Mullen Group Ltd.

INTERIM REPORT

QUARTER ONE

FOR THE PERIOD ENDED
MARCH 31, 2023

CONTENTS

INTERIM FINANCIAL REPORT FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2023

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

This MD&A, dated April 26, 2023, has been prepared by management for the three month period ended March 31, 2023, and should be read in conjunction with (i) the audited annual consolidated financial statements for the fiscal year ended December 31, 2022 (the "**Annual Financial Statements**"), together with the Management's Discussion and Analysis thereon (the "**2022 MD&A**"), and (ii) the unaudited condensed interim consolidated financial statements for the three month period ended March 31, 2023, (the "**Interim Financial Statements**"). Any reference to "Mullen Group", "we", "us", "our" or the "Corporation" refers to Mullen Group Ltd., a corporation incorporated under the laws of the province of Alberta and includes its predecessors where context so requires. The Annual Financial Statements and other additional information are available on the Corporation's issuer profile on SEDAR at www.sedar.com and on our website at www.mullen-group.com. These documents are also available upon request, free of charge, from the Corporate Investor Services group at ir@mullen-group.com. This MD&A and the Interim Financial Statements were reviewed by Mullen Group's Audit Committee and approved by the Board of Directors (the "**Board**") on April 26, 2023.

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

ADVISORY:

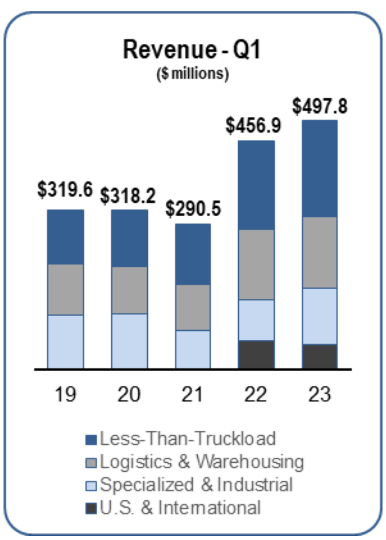
Forward-looking statements *– This MD&A reflects management's expectations regarding Mullen Group's future growth, financial condition, results of operations, performance, business prospects, strategies and opportunities and contains forward-looking statements and forward-looking information (collectively, "**forward-looking statements**") within the meaning of applicable securities laws. Wherever possible, words such as "anticipate", "may", "will", "believe", "expect", "potential", "continue", "view", "objective", "should", "plan", "intend", "ongoing", "estimate", "project" or similar expressions have been used to identify these forward-looking statements. These statements reflect management's current beliefs and assumptions and are based on information currently available to management. Forward-looking statements involve significant inherent risks and uncertainties, numerous assumptions and the risk that the predictions and forward-looking statements will not be achieved and that the actual results or events may differ materially from those anticipated in such forward-looking statements. A number of factors could cause actual results, performance or achievements to differ materially from the results discussed or implied in the forward-looking statements. Although the forward-looking statements contained in this MD&A are based upon what management believes to be reasonable beliefs and assumptions, Mullen Group cannot assure readers that actual results will be consistent with these forward-looking statements. Some of the risks and uncertainties include, but are not limited to certain strategic, financial and operational risks, most important of which are: (i) strategic risks which include but are not limited to geopolitical risks such as a slowdown in the general economy; reduced oil and natural gas drilling and decreased oil sands and heavy oil activity; changes in legal frameworks applicable to the Corporation; e-commerce and supply chain evolution; acquisitions; competition; (ii) financial risks which include but are not limited to 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 48 of the 2022 MD&A as well as in reports on file with applicable securities regulatory authorities and may be accessed through the Corporation's issuer profile on SEDAR at www.sedar.com. The forward-looking statements contained in this MD&A are made as of the date hereof and Mullen Group undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless so required by applicable securities law. Mullen Group relies on litigation protection for "forward-looking" statements. Additional information regarding the forward-looking statements contained in this MD&A and the material assumptions made in preparing such statements may be found under the heading "Forward-Looking Information Statements" beginning on page 28 of this MD&A.*

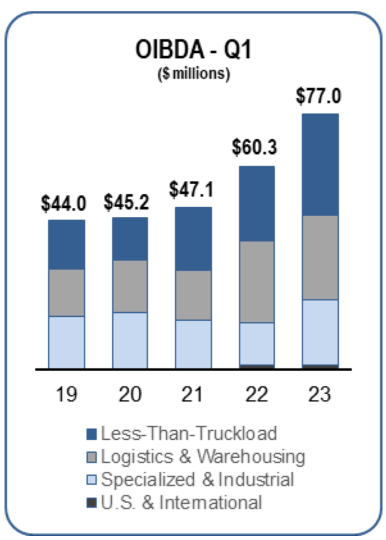
Non-IFRS Financial Measures and Other Financial Measures *– Mullen Group reports on certain non-IFRS financial measures and ratios, which do not have a standard meaning under IFRS and, therefore, may not be comparable to similar measures presented by other issuers. Management uses these non-IFRS financial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

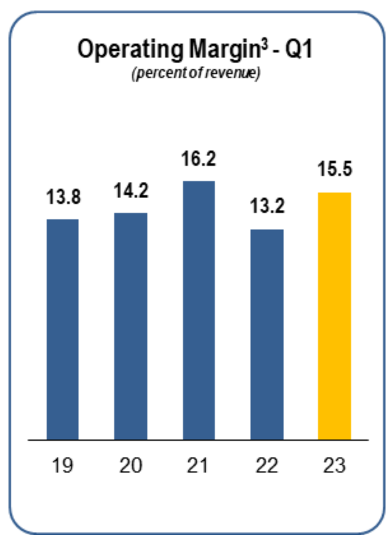
[1] Refer to the section entitled "Non-IFRS Financial Measures".

HIGHLIGHTS

FINANCIAL PERFORMANCE:		Three month periods ended March 31			
(unaudited) *($ millions, except share price and per share amounts)*		**2023**		**2022**	**% Change**
Revenue					
Less-Than-Truckload	**$**	**192.8**	$	175.6	9.8
Logistics & Warehousing		**144.1**		142.5	1.1
Specialized & Industrial Services		**112.8**		83.3	35.4
U.S. & International Logistics		**51.0**		57.3	(11.0)
Corporate and intersegment eliminations		**(2.9)**		(1.8)	—
Total Revenue	**$**	**497.8**	$	456.9	9.0
OIBDA[1]					
Less-Than-Truckload	**$**	**31.8**	$	23.1	37.7
Logistics & Warehousing		**26.1**		25.5	2.4
Specialized & Industrial Services		**20.4**		13.3	53.4
U.S. & International Logistics		**1.2**		1.1	9.1
Corporate		**(2.5)**		(2.7)	—
Total OIBDA	**$**	**77.0**	$	60.3	27.7
Net Income & Share Information					
Net income	**$**	**31.7**	$	16.4	93.3
Earnings per share – basic	**$**	**0.34**	$	0.17	100.0
Earnings per share – diluted	**$**	**0.33**	$	0.17	94.1
Net income – adjusted[2]	**$**	**31.3**	$	19.5	60.5
Earnings per share – adjusted[2]	**$**	**0.34**	$	0.21	61.9
Net cash from operating activities	**$**	**34.2**	$	18.0	90.0
Net cash from operating activities per share	**$**	**0.37**	$	0.19	94.7
Cash dividends declared per Common Share	**$**	**0.18**	$	0.15	20.0
Share price – March 31	**$**	**14.77**	$	13.36	10.6







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

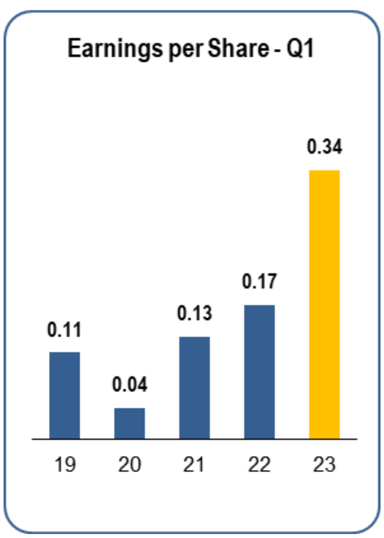
FINANCIAL POSITION:

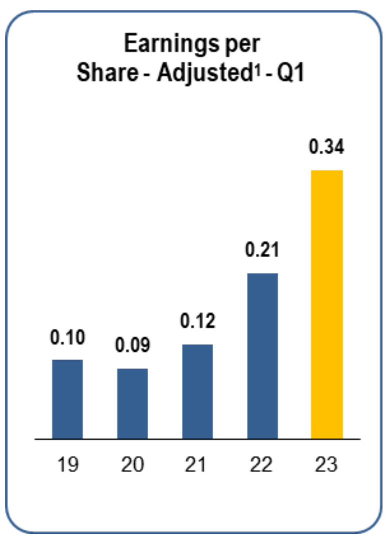
(unaudited) ($ millions)	As at March 31				
		2023		2022	% Change
Cash (bank indebtedness) - net	**$**	**(59.6)**	$	(115.0)	(48.2)
Working capital	**$**	**105.2**	$	56.4	86.5
Private Placement Debt	**$**	**480.5**	$	456.5	5.3
Convertible debentures – debt component	**$**	**116.4**	$	114.0	2.1
Lease liabilities – non-current portion	**$**	**75.2**	$	73.6	2.2
Total assets	**$**	**2,020.4**	$	1,959.2	3.1

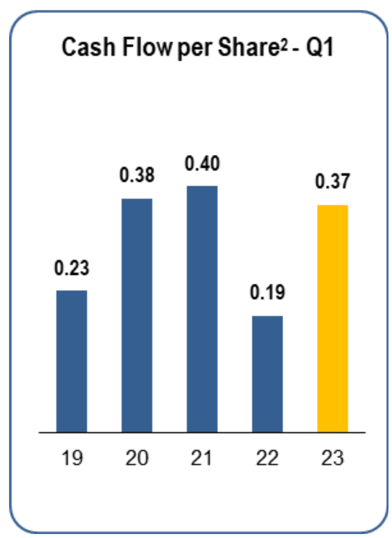
- Well-structured balance sheet
  - Private Placement Debt of $480.5 million (average fixed rate of 3.93 percent per annum) with principal repayments (net of Cross-Currency Swaps) of $217.2 million and $207.9 million due in October 2024 and October 2026, respectively
  - Private Placement Debt covenant of 1.74:1 (threshold 3.50:1)
- Real estate – historical cost of $639.2 million
- Borrowings on our $250.0 million of Credit Facilities at $68.3 million, up $45.5 million from year end

Q1 PROGRESS:

- Generated record first quarter revenue, OIBDA increased to $77.0 million and earnings per share – basic doubled to $0.34 per share.
- Return on equity improved to 13.2 percent.
- Repurchased and cancelled 2,190,173 Common Shares for $31.6 million representing an average price of $14.45.
- Invested $24.5 million towards gross capital expenditures to improve operating efficiencies and to support our sustainability goals.
- Acquired the remaining shares of Butler Ridge Energy Services (2011) Ltd., a fluid management company servicing the energy sector in the Peace River region of British Columbia.







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

[2] Refer to the section entitled "Other 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, full truckload, specialized transportation, warehousing, fulfillment centres that handle e-commerce transactions, and transload facilities designed to handle intermodal containers and bulk shipments. Operations and customer service are supported by a robust suite of leading-edge technology solutions including transportation, inventory, and warehouse management systems, that are customizable and integrated into our customers data systems.

S&I

Specialized & Industrial Services

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

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

US 3PL — *U.S. & International Logistics*

The transportation and movement of goods throughout the supply chain is critical to every company and an important component of the global economy representing approximately 10.0 percent of total GDP. Third-party logistics ("**3PL**"), which is typically defined as providing non-asset based value-added transport services, is one of the fastest growing components of the supply chain. 3PL is a transportation management service, generally performed in conjunction with freight brokerage and requires a software platform to facilitate a seamless and efficient transaction, regardless of the mode of transportation required. In the United States, industry statistics estimate 3PL to be a U.S. $350.0 billion industry.

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

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 8, 2023, and is available on the Corporation's issuer profile on SEDAR at www.sedar.com, our website at www.mullen-group.com or upon request, free of charge, from the Corporate Investor Services group at ir@mullen-group.com.

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

2023 PLAN	Acquire companies and strive to improve their performance.
2023 INVESTMENTS	Butler Ridge Energy Services (2011) Ltd. ("**Butler Ridge**") • Acquired on March 1, 2023, for total consideration of $3.1 million. • A fluid management company servicing the energy sector in the Peace River region of British Columbia. • Financial results included within the S&I segment.

Capital Expenditures

2023 PLAN	In January 2023, the Board approved an $85.0 million capital budget for 2023, 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 $15.0 million to invest specifically towards sustainability initiatives.
2023 PURCHASES	• In the first quarter, invested $22.2 million in new operating equipment and $2.3 million into facilities.

Normal Course Issuer Bid

2023 PLAN	The TSX approved the renewal of the normal course issuer bid ("**NCIB**") on March 8, 2023, to purchase for cancellation up to 8,644,508 Common Shares in the open market on or before March 9, 2024.
2023 REPURCHASES	• During the first quarter, we repurchased and cancelled 2,190,173 Common Shares for $31.6 million, representing an average price of $14.45 per Common Share. • The NCIB can be cancelled at the discretion of the Corporation at any time provided the Corporation is not in a blackout period. • As at February 28, 2023, the average daily trading volume of the Common Shares on the TSX ("**ADTV**") for the most recently completed six calendar months was 296,081. Pursuant to TSX policies, the maximum number of Common Shares that may be purchased in one day pursuant to the NCIB was the greater of 1,000 and 25.0 precent of ADTV, which amounts to 74,020 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 ASPP can be cancelled at the discretion of the Corporation at any time provided the Corporation is not in a blackout period.

