NEWS RELEASE

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Mullen Group Ltd.
Reports 2020 Financial Results

(Okotoks, Alberta February 10, 2021) (TSX: MTL) Mullen Group Ltd. ("**Mullen Group**", "**We**", "**Our**" and/or the "**Corporation**"), one of Canada's largest logistics providers with a wide range of service offerings including less-than-truckload, truckload, warehousing, logistics, transload, oversized and specialized hauling transportation, today reported its financial and operating results for the quarter and year ended December 31, 2020, with comparisons to the same period last year. Full details of our results may be found within our 2020 Annual Financial Review, which is available on SEDAR at www.sedar.com or on our website at www.mullen-group.com.

"*Our results for 2020 need to be reviewed within the context of the outbreak of COVID-19. Business has been interrupted with some sectors of the economy bearing the brunt of the government mandated closures. The supply chain has been tested to the limit due to bottlenecks, constraints and changes in consumer buying habits, the most notable being an explosion in E-Commerce transactions. Yet through it all, our business performed remarkably well as evidenced by our fourth quarter and full year results. It is during disruptive times like this past year that having a diversified business model, both by service offering and geographic coverage, is validated and becomes more appreciated. But the real credit for our strong performance last year goes to our 34 independent managed Business Units and the nearly 6,000 hard-working essential workers that somehow made it all happen. I couldn't be prouder of their professionalism, their support of each other and for keeping everyone safe*," commented Mr. Murray K. Mullen, Chairman and Chief Executive Officer.

"*2020 was a different kind of year but it was one that I think our shareholders will consider as pretty good. Our results were acceptable under the circumstances with operating profitability up year over year along with one of the strongest cash generating years we have ever had. We executed the share buyback program to near perfection, repurchasing 8.0 million Common Shares at an average price of $6.70. And with over $100.0 million of cash on the balance sheet, we are well positioned to capitalize on new opportunities or to meet the potential challenges that a lingering COVID-19 might bring. And while we are hopeful that this virus can be brought under control sooner rather than later, along with a return to something we can say is normal, the truth is no one knows for sure. So, we will keep one eye open for a good acquisition, one that makes financial sense and can provide a future platform for growth, but the other eye keenly focused on what we see in front of us, including working alongside and supporting our well managed Business Units. Positioning this organization to be successful over the long term is my number one objective*," added Mr. Mullen.

Key financial highlights for the fourth quarter of 2020 with comparison to 2019 are as follows:

HIGHLIGHTS

(unaudited) ***($ millions)***	**Three month periods ended December 31** **2020**	**2019**	**Change**
	$	$	%
Revenue			
Less-Than-Truckload	**116.3**	114.2	1.8
Logistics & Warehousing	**96.8**	102.2	(5.3)
Specialized & Industrial Services	**84.8**	100.0	(15.2)
Corporate and intersegment eliminations	**(0.2)**	(1.8)	-
Total Revenue	**297.7**	**314.6**	**(5.4)**
Operating income before depreciation and amortization [(1)]			
Less-Than-Truckload	**18.8**	16.7	12.6
Logistics & Warehousing	**20.0**	19.5	2.6
Specialized & Industrial Services	**17.7**	16.8	5.4
Corporate	**(4.3)**	(3.1)	-
Total Operating income before depreciation and amortization [(1)]	**52.2**	**49.9**	**4.6**

[(1)] Refer to notes section of Summary

Mullen Group operates a diversified business model which is highly correlated to consumer spending combined with a highly adaptable and variable cost structure. The financial results for the three month period ended December 31, 2020, are as follows:

→ generated consolidated revenue of $297.7 million, a decrease of $16.9 million, or 5.4 percent, as compared to $314.6 million in 2019 due to the negative impact of the COVID-19 pandemic ("**COVID-19**") resulting in:

- an increase of $2.1 million, or 1.8 percent, to $116.3 million in the Less-Than-Truckload segment
- a decrease of $5.4 million, or 5.3 percent, to $96.8 million in the Logistics & Warehousing segment
- a decrease of $15.2 million, or 15.2 percent, to $84.8 million in the Specialized & Industrial Services segment

