



TFI International Announces 2022 Fourth Quarter and Full-Year Results

- Fourth quarter operating income of \$216.9 million increased 1% over the prior year quarter
- Fourth quarter net income of \$153.5 million increased 6% compared to Q4 2021, while adjusted net income¹ of \$151.8 million increased 2%
- Fourth quarter diluted earnings per share (diluted “EPS”) of \$1.74 increased 14% compared to Q4 2021, while adjusted diluted EPS¹ of \$1.72 increased 10%
- Fourth quarter net cash from operating activities grew to \$248.3 million, up 30% over the prior year period and free cash flow¹ grew to \$188.3 million, up 56% over the prior year period
- Full year diluted EPS of \$9.02 increased from \$7.91 in 2021, while adjusted diluted EPS¹ of \$8.02 increased from \$5.23
- The Board of Directors approved a \$0.35 quarterly dividend, an increase of 30%

Montreal, Quebec, February 6, 2023 – TFI International Inc. (NYSE and TSX: TFII), a North American leader in the transportation and logistics industry, today announced its results for the fourth quarter and full year ended December 31, 2022. All amounts are shown in U.S. dollars.

“TFI International successfully capped 2022 with strong fourth quarter results, generating slightly higher operating income on significantly improved operating margins, a 53% increase in the full-year adjusted diluted EPS and a 26% increase in the full-year free cash flow, despite macro volatility, fuel-related working capital outlays, and the sale of CFI assets last summer that served to strengthen our overall business mix and returns,” said Alain Bédard, Chairman, President and Chief Executive Officer. “As laid out at our recent Investor Day, our unique positioning includes business line diversity, exposure to attractive niche markets and numerous self-help initiatives that are producing remarkable success during turbulent economic times. Most importantly, our relative stability, margin expansion and free cash flow reflect the tireless efforts of our people, who are diligently adhering to our longstanding operating principles regardless of external factors. Capitalizing on this attractive competitive positioning and our sharp focus on the fundamentals, we continue to strategically allocate capital toward attractive acquisitions, with our acquisition pipeline remarkably strong and the majority of these closings expected in the first half of the year. During the quarter, our Board of Directors approved a 30% increase to our quarterly dividend and we continued to repurchase shares, both reflecting our favorable outlook. We enter 2023 in the best position in TFI International’s history and are eager to create additional shareholder value in the year ahead.”

SELECTED FINANCIAL DATA AND HIGHLIGHTS (UNAUDITED)

| Financial highlights <i>(in millions of U.S. dollars, except per share data)</i> | Quarters ended December 31 | | Years ended December 31 | |
|---|-------------------------------|---------|----------------------------|---------|
| | 2022 | 2021* | 2022 | 2021* |
| Total revenue | 1,956.7 | 2,140.9 | 8,812.5 | 7,220.4 |
| Revenue before fuel surcharge | 1,616.5 | 1,888.4 | 7,357.1 | 6,468.8 |
| Adjusted EBITDA ¹ | 305.0 | 318.5 | 1,425.0 | 1,076.5 |
| Operating income | 216.9 | 215.0 | 1,146.0 | 979.2 |
| Net cash from operating activities | 248.3 | 190.3 | 971.6 | 855.4 |
| Net income | 153.5 | 144.1 | 823.2 | 754.4 |
| EPS - diluted (\$) | 1.74 | 1.52 | 9.02 | 7.91 |
| Adjusted net income ¹ | 151.8 | 148.6 | 731.7 | 498.3 |
| Adjusted EPS - diluted ¹ (\$) | 1.72 | 1.57 | 8.02 | 5.23 |
| Weighted average number of shares ('000s) | 86,670 | 92,669 | 89,360 | 93,054 |

¹This is a non-IFRS measure. For a reconciliation, please refer to the “Non-IFRS Financial Measures” section below.

* Recasted for adjustments to provisional amounts of UPS Freight prior year business combination.