Dividends

2023 PLAN	In January 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 2023.
2023 PAYMENTS	• Declared monthly dividends per Common Share totalling $0.18 per Common Share (2022 – $0.15 per Common Share). • At March 31, 2023, we had 90,820,012 Common Shares outstanding and a dividend payable of $5.4 million (December 31, 2022 – $5.6 million), which was paid on April 17, 2023. • On April 20, 2023, the Board declared a monthly dividend of $0.06 per Common Share to the holders of record at the close of business on April 30, 2023.

CONSOLIDATED FINANCIAL RESULTS

THREE MONTH PERIOD ENDED MARCH 31, 2023

Executive Summary

Entering 2023 we anticipated freight volumes would soften as consumers altered their spending trends away from buying goods towards discretionary expenditures, such as leisure and travel. We also witnessed freight demand starting to slow in the later part of last year, as central banks implemented new policies, including raising interest rates, to cool inflationary pressures. On top of these changing economic conditions, an inventory rebalancing cycle began, after several quarters of strong inventory builds, led by manufacturers and retailers attempting to bring excessive inventory levels down. Based upon these headwinds, we were of the view there would be less freight to haul and rates would come under pressure in 2023, especially comparing to last year, a period where freight demand was at peak levels.

Our first quarter actual results improved over last year and were better than we expected. The economy, while not expanding in any meaningful way, did not contract as we anticipated. As such, overall freight demand was only down marginally. We also benefit from having a diversified business model, including a large 3PL component and extensive utilization of subcontractors, providing a degree of protection against regional slowdowns and short term market disruptions. Our largest segment, LTL, had another very strong quarter with both end consumer demand and pricing remaining firm. And activity levels in Canada's oil and natural gas sector were stronger than last year, supporting both the oilfield service sector as well as overall economic activity in western Canada. Acquisitions completed over the last year, less the divestiture of the hydrovac business, also contributed to both revenue and OIBDA during the quarter.

Consolidated revenues improved year over year by $40.9 million, reaching record levels for the first quarter. OIBDA also improved as our Business Units did an excellent job managing costs and protecting margins.

Outlook

It is evident, from our first quarter results and recent economic data, that the North American economy has a resiliency that should not be underestimated, supported by strong employment data, continued government deficit spending, and transfer payments. Under this scenario, overall freight demand should remain solid, but it will not be at the heightened levels of last year. In addition, the demand for oilfield services is expected to remain near current levels. However, we do anticipate pipeline activity will moderate throughout the balance of 2023 as the major pipeline projects near completion.

The Business Plan and Outlook for 2023 has not changed significantly from prior correspondence. We still remain of the view that economic activity will soften as higher interest rates take a toll on consumer spending and business investment. It is also quite likely that tightening lending standards by banks will also constrain economic activity. Given these headwinds, our intention is to manage the business, and balance sheet, on this base case assumption. Our focus will continue to be on margin protection and pursuing accretive acquisitions that meet our strategic objectives. These initiatives will mitigate any softness in economic activity and overall demand.

Revenue

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

Q1 Consolidated

(unaudited) *($ millions)*	2023		2022		Change	
	$	%	$	%	$	%
Company	**324.5**	**65.2**	293.8	64.3	30.7	10.4
Contractors	**171.6**	**34.5**	161.5	35.3	10.1	6.3
Other	**1.7**	**0.3**	1.6	0.4	0.1	6.3
Total	**497.8**	**100.0**	456.9	100.0	40.9	9.0

- Consolidated revenue grew by $40.9 million, or 9.0 percent, to $497.8 million in the first quarter.
- Record revenue in the first quarter of 2023 due to three reasons:
  - a $15.4 million increase in fuel surcharge revenue (excluding acquisitions) to $60.7 million, primarily due to a 2.5 percent year over year increase in the price of diesel fuel;
  - incremental revenue from acquisitions of $15.0 million; and

- general rate increases along with steady demand resulted in a $10.5 million increase in revenue.

- The majority of the revenue growth was generated by the S&I and LTL segments.

Direct Operating Expenses

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

Q1 Consolidated

(unaudited) *($ millions)*	2023		2022		Change	
	$	%*	$	%*	$	%
Company						
Wages and benefits	**74.0**	**22.8**	68.2	23.2	5.8	8.5
Fuel	**31.4**	**9.7**	32.2	11.0	(0.8)	(2.5)
Repairs and maintenance	**36.9**	**11.4**	32.8	11.2	4.1	12.5
Purchased transportation	**49.3**	**15.2**	49.8	17.0	(0.5)	(1.0)
Operating supplies	**23.6**	**7.3**	18.4	6.3	5.2	28.3
Other	**8.7**	**2.6**	8.3	2.7	0.4	4.8
	223.9	**69.0**	209.7	71.4	14.2	6.8
Contractors	**132.3**	**77.1**	127.4	78.9	4.9	3.8
Total	**356.2**	**71.6**	337.1	73.8	19.1	5.7

**as a percentage of respective Consolidated revenue*

- Company expense increased in absolute dollar terms due to higher Company revenue. As a percentage of Company revenue, however, Company expense decreased due to customer rate increases that more than offset inflationary costs, most notably fuel associated with the rise in diesel fuel prices. Purchased transportation costs decreased as a percentage of revenue, which was mainly experienced within our LTL segment.
- Contractors expense increased in absolute dollar terms due to higher Contractors revenue, most notably in the S&I segment. Contractors expense decreased as a percentage of Contractors revenue mainly due to margin improvement in the L&W segment.

Selling and Administrative Expenses

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

Q1 Consolidated

(unaudited) *($ millions)*	2023		2022		Change	
	$	%*	$	%*	$	%
Wages and benefits	**37.7**	**7.6**	34.8	7.6	2.9	8.3
Communications, utilities and general supplies	**19.3**	**3.9**	17.5	3.8	1.8	10.3
Profit share	**4.6**	**0.9**	3.5	0.8	1.1	31.4
Foreign exchange	**(0.1)**	**—**	0.6	0.1	(0.7)	(116.7)
Stock-based compensation	**0.2**	**—**	0.1	—	0.1	100.0
Rent and other	**2.9**	**0.6**	3.0	0.7	(0.1)	(3.3)
Total	**64.6**	**13.0**	59.5	13.0	5.1	8.6

**as a percentage of total Consolidated revenue*

- Incremental S&A of $1.7 million from acquisitions, wage increases, higher profit share and inflationary pressures associated with utility costs and general supplies were the main reasons for the increase in S&A expenses from the prior year.
- The increases in S&A expenses were somewhat offset by a $0.7 million positive variance in foreign exchange.

OIBDA

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

Q1 Consolidated

(unaudited) *($ millions)*	2023		2022		Change	
	$	%	$	%	$	%
LTL	**31.8**	**41.3**	23.1	38.3	8.7	37.7
L&W	**26.1**	**33.9**	25.5	42.3	0.6	2.4
S&I	**20.4**	**26.5**	13.3	22.1	7.1	53.4
US 3PL	**1.2**	**1.6**	1.1	1.8	0.1	9.1
Corporate	**(2.5)**	**(3.3)**	(2.7)	(4.5)	0.2	(7.4)
Total	**77.0**	**100.0**	60.3	100.0	16.7	27.7

- We generated OIBDA of $77.0 million, an increase of $16.7 million or 27.7 percent from the $60.3 million generated in the prior year.
- OIBDA increased by $16.7 million mainly due to rate increases, a steady demand for freight services as well as $2.4 million of incremental OIBDA generated from acquisitions.
- Operating margin[1] increased to 15.5 percent from 13.2 percent in 2022 due to rate increases being implemented in 2022.
- The majority of the increase in OIBDA and operating margin[1] improvement occurred within the LTL segment and the S&I segment.

Depreciation of Property, Plant and Equipment

- Depreciation remained relatively consistent at $17.9 million as compared to $17.3 million in 2022. Depreciation in the S&I segment increased by $0.6 million due to a greater amount of capital expenditures made within this segment.
- The slight decrease in depreciation in the L&W segment was due to a lower amount of capital expenditures within this segment.

Q1 Consolidated

(unaudited) *($ millions)*	2023	2022	Change
	$	$	$
LTL	**4.9**	5.0	(0.1)
L&W	**3.5**	3.8	(0.3)
S&I	**7.1**	6.5	0.6
US 3PL	**0.5**	0.5	—
Corporate	**1.9**	1.5	0.4
Total	**17.9**	17.3	0.6

Depreciation of Right-of-Use Assets

- The increase in the LTL segment in the first quarter of 2023 as compared to the prior year period was due to both adding new leases and renewing certain facility leases.

Q1 Consolidated

(unaudited) *($ millions)*	2023	2022	Change
	$	$	$
LTL	**4.1**	3.4	0.7
L&W	**2.0**	1.9	0.1
S&I	**0.2**	0.2	—
US 3PL	**0.2**	0.2	—
Corporate	**—**	—	—
Total	**6.5**	5.7	0.8

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

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 $3.6 million in the first quarter as compared to $4.6 million in 2022. This decrease of $1.0 million mainly resulted from certain intangible assets becoming fully amortized, which was somewhat offset by the additional amortization recorded on the intangible assets associated with our recent acquisitions.

Finance Costs

Finance costs mainly consist of interest expense on financial liabilities, including: the Private Placement Debt; the Debentures; lease liabilities; and borrowings on the Credit Facilities (as hereafter defined on page 24), less any interest income generated from the debentures issued to equity investments and from cash and cash equivalents.

Finance costs increased slightly to $8.3 million in the first quarter of 2023 as compared to $8.0 million in 2022. There was a greater amount of interest expense recorded on our U.S. dollar debt as a result of the change in the value of the Canadian dollar relative to the U.S. dollar, which was somewhat offset by a reduction in the amount of interest expense being recorded on the Credit Facilities.

Net Foreign Exchange (Gain) Loss

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

	Three month periods ended March 31	
	CDN. $ Equivalent	
(unaudited) ***($ millions)***	**2023**	**2022**
Foreign exchange (gain) loss on U.S. $ debt	**(0.3)**	(4.2)
Foreign exchange (gain) loss on Cross-Currency Swaps	**(1.2)**	7.5
Net foreign exchange (gain) loss	**(1.5)**	3.3

We recorded a foreign exchange gain of $0.3 million related to our $229.0 million U.S. dollar debt, due to the change in the value of the Canadian dollar relative to the U.S. dollar during the first quarter of 2023 as compared to a gain of $4.2 million in 2022. We recorded a foreign exchange gain on Cross-Currency Swaps of $1.2 million in the first quarter of 2023 as compared to a loss of $7.5 million in 2022. This was due to the change over the period in the fair value of these Cross-Currency Swaps.

Other (Income) Expense

	Three month periods ended March 31		
(unaudited) ***($ millions)***	**2023**	**2022**	**Change**
Change in fair value of investments	**$ 0.3**	$ (0.2)	$ 0.5
Loss (gain) on sale of property, plant & equipment	**0.1**	(0.1)	0.2
Loss on fair value of equity investment	**0.6**	—	0.6
Earnings from equity investments	**(1.2)**	(1.2)	—
Other (income) expense	**$ (0.2)**	$ (1.5)	$ 1.3

Other income was $0.2 million in the first quarter as compared to other income of $1.5 million in 2022. The negative variance was mainly attributable to a loss on fair value of equity investment that pertained to the acquisition of Butler Ridge and from the year over year negative variance in the change in fair value of investments.