→ earned consolidated operating income before depreciation and amortization ("**OIBDA**") of $52.2 million, an increase of $2.3 million as compared to $49.9 million in 2019 due to cost control initiatives and $5.3 million received from the Canada Emergency Wage Subsidy ("**CEWS**") resulting in:

- an increase of $2.1 million, or 12.6 percent, to $18.8 million in the Less-Than-Truckload segment
- an increase of $0.5 million, or 2.6 percent, to $20.0 million in the Logistics & Warehousing segment
- an increase of $0.9 million, or 5.4 percent, to $17.7 million in the Specialized & Industrial Services segment

Fourth Quarter Financial Results

Revenue decreased by $16.9 million, or 5.4 percent, to $297.7 million and is summarized as follows:

- Less-Than-Truckload segment up $2.1 million, or 1.8 percent, to $116.3 million - revenue improved by $2.1 million due to the incremental revenue generated from the acquisition of Pacific Coast Express Limited ("**PCX**") and the steady nature of consumer demand being partially offset by COVID-19 and $3.1 million of lower fuel surcharge revenue.
- Logistics & Warehousing segment down $5.4 million, or 5.3 percent, to $96.8 million - revenue declined by $5.4 million due to COVID-19 and government restrictions which led to plant closures and supply chain disruptions resulting in lower freight volumes and spot prices along with $2.4 million of lower fuel surcharge revenue.
- Specialized & Industrial Services segment down $15.2 million, or 15.2 percent, to $84.8 million - revenue declined by $15.2 million due to lower demand for fluid hauling and drilling related services resulting from low oil prices, curtailed maintenance programs and a lack of drilling activity. Revenue also declined due to lower demand for water management services and pumps at Canadian Dewatering L.P. ("**Canadian Dewatering**"). These decreases were partially offset by greater demand for large diameter pipeline hauling and stringing services at Premay Pipeline Hauling L.P. ("**Premay Pipeline**").

OIBDA increased by $2.3 million, or 4.6 percent, to $52.2 million and is summarized as follows:

- Less-Than-Truckload segment up $2.1 million, or 12.6 percent, to $18.8 million - OIBDA improved due to lower fuel costs, $0.9 million of incremental OIBDA generated by PCX, and CEWS. Operating margin increased to 16.2 percent (CEWS adjusted - 15.2 percent) from 14.6 percent in 2019 due to lower fuel prices and cost control initiatives.
- Logistics & Warehousing segment up $0.5 million, or 2.6 percent, to $20.0 million - OIBDA improved due to strong results at DWS Logistics Inc., the incremental OIBDA generated by International Warehousing & Distribution Inc., and CEWS being partially offset by higher Contractors expense and the negative variance in foreign exchange. Operating margin improved to 20.7 percent (CEWS adjusted - 19.5 percent) from 19.1 percent in 2019 due to lower diesel fuel prices.
- Specialized & Industrial Services segment up $0.9 million, or 5.4 percent, to $17.7 million - OIBDA improved due to greater demand for large diameter pipeline hauling and stringing services, and CEWS. These increases were partially offset by lower OIBDA from those Business Units most directly tied to oil and natural gas drilling activity and from lower demand for water management services and pumps at Canadian Dewatering. Operating margin improved to 20.9 percent (CEWS adjusted -17.2 percent) from 16.8 percent in 2019 due to lower fuel costs, a greater proportion of higher margin revenue and cost control measures.

Net income increased by $1.7 million to $10.1 million, or $0.10 per Common Share due to:

- A $7.9 million decrease in depreciation of property, plant and equipment, a $2.3 million increase in OIBDA and a $0.8 million decrease in the amortization of intangible assets and depreciation of right-of-use assets.
- The above was partially offset by a $4.3 million increase in the loss on sale of property, plant and equipment, a $2.4 million negative variance in net foreign exchange, a $1.0 million increase in income tax expense, a $0.9 million increase in finance costs and a $0.8 million decrease in earnings from equity investments.