FOURTH QUARTER RESULTS

Total revenue of \$1.96 billion compared to \$2.14 billion in the prior year period and revenue before fuel surcharge of \$1.62 billion compared to \$1.89 billion in the prior year period. The decline is primarily due to the sale of CFI's Truckload, Temp Control and Mexican non-asset logistics business ("CFI") in August 2022, which had sales of \$139.2 million in Q4 2021, as well as to reduced volumes in US LTL operations driven by a combination of weaker end market demand as well as the Company's intentional elimination of unprofitable freight.

Operating income grew 1% to \$216.9 million from \$215.0 million the prior year period with a 200 basis point operating margin¹ improvement, despite \$12.4 million of operating income included in the fourth quarter of 2021 from CFI.

Net income grew 6% to \$153.5 million from \$144.1 million in the prior year period, and net income of \$1.74 per diluted share was up relative to \$1.52 in the prior year period. Adjusted net income, a non-IFRS measure, was \$151.8 million, or \$1.72 per diluted share, up from \$148.6 million, or \$1.57 per diluted share, the prior year period.

Total revenue declined for all segments relative to the prior year period with decreases of 3% for Package and Courier, 6% for Less-Than-Truckload, 14% for Truckload and 11% for Logistics. In contrast, operating income was higher for Package and Courier by 2%, for Truckload by 16% and for Logistics by 4%, and lower for Less-Than-Truckload by 15% in the fourth quarter in comparison to the prior-year. Truckload operating income in the prior year period included a \$12.4 million contribution from CFI which was partially offset by an increased contribution of \$9.7 million from the sale of real estate in the quarter. Operating income in the Less-Than-Truckload segment, more specifically U.S. LTL, decreased due to the lower freight volumes as well as to non-recurring costs related to exiting the transition service agreement with UPS. On February 1, 2023, the financial system supporting the U.S. LTL operations was migrated from UPS to a standalone system managed by TFI.

FULL-YEAR RESULTS

Total revenue was \$8.81 billion for 2022 versus \$7.22 billion in 2021. Revenue before fuel surcharge of \$7.36 billion was up 14% compared to the prior year.

Operating income totaled \$1,146.0 million, or 16% of revenue before fuel surcharge, an increase of 17% compared to \$979.2 million and 15% of revenue before fuel surcharge in the prior year. The increase is mainly attributable to the contributions from acquisitions, including a gain on sale of business of \$73.7 million.

Net income was \$823.2 million, or \$9.02 per diluted share, compared to \$754.4 million, or \$7.91 per diluted share a year earlier. Adjusted net income and Adjusted diluted EPS, non-IFRS measures, were \$731.7 million, or \$8.02 per diluted share, compared to \$498.3 million, or \$5.23 per diluted share the prior year.

During 2022, total revenue grew 1% for Package and Courier, 43% for Less-Than-Truckload, 13% for Truckload and 6% for Logistics relative to the prior year. Operating income was up 24% for Package and Courier, 59% for Truckload, down 18% for Less-Than-Truckload, mainly due to the inclusion of the bargain purchase gain in 2021, and down 2% for Logistics.

¹ This is a non-IFRS measure. For a reconciliation, refer to the "Non-IFRS and Other Financial Measures" section below.

SEGMENTED RESULTS

To facilitate the comparison of business level activity and operating costs between periods, the Company compares the revenue before fuel surcharge ("revenue") and reallocates the fuel surcharge revenue to materials and services expenses within operating expenses. Note that "Total revenue" is not affected by this reallocation.