Income Taxes

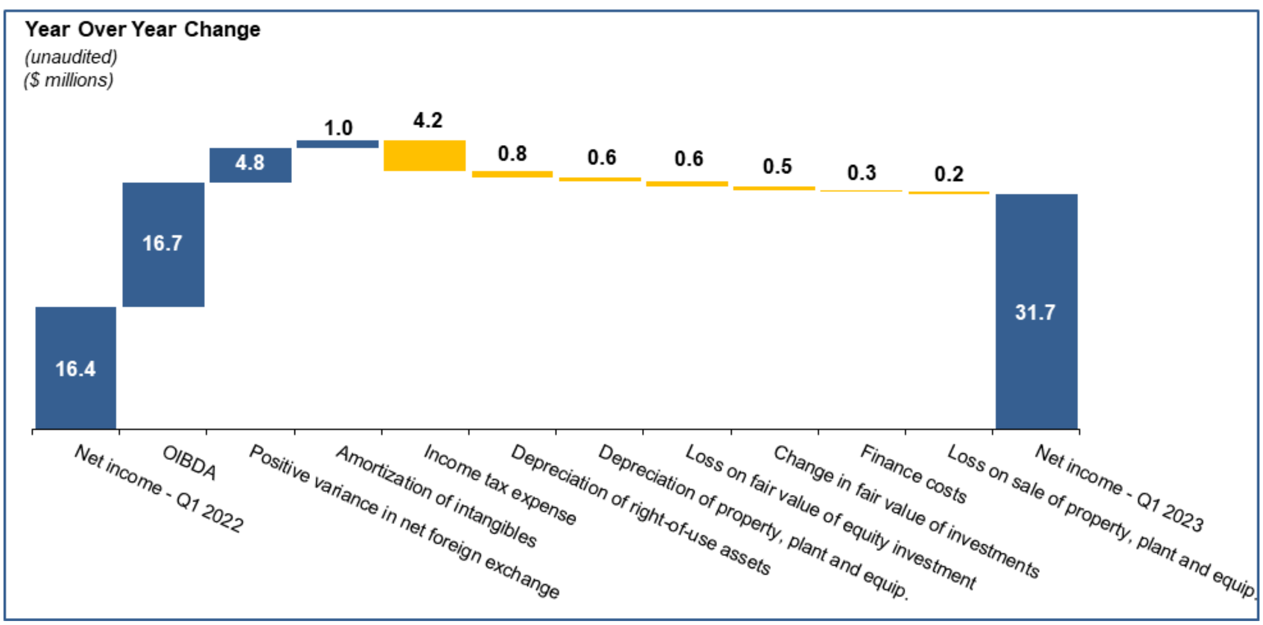
(unaudited) *($ millions)*	Three month periods ended March 31			
		2023		**2022**
Income before income taxes	**$**	**42.4**	$	22.9
Combined statutory tax rate		**25%**		25%
Expected income tax		**10.6**		5.7
Add (deduct):				
Non-deductible (taxable) portion of net foreign exchange (gain) loss		**(0.2)**		0.4
Non-deductible (taxable) portion of the change in fair value of investments		**0.1**		—
Stock-based compensation expense		**0.1**		—
Changes in unrecognized deferred tax asset		**(0.2)**		0.4
Other		**0.3**		—
Income tax expense	**$**	**10.7**	$	6.5

Income tax expense was $10.7 million in the first quarter as compared to $6.5 million in 2022. The increase was mainly attributable to greater income generated in 2023 as compared to 2022, which was somewhat offset by the tax implications associated with the net foreign exchange (gain) loss.

Net Income

(unaudited) *($ millions, except share and per share amounts)*	Three month periods ended March 31				
		2023		**2022**	**% Change**
Net income	**$**	**31.7**	$	16.4	93.3
Weighted average number of Common Shares outstanding		**92,649,808**		94,184,879	(1.6)
Earnings per share – basic	**$**	**0.34**	$	0.17	100.0

Net income increased to $31.7 million in the first quarter as compared to $16.4 million in 2022. The factors contributing to the increase in net income include:



Basic earnings per share increased to $0.34 in the first quarter as compared to $0.17 in 2022. This increase resulted from the effect of the $15.3 million increase in net income. The weighted average number of Common Shares outstanding decreased from 94,184,879 to 92,649,808, which was due to the repurchase and cancellation of Common Shares under the NCIB being partially offset by the issuance of 57,180 Common Shares on the Butler Ridge acquisition.

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

Net income – adjusted[1] and earnings per share – adjusted[1] increased to $31.3 million or $0.34 in 2023 as compared to $19.5 million or $0.21 in 2022, respectively. Management adjusts net income and earnings per share by excluding specific factors to more clearly reflect earnings from an operating perspective.

Subsequent Event

Subsequent to March 31, 2023, until the date of this report, we repurchased 777,310 Common Shares at a total cost of $11.4 million.

[The remainder of this page intentionally left blank.]

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

SEGMENTED FINANCIAL RESULTS

Three Month Periods Ended

Three month period ended March 31, 2023 *(unaudited)* *($ millions)*	**LTL**	**L&W**	**S&I**	**US 3PL**	**Corporate and intersegment eliminations**	**Total**
	$	**$**	**$**	**$**	**$**	**$**
Revenue	**192.8**	**144.1**	**112.8**	**51.0**	**(2.9)**	**497.8**
Direct operating expenses	**132.5**	**100.5**	**81.3**	**46.2**	**(4.3)**	**356.2**
Selling and administrative expenses	**28.5**	**17.5**	**11.1**	**3.6**	**3.9**[1]	**64.6**
OIBDA	**31.8**	**26.1**	**20.4**	**1.2**	**(2.5)**	**77.0**
Net capital expenditures[2]	**10.7**	**5.2**	**4.6**	**—**	**1.8**	**22.3**

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

[1] *Includes a nil foreign exchange loss.*
[2] *Refer to the section entitled "Other Financial Measures".*
[3] *Includes a $0.3 million foreign exchange loss.*

[The remainder of this page intentionally left blank.]

LESS-THAN-TRUCKLOAD

Highlights for the Quarter

The transportation, handling and distribution of LTL freight is a strategic focus for the Mullen Group. We continue to identify and search for new growth opportunities that will expand our service coverage across Canada and improve lane density, the key component to improving margins.

Results for the first quarter of 2023 were up by nearly 10.0 percent over the same period one year ago and generally in line with our expectations. Strong employment numbers continued to support end consumer demand for shipment activity, although shipment count was actually similar to last year in most Business Units. Year over year pricing increases, and acquisitions were the primary reasons for the growth in the quarter. Last year's results were negatively impacted by severe weather issues, protests and blockades, freight bottlenecks in key markets such as Toronto and Vancouver, and rising fuel costs. Overall an excellent quarter for our largest segment.

Market Outlook

The job market and overall economic activity are important factors that determine the level of LTL shipments. We maintain a positive outlook for the LTL segment given our view that economic growth will remain stable over the balance of the year. Furthermore, we expect LTL rates to hold at or near current levels. Our Business Units will focus on productivity improvements and cost saving initiatives. Growth will be accelerated if we can identify acquisitions.

Revenue

Q1 – LTL *(unaudited)* *($ millions)*	2023		2022		Change	
	$	%	$	%	$	%
Company	**173.1**	**89.8**	157.5	89.7	15.6	9.9
Contractors	**19.4**	**10.1**	17.9	10.2	1.5	8.4
Other	**0.3**	**0.1**	0.2	0.1	0.1	50.0
Total	**192.8**	**100.0**	175.6	100.0	17.2	9.8

- Segment revenue increased by $17.2 million, or 9.8 percent to $192.8 million as compared to $175.6 million in 2022.
- Fuel surcharge revenue increased by $10.4 million to $40.4 million in 2023 (excluding acquisitions) as compared to the prior year due to the rise in diesel fuel prices.
- Incremental revenue from acquisitions accounted for $5.7 million of the increase in revenue.
- Revenue from our Business Units (excluding fuel surcharge and acquisitions) grew modestly by $1.1 million year over year due to rate increases accompanied by steady consumer spending.

Direct Operating Expenses

Q1 – LTL *(unaudited)* *($ millions)*	2023		2022		Change	
	$	%*	$	%*	$	%
Company						
Wages and benefits	**38.7**	**22.4**	35.9	22.8	2.8	7.8
Fuel	**18.4**	**10.6**	19.0	12.1	(0.6)	(3.2)
Repairs and maintenance	**15.4**	**8.9**	14.5	9.2	0.9	6.2
Purchased transportation	**40.7**	**23.5**	39.9	25.3	0.8	2.0
Operating supplies	**2.8**	**1.6**	2.5	1.6	0.3	12.0
Other	**5.2**	**3.0**	4.4	2.8	0.8	18.2
	121.2	**70.0**	116.2	73.8	5.0	4.3
Contractors	**11.3**	**58.2**	10.9	60.9	0.4	3.7
Total	**132.5**	**68.7**	127.1	72.4	5.4	4.2

**as a percentage of respective LTL revenue*

- DOE were $132.5 million as compared to $127.1 million in 2022. The increase of $5.4 million was due to the $17.2 million increase in segment revenue.
- As a percentage of segment revenue these expenses decreased by 3.7 percent to 68.7 percent from 72.4 percent in 2022 due to a combination of higher customer rates and productivity improvements, which resulted in higher margins.
- Company costs decreased, as a percentage of Company revenue, as customer rate increases more than offset higher purchased transportation costs as well as inflationary costs, most notably wages and fuel (due to the rise in diesel fuel prices).
- Contractors costs, as a percentage of Contractors revenue, decreased due to the greater availability of subcontractors in most markets.

Selling and Administrative Expenses

Q1 – LTL						
(unaudited) *($ millions)*	2023		2022		Change	
	$	%*	$	%*	$	%
Wages and benefits	**16.5**	**8.6**	14.9	8.5	1.6	10.7
Communications, utilities and general supplies	**9.3**	**4.8**	8.1	4.6	1.2	14.8
Profit share	**1.4**	**0.7**	1.0	0.6	0.4	40.0
Foreign exchange	**—**	**—**	—	—	—	—
Rent and other	**1.3**	**0.7**	1.4	0.8	(0.1)	(7.1)
Total	**28.5**	**14.8**	25.4	14.5	3.1	12.2

**as a percentage of total LTL revenue*

- S&A expenses were $28.5 million as compared to $25.4 million in 2022. The increase of $3.1 million was due to $1.2 million of incremental S&A expenses from acquisitions, higher inflationary costs associated with wages, utilities and general supplies, and from $0.4 million of higher profit share.
- As a percentage of segment revenue these expenses remained relatively consistent on a year over year basis.

OIBDA

- The segment generated OIBDA of $31.8 million, an increase of $8.7 million, or 37.7 percent as compared to $23.1 million in 2022.
- OIBDA increased due to general rate increases and steady demand contributing $7.9 million of the increase, while acquisitions also added incremental OIBDA of $0.8 million in 2023.
- Operating margin[1] improved by 3.3 percent to 16.5 percent as compared to the prior year period, primarily due to lower DOE resulting from customer rate increases and productivity improvements.

Capital Expenditures

- The majority of the capital invested in the first quarter of 2023 consisted of trucks, trailers and operating equipment to replace older less efficient equipment.

Q1 – LTL			
(unaudited) *($ millions)*	2023	2022	Change
	$	$	$
Purchase of property, plant and equipment	**10.9**	6.8	4.1
Proceeds on sale of property, plant and equipment	**(0.2)**	(0.4)	0.2
Net capital expenditures[1]	**10.7**	6.4	4.3

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

LOGISTICS & WAREHOUSING

Highlights for the Quarter

There were two trends impacting freight and logistics demand during the first quarter. The first was the continuation of the inventory rebalancing cycle, with suppliers striving to bring inventory levels back into balance. The second was the softening in overall economic activity. These macro trends had a negative impact on the transportation industry, including several of our Business Units, as shippers adapted to the slowing economy. Our segment results were negatively impacted by these macro issues along with the loss of revenues associated with the sale of our hydrovac assets and business, which was completed in late 2022. Nevertheless, segment results were generally flat, due to our diversification of service offerings and the relative strength of the western Canadian economy, which continues to benefit from strong capital inflows and investment.

Market Outlook

We see no evidence that the demand for freight and logistics services will improve in the near term. The economy remains in neutral and is susceptible to downward pressures, especially if business investment slows. In addition to slowing demand, we expect prices to decline due to competitive pressures. However, this will most likely be a short-term issue due to the elevated costs required to operate in today's market.

We anticipate our segment results will not be impacted to the same degree as the overall market, due to the diversified nature of service offerings. For example, our warehouses remain at full capacity. In addition, our largest segment Business Units, Kleysen Group Ltd. and Bandstra Transportation Systems Ltd., are well positioned to capitalize on the renewed interest in Canada's mining sector, as well as the steady demand for specialized and transload services required by the oil and natural gas industry. For these reasons, we expect the L&W segment results to be consistent with our current performance for the next few quarters.

Revenue

Q1 – L&W *(unaudited)* *($ millions)*	2023		2022		Change	
	$	%	$	%	$	%
Company	**68.4**	**47.5**	70.4	49.4	(2.0)	(2.8)
Contractors	**75.3**	**52.3**	71.8	50.4	3.5	4.9
Other	**0.4**	**0.2**	0.3	0.2	0.1	33.3
Total	**144.1**	**100.0**	142.5	100.0	1.6	1.1

- Segment revenue increased by $1.6 million, or 1.1 percent to $144.1 million as compared to $142.5 million in 2022.
- Fuel surcharge revenue increased by $3.4 million to $17.2 million in 2023 as compared to the prior year due to the rise in diesel fuel prices.
- Excluding fuel surcharge, revenue declined by a modest $1.8 million, which was mainly due to a $2.6 million decrease in revenue resulting from the sale of our hydrovac assets and business in the fourth quarter of 2022.

[The remainder of this page intentionally left blank.]

Direct Operating Expenses

Q1 – L&W						
(unaudited) *($ millions)*	**2023**		**2022**		**Change**	
	$	**%***	**$**	**%***	**$**	**%**
Company						
Wages and benefits	**14.1**	**20.6**	15.0	21.3	(0.9)	(6.0)
Fuel	**6.2**	**9.1**	6.9	9.8	(0.7)	(10.1)
Repairs and maintenance	**7.2**	**10.5**	6.8	9.7	0.4	5.9
Purchased transportation	**7.9**	**11.5**	9.7	13.8	(1.8)	(18.6)
Operating supplies	**9.0**	**13.2**	6.5	9.2	2.5	38.5
Other	**2.0**	**2.9**	2.1	3.0	(0.1)	(4.8)
	46.4	**67.8**	47.0	66.8	(0.6)	(1.3)
Contractors	**54.1**	**71.8**	53.0	73.8	1.1	2.1
Total	**100.5**	**69.7**	100.0	70.2	0.5	0.5

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

- DOE were $100.5 million as compared to $100.0 million in 2022. The increase of $0.5 million was due to the $1.6 million increase in segment revenue.
- As a percentage of segment revenue these expenses decreased by 0.5 percent to 69.7 percent from 70.2 percent in 2022 due to lower Contractors costs, while Company costs increased slightly on a year over year basis.
- Company costs increased slightly, as a percentage of Company revenue, due to higher operating supplies, offset by lower purchased transportation costs.
- Contractors costs, as a percentage of Contractors revenue, decreased due to the greater availability of subcontractors in most markets.

