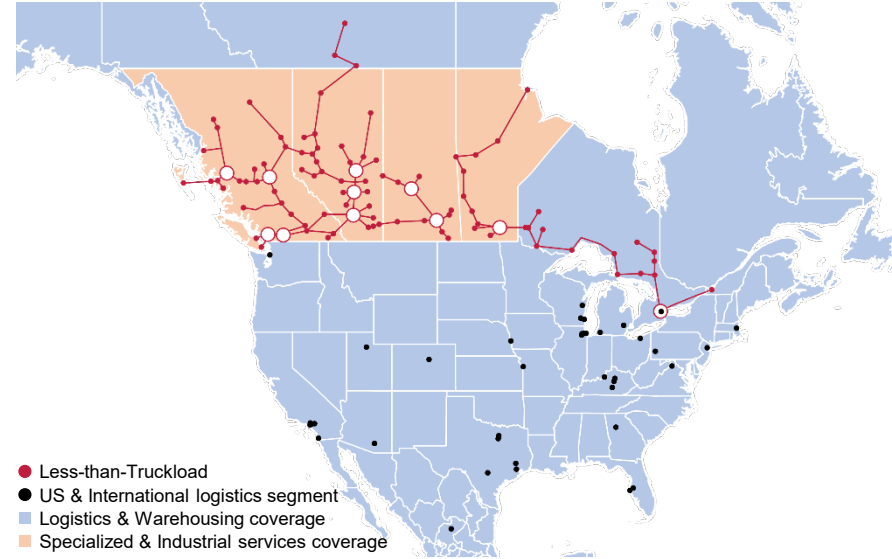
5 Large, high quality unencumbered asset base



# LEADING, DEFENSIBLE AND GROWING MARKET POSITIONS IN NORTH AMERICAN TRANSPORTATION AND LOGISTICS

**Less-Than-Truckload**  
 LARGEST *FIRST & FINAL MILE* NETWORK  
 IN WESTERN CANADA AND ONTARIO

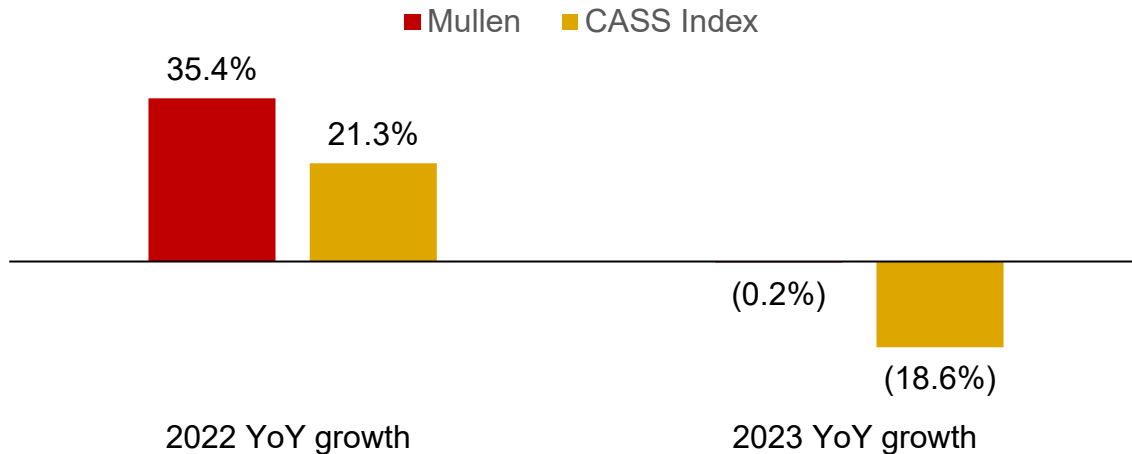
**Specialized & Industrial Services**  
 SUPERIOR PROVIDER OF ENERGY  
 SERVICES TO CANADA'S NATURAL  
 RESOURCES SECTOR