Selected segmented financial information

| (unaudited) (in thousands of U.S. dollars) | Package and Courier | Less- Than- Truckload* | Truckload | Logistics | Corporate | Eliminations | Total |
|--|---------------------------|------------------------------|-----------|-----------|-----------|--------------|-----------|
| Three months ended December 31, 2022 | | | | | | | |
| Revenue before fuel surcharge ¹ | 129,074 | 720,783 | 403,351 | 375,968 | — | (12,681) | 1,616,495 |
| % of total revenue ² | 9% | 46% | 25% | 20% | | | 100% |
| Adjusted EBITDA ³ | 43,935 | 126,307 | 104,007 | 43,473 | (12,766) | — | 304,956 |
| Adjusted EBITDA margin ^{3,4} | 34.0% | 17.5% | 25.8% | 11.6% | | | 18.9% |
| Operating income (loss) | 37,563 | 88,240 | 71,842 | 34,204 | (14,989) | — | 216,860 |
| Operating margin ^{3,4} | 29.1% | 12.2% | 17.8% | 9.1% | | | 13.4% |
| Total assets less intangible assets ³ | 182,605 | 2,107,874 | 1,085,629 | 263,017 | 274,595 | — | 3,913,720 |
| Net capital expenditures ³ | 6,045 | 57,273 | 14,248 | 131 | 58 | — | 77,755 |
| Three months ended December 31, 2021 | | | | | | | |
| Revenue before fuel surcharge ¹ | 150,074 | 822,911 | 506,432 | 427,561 | — | (18,555) | 1,888,423 |
| % of total revenue ² | 8% | 44% | 27% | 20% | | | 100% |
| Adjusted EBITDA ³ | 43,496 | 141,189 | 111,848 | 42,465 | (20,532) | — | 318,466 |
| Adjusted EBITDA margin ^{3,4} | 29.0% | 17.2% | 22.1% | 9.9% | | | 16.9% |
| Operating income (loss) | 36,713 | 103,449 | 61,803 | 32,869 | (19,855) | — | 214,979 |
| Operating margin ^{3,4} | 24.5% | 12.6% | 12.2% | 7.7% | | | 11.4% |
| Total assets less intangible assets ³ | 186,116 | 2,162,534 | 1,362,007 | 292,026 | 88,059 | — | 4,090,742 |
| Net capital expenditures ³ | 5,926 | 46,986 | 15,113 | 192 | 20 | — | 68,237 |
| YTD December 31, 2022 | | | | | | | |
| Revenue before fuel surcharge ¹ | 498,972 | 3,243,557 | 1,986,331 | 1,689,122 | — | (60,918) | 7,357,064 |
| % of total revenue ² | 7% | 45% | 28% | 20% | | | 100% |
| Adjusted EBITDA ³ | 160,838 | 567,759 | 557,058 | 178,690 | (39,321) | — | 1,425,024 |
| Adjusted EBITDA margin ^{3,4} | 32.2% | 17.5% | 28.0% | 10.6% | | | 19.4% |
| Operating income (loss) | 134,306 | 470,807 | 366,868 | 140,446 | 33,611 | — | 1,146,038 |
| Operating margin ^{3,4} | 26.9% | 14.5% | 18.5% | 8.3% | | | 15.6% |
| Total assets less intangible assets ³ | 182,605 | 2,107,874 | 1,085,629 | 263,017 | 274,595 | — | 3,913,720 |
| Net capital expenditures ³ | 10,636 | 132,814 | 31,658 | 676 | 170 | — | 175,954 |
| YTD December 31, 2021 | | | | | | | |
| Revenue before fuel surcharge ¹ | 560,147 | 2,440,640 | 1,901,157 | 1,620,926 | — | (54,085) | 6,468,785 |
| % of total revenue ² | 9% | 39% | 30% | 23% | | | 100% |
| Adjusted EBITDA ³ | 134,845 | 415,641 | 431,181 | 169,005 | (74,193) | — | 1,076,479 |
| Adjusted EBITDA margin ^{3,4} | 24.1% | 17.0% | 22.7% | 10.4% | | | 16.6% |
| Operating income (loss) | 108,440 | 572,798 | 230,189 | 142,794 | (74,992) | — | 979,229 |
| Operating margin ^{3,4} | 19.4% | 23.5% | 12.1% | 8.8% | | | 15.1% |
| Total assets less intangible assets ³ | 186,116 | 2,162,534 | 1,362,007 | 292,026 | 88,059 | — | 4,090,742 |
| Net capital expenditures ³ | 14,445 | 52,703 | 69,177 | 316 | 141 | — | 136,782 |

¹ Includes intersegment revenue.

² Segment revenue including fuel and intersegment revenue to consolidated revenue including fuel and intersegment revenue.

³ This is a non-IFRS measure. For a reconciliation, refer to the "Non-IFRS and Other Financial Measures" section below.

⁴ As a percentage of revenue before fuel surcharge.

* Recasted for adjustments to provisional amounts of UPS Freight prior year business combination.