Selling and Administrative Expenses

Q1 – L&W						
(unaudited) *($ millions)*	**2023**		**2022**		**Change**	
	$	**%***	**$**	**%***	**$**	**%**
Wages and benefits	**11.0**	**7.6**	10.4	7.3	0.6	5.8
Communications, utilities and general supplies	**4.3**	**3.0**	4.2	2.9	0.1	2.4
Profit share	**1.8**	**1.2**	1.7	1.2	0.1	5.9
Foreign exchange	**(0.1)**	**(0.1)**	0.1	0.1	(0.2)	(200.0)
Rent and other	**0.5**	**0.4**	0.6	0.4	(0.1)	(16.7)
Total	**17.5**	**12.1**	17.0	11.9	0.5	2.9

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

- S&A expenses were $17.5 million as compared to $17.0 million in 2022. The increase of $0.5 million was due to higher inflationary costs associated with wages and from $0.1 million of higher profit share.
- As a percentage of segment revenue these expenses remained relatively consistent on a year over year basis.

OIBDA

- The segment generated OIBDA of $26.1 million, an increase of $0.6 million, or 2.4 percent as compared to $25.5 million in 2022.
- OIBDA increased by $0.6 million and was mainly due to stronger demand for intermodal, drayage and distribution services.
- Operating margin[1] remained relatively consistent, improving by 0.2 percent to 18.1 percent as compared to the prior year period primarily due to lower Contractors costs resulting from the availability of subcontractors in most markets.

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

Capital Expenditures

- The majority of the capital invested in the first quarter of 2023 consisted of trucks, trailers and various pieces of operating equipment to replace older less efficient equipment.

Q1 – L&W			
(unaudited) *($ millions)*	**2023**	**2022**	**Change**
	$	**$**	**$**
Purchase of property, plant and equipment	**5.7**	4.9	0.8
Proceeds on sale of property, plant and equipment	**(0.5)**	(0.3)	(0.2)
Net capital expenditures[1]	**5.2**	4.6	0.6

SPECIALIZED & INDUSTRIAL SERVICES

Highlights for the Quarter

At the beginning of 2023, we were optimistic that this segment would show year over year improvement as a result of the oil and gas industry increasing drilling programs along with energy companies directing more capital to long-term projects.

Virtually every Business Unit within the segment reported year over year improvements in revenue with the largest improvement coming from those Business Units tied to the drilling and drilling related services, which was complimented by our recent acquisitions. In addition, our Business Units tied to capital projects capitalized on opportunities to support the build out of various infrastructure projects. All 16 Business Units within the segment remained committed to a disciplined pricing model that drove the overall improvement in operating profitability.

Market Outlook

We continue to maintain a positive outlook for the majority of the Business Units in the segment. As the world comes to better understand the importance of a diverse global energy mix, Canada remains well-positioned to supply the energy needs of other countries. More importantly, we continue to see capital being directed to support oil and gas development in Canada along with investment being directed to ESG initiatives to build out the infrastructure and facilities to support the next generation of energy.

While we do expect the segment to experience a traditional seasonal slowdown in the second quarter, we are confident the segment will achieve the budget that we set at the beginning of this year. There are some smaller opportunities that may come to Premay Pipeline Hauling L.P. ("**Premay Pipeline**") later in the year, however, the major pipeline construction build out is nearing completion. Maintaining margin remains a core focus for all 16 Business Units in this segment.

Revenue

Q1 – S&I						
(unaudited) *($ millions)*	**2023**		**2022**		**Change**	
	$	**%**	**$**	**%**	**$**	**%**
Company	**82.9**	**73.5**	66.0	79.2	16.9	25.6
Contractors	**29.6**	**26.2**	17.1	20.5	12.5	73.1
Other	**0.3**	**0.3**	0.2	0.3	0.1	50.0
Total	**112.8**	**100.0**	83.3	100.0	29.5	35.4

- Segment revenue increased by $29.5 million, or 35.4 percent to $112.8 million as compared to $83.3 million in 2022.
- General rate increases and greater activity levels led to an $18.5 million increase in revenue as virtually all of our Business Units in this segment experienced revenue growth year over year. Greater revenue was generated by our drilling related services Business Units and from those involved in the transportation of fluids and servicing of wells, which resulted from greater activity levels in the Western Canadian Sedimentary Basin ("**WCSB**"). Stronger demand for civil construction services and pipeline hauling and stringing services were also experienced at Smook Contractors Ltd. ("**Smook**") and Premay Pipeline, respectively.
- Incremental revenue of $9.3 million from acquisitions and a $1.7 million increase in fuel surcharge revenue accounted for the remaining increase in segment revenue.

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

Direct Operating Expenses

Q1 – S&I						
(unaudited) *($ millions)*	**2023**		**2022**		**Change**	
	$	**%***	**$**	**%***	**$**	**%**
Company						
Wages and benefits	**21.1**	**25.5**	17.4	26.4	3.7	21.3
Fuel	**6.7**	**8.1**	6.4	9.7	0.3	4.7
Repairs and maintenance	**14.2**	**17.1**	11.5	17.4	2.7	23.5
Purchased transportation	**0.8**	**1.0**	0.3	0.5	0.5	166.7
Operating supplies	**11.8**	**14.2**	9.5	14.4	2.3	24.2
Other	**2.1**	**2.5**	1.7	2.5	0.4	23.5
	56.7	**68.4**	46.8	70.9	9.9	21.2
Contractors	**24.6**	**83.1**	13.7	80.1	10.9	79.6
Total	**81.3**	**72.1**	60.5	72.6	20.8	34.4

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

- DOE were $81.3 million as compared to $60.5 million in 2022. The increase of $20.8 million was due to the $29.5 million increase in segment revenue.
- As a percentage of segment revenue these expenses decreased by 0.5 percent to 72.1 percent from 72.6 percent in 2022 due to lower Company costs, which was somewhat offset by higher Contractors costs.
- Company costs decreased, as a percentage of Company revenue, as customer rate increases more than offset inflationary costs, most notably wages and fuel (due to the rise in diesel fuel prices).
- Contractors costs, as a percentage of Contractors revenue, increased due to a greater proportion of low margin subcontractors' costs associated with pipeline hauling and stringing services in the first quarter of 2023 and the lower availability of subcontractors.

Selling and Administrative Expenses

Q1 – S&I						
(unaudited) *($ millions)*	**2023**		**2022**		**Change**	
	$	**%***	**$**	**%***	**$**	**%**
Wages and benefits	**5.8**	**5.1**	5.3	6.4	0.5	9.4
Communications, utilities and general supplies	**3.7**	**3.3**	3.3	4.0	0.4	12.1
Profit share	**1.3**	**1.2**	0.8	1.0	0.5	62.5
Foreign exchange	**—**	**—**	—	—	—	—
Rent and other	**0.3**	**0.2**	0.1	—	0.2	200.0
Total	**11.1**	**9.8**	9.5	11.4	1.6	16.8

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

- S&A expenses were $11.1 million as compared to $9.5 million in 2022. The increase of $1.6 million was due to higher profit share from greater earnings, inflationary costs associated with wages, utilities and general supplies, and $0.5 million of incremental S&A expenses from acquisitions.
- As a percentage of segment revenue, these expenses decreased to 9.8 percent from 11.4 percent due to the relatively fixed nature of S&A expenses combined with higher segment revenue.

OIBDA

- The segment generated OIBDA of $20.4 million, an increase of $7.1 million, or 53.4 percent, as compared to $13.3 million in 2022.
- The $7.1 million increase in OIBDA was mainly due to price increases implemented at several Business Units, greater demand for drilling related services, and for the transportation of fluids and servicing of wells, which resulted from increased activity levels in the WCSB. Premay Pipeline also contributed to the growth in OIBDA, while acquisitions added $1.5 million of incremental OIBDA in 2023.

- Operating margin[1] improved by 2.1 percent to 18.1 percent as compared to the prior year period, primarily due to lower Company costs as a percentage of Company revenue as customer rate increases and greater demand for the majority of our services resulted in more efficient operations.

Capital Expenditures

- The majority of the capital invested in 2023 consisted of pumps, generators and water management equipment to support demand at Canadian Dewatering L.P. and to support growth opportunities at Cascade Energy Services L.P.

Q1 – S&I			
(unaudited) *($ millions)*	**2023**	**2022**	**Change**
	$	**$**	**$**
Purchase of property, plant and equipment	**6.0**	1.1	4.9
Proceeds on sale of property, plant and equipment	**(1.4)**	(1.0)	(0.4)
Net capital expenditures[1]	**4.6**	0.1	4.5

U.S. & INTERNATIONAL LOGISTICS

Highlights for the Quarter

The soft demand experienced in the U.S. freight markets in the fourth quarter of 2022, carried over into the first quarter of 2023, as was expected. This did impact the results of HAUListic, our only Business Unit in this segment. While we did experience a decrease in revenue in this quarter compared to the same period in 2022, HAUListic did improve its operating margin[1] owing to its non-asset based business model and recent enhancements to its proprietary transportation management system, SilverExpress™. With the excess trucking capacity created by the slowdown in general freight volumes, HAUListic was able to negotiate favourable rates with its contract carriers that allowed HAUListic to modestly improve margin.

Market Outlook

As the inventory rebalancing by shippers and retailers continues, we are not foreseeing any change in freight volumes into the second quarter from what we encountered in the first quarter. We believe HAUListic's sales force of internal corporate sales and independently owned station agents provides diverse optionality to shippers. This is complemented by a large network of over 6,000 certified contract carriers providing LTL, full truckload and air freight services, all of which is supported by SilverExpress™. We continue to be successful in recruiting new station agents along with new IT talent to enhance our investment in SilverExpress™.

Revenue

Q1 – US 3PL						
(unaudited) *($ millions)*	**2023**		**2022**		**Change**	
	$	**%**	**$**	**%**	**$**	**%**
Company	**—**	**—**	—	—	—	—
Contractors	**51.0**	**100.0**	57.3	100.0	(6.3)	(11.0)
Other	**—**	**—**	—	—	—	—
Total	**51.0**	**100.0**	57.3	100.0	(6.3)	(11.0)

- Segment revenue decreased by $6.3 million to $51.0 million as compared to $57.3 million in 2022 due to lower freight demand for full truckload shipments, which resulted from the impact of higher interest rates on economic growth in the U.S. market.

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

Direct Operating Expenses

Q1 – US 3PL						
(unaudited) *($ millions)*	**2023**		**2022**		**Change**	
	$	**%***	**$**	**%***	**$**	**%**
Company						
Wages and benefits	**—**	**—**	—	—	—	—
Fuel	**—**	**—**	—	—	—	—
Repairs and maintenance	**—**	**—**	—	—	—	—
Purchased transportation	**—**	**—**	—	—	—	—
Operating supplies	**—**	**—**	—	—	—	—
Other	**0.2**	**—**	0.3	—	(0.1)	(33.3)
	0.2	**—**	0.3	—	(0.1)	(33.3)
Contractors	**46.0**	**90.2**	52.3	91.3	(6.3)	(12.0)
Total	**46.2**	**90.6**	52.6	91.8	(6.4)	(12.2)

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

- DOE were $46.2 million as compared to $52.6 million in 2022. The decrease of $6.4 million was due to the $6.3 million decrease in segment revenue.
- As a percentage of segment revenue these expenses decreased by 1.2 percent to 90.6 percent from 91.8 percent in 2022 due to the timing of when contract freight rates were entered into with customers compared to spot market pricing and the availability of contractors in the open market, which resulted in slightly higher margins.
- HAUListic, a non-asset based 3PL provider does not own any operating assets other than its proprietary technology platform trademarked as SilverExpress™. HAUListic uses the services of contractors to transport tendered freight shipments whereby all freight is moved through a network of licensed and certified contractors.

Selling and Administrative Expenses

Q1 – US 3PL						
(unaudited) *($ millions)*	**2023**		**2022**		**Change**	
	$	**%***	**$**	**%***	**$**	**%**
Wages and benefits	**2.4**	**4.7**	2.1	3.7	0.3	14.3
Communications, utilities and general supplies	**0.9**	**1.8**	1.0	1.7	(0.1)	(10.0)
Profit share	**0.1**	**0.2**	0.1	0.2	—	—
Foreign exchange	**—**	**—**	0.1	0.2	(0.1)	(100.0)
Rent and other	**0.2**	**0.4**	0.3	0.5	(0.1)	(33.3)
Total	**3.6**	**7.1**	3.6	6.3	—	—

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

- S&A expenses were consistent at $3.6 million as compared to $3.6 million in 2022. Higher wages from adding support staff to continue the development of SilverExpress™ was offset by lower costs associated with utilities, general supplies and a positive variance in foreign exchange.
- As a percentage of segment revenue, these expenses increased due to the combination of lower segment revenue and S&A costs remaining consistent with prior year.