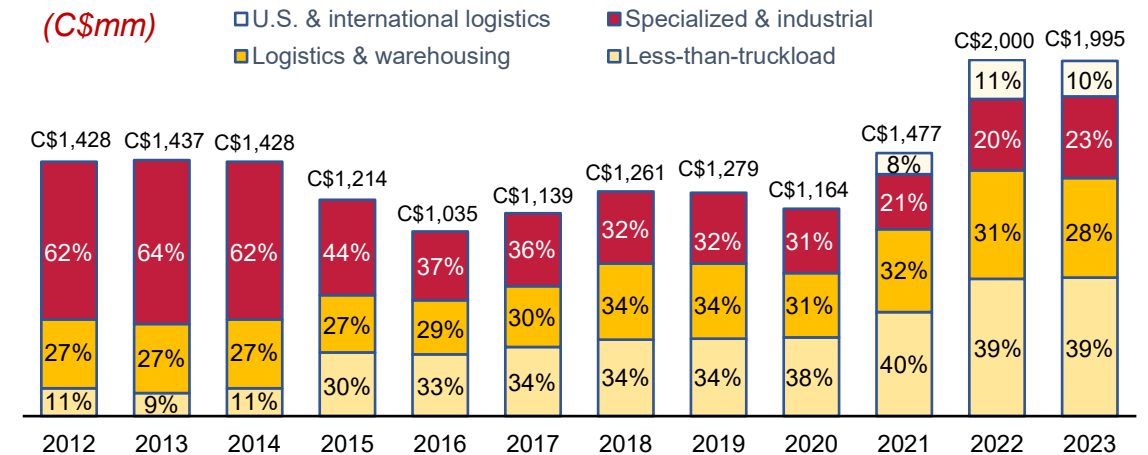
**Logistics & Warehousing**  
 ONE OF CANADA'S *PREMIER* LOGISTICS  
 AND WAREHOUSING COMPANIES  
 SERVING ALL OF NORTH AMERICA