CASH FLOW

Net cash flow from operating activities was \$971.6 million during 2022 compared to \$855.4 million the prior year. The 14% increase was due to stronger operating performance and contributions from acquisitions. The Company returned \$665.3 million to shareholders during the year, of which \$97.3 million was through dividends and \$568.0 million was through share repurchases.

On December 15, 2022, the Board of Directors of TFI International declared a quarterly dividend of \$0.35 per outstanding common share paid on January 16, 2023, representing a 30% increase over the \$0.27 quarterly dividend declared in Q4 2021.

CONFERENCE CALL

TFI International will host a conference call on Monday, February 6, 2023 at 5:00 p.m. Eastern Time to discuss these results. Interested parties can join the call by dialing 1-855-327-6837 or 1-631-891-4304. A recording of the call will be available until 11:59 p.m. Eastern, Monday February 20, 2023 by dialing 1-844-512-2921 or 1-412-317-6671 and entering passcode 10020905.

ABOUT TFI INTERNATIONAL

TFI International Inc. is a North American leader in the transportation and logistics industry, operating across the United States and Canada through its subsidiaries. TFI International creates value for shareholders by identifying strategic acquisitions and managing a growing network of wholly-owned operating subsidiaries. Under the TFI International umbrella, companies benefit from financial and operational resources to build their businesses and increase their efficiency. TFI International companies service the following segments:

- Package and Courier;
- Less-Than-Truckload;
- Truckload;
- Logistics.

TFI International Inc. is publicly traded on the New York Stock Exchange and the Toronto Stock Exchange under symbol TFII. For more information, visit www.tfiintl.com.

FORWARD-LOOKING STATEMENTS

The Company may make statements in this report that reflect its current expectations regarding future results of operations, performance and achievements. These are “forward-looking” statements and reflect management’s current beliefs. They are based on information currently available to management. Words such as “may”, “might”, “expect”, “intend”, “estimate”, “anticipate”, “plan”, “foresee”, “believe”, “to its knowledge”, “could”, “design”, “forecast”, “goal”, “hope”, “intend”, “likely”, “predict”, “project”, “seek”, “should”, “target”, “will”, “would” or “continue” and words and expressions of similar import are intended to identify these forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from historical results and those presently anticipated or projected.

The Company wishes to caution readers not to place undue reliance on any forward-looking statements which reference issues only as of the date made. The following important factors could cause the Company’s actual financial performance to differ materially from that expressed in any forward-looking statement: the highly competitive market conditions, the Company’s ability to recruit, train and retain qualified drivers, fuel price variations and the Company’s ability to recover these costs from its customers, foreign currency fluctuations, the impact of environmental standards and regulations, changes in governmental regulations applicable to the Company’s operations, adverse weather conditions, accidents, the market for used equipment, changes in interest rates, cost of liability insurance coverage, downturns in general economic conditions affecting the Company and its customers, credit market liquidity, and the Company’s ability to identify, negotiate, consummate, and successfully integrate acquisitions. In addition, any material weaknesses in internal control over financial reporting that are identified, and the cost of remediation of any such material weakness and any other control deficiencies, may have adverse effects on the Company and impact future results.

The foregoing list should not be construed as exhaustive, and the Company disclaims any subsequent obligation to revise or update any previously made forward-looking statements unless required to do so by applicable securities laws. Unanticipated events are likely to occur. Readers should also refer to the section “Risks and Uncertainties” at the end of the 2022 Q3 MD&A for additional information on risk factors and other events that are not within the Company’s control. The Company’s future financial and operating results may fluctuate as a result of these and other risk factors.

NON-IFRS FINANCIAL MEASURES

This press release includes references to certain non-IFRS financial measures as described below. These non-IFRS measures do not have any standardized meanings prescribed by International Financial Reporting Standards as issued by the international Accounting Standards Board (IASB) and are therefore unlikely to be comparable to similar measures presented by other companies. Accordingly, they should not be considered in isolation, in addition to, not as a substitute for or superior to, measures of financial performance prepared in accordance with IFRS. The terms and definitions of the non-IFRS measures used in this press release and a reconciliation of each non-IFRS measure to the most directly comparable IFRS measure are provided in the exhibits.