OIBDA

- The segment generated OIBDA of $1.2 million, an increase of $0.1 million as compared to $1.1 million in 2022.
- Operating margin[1] improved by 0.5 percent to 2.4 percent, primarily due to lower DOE as a percentage of revenue being somewhat offset by higher S&A costs as a percentage of revenue. Operating margin[1] as a percentage of net revenue[2] was 25.0 percent as compared to 23.4 percent in 2022.

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

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

Capital Expenditures

This asset light operating segment did not have any capital expenditures or dispositions. This segment only had $0.5 million of property, plant and equipment associated with its SilverExpress™ transportation management platform as at March 31, 2023 and therefore generates cash in excess of its operating needs.

CORPORATE

The Corporate Office recorded a loss of $2.5 million in the first quarter of 2023 as compared to a loss of $2.7 million in 2022. The $0.2 million decrease in loss was mainly attributable to a $0.3 million positive variance in foreign exchange. In 2023 the Corporate Office recorded a foreign exchange loss of nil as compared to a foreign exchange loss of $0.3 million in 2022.

CAPITAL RESOURCES AND LIQUIDITY

Consolidated Cash Flow Summary

(unaudited) *($ millions)*	Three month periods ended March 31			
		2023		**2022**
Net cash from operating activities	**$**	**34.2**	$	18.0
Net cash used in financing activities		**(9.7)**		(4.6)
Net cash used in investing activities		**(24.6)**		(13.7)
Change in cash and cash equivalents		**(0.1)**		(0.3)
Effect of exchange rate fluctuations on cash held		**—**		0.3
Cash and cash equivalents, beginning of period		**8.8**		—
Cash and cash equivalents, end of period	**$**	**8.7**	$	—

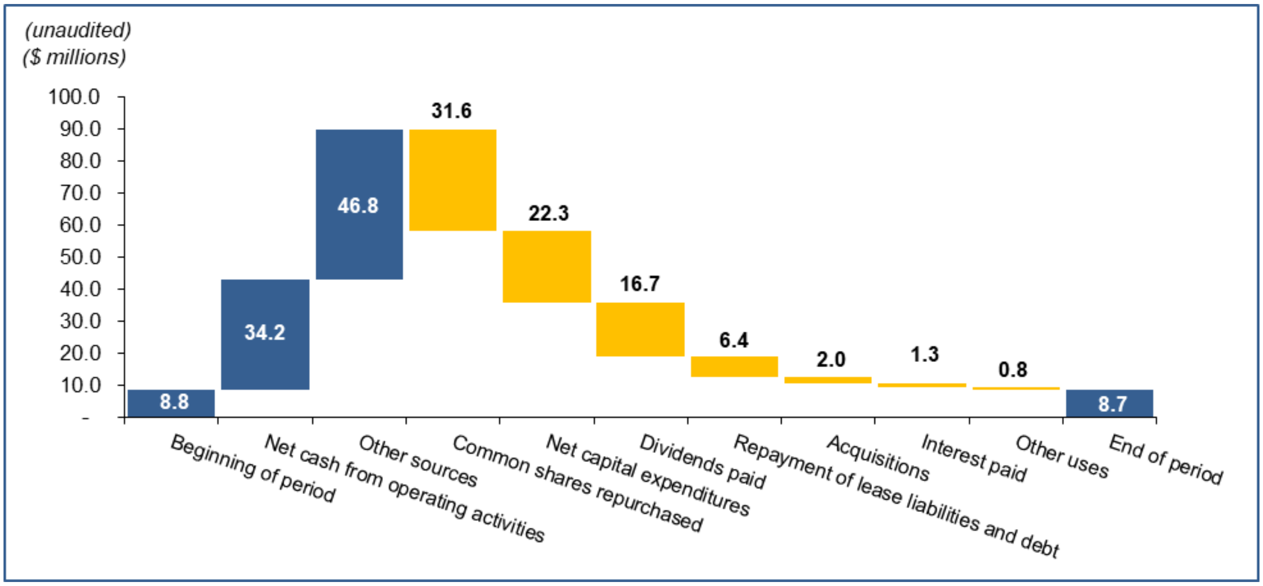
Sources and Uses of Cash

Cash From Operating Activities	We continue to generate cash in excess of our operating needs by generating net cash from operating activities of $34.2 million in 2023 as compared to $18.0 million in 2022. The increase of $16.2 million was mainly due to the greater OIBDA being recognized in 2023 and from using less cash in 2023 to finance working capital requirements. These increases were somewhat offset by a greater amount of cash taxes being paid in 2023, which resulted from paying the final taxes owing related to fiscal 2022 due to our strong financial performance last year.
Cash Used In Financing Activities	Net cash used in financing activities was $9.7 million in 2023 as compared to using $4.6 million in 2022. This $5.1 million increase in cash used was mainly due to an increase in cash used to repurchase and cancel Common Shares under the NCIB, to pay dividends to common shareholders, pay interest obligations and repay lease liabilities. These increases in cash being used was somewhat offset by the change in the amounts being borrowed and repaid on our Credit Facilities (as hereafter defined on page 24) in 2023 as compared to 2022.
Cash Used In Investing Activities	Net cash used in investing activities increased to $24.6 million in 2023 as compared to $13.7 million in 2022. This $10.9 million increase was mainly due to a $10.0 million increase in net capital expenditures[1].

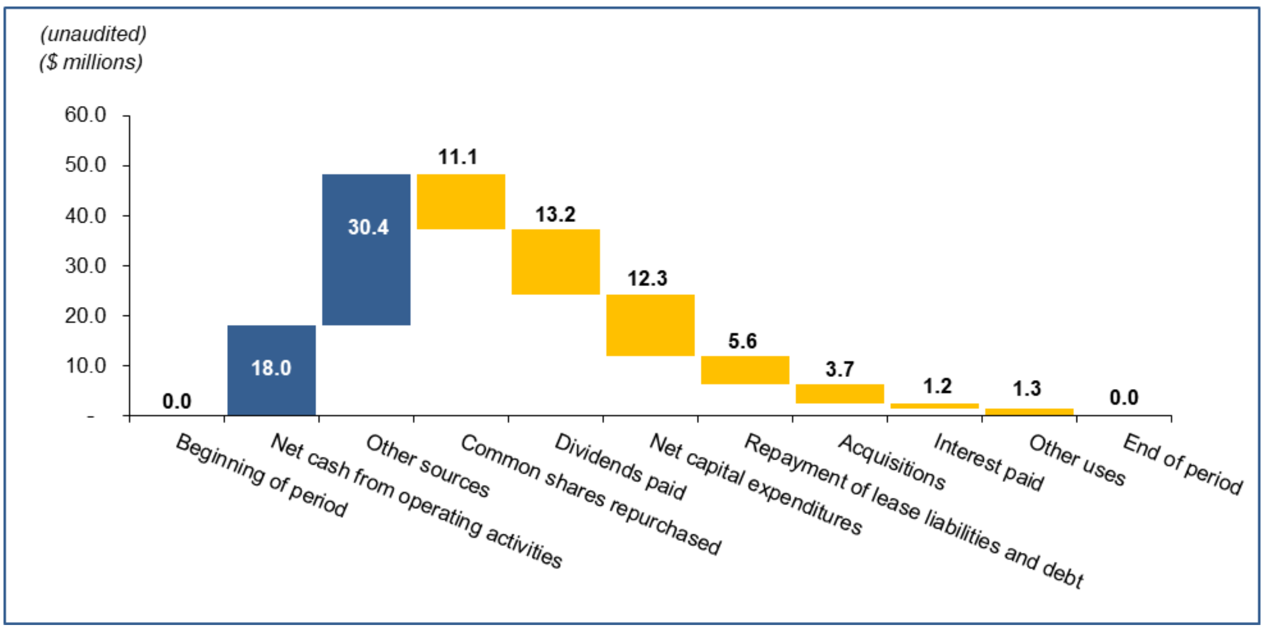
[1] Refer to the section entitled "Other Financial Measures".

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

Three month period ended March 31, 2023



Three month period ended March 31, 2022



Working Capital

At March 31, 2023, we had $105.2 million (December 31, 2022 – $140.3 million) of working capital, which included $68.3 million of amounts drawn on the Credit Facilities (as hereafter defined on page 24) (December 31, 2022 – $22.8 million). This working capital also includes a current liability of $23.9 million (December 31, 2022 – $21.0 million) related to the current portion of lease liabilities. This working capital, the Credit Facilities, and the anticipated cash flow from operating activities in 2023 are available to finance ongoing working capital requirements, the NCIB program, the 2023 dividend, the 2023 capital budget, as well as various special projects and acquisition opportunities.

DEBT AND CONTRACTUAL OBLIGATIONS

Private Placement Debt

The details of our debt can be found on page 39 of the 2022 MD&A. As at March 31, 2023, our debt has not changed significantly from those details.

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

Financial Covenants	Financial Covenant Threshold	March 31 2023	December 31 2022
Private Placement Debt Covenants			
(a) Total net debt[1] to operating cash flow cannot exceed	3.50:1	**1.74:1**	1.67:1
(b) Total earnings available for fixed charges to total fixed charges cannot be less than	1.75:1	**11.45:1**	10.89:1

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

Total net debt[1] to operating cash flow was 1.74:1 at March 31, 2023. Assuming the $605.2 million of total net debt[1] remains constant, we would need to generate approximately $172.9 million of operating cash flow on a trailing twelve month basis to remain in compliance with this financial covenant.

Mullen Group is also subject to a priority debt covenant. The term "priority debt" means all indebtedness secured by permitted liens excluding certain qualified subsidiary debt. Priority debt cannot exceed 15.0 percent of total assets. At March 31, 2023, the priority debt was $0.4 million or an insignificant percentage of total assets.

Convertible Debentures

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

Credit Facilities

On October 1, 2021, we entered into a credit agreement (the "**CIBC Credit Facility**") with Canadian Imperial Bank of Commerce ("**CIBC**"). The CIBC Credit Facility is a $100.0 million revolving demand credit facility to finance the Corporation's general operating requirements including acquisition transactions. The CIBC Credit Facility is unsecured although MT has granted an unlimited guarantee of any indebtedness owing on the CIBC Credit Facility. We also have a loan agreement to borrow up to $150.0 million on an unsecured credit facility with the Royal Bank of Canada (the "**RBC Credit Facility**"). MT has granted an unlimited guarantee of any indebtedness owing on the RBC Credit Facility. As at March 31, 2023, there was $68.3 million drawn on the CIBC Credit Facility and the RBC Credit Facility (collectively, the "**Credit Facilities**").

Contractual Obligations

An overview of Mullen Group's contractual obligations can be found on page 41 of the 2022 MD&A. As at March 31, 2023, 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, 2022	92,953,005	$	845.3
Common Shares repurchased and cancelled	(2,190,173)		(25.9)
Common Shares issued on acquisition	57,180		0.8
Balance at March 31, 2023	**90,820,012**	**$**	**820.2**

At March 31, 2023, there were 90,820,012 Common Shares outstanding representing $820.2 million in share capital. In the first quarter of 2023 we repurchased and cancelled 2,190,173 Common Shares under the NCIB program. We also repurchased 74,020 Common Shares that are scheduled to be cancelled in April 2023.

In 2023 we issued 57,180 Common Shares as partial consideration for the acquisition of Butler Ridge.

Stock Option Plan

	Options		**Weighted average exercise price**
Outstanding – December 31, 2022	3,755,000	$	16.47
Granted	165,000		14.22
Expired	(150,000)		(22.86)
Forfeited	(95,000)		(16.96)
Outstanding – March 31, 2023	**3,675,000**	**$**	**16.09**
Exercisable – March 31, 2023	**2,170,000**	**$**	**19.09**

There are 3,092,500 stock options available to be issued under our stock option plan. In 2023 we granted 165,000 stock options at a weighted average exercise price of $14.22. In 2023 there were 150,000 stock options that had expired and 95,000 stock options were forfeited. As at March 31, 2023, Mullen Group had 3,675,000 stock options outstanding under the stock option plan.

[The remainder of this page intentionally left blank.]

SUMMARY OF QUARTERLY RESULTS

Seasonality of Operations

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

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

Financial Results

	TTM[1]	2023	2022				2021		
(unaudited)		Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
($ millions, except per share amounts)	$	$	$	$	$	$	$	$	$
Revenue	**2,040.4**	497.8	**502.7**	**518.4**	**521.5**	**456.9**	441.9	432.5	312.5
OIBDA	**346.6**	77.0	**77.6**	**98.1**	**93.9**	**60.3**	65.8	64.5	59.0
Net income	**173.9**	31.7	**61.5**	**38.0**	**42.7**	**16.4**	20.2	17.5	21.7
Earnings per share									
Basic	**1.87**	0.34	**0.66**	**0.41**	**0.46**	**0.17**	0.21	0.18	0.23
Diluted	**1.77**	0.33	**0.62**	**0.39**	**0.43**	**0.17**	0.21	0.18	0.23
Other Information									
Net foreign exchange loss (gain)	**6.0**	(1.5)	**(2.1)**	**8.4**	**1.2**	**3.3**	0.8	(0.2)	(1.2)
Decrease (increase) in fair value of investments	**0.4**	0.3	**(0.4)**	**0.4**	**0.1**	**(0.2)**	(0.4)	0.3	(0.7)

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

Consolidated revenue in the first quarter of 2023 was a record as compared to any previous first quarter and increased by $40.9 million to $497.8 million as compared to $456.9 million in 2022. This increase was mainly due to an increase in fuel surcharge revenue, general rate increases along with steady demand for freight services and from incremental revenue from acquisitions. Net income in the first quarter was $31.7 million, an increase of $15.3 million from the $16.4 million of net income generated in 2022. The $15.3 million increase in net income was mainly attributable to an increase in OIBDA being somewhat offset by an increase in income tax expense.