A summary of Mullen Group's results for the quarter and year ended December 31, 2020, are as follows:

SUMMARY

(unaudited) ***($ millions, except per share amounts)***	**Three month periods ended December 31**			**Twelve month periods ended December 31**		
	2020	**2019**	**Change**	**2020**	**2019**	**Change**
	$	$	%	$	$	%
Revenue	**297.7**	314.6	(5.4)	**1,164.3**	1,278.5	(8.9)
Operating income before depreciation and amortization[(1)]	**52.2**	49.9	4.6	**217.6**	200.9	8.3
Net foreign exchange loss (gain)	**0.1**	(2.3)	(104.3)	**(2.4)**	(14.1)	(83.0)
Decrease (increase) in fair value of investments	**(0.4)**	(0.3)	33.3	**1.0**	-	-
Net income	**10.1**	8.4	20.2	**64.0**	72.2	(11.4)
Net Income - adjusted[(2)]	**9.3**	5.6	66.1	**62.4**	48.2	29.5
Earnings per share - basic and diluted[(3)]	**0.10**	0.08	25.0	**0.64**	0.69	(7.2)
Earnings per share - adjusted[(2)]	**0.10**	0.05	100.0	**0.62**	0.46	34.8
Net cash from operating activities	**52.5**	54.2	(3.1)	**224.8**	170.6	31.8
Net cash from operating activities per share[(3)]	**0.54**	0.52	3.8	**2.23**	1.63	36.8
Cash dividends declared per Common Share	**0.09**	0.15	(40.0)	**0.33**	0.60	(45.0)

Notes:

*(1) Operating income before depreciation and amortization ("**OIBDA**") is defined as net income before depreciation of right-of-use assets and of property, plant and equipment, amortization of intangible assets, finance costs, net foreign exchange gains and losses, other (income) expense and income taxes.*

(2) Net income - adjusted and earnings per share - adjusted are calculated by adjusting net income and basic earnings per share by the amount of any net foreign exchange gains and losses, the gain on fair value of equity investment and the change in fair value of investments.

(3) Earnings per share and net cash from operating activities per share are calculated based on the weighted average number of Common Shares outstanding for the period.

*Non-GAAP Terms - Mullen Group reports on certain financial performance measures that are described and presented in order to provide shareholders and potential investors with additional measures to evaluate Mullen Group's ability to fund its operations and information regarding its liquidity. In addition, these measures are used by management in its evaluation of performance. These financial performance measures ("**Non-GAAP Terms**") are not recognized financial terms under Canadian generally accepted accounting principles ("**Canadian GAAP**"). For publicly accountable enterprises, such as Mullen Group, Canadian GAAP is governed by principles based on IFRS and interpretations of IFRIC. Management believes these Non-GAAP Terms are useful supplemental measures. These Non-GAAP Terms do not have standardized meanings and may not be comparable to similar measures presented by other entities. Specifically, operating margin, net income - adjusted and earnings per share - adjusted are not recognized terms under IFRS and do not have standardized meanings prescribed by IFRS. Management believes these measures are useful supplemental measures. Investors should be cautioned that these indicators should not replace net income and earnings per share as an indicator of performance.*

Year End Financial Results

Revenue decreased by $114.2 million, or 8.9 percent, to $1,164.3 million and is summarized as follows:

- Less-Than-Truckload segment down $7.8 million, or 1.7 percent, to $443.8 million - revenue declined slightly by 1.7 percent reflecting the steady nature of consumer demand. COVID-19 negatively impacted consumer demand in the spring but was largely offset by robust spending later in 2020. Revenue declined due to lower freight demand in Alberta and $12.2 million of lower fuel surcharge revenue being partially offset by $19.1 million of incremental revenue from acquisitions.
- Logistics & Warehousing segment down $42.8 million, or 10.6 percent, to $362.0 million - revenue declined by $42.8 million due to COVID-19 and government restrictions resulting in plant closures and a lack of investment by business as well as $8.9 million of lower fuel surcharge revenue. This negatively impacted both freight volumes and spot prices.
- Specialized & Industrial Services segment down $64.3 million, or 15.1 percent, to $362.0 million - revenue declined by $64.3 million due to the collapse in oil prices resulting in customers significantly reducing both maintenance and drilling programs. Revenue also declined due to lower demand for water management services and pumps at Canadian Dewatering. Somewhat offsetting these declines was greater demand for large diameter pipeline hauling and stringing services at Premay Pipeline as well as greater demand for civil construction services at Smook Contractors Ltd.