For further information:

Alain Bédard
Chairman, President and CEO
TFI International Inc.
647-729-4079
abedard@tfiintl.com

TFI International Inc.

UNAUDITED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2022 AND 2021

(in thousands of U.S. dollars)

| | As at December 31, 2022 | As at December 31, 2021* |
|--|-------------------------------|--------------------------------|
| Assets | | |
| Cash and cash equivalents | 147,117 | 19,292 |
| Trade and other receivables | 1,030,726 | 1,056,023 |
| Inventoried supplies | 24,181 | 24,402 |
| Current taxes recoverable | 12,788 | 6,080 |
| Prepaid expenses | 38,501 | 54,518 |
| Assets held for sale | 10,250 | 1,943 |
| Current assets | 1,263,563 | 1,162,258 |
| Property and equipment | 2,131,955 | 2,455,141 |
| Right-of-use assets | 381,640 | 398,533 |
| Intangible assets | 1,592,110 | 1,792,921 |
| Investments ¹ | 85,964 | 31,391 |
| Employee benefits | 4,359 | - |
| Other assets | 19,192 | 13,724 |
| Deferred tax assets | 27,047 | 29,695 |
| Non-current assets | 4,242,267 | 4,721,405 |
| Total assets | 5,505,830 | 5,883,663 |
| Liabilities | | |
| Trade and other payables | 708,768 | 861,908 |
| Current taxes payable | 41,714 | 16,552 |
| Provisions | 43,903 | 39,012 |
| Other financial liabilities | 19,275 | 10,566 |
| Long-term debt | 37,087 | 363,586 |
| Lease liabilities | 115,934 | 115,344 |
| Current liabilities | 966,681 | 1,406,968 |
| Long-term debt | 1,278,670 | 1,244,508 |
| Lease liabilities | 297,105 | 313,862 |
| Employee benefits | - | 68,037 |
| Provisions | 131,736 | 108,145 |
| Other financial liabilities | 382 | 8,033 |
| Deferred tax liabilities | 368,186 | 423,755 |
| Non-current liabilities | 2,076,079 | 2,166,340 |
| Total liabilities | 3,042,760 | 3,573,308 |
| Equity | | |
| Share capital | 1,089,229 | 1,133,181 |
| Contributed surplus | 41,491 | 39,150 |
| Accumulated other comprehensive income | (233,321) | (144,665) |
| Retained earnings | 1,565,671 | 1,282,689 |
| Total equity | 2,463,070 | 2,310,355 |
| Contingencies, letters of credit and other commitments | | |
| Subsequent events | | |
| Total liabilities and equity | 5,505,830 | 5,883,663 |

* Recasted for adjustments to provisional amounts of UPS Freight prior year's business combination.

** The Company's financial reporting framework is IFRS as issued by the IASB.

¹ The investments were previously presented as Other assets and have been recast due to the increase in value of the investments. The investments include both level 1 and level 3 investments. The level 1 investments are 1,027,696 shares of ArcBest Corporation (NYSE: ARCB).

TFI International Inc.

UNAUDITED CONSOLIDATED STATEMENTS OF INCOME
YEARS ENDED DECEMBER 31, 2022 AND 2021

(In thousands of U.S. dollars, except per share amounts)

| | 2022 | 2021* |
|--|------------------|------------------|
| Revenue | 7,357,064 | 6,468,785 |
| Fuel surcharge | 1,455,427 | 751,644 |
| Total revenue | 8,812,491 | 7,220,429 |
| Materials and services expenses | 4,592,191 | 3,815,453 |
| Personnel expenses | 2,362,856 | 1,974,081 |
| Other operating expenses | 492,291 | 380,342 |
| Depreciation of property and equipment | 248,638 | 225,007 |
| Depreciation of right-of-use assets | 126,276 | 112,782 |
| Amortization of intangible assets | 55,679 | 55,243 |
| Gain on sale of business | (73,653) | - |
| Bargain purchase gain | - | (283,593) |
| Gain on sale of rolling stock and equipment | (59,661) | (24,644) |
| Gain on derecognition of right-of-use assets | (210) | (1,282) |
| (Gain) loss on sale of land and buildings | (43) | 19 |
| Gain on sale of assets held for sale | (77,911) | (12,209) |
| Loss on disposal of intangible assets | - | 1 |
| Total operating expenses | 7,666,453 | 6,241,200 |
| Operating income | 1,146,038 | 979,229 |
| Finance (income) costs | | |
| Finance income | (1,750) | (5,127) |
| Finance costs | 82,147 | 78,145 |
| Net finance costs | 80,397 | 73,018 |
| Income before income tax | 1,065,641 | 906,211 |
| Income tax expense | 242,409 | 151,806 |
| Net income | 823,232 | 754,405 |
| Earnings per share | | |
| Basic earnings per share | 9.21 | 8.11 |
| Diluted earnings per share | 9.02 | 7.91 |