Consolidated revenue in the fourth quarter of 2022 was a record as compared to any previous fourth quarter and increased by $60.8 million to $502.7 million as compared to $441.9 million in 2021. This increase was mainly due to general rate increases along with steady demand for freight services, incremental revenue from acquisitions and an increase in fuel surcharge revenue. Net income in the fourth quarter was $61.5 million, an increase of $41.3 million from the $20.2 million of net income generated in 2021. The $41.3 million increase in net income was mainly attributable to the increase in gain on sale of property, plant and equipment and from an increase in OIBDA.

Consolidated revenue in the third quarter of 2022 was a record as compared to any previous third quarter and increased by $85.9 million to $518.4 million as compared to $432.5 million in 2021. This increase was mainly due to general rate increases along with steady demand for freight services and an increase in fuel surcharge revenue. Net income in the third quarter was $38.0 million, an increase of $20.5 million from the $17.5 million of net income generated in 2021. The increase in net income was mainly attributable to an increase in OIBDA being somewhat offset by an increase in income tax expense and a negative variance in net foreign exchange.

Consolidated revenue in the second quarter of 2022 was a record as compared to any previous quarter and increased by $209.0 million to $521.5 million as compared to $312.5 million in 2021. This increase was mainly due to the incremental revenue generated from acquisitions. Net income in the second quarter was $42.7 million, an increase of $21.0 million from the $21.7 million of net income generated in 2021. The increase in net income was mainly attributable to an increase in OIBDA being somewhat offset by an increase in income tax expense and a negative variance in net foreign exchange.

TRANSACTIONS WITH RELATED PARTIES

A description of transactions with related parties can be found on page 47 of the 2022 MD&A. As at March 31, 2023, 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, 2022.

PRINCIPAL RISKS AND UNCERTAINTIES

A description of principal risks and uncertainties can be found beginning on page 48 of the 2022 MD&A. As at March 31, 2023, these risks and uncertainties, identified as strategic, financial and operational risks have not changed significantly from those descriptions.

CRITICAL ACCOUNTING ESTIMATES

This MD&A summarizes Mullen Group's financial condition and results of operations and is based upon our Interim Financial Statements, which have been prepared in accordance with IFRS and comply with IAS 34 Interim Financial Reporting. The Interim Financial Statements require management to select significant accounting policies and make certain critical accounting estimates that affect the reported assets, liabilities, revenue and expenses. A description of critical accounting estimates can be found beginning on page 62 of the 2022 MD&A. As at March 31, 2023, 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 64 of the 2022 MD&A. There have been no new standards or interpretations issued during 2023 that significantly impact Mullen Group.

Changes in Accounting Policies

There have been no changes to our accounting policies in 2023 as compared to those disclosed in our Annual Financial Statements.

DISCLOSURE AND INTERNAL CONTROLS

Disclosure Controls and Internal Controls over Financial Reporting

As at March 31, 2023, 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 Accounting Officer ("**SAO**"), acting in the capacity of the Chief Financial Officer. Based on this evaluation, the SEO and the SAO concluded that, as at March 31, 2023, 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 SAO, management conducted an evaluation of the effectiveness of its internal control over financial reporting as at March 31, 2023.

Based on this evaluation, the SEO and the SAO concluded that internal control over financial reporting was effective as at March 31, 2023, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external reporting purposes. We utilize the Internal Control – Integrated Framework (2013) as issued by the Committee of Sponsoring Organizations of the Treadway Commission. As at March 31, 2023, 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 2023 plan; to acquire companies and strive to improve their performance; to purchase for cancellation up to 8,644,508 Common Shares in the open market under our NCIB; to set the 2023 annual dividend at $0.72 per Common Shares ($0.06 per Common Share on a monthly basis); and to invest $85.0 million in capital expenditures in 2023 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 $15.0 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 assumption that we will generate sufficient cash in excess of our financial obligations to support our 2023 plan.
- Mullen Group's comment that overall freight demand should remain solid, but it will not be at the heightened levels of last year. In addition, the demand for oilfield services is expected to remain near current levels. However, we do anticipate pipeline activity will moderate throughout the balance of 2023 as the major pipeline projects near completion, as referred to in the Outlook within the Consolidated Financial Results section beginning on page 7. This forward-looking statement is based on the assumption that the North American economy has a resiliency that should not be underestimated, supported by strong employment data, continued government deficit spending, and transfer payments.
- Mullen Group's comment that the Business Plan and Outlook for 2023 has not changed significantly from prior correspondence, as referred to in the Outlook within the Consolidated Financial Results section beginning on page 7. This forward-looking statement is based on the assumption that we still remain of the view that economic activity will soften as higher interest rates take a toll on consumer spending and business investment. It is also quite likely that tightening lending standards by banks will also constrain economic activity. Given these headwinds, our intention is to manage the business, and balance sheet, on this base case assumption. Our focus will continue to be on margin protection and pursuing accretive acquisitions that meet our strategic objectives. These initiatives will mitigate any softness in economic activity and overall demand.
- Mullen Group's comment that we maintain a positive outlook for the LTL segment, as referred to in the LTL segment Market Outlook beginning on page 14. This forward-looking statement is based on our view that economic growth will remain stable over the balance of the year. Furthermore, we expect LTL rates to hold at or near current levels. Our Business Units will focus on productivity improvements and cost saving initiatives. Growth will be accelerated if we can identify acquisitions.
- Mullen Group's comment that we see no evidence that the demand for freight and logistics services will improve in the near term, as referred to in the L&W segment Market Outlook beginning on page 16. This forward-looking statement is based on the assumption that the economy remains in neutral and is susceptible to downward pressures, especially if business investment slows. In addition to slowing demand, we expect prices to decline due to competitive pressures. However, this will most likely be a short-term issue due to the elevated costs required to operate in today's market.
- Mullen Group's comment that we anticipate L&W segment results will not be impacted to the same degree as the overall market, due to the diversified nature of service offerings, as referred to in the L&W segment Market Outlook beginning on page 16. This forward-looking statement is based on the assumption that our largest segment Business Units, Kleysen Group Ltd. and Bandstra Transportation Systems Ltd., are well positioned to capitalize on the renewed interest in Canada's mining sector, as well as the steady demand for specialized and transload services required by the oil and natural gas industry. For these reasons, we expect the L&W segment results to be consistent with our current performance for the next few quarters.
- Mullen Group's comment that we continue to maintain a positive outlook for the majority of the Business Units in the S&I segment, as referred to in the S&I segment Market Outlook beginning on page 18. This forward-looking statement is based on the assumption that as the world comes to better understand the importance of a diverse global energy mix, Canada remains well-positioned to supply the energy needs of other countries. More importantly, we continue to see capital being directed to support oil and gas development in Canada along with investment being directed to ESG initiatives to build out the infrastructure and facilities to support the next generation of energy.
- Mullen Group's comment that while we do expect the S&I segment to experience a traditional seasonal slowdown in the second quarter, we are confident the segment will achieve the budget that we set at the beginning of this year, as referred to in the S&I segment Market Outlook beginning on page 18. This forward-looking statement is based on the assumption that there are some smaller opportunities that may come to Premay Pipeline later in the year, however, the major pipeline construction build out is nearing completion. Maintaining margin remains a core focus for all 16 Business Units in this segment.
- Mullen Group's comment that we are not foreseeing any change in freight volumes into the second quarter from what we encountered in the first quarter in the US 3PL segment, as referred to in the US 3PL segment Market Outlook beginning on page 20. This forward-looking statement is based on our experience of current market conditions.
- Mullen Group's intention to use working capital, the Credit Facilities and the anticipated cash flow from operating activities in 2023 to finance its ongoing working capital requirements, the 2023 dividend, the 2023 capital budget, as well as various special projects and acquisition opportunities, as referred to in the Capital Resources and Liquidity section beginning on

page 22. This forward-looking statement is based on our belief that our access to cash will exceed our expected requirements.

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

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

NON-IFRS FINANCIAL MEASURES

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

Net Income – Adjusted and Earnings per Share – Adjusted

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

(unaudited) ***($ millions, except share and per share amounts)***	**Three month periods ended March 31**			
		2023		**2022**
Income before income taxes	**$**	**42.4**	$	22.9
Add (deduct):				
Net foreign exchange (gain) loss		**(1.5)**		3.3
Change in fair value of investments		**0.3**		(0.2)
Loss on fair value of equity investment		**0.6**		—
Income before income taxes – adjusted		**41.8**		26.0
Income tax rate		**25%**		25%
Computed expected income tax expense		**(10.5)**		(6.5)
Net income – adjusted		**31.3**		19.5
Weighted average number of Common Shares outstanding – basic		**92,649,808**		94,184,879
Earnings per share – adjusted	**$**	**0.34**	$	0.21

Net Revenue

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

(unaudited) ***($ millions)***	**Three month periods ended March 31**			
		2023		**2022**
Revenue	**$**	**51.0**	$	57.3
Direct operating expenses		**46.2**		52.6
Net Revenue	**$**	**4.8**	$	4.7

OTHER FINANCIAL MEASURES

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

Supplementary Financial Measures

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

Operating Margin

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

(unaudited) *($ millions)*	Three month periods ended March 31 2023	 2022
OIBDA	**$ 77.0**	$ 60.3
Revenue	**$ 497.8**	$ 456.9
Operating margin	**15.5%**	13.2%

Net Capital Expenditures

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

(unaudited) *($ millions)*	Three month periods ended March 31 2023	 2022
Purchase of property, plant and equipment	**$ 24.5**	$ 14.4
Proceeds on sale of property, plant and equipment	**(2.2)**	(2.1)
Net capital expenditures	**$ 22.3**	$ 12.3

Cash Flow per Share

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

(unaudited) *($ millions, except share and per share amounts)*	Three month periods ended March 31 2023	 2022
Net cash from operating activities	**$ 34.2**	$ 18.0
Weighted average number of Common Shares outstanding	**92,649,808**	94,184,879
Cash flow per share	**$ 0.37**	$ 0.19

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

The term "*total net debt*" means all debt excluding the Debentures but includes the Private Placement Debt, lease liabilities, the Credit Facilities and letters of credit less any unrealized gain on Cross-Currency Swaps plus any unrealized loss on Cross-Currency Swaps, as disclosed within Derivatives on the condensed consolidated statement of financial position. 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.

(unaudited) ***($ millions)***		**March 31, 2023**
Private Placement Debt	$	**480.5**
Lease liabilities (including the current portion)		**99.1**
Bank indebtedness		**68.3**
Letters of credit		**4.0**
Long-term debt (including the current portion)		**1.0**
Total debt		**652.9**
Less: unrealized gain on Cross-Currency Swaps		**(47.7)**
Add: unrealized loss on Cross-Currency Swaps		—
Total net debt	$	**605.2**

[The remainder of this page intentionally left blank.]

MARCH 31, 2023

INTERIM FINANCIAL REPORT

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(unaudited) *(thousands)*	Note		March 31 2023		December 31 2022
Assets					
Current assets:					
Cash and cash equivalents		**$**	**8,653**	$	8,757
Trade and other receivables	**6**		**288,673**		284,899
Inventory			**42,759**		42,035
Prepaid expenses			**23,150**		19,107
Current tax receivable			**8,909**		5,526
			372,144		360,324
Non-current assets:					
Property, plant and equipment			**988,137**		981,624
Right-of-use assets			**94,461**		87,756
Goodwill			**366,260**		365,995
Intangible assets			**98,833**		99,624
Investments			**44,055**		45,570
Deferred tax assets			**6,604**		6,699
Derivative financial instruments	**7**		**47,678**		46,436
Other assets			**2,274**		2,103
			1,648,302		1,635,807
Total Assets		**$**	**2,020,446**	$	1,996,131
Liabilities and Equity					
Current liabilities:					
Bank indebtedness	**10**	**$**	**68,300**	$	22,800
Accounts payable and accrued liabilities			**167,503**		151,023
Dividends payable	**8**		**5,449**		5,577
Current tax payable			**840**		19,386
Lease liabilities – current portion			**23,924**		20,992
Current portion of long-term debt	**10**		**919**		213
			266,935		219,991
Non-current liabilities:					
Convertible debentures – debt component	**10**		**116,393**		115,806
Long-term debt	**10**		**480,551**		481,597
Lease liabilities			**75,172**		70,871
Asset retirement obligations			**1,555**		1,549
Deferred tax liabilities			**132,294**		132,920
			805,965		802,743
Equity:					
Share capital	**11**		**820,184**		845,267
Convertible debentures – equity component			**9,116**		9,116
Contributed surplus			**19,324**		18,619
Accumulated other comprehensive income			**2,845**		2,868
Retained earnings			**96,077**		97,527
			947,546		973,397
Subsequent event	**18**				
Total Liabilities and Equity		**$**	**2,020,446**	$	1,996,131

The notes which begin on page 37 are an integral part of these condensed interim consolidated financial statements.

Approved by the Board of Directors on April 26, 2023, after review by the Audit Committee.