OIBDA increased by $16.7 million, or 8.3 percent, to $217.6 million and is summarized as follows:

- Less-Than-Truckload segment up $4.4 million, or 6.2 percent, to $75.0 million - OIBDA improved due to the $3.2 million of incremental OIBDA generated from acquisitions and $4.7 million of CEWS. These increases were somewhat offset by COVID-19 and a weakened Alberta market. Operating margin increased to 16.9 percent (CEWS adjusted - 15.8 percent) from 15.6 percent in 2019 due to lower fuel costs and cost control initiatives.
- Logistics & Warehousing segment up $6.8 million, or 10.5 percent, to $71.6 million - OIBDA improved due to the strong performance at Kleysen Group Ltd. and $6.1 million of CEWS. Despite COVID-19, operating margin improved to 19.8 percent (CEWS adjusted - 18.1 percent) from 16.0 percent in 2019 due to lower overall operating costs.
- Specialized & Industrial Services segment up $7.4 million, or 9.9 percent, to $82.4 million - OIBDA improved due to greater demand for large diameter pipeline hauling and stringing services, and $15.7 million of CEWS. These increases were partially offset by lower OIBDA from those Business Units directly tied to oil and natural gas drilling activity, and from those involved in the transportation of fluids and servicing of wells. Operating margin improved to 22.8 percent (CEWS adjusted - 18.4 percent) from 17.6 percent in 2019 due to a greater proportion of higher margin revenue and cost control initiatives.

Net income decreased by $8.2 million to $64.0 million, or $0.64 per Common Share due to:

- A $14.2 million increase in income tax expense, an $11.7 million negative variance in net foreign exchange, a $4.9 million increase in finance costs, a $2.3 million increase in the loss on sale of property, plant and equipment, a $1.1 million decrease in earnings from equity investments and a $1.0 million negative variance in the fair value of investments.
- The above was partially offset by a $16.7 million increase in OIBDA, an $8.1 million decrease in depreciation of property, plant and equipment, a $1.7 million decrease in amortization of intangible assets, and a $0.4 million gain on fair value of equity investment.

Financial Position

The following summarizes our financial position as at December 31, 2020, along with some key changes that occurred during the fourth quarter of 2020:

- Working capital of $239.1 million including $105.3 million of cash and cash equivalents and an undrawn Bank Credit Facility of $150.0 million.
- Total net debt ($462.8 million) to operating cash flow ($220.1 million) of 2.10:1 as defined per our Private Placement Debt agreement.
- Private Placement Debt of $461.7 million with no scheduled maturities until 2024 (average fixed rate of 3.93 percent per annum). Private Placement Debt decreased by $13.9 million due to the foreign exchange gain on our U.S. $229.0 million debt.
- Book value of Derivative Financial Instruments down $14.0 million to $37.9 million, which swaps our $229.0 million of U.S. dollar debt at an average foreign exchange rate of $1.1096.
- Net book value of property, plant and equipment of $939.1 million, which includes $591.6 million of carrying costs of owned real property.

About Mullen Group Ltd.

Mullen Group is one of Canada's largest logistics providers. Our network of independently operated businesses provide a wide range of service offerings including less-than-truckload, truckload, warehousing, logistics, transload, oversized and specialized hauling transportation. In addition, we provide a diverse set of specialized services related to the energy, mining, forestry and construction industries in western Canada, including water management, fluid hauling and environmental reclamation. The corporate office provides the capital and financial expertise, legal support, technology and systems support, shared services and strategic planning to its independent businesses.

*Mullen Group is a publicly traded corporation listed on the Toronto Stock Exchange under the symbol "**MTL**". Additional information is available on our website at www.mullen-group.com or on SEDAR at www.sedar.com.*

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This news release may contain forward-looking statements that are subject to risk factors associated with the oil and natural gas business and the overall economy. Mullen Group believes that the expectations reflected in this news release are reasonable, but results may be affected by a variety of variables. The forward-looking information contained herein is made as of the date of this news release and Mullen Group disclaims any intent or obligation to update publicly any such forward-looking information, whether as a result of new information, future events or results or otherwise, other than as required by applicable Canadian securities laws. Mullen Group relies on litigation protection for "forward-looking" statements. Additional information regarding the forward-looking statements is found on pages 1, 84, and 85 of Mullen Group's Management's Discussion and Analysis.