* Recasted for adjustments to provisional amounts of UPS Freight prior year's business combination.

TFI International Inc.

UNAUDITED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2022 AND 2021*(In thousands of U.S. dollars)*

| | 2022 | 2021* |
|--|-----------------|----------|
| Net income | 823,232 | 754,405 |
| Other comprehensive (loss) income | | |
| Items that may be reclassified to income or loss in future years: | | |
| Foreign currency translation differences | (10,148) | 12,960 |
| Net investment hedge, net of tax | (72,046) | (15,542) |
| Employee benefits, net of tax | 292 | 87 |
| Items that may never be reclassified to income: | | |
| Defined benefit plan remeasurement, net of tax | 63,508 | (4,128) |
| Items directly reclassified to retained earnings: | | |
| Unrealized (loss) gain on investments in equity securities measured at fair value through OCI, net of tax | (5,495) | 24,147 |
| Other comprehensive (loss) income, net of tax | (23,889) | 17,524 |
| Total comprehensive income | 799,343 | 771,929 |

* Recasted for adjustments to provisional amounts of UPS Freight prior year's business combination.

TFI International Inc.

UNAUDITED CONSOLIDATED STATEMENTS OF EQUITY
YEARS ENDED DECEMBER 31, 2022 AND 2021

(In thousands of U.S. dollars)

| | Share capital | Contributed surplus | Accumulated unrealized loss on employee benefit plans | Accumulated foreign currency translation differences and net investment hedge | Accumulated unrealized gain (loss) on investments in equity securities | Retained earnings (deficit) | Total equity attributable to owners of the Company |
|---|------------------|---------------------|---|---|--|-----------------------------|--|
| Balance as at December 31, 2021* | 1,133,181 | 39,150 | (292) | (156,926) | 12,553 | 1,282,689 | 2,310,355 |
| Net income | - | - | - | - | - | 823,232 | 823,232 |
| Other comprehensive income (loss), net of tax | - | - | 292 | (82,194) | (5,495) | 63,508 | (23,889) |
| Realized (loss) gain on equity securities | - | - | - | - | (1,259) | 1,259 | - |
| Total comprehensive income (loss) | - | - | 292 | (82,194) | (6,754) | 887,999 | 799,343 |
| Share-based payment transactions, net of tax | - | 16,298 | - | - | - | - | 16,298 |
| Stock options exercised, net of tax | 22,800 | (6,298) | - | - | - | - | 16,502 |
| Dividends to owners of the Company | - | - | - | - | - | (102,615) | (102,615) |
| Repurchase of own shares | (68,536) | - | - | - | - | (499,447) | (567,983) |
| Net settlement of restricted share units, net of tax | 1,784 | (7,659) | - | - | - | (2,955) | (8,830) |
| Total transactions with owners, recorded directly in equity | (43,952) | 2,341 | - | - | - | (605,017) | (646,628) |
| Balance as at December 31, 2022 | 1,089,229 | 41,491 | - | (239,120) | 5,799 | 1,565,671 | 2,463,070 |
| Balance as at December 31, 2020 | 1,120,049 | 19,783 | (379) | (154,344) | - | 803,503 | 1,788,612 |
| Net income* | - | - | - | - | - | 754,405 | 754,405 |
| Other comprehensive income (loss), net of tax | - | - | 87 | (2,582) | 24,147 | (4,128) | 17,524 |
| Realized (loss) gain on equity securities | - | - | - | - | (11,594) | 11,594 | - |
| Total comprehensive income (loss) | - | - | 87 | (2,582) | 12,553 | 761,871 | 771,929 |
| Share-based payment transactions, net of tax | - | 27,577 | - | - | - | - | 27,577 |
| Stock options exercised, net of tax | 26,324 | (3,266) | - | - | - | - | 23,058 |
| Issuance of shares, net of expenses | - | - | - | - | - | - | - |
| Dividends to owners of the Company | - | - | - | - | - | (89,121) | (89,121) |
| Repurchase of own shares | (23,449) | - | - | - | - | (174,704) | (198,153) |
| Net settlement of restricted share units, net of tax | 10,257 | (4,944) | - | - | - | (18,860) | (13,547) |
| Total transactions with owners, recorded directly in equity | 13,132 | 19,367 | - | - | - | (282,685) | (250,186) |
| Balance as at December 31, 2021* | 1,133,181 | 39,150 | (292) | (156,926) | 12,553 | 1,282,689 | 2,310,355 |