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

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

CONDENSED CONSOLIDATED STATEMENT OF INCOME

(unaudited) *(thousands, except per share amounts)*	Note	Three month periods ended March 31 2023	2022
Revenue	14	**$ 497,819**	$ 456,873
Direct operating expenses		**356,195**	337,085
Selling and administrative expenses		**64,614**	59,520
Operating income before depreciation and amortization		**77,010**	60,268
Depreciation of property, plant and equipment		**17,858**	17,320
Depreciation of right-of-use assets		**6,522**	5,696
Amortization of intangible assets		**3,607**	4,629
Finance costs		**8,292**	8,023
Net foreign exchange (gain) loss	7	**(1,494)**	3,282
Other (income) expense	15	**(165)**	(1,582)
Income before income taxes		**42,390**	22,900
Income tax expense	9	**10,673**	6,451
Net income		**$ 31,717**	$ 16,449
Earnings per share:	12		
Basic		**$ 0.34**	$ 0.17
Diluted		**$ 0.33**	$ 0.17
Weighted average number of Common Shares outstanding:	12		
Basic		**92,650**	94,185
Diluted		**101,781**	94,243

The notes which begin on page 37 are an integral part of these condensed interim consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(unaudited) *(thousands)*	Three month periods ended March 31 2023	2022
Net income	**$ 31,717**	$ 16,449
Other comprehensive income *Items that may be reclassified subsequently to statement of income*		
Exchange differences from translating foreign operations	**(23)**	(396)
Other comprehensive income (loss), net of tax	**(23)**	(396)
Total comprehensive income	**$ 31,694**	$ 16,053

The notes which begin on page 37 are an integral part of these condensed interim consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(unaudited) (*thousands*)	Note	Share capital	Convertible debentures – equity component	Contributed surplus	Accumulated Other Comprehensive Income	Retained earnings	Total
Balance at January 1, 2023		**$ 845,267**	**$ 9,116**	**$ 18,619**	**$ 2,868**	**$ 97,527**	**$ 973,397**
Net income for the period		**—**	**—**	**—**	**—**	**31,717**	**31,717**
Other comprehensive income, net of tax		**—**	**—**	**—**	**(23)**	**—**	**(23)**
Common Shares repurchased	**11**	**(25,895)**	**—**	**468**	**—**	**(16,616)**	**(42,043)**
Common Shares issued on acquisition	**5**	**812**	**—**	**—**	**—**	**—**	**812**
Stock-based compensation expense		**—**	**—**	**237**	**—**	**—**	**237**
Dividends declared to common shareholders	**8**	**—**	**—**	**—**	**—**	**(16,551)**	**(16,551)**
Balance at March 31, 2023		**$ 820,184**	**$ 9,116**	**$ 19,324**	**$ 2,845**	**$ 96,077**	**$ 947,546**

(unaudited) (*thousands*)	Note	Share capital	Convertible debentures – equity component	Contributed surplus	Accumulated Other Comprehensive Income	Retained earnings	Total
Balance at January 1, 2022		$ 853,614	$ 9,116	$ 22,578	$ 1,088	$ 2,268	$ 888,664
Net income for the period		—	—	—	—	16,449	16,449
Other comprehensive income, net of tax		—	—	—	(396)	—	(396)
Common Shares repurchased	**11**	(4,854)	—	(1,953)	—	—	(6,807)
Stock-based compensation expense		—	—	144	—	—	144
Dividends declared to common shareholders	**8**	—	—	—	—	(14,083)	(14,083)
Balance at March 31, 2022		$ 848,760	$ 9,116	$ 20,769	$ 692	$ 4,634	$ 883,971

The notes which begin on page 37 are an integral part of these condensed interim consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

(unaudited) *(thousands)*	Note	Three month periods ended March 31 2023	2022
Cash provided by (used in):			
Cash flows from operating activities:			
Net income		**$ 31,717**	$ 16,449
Adjustments for:			
Depreciation and amortization		**27,987**	27,645
Finance costs		**8,292**	8,023
Stock-based compensation expense		**237**	144
Foreign exchange (gain) loss on cross-currency swaps	**7**	**(1,242)**	7,450
Foreign exchange (gain) loss		**(263)**	(4,168)
Other (income) expense	**15**	**(165)**	(1,582)
Income tax expense	**9**	**10,673**	6,451
Cash flows from operating activities before non-cash working capital items		**77,236**	60,412
Changes in non-cash working capital items from operating activities	**16**	**(8,844)**	(29,068)
Cash generated from operating activities		**68,392**	31,344
Income tax paid		**(34,171)**	(13,380)
Net cash from operating activities		**34,221**	17,964
Cash flows from financing activities:			
Bank indebtedness	**10**	**45,500**	25,993
Repurchase of Common Shares	**11**	**(31,643)**	(11,137)
Cash dividends paid to common shareholders		**(16,679)**	(13,184)
Interest paid		**(1,315)**	(1,275)
Repayment of long-term debt and loans		**(203)**	(13)
Repayment of lease liabilities		**(6,219)**	(5,588)
Changes in non-cash working capital items from financing activities	**16**	**785**	525
Net cash used in financing activities		**(9,774)**	(4,679)
Cash flows from investing activities:			
Acquisitions net of cash acquired	**5**	**(2,016)**	(3,689)
Purchase of property, plant and equipment		**(24,505)**	(14,415)
Proceeds on sale of property, plant and equipment		**2,172**	2,140
Interest received		**172**	141
Net investment in finance leases		**62**	40
Other assets		**(19)**	3,491
Dividends from equity investees		**350**	—
Changes in non-cash working capital items from investing activities	**16**	**(795)**	(1,294)
Net cash used in investing activities		**(24,579)**	(13,586)
Change in cash and cash equivalents		**(132)**	(301)
Cash and cash equivalents at January 1		**8,757**	—
Effect of exchange rate fluctuations on cash held		**28**	301
Cash and cash equivalents at March 31		**$ 8,653**	$ —

The notes which begin on page 37 are an integral part of these condensed interim consolidated financial statements.

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

1. Reporting Entity

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

2. Basis of Presentation

(a) Statement of Compliance

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

(b) Basis of Measurement

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

(c) Functional and Presentation Currency

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

3. Significant Accounting Policies

The accompanying Interim Financial Statements should be read in conjunction with Note 3 to Mullen Group's audited annual consolidated financial statements for the year ended December 31, 2022, (the "**Annual Financial Statements**") as the accounting policies applied by the Corporation in these Interim Financial Statements are the same as those disclosed therein.

4. Determination of Fair Values

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

March 31, 2023 Financial Instrument	Fair Value Hierarchy		Carrying Amount		Fair Value
Investments (excluding investments accounted for by using the equity method)	Level 1	$	2,207	$	2,207
Derivative Financial Instruments(1)	Level 2	$	47,678	$	47,678
Private Placement Debt	Level 2	$	480,469	$	440,843
Convertible Debentures – debt component	Level 2	$	116,393	$	116,319

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

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

5. Acquisitions

2023 Acquisitions

Butler Ridge Energy Services (2011) Ltd. ("**Butler Ridge**") – On July 1, 2015, we acquired approximately 32.0 percent of the issued and outstanding shares of Butler Ridge for $1.0 million. We used the equity method to account for this investment and recognized $1.0 million of earnings from July 1, 2015 until March 1, 2023. On March 1, 2023, we acquired all of the remaining issued and outstanding shares of Butler Ridge for total consideration of $3.1 million. We recorded $2.0 million of cash used to acquire Butler Ridge in our condensed consolidated statement of cash flows and issued 57,180 Common Shares of Mullen Group to the vendors. The fair value of Butler Ridge was $4.5 million on the date control was obtained resulting in a $0.6 million loss on this equity investment being recognized within other (income) expense on the condensed consolidated statement of comprehensive income. Butler Ridge is based in Hudson's Hope, British Columbia and offers a complete package of fluid management services to the energy sector in the Peace River region. We acquired Butler Ridge as part of our strategy to invest in the energy sector. The financial results of Butler Ridge are included within the Specialized & Industrial Services segment.

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

		2023
Assets:		
Non-cash working capital items	$	**101**
Property, plant and equipment		**2,142**
Right-of-use assets		**170**
Intangible assets		**2,830**
Goodwill[1]		**290**
		5,533
Assumed liabilities:		
Lease liabilities (long-term portion)		**131**
Deferred income taxes		**1,066**
Long-term debt		**69**
		1,266
Net assets before cash and cash equivalents		**4,267**
Cash and cash equivalents acquired		**234**
Net assets		**4,501**
Consideration:		
Cash		**2,250**
Share consideration		**812**
Fair value of equity investment		**1,439**
	$	**4,501**

[1] Goodwill is not deductible for tax purposes

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

6. Trade and Other Receivables

		March 31 2023		December 31 2022
Trade receivables	$	**252,004**	$	256,995
Other receivables		**31,956**		25,358
Net investment in finance leases		**166**		155
Contract assets		**4,547**		2,391
	$	**288,673**	$	284,899

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

7. Derivative Financial Instruments

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

For the three month period ended March 31, 2023, Mullen Group has recorded a net foreign exchange (gain) loss of $(1.5) million (2022 – $3.3 million). This was due to the impact of the change over the period in the value of the Canadian dollar relative to the U.S. dollar on the Corporation's U.S. dollar debt and from the change in the fair value of its Cross-Currency Swaps as summarized in the table below:

Net Foreign Exchange (Gain) Loss	**Three month periods ended March 31**			
	CDN. $ Equivalent			
		2023		**2022**
Foreign exchange (gain) loss on U.S. $ debt	**$**	**(252)**	$	(4,168)
Foreign exchange (gain) loss on Cross-Currency Swaps		**(1,242)**		7,450
Net foreign exchange (gain) loss	**$**	**(1,494)**	$	3,282

For the three month period ended March 31, 2023, Mullen Group recorded a foreign exchange (gain) loss on U.S. dollar debt of $(0.3) million (2022 – $(4.2) million) as summarized in the table below:

Foreign Exchange (Gain) Loss on U.S. $ Debt	**Three month periods ended March 31**					
	2023			**2022**		
($ thousands, except exchange rate amounts)	**U.S. $ Debt**	**Exchange Rate**	**CDN. $ Equivalent**	**U.S. $ Debt**	**Exchange Rate**	**CDN. $ Equivalent**
Ending – March 31	**229,000**	**1.3533**	**309,905**	229,000	1.2496	286,158
Beginning – January 1	**229,000**	**1.3544**	**310,157**	229,000	1.2678	290,326
Foreign exchange (gain) loss on U.S. $ debt			**(252)**			(4,168)

For the three month period ended March 31, 2023, Mullen Group recorded a foreign exchange (gain) loss on its Cross-Currency Swaps of $(1.2) million (2022 – $7.5 million). This was due to the change over the period in the fair value of these Cross-Currency Swaps as summarized in the table below:

Foreign Exchange (Gain) Loss on Cross-Currency Swaps	**Three month periods ended March 31**			
	2023		**2022**	
	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**	**(471)**	117,000	3,924
Cross-Currency Swap maturing October 22, 2026	**112,000**	**(771)**	112,000	3,526
Foreign exchange (gain) loss on Cross-Currency Swaps		**(1,242)**		7,450

8. Dividends Payable

For the three month period ended March 31, 2023, Mullen Group declared dividends totalling $0.18 per Common Share (2022 – $0.15 per Common Share). On January 16, 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 2023. At March 31, 2023, Mullen Group had 90,820,012 Common Shares outstanding and a dividend payable of $5.4 million (December 31, 2022 – $5.6 million), which was paid on April 17, 2023. Mullen Group also declared a dividend of $0.06 per Common Share on April 20, 2023, to the holders of record at the close of business on April 30, 2023.

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

9. Income Taxes

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

	Three month periods ended March 31	
	2023	**2022**
Income before income taxes	**$ 42,390**	$ 22,900
Combined statutory tax rate	**25%**	25%
Expected income tax	**10,598**	5,725
Add (deduct):		
Non-deductible (taxable) portion of net foreign exchange (gain) loss	**(172)**	377
Non-deductible (taxable) portion of the change in fair value of investments	**101**	(26)
Stock-based compensation expense	**55**	33
Changes in unrecognized deferred tax asset	**(172)**	377
Other	**263**	(35)
Income tax expense	**$ 10,673**	$ 6,451

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

Mullen Group has two unsecured credit facilities to borrow an aggregate of up to $250.0 million with its $150.0 million unsecured credit facility with the Royal Bank of Canada (the "**RBC Credit Facility**") and its $100.0 million unsecured credit facility with the Canadian Imperial Bank of Commerce (the "**CIBC Credit Facility**"). Interest on the RBC Credit Facility is payable monthly and is based on either the bank prime rate plus 0.50 percent or bankers' acceptance rates plus an acceptance fee of 1.50 percent. Interest on the CIBC Credit Facility is based on either the Canadian bank prime rate plus 0.50 percent or the U.S. bank base rate plus 0.50 percent, in each case payable in arrears or bankers' acceptance rates plus an acceptance fee of 1.50 percent payable upon acceptance. As at March 31,2023, there was $68.3 million drawn on the RBC Credit Facility and the CIBC Credit Facility (collectively, the "**Credit Facilities**"), which was included within bank indebtedness on the condensed consolidated statement of financial position. These Credit Facilities are unsecured although the Corporation's wholly-owned subsidiary, MT Investments Inc. ("**MT**"), has granted an unlimited guarantee of any indebtedness owing on the Credit Facilities. These Credit Facilities do not have any financial covenants, however, Mullen Group cannot be in default of its Private Placement Debt and it must be in compliance with certain reporting and general covenants. Mullen Group is in compliance with all of these reporting and general covenants.