**U.S. & International Logistics**  
 NON-ASSET 3PL WITH  
*LEADING EDGE TECHNOLOGY*

## Mullen Has Consistently Captured Market Share In Highly Fragmented Markets

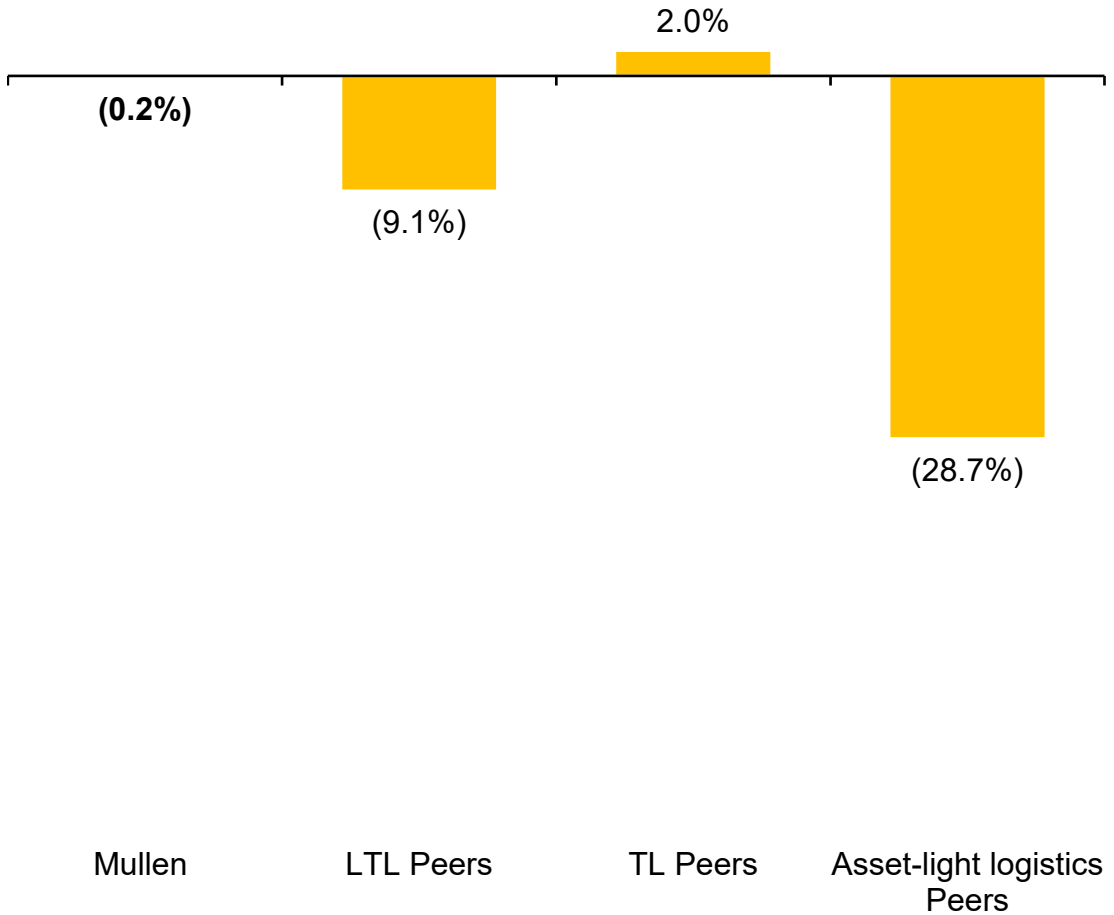


## Increasingly Diversified Transportation Platform

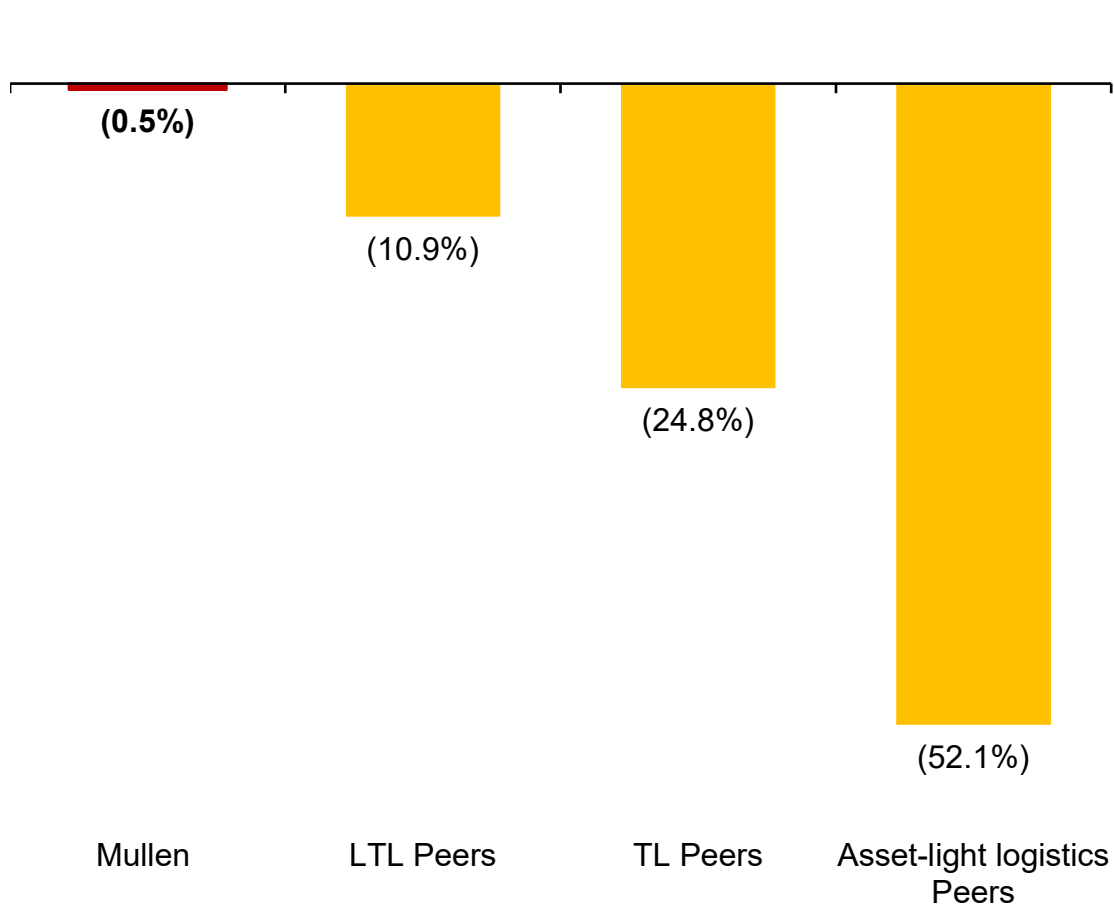


# SUPERIOR RESILIENCY AS DEMONSTRATED BY MULLEN'S 2023 PERFORMANCE

## YoY Revenue Growth



## YoY OIBDA Growth

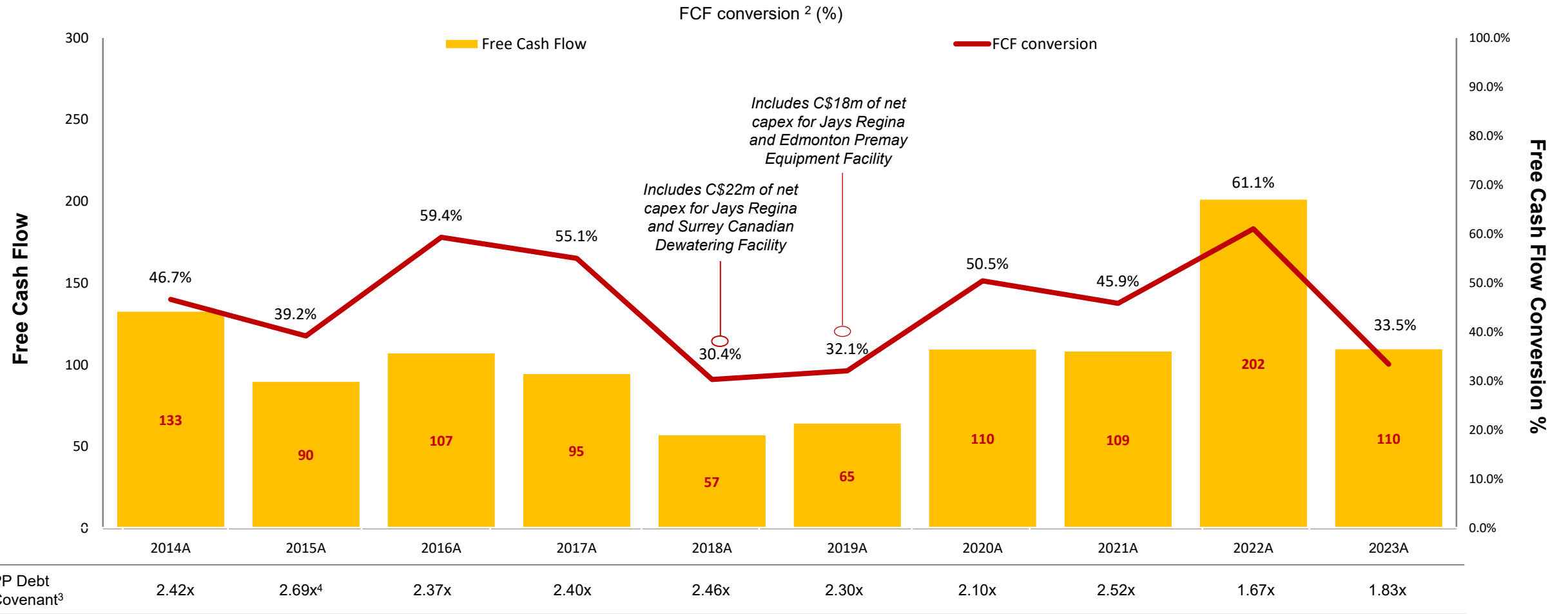