* Recasted for adjustments to provisional amounts of UPS Freight prior year's business combination.

TFI International Inc.

UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2022 AND 2021

(In thousands of U.S. dollars)

| | 2022 | 2021* |
|---|--------------------|--------------------|
| Cash flows from operating activities | | |
| Net income | 823,232 | 754,405 |
| Adjustments for: | | |
| Depreciation of property and equipment | 248,638 | 225,007 |
| Depreciation of right-of-use assets | 126,276 | 112,782 |
| Amortization of intangible assets | 55,679 | 55,243 |
| Share-based payment transactions | 14,648 | 15,424 |
| Net finance costs | 80,397 | 73,018 |
| Income tax expense | 242,409 | 151,806 |
| Gain on sale of business | (73,653) | - |
| Bargain purchase gain | - | (283,593) |
| Gain on sale of property and equipment | (59,704) | (24,625) |
| Gain on derecognition of right-of-use assets | (210) | (1,282) |
| Gain on sale of assets held for sale | (77,911) | (12,209) |
| Loss on disposal of intangible assets | - | 1 |
| Employee benefits | 14,946 | (20,193) |
| Provisions, net of payments | 26,044 | 21,890 |
| Net change in non-cash operating working capital | (147,453) | 41,940 |
| Interest paid | (77,512) | (65,453) |
| Income tax paid | (224,181) | (188,810) |
| Net cash from operating activities | 971,645 | 855,351 |
| Cash flows from (used in) investing activities | | |
| Purchases of property and equipment | (350,824) | (268,656) |
| Proceeds from sale of property and equipment | 128,821 | 92,842 |
| Proceeds from sale of assets held for sale | 131,250 | 19,869 |
| Purchases of intangible assets | (6,120) | (7,143) |
| Proceeds from sale of intangible assets | 250 | - |
| Proceeds from sale of business, net of cash disposed | 546,228 | - |
| Business combinations, net of cash acquired | (158,251) | (1,008,131) |
| Purchases of investments | (80,551) | (35,913) |
| Proceeds from sale of investments | 12,930 | 40,686 |
| Others | (311) | 3,789 |
| Net cash from (used in) investing activities | 223,422 | (1,162,657) |
| Cash flows (used in) from financing activities | | |
| Net decrease (increase) in bank indebtedness | 7,490 | (7,173) |
| Proceeds from long-term debt | 334,164 | 661,039 |
| Repayment of long-term debt | (369,692) | (43,868) |
| Net (increase) decrease in revolving facilities | (236,502) | 118,859 |
| Repayment of lease liabilities | (123,606) | (115,336) |
| Repayment of other financial liabilities | (21,108) | (11,216) |
| Dividends paid | (97,321) | (85,386) |
| Repurchase of own shares | (567,983) | (198,153) |
| Proceeds from exercise of stock options | 16,502 | 20,114 |
| Payment for settlement of restricted share units | (9,186) | (16,579) |
| Net cash (used in) from financing activities | (1,067,242) | 322,301 |
| Net change in cash and cash equivalents | 127,825 | 14,