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

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

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

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

Mullen Group's unamortized debt issuance costs of $0.4 million related to its Private Placement Debt have been netted against its carrying value at March 31, 2023 (December 31, 2022 – $0.5 million). Mullen Group has certain financial covenants that must be met under its unsecured Private Placement Debt, which include a total net debt to operating cash flow ratio and a total earnings available for fixed charges to total fixed charges ratio. Mullen Group's total net debt cannot exceed 3.5 times operating cash flow calculated using the trailing twelve months financial results normalized for acquisitions. The term "**total net debt**" is defined in the Private Placement Debt agreement as all debt excluding the Debentures less any unrealized gain on Cross-Currency Swaps plus any unrealized loss on Cross-Currency Swaps, as disclosed within Derivatives on the condensed consolidated statement of financial position but includes Private Placement Debt, lease liabilities, the Credit Facilities and letters of credit. The term "**operating 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.

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

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

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

		March 31, 2023		December 31, 2022
Current liabilities:				
Private Placement Debt	**$**	**—**	$	—
Lease liabilities – current portion		**23,924**		20,992
Current portion of long-term debt		**919**		213
Bank indebtedness		**68,300**		22,800
		93,143		44,005
Non-current liabilities:				
Private Placement Debt		**480,469**		480,675
Lease liabilities		**75,172**		70,871
Long-term debt		**82**		922
		555,723		552,468
	$	**648,866**	$	596,473

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

	Year of Maturity	Interest Rate	March 31, 2023 Face Value	March 31, 2023 Carrying Amount	December 31, 2022 Face Value	December 31, 2022 Carrying Amount
			$	**$**	$	$
Bank indebtedness	—	Variable	**68,300**	**68,300**	22,800	22,800
Lease liabilities	2023 – 2059	3.20%	**115,499**	**99,096**	107,229	91,863
Private Placement Debt	2024 – 2026	3.84% - 4.07%	**480,906**	**480,469**	481,158	480,675
Various financing loans	2023 – 2027	2.68% - 7.49%	**1,001**	**1,001**	1,135	1,135
			665,706	**648,866**	612,322	596,473

In addition, Mullen Group has an aggregate principal amount of $125.0 million of convertible unsecured subordinated debentures (the "**Debentures**"). The Debentures mature on November 30, 2026, and are publicly listed on the TSX under "MTL.DB". The Debentures bear interest at a rate of 5.75 percent per annum, payable semi-annually in arrears on May 31 and November 30 of each year. The carrying amount of the debt component of the Debentures at March 31, 2023, was $116.4 million (December 31, 2022 - $115.8 million).

11. 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	
	2023	2022
Issued Common Shares at January 1	**92,953,005**	94,532,178
Common Shares repurchased and cancelled	**(2,190,173)**	(926,961)
Common Shares issued on acquisition	**57,180**	—
Issued Common Shares at March 31	**90,820,012**	93,605,217

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

Mullen Group had a normal course issuer bid ("**NCIB**"), commencing March 10, 2022, to purchase for cancellation up to 8,828,623 Common Shares in the open market on or before March 9, 2023. On March 8, 2023, Mullen Group announced the renewal of its 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. For the three month period ending March 31, 2023, Mullen Group had purchased and cancelled 2,190,173 Common Shares for $31.6 million under its NCIB programs. Mullen Group has also repurchased 74,020 Common Shares that are scheduled to be cancelled in April 2023.

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

In the first quarter of 2023, Mullen Group issued 57,180 Common Shares as partial consideration for the acquisition of Butler Ridge. ▶ **For more information, refer to Note 5.**

12. Earnings per Share

(a) Basic Earnings per Share

Basic earnings per share is calculated as net income attributable to common shareholders divided by the weighted average number of Common Shares outstanding for the period. Net income attributable to common shareholders for the three month period ended March 31, 2023, was $31.7 million (2022 – $16.4 million). The weighted average number of Common Shares outstanding for the three month periods ended March 31, 2023 and 2022 was calculated as follows:

		Three month periods ended March 31	
	Note	2023	2022
Issued Common Shares at beginning of period	11	**92,953,005**	94,532,178
Effect of Common Shares repurchased and cancelled	11	**(322,892)**	(347,299)
Effect of Common Shares issued on acquisition	5	**19,695**	—
Weighted average number of Common Shares at end of period – basic		**92,649,808**	94,184,879

(b) Diluted Earnings per Share

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

	Three month periods ended March 31	
	2023	2022
Net income	**$ 31,717**	$ 16,449
Effect of the Debentures	**1,788**	—
Net income – adjusted	**$ 33,505**	$ 16,449

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

	Three month periods ended March 31	
	2023	2022
Weighted average number of Common Shares – basic	**92,649,808**	94,184,879
Effect of "in the money" stock options	**202,698**	57,933
Effect of the Debentures	**8,928,571**	—
Weighted average number of Common Shares at end of period – diluted	**101,781,077**	94,242,812

For the three month period ended March 31, 2023, 2,525,000 stock options (2022 – 3,015,000) were excluded from the diluted weighted average number of Common Shares calculation as their effect would have been anti-dilutive. The average market value of the Corporation's Common Shares for the purposes of calculating the dilutive effect of stock options was based on quoted market prices for the periods ended March 31, 2023 and 2022. For the three month period ended March 31, 2023, 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. For the three month period ended March 31, 2022, the Common Shares that would be issued on conversion of the Debentures were excluded from the diluted weighted average as their effect was anti-dilutive.

13. Seasonality of Operations

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

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

14. Revenue

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

At March 31, 2023, 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 March 31, 2023, the Logistics & Warehousing segment consisted of 11 Business Units and provides shippers throughout North America with a wide range of trucking and logistics service offerings including full truckload, specialized transportation, warehousing, fulfillment centres that handle e-commerce transactions, and transload facilities designed for intermodal and bulk shipments. Operations and customer service are supported by a robust suite of leading edge technology solutions including a fully integrated transportation management system, customized inventory management and warehouse systems along with our proprietary Moveitonline® and Haulistic™ technology platforms, applications that are positioning our organization for an evolving and changing supply chain.

At March 31, 2023, the Specialized & Industrial Services segment consisted of 16 Business Units and is comprised of a wide range of unique businesses providing specialized equipment and services to the oil and natural gas, environmental, construction, pipeline, utility, telecom and civil industries. Strategically located throughout western Canada, these specialty Business Units are focused on providing advanced technology solutions and leading edge service capabilities.

At March 31, 2023, the U.S. & International Logistics segment consisted of one Business Unit, being a global technology enabled, non-asset based third-party logistics service provider focused on freight brokerage services across multiple modes of transportation. The operations and customer service are provided through its proprietary transportation management system technology platform known as SilverExpress, which aligns customer shipments with transportation carriers.

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

Disaggregation of revenue:

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

Three month period ended March 31, 2023	Less-Than-Truckload	Logistics & Warehousing	Specialized & Industrial Services	U.S. & International Logistics	Corporate	Intersegment eliminations	Total
	$	$	$	$	$	$	$
Revenue by service line							
Transportation	**184,009**	**88,156**	**57,500**	**—**	**—**	**—**	**329,665**
Logistics	**12,325**	**31,123**	**9,263**	**51,025**	**—**	**—**	**103,736**
Other[(1)]	**1,176**	**25,655**	**46,388**	**—**	**947**	**—**	**74,166**
Eliminations	**(4,732)**	**(816)**	**(365)**	**—**	**—**	**(3,835)**	**(9,748)**
	192,778	**144,118**	**112,786**	**51,025**	**947**	**(3,835)**	**497,819**
Timing of revenue recognition							
Over time	**184,040**	**89,527**	**76,194**	**—**	**931**	**—**	**350,692**
Point in time	**13,470**	**55,407**	**36,957**	**51,025**	**16**	**—**	**156,875**
Eliminations	**(4,732)**	**(816)**	**(365)**	**—**	**—**	**(3,835)**	**(9,748)**
	192,778	**144,118**	**112,786**	**51,025**	**947**	**(3,835)**	**497,819**

(1) Included within other revenue is $10.7 million of rental revenue comprised of nil, $1.4 million, $8.4 million, nil and $0.9 million recorded in the Less-Than-Truckload segment, the Logistics & Warehousing segment, the Specialized & Industrial Services segment, the U.S. & International Logistics segment and Corporate, respectively.

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

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

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

15. Other (Income) Expense

	Three month periods ended March 31	
	2023	**2022**
Change in fair value of investments	$ **309**	$ (227)
Loss (gain) on sale of property, plant and equipment	**103**	(93)
Loss on fair value of equity investment	**562**	—
Earnings from equity investments	**(1,145)**	(1,268)
Accretion on asset retirement obligations	**6**	6
Other (income) expense	$ **(165)**	$ (1,582)

16. Changes in Non-Cash Working Capital

	Three month periods ended March 31	
	2023	**2022**
Trade and other receivables	$ **(3,054)**	$ (34,818)
Inventory	**(724)**	(2,688)
Prepaid expenses	**(4,003)**	(3,741)
Accounts payable and accrued liabilities	**(1,073)**	11,410
	$ **(8,854)**	$ (29,837)

	Three month periods ended March 31	
	2023	**2022**
Changes in non-cash working capital items from:		
Operating activities	$ **(8,844)**	$ (29,068)
Financing activities	**785**	525
Investing activities	**(795)**	(1,294)
	$ **(8,854)**	$ (29,837)

17. Operating Segments

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

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

The following tables provide financial results by segment:

						Intersegment eliminations				
Three month period ended March 31, 2023	**Less-Than-Truckload**	**Logistics & Warehousing**	**Specialized & Industrial Services**	**U.S. & International Logistics**	**Corporate**	**Less-Than-Truckload**	**Logistics & Warehousing**	**Specialized & Industrial Services**	**U.S. & International Logistics**	**Total**
	$	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Revenue	**192,778**	**144,118**	**112,786**	**51,025**	**947**	**(559)**	**(1,171)**	**(2,105)**	**—**	**497,819**
Income (loss) before income taxes	**16,060**	**17,094**	**10,601**	**(374)**	**(991)**	**—**	**—**	**—**	**—**	**42,390**
Depreciation of property, plant and equipment	**4,882**	**3,516**	**7,076**	**507**	**1,877**	**—**	**—**	**—**	**—**	**17,858**
Amortization of intangible assets	**2,059**	**778**	**313**	**457**	**—**	**—**	**—**	**—**	**—**	**3,607**
Capital expenditures(1)	**10,949**	**5,666**	**6,026**	**—**	**1,911**	**(28)**	**(2)**	**(17)**	**—**	**24,505**
Total assets at March 31, 2023	**567,516**	**389,266**	**393,173**	**69,329**	**601,162**	**—**	**—**	**—**	**—**	**2,020,446**

(1) *Excludes business acquisitions.*

						Intersegment eliminations				
Three month period ended March 31, 2022	**Less-Than-Truckload**	**Logistics & Warehousing**	**Specialized & Industrial Services**	**U.S. & International Logistics**	**Corporate**	**Less-Than-Truckload**	**Logistics & Warehousing**	**Specialized & Industrial Services**	**U.S. & International Logistics**	**Total**
	$	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Revenue	175,639	142,469	83,267	57,277	908	(516)	(977)	(1,194)	—	456,873
Income (loss) before income taxes	8,468	15,553	3,797	(376)	(4,542)	—	—	—	—	22,900
Depreciation of property, plant and equipment	5,000	3,863	6,481	475	1,501	—	—	—	—	17,320
Amortization of intangible assets	1,945	1,780	476	428	—	—	—	—	—	4,629
Capital expenditures(1)	6,844	4,945	1,077	—	1,648	—	(52)	(47)	—	14,415
Total assets at December 31, 2022	544,792	397,865	383,443	69,471	600,560	—	—	—	—	1,996,131

(1) *Excludes business acquisitions.*

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

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

The following geographical information is based upon the Business Unit's head office location for the three month periods ended March 31, 2023 and 2022.

2023	**Revenue**	**Operating Income Before Depreciation and Amortization**	**Property, Plant and Equipment**	**Total Non-Current Assets**	**Total Assets**
Canada	**$ 446,794**	**$ 75,787**	**$ 987,630**	**$ 1,601,033**	**$ 1,951,117**
United States	**51,025**	**1,223**	**507**	**47,269**	**69,329**
Total	**$ 497,819**	**$ 77,010**	**$ 988,137**	**$ 1,648,302**	**$ 2,020,446**

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

18. Subsequent Event

Subsequent to March 31, 2023, until the date of this report, the Corporation repurchased 777,310 Common Shares at a total cost of $11.4 million.

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

Stephen H. Lockwood, LLB
Director

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

David E. Mullen
Director

Jamil Murji, CFA
Director

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

Richard Whitley, FCPA, FCA
Director

Richard J. Maloney
Senior Operating Officer

Joanna K. Scott
Senior Corporate Officer

Carson Urlacher, CPA, CA
Senior Accounting Officer

CORPORATE OFFICE

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

BANKER

The Royal Bank of Canada
Calgary, Alberta

AUDITORS

PricewaterhouseCoopers LLP
Calgary, Alberta

STOCK EXCHANGE

Toronto Stock Exchange
Trading Symbol: MTL

TRANSFER AGENT AND REGISTRAR

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

ONLINE INFORMATION

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

WE THINK about tomorrow