Note: Represents CYE 2022 to CYE 2023; LTL peers include Old Dominion, SAIA, TFII and ArcBest; TL peers include Knight-Swift, Werner, Heartland and Schneider; Asset-light logistics peers include CH Robinson, Landstar and Forward Air



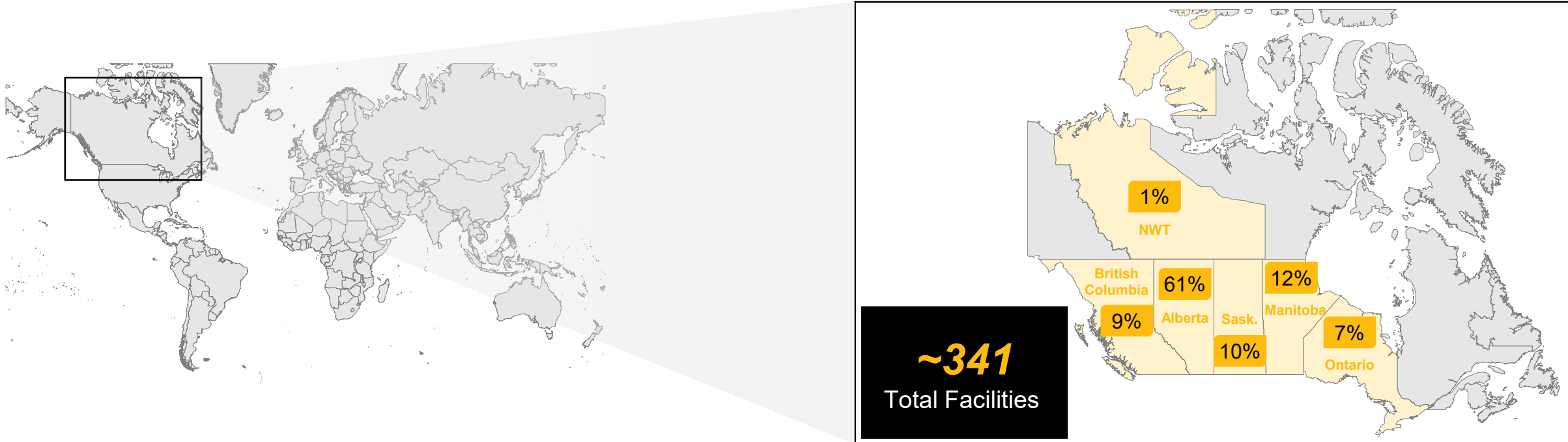
# OVER 10 YEARS OF POSITIVE FCF GENERATION HIGHLIGHTS SUPERIOR CROSS-CYCLE PERFORMANCE

## Free Cash Flow (C\$ in millions)<sup>1</sup>



Note: <sup>1</sup> Free Cash calculated as OIBDA less net capital expenditure, cash taxes, cash interest payments and leases; <sup>2</sup> FCF conversion calculated as Free Cash / OIBDA; <sup>3</sup> Total net debt to operating cash flow as per our Private Placement Debt covenant; <sup>4</sup> Total net debt to operating cash flow net of C\$147.2m of cash

# LARGE, HIGH QUALITY UNENCUMBERED ASSET BASE



## Large unencumbered real estate portfolio with an historical cost of ~C\$652mm

Segment	# of Owned Properties	# of Leased Facilities
Less-Than-Truckload	75	93
Logistics and Warehousing	24	45
Specialized and Industrial Services	44	32
US & International Logistics	0	1
Corporate Services	25	2
<b>Total</b>	<b>168</b>	<b>173</b>

## 2024 Business Plan:

- ❖ **Generate consolidated revenue of \$2.025 billion**
- ❖ **Achieve operating earnings of \$325.0 million**
- ❖ **Dividend \$0.72 per share per annum paid monthly at \$0.06 per share**

## PRIORITIES...

- 1. Capital Investments:** \$80.0 million in new, more efficient operating assets, exclusive of corporate acquisitions or investment in facilities, land and buildings.
  - \$70.0 million: Maintenance Capital - to improve our Business Units
  - \$10.0 million Sustainability Focused Capital - continued focus on emission reduction
- 2. Prioritize Margin over Market Share:** work with Business Units to drive process improvements.
  - Effective Deployment of Technology
  - Optimize Operations of the Business Units
  - Monetize Non-Core Assets
- 3. Pursue Acquisitions:** be opportunistic with consolidation opportunities that are synergistic and accretive.
  - Tuck-ins: opportunities that make our existing Business Units more profitable
  - Strategic: opportunities to expand our network
- 4. Maintain Balance Sheet Flexibility**

# ESG OVERVIEW

## Sustainable Products and Services

- We focus on sustainability within our supply chain processes and partnerships
- Voluntary participation in SmartWay, an EPA initiative



## Efficient Use of Resources

- We use our proficiency as logistics experts for the benefit of society and our commitment to sustainability to help the environment
- Our management system focuses on excellence and include a focus on safety and sustainability

## “On the Road to Sustainability”

- Use of intermodal network to reduce GHG emissions
- Fleet of CNG trucks
- Electric forklifts
- Piloted first medium duty all electric chassis
- 7 full electric transit vans in our fleet
- Took delivery of first all electric class 8.0 road tractor

## Responsible Supply Chain

- Promote global best practices within our supply chain
- SmartWay Partners are committed to sustainability and a greener supply chain

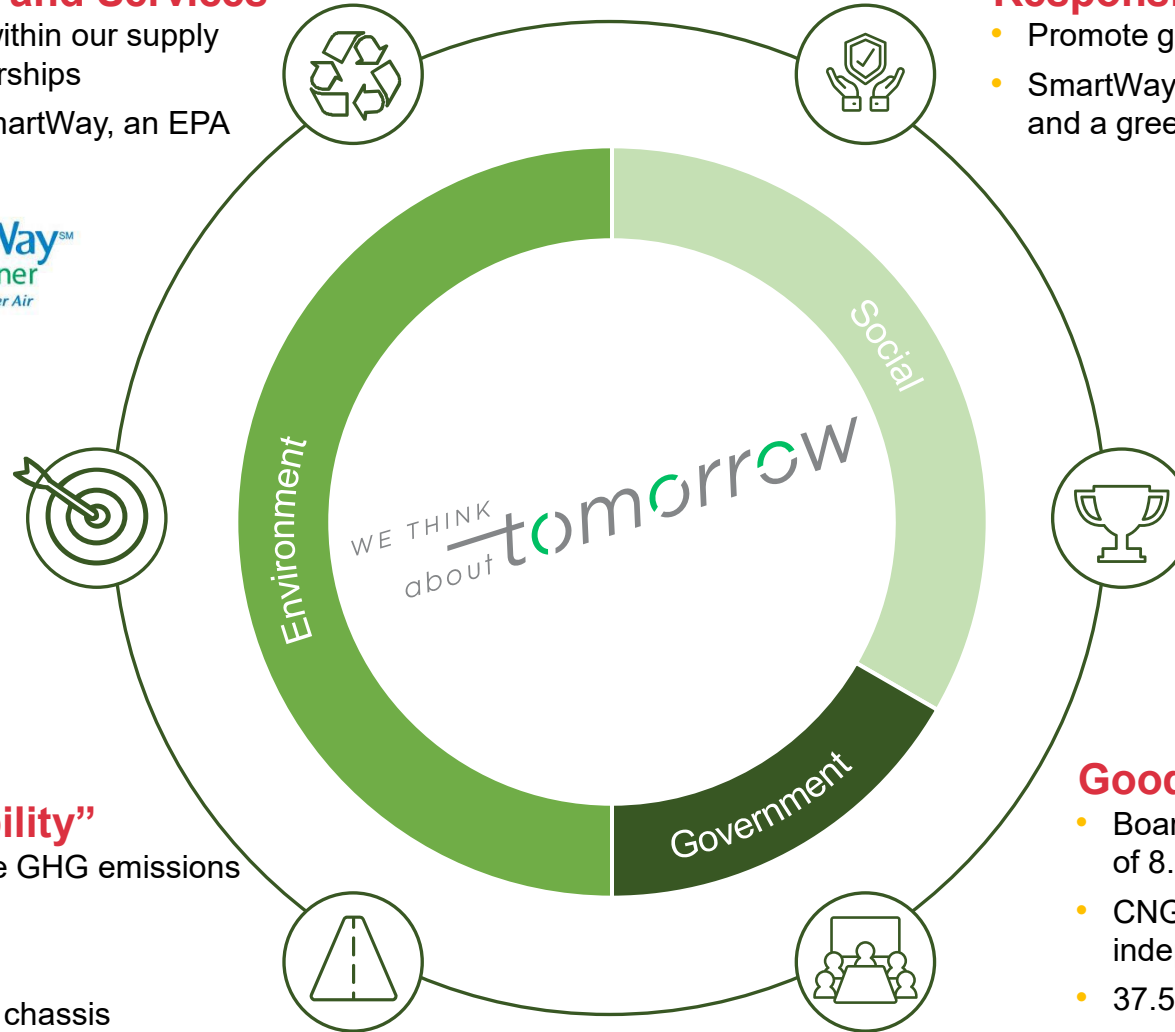
## “On the Road to Quality”

- Nationally recognized, award-winning program to help provide highest levels of customer service and high-quality work environment for our people



## Good Corporate Governance

- Board is 87.5% independent, with average tenure of 8.7 years<sup>1</sup>
- CNG and Audit Committees are 100% independent
- 37.5% women representation on the Board<sup>1</sup>
- 1 director who identifies as a racial/ethnically diverse director
- Board diversity policy



<sup>1</sup> on or about May 7/24

*“If you got it...  
A TRUCK DRIVER  
brought it.”*



## Appendix – Other Financial Measures, which consist of supplementary financial measures

### Supplementary Financial Measures

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

#### 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.

#### Segment Overview

(unaudited) (\$ millions)	Twelve month periods ended December 31, 2023					
	LTL	L&W	S&I	US 3PL	Corp&Elims	CONS
OIBDA	130.7	112	95.3	3.6	-13.4	328.2
Revenue	770.4	564.9	468	198.3	-6.9	1994.7
Operating margin	17.0%	19.8%	20.4%	1.8%	194.2%	16.5%

#### Less-Than-Truckload Segment

(unaudited) (\$ millions)	Twelve month periods ended December 31			
	2020	2021	2022	2023
OIBDA	75	95.9	138.4	130.7
Revenue	443.8	585.3	778.7	770.4
Operating margin	16.9%	16.4%	17.8%	17.0%

#### Logistics & Warehousing Segment

(unaudited) (\$ millions)	Twelve month periods ended December 31			
	2020	2021	2022	2023
OIBDA	71.6	86.5	119.1	112
Revenue	362	465.6	609.3	564.9
Operating margin	19.8%	18.6%	19.5%	19.8%

#### Specialized & Industrial Services Segment

(unaudited) (\$ millions)	Twelve month periods ended December 31			
	2020	2021	2022	2023
OIBDA	82.4	62	77.5	95.3
Revenue	362	313.4	400.6	468
Operating margin	22.8%	19.8%	19.3%	20.4%

#### U.S. & International Logistics Segment

(unaudited) (\$ millions)	Twelve month periods ended December 31			
	2020	2021	2022	2023
OIBDA	0	4.9	5.7	3.6
Revenue	0	118.2	221.8	198.3
Operating margin	0.0%	4.1%	2.6%	1.8%

## Appendix – Other Financial Measures, which consist of supplementary financial measures - continued

### 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.

#### Less-Than-Truckload Segment

(unaudited) (\$ millions)	Twelve month periods ended December 31			
	2020	2021	2022	2023
Purchase of property, plant and equipment	25.2	29.0	31.3	49.4
Proceeds on sale of property, plant and equipment	-0.8	-2.0	-1.2	-1.7
Net capital expenditures	24.4	27.0	30.1	47.7

#### Specialized & Industrial Services Segment

(unaudited) (\$ millions)	Twelve month periods ended December 31			
	2020	2021	2022	2023
Purchase of property, plant and equipment	11.4	11.0	11.4	24.3
Proceeds on sale of property, plant and equipment	-6.0	-8.2	-6.5	-13.6
Net capital expenditures	5.4	2.8	4.9	10.7

#### Logistics & Warehousing Segment

(unaudited) (\$ millions)	Twelve month periods ended December 31			
	2020	2021	2022	2023
Purchase of property, plant and equipment	7.7	17.5	22.5	22.4
Proceeds on sale of property, plant and equipment	-2.1	-2.2	-36.0	-3.2
Net capital expenditures	5.6	15.3	-13.5	19.2

### Free Cash

Free cash is a supplementary financial measure and is calculated as OIBDA less net capital expenditures, cash taxes, cash interest payments and lease payments. Management relies on free cash 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.

	2014 ACT	2015 ACT	2016 ACT	2017 ACT	2018 ACT	2019 ACT	2020 ACT	2021 ACT	2022 ACT	2023 ACT
REVENUE	\$ 1,427.9	\$ 1,214.4	\$ 1,035.1	\$ 1,138.5	\$ 1,260.8	\$ 1,278.5	\$ 1,164.3	\$ 1,477.4	\$ 1,999.5	\$ 1,994.7
OIBDA	\$ 284.7	\$ 229.4	\$ 181.0	\$ 172.1	\$ 189.0	\$ 200.9	\$ 217.6	\$ 236.4	\$ 329.9	\$ 328.2
NET CAP EX	\$ (69.5)	\$ (65.5)	\$ (14.5)	\$ (19.8)	\$ (87.5)	\$ (68.5)	\$ (50.4)	\$ (47.5)	\$ (32.8)	\$ (88.8)
INTEREST PAID	\$ (24.4)	\$ (35.2)	\$ (33.5)	\$ (31.3)	\$ (21.5)	\$ (24.0)	\$ (27.4)	\$ (28.3)	\$ (32.7)	\$ (35.4)
CASH TAXES PAID	\$ (57.9)	\$ (38.6)	\$ (25.6)	\$ (26.1)	\$ (22.7)	\$ (31.7)	\$ (17.4)	\$ (34.6)	\$ (39.4)	\$ (66.2)
LEASE PAYMENTS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (12.1)	\$ (12.5)	\$ (17.5)	\$ (23.3)	\$ (28.1)
FREE CASH	\$ 132.9	\$ 90.1	\$ 107.4	\$ 94.9	\$ 57.3	\$ 64.6	\$ 109.9	\$ 108.5	\$ 201.7	\$ 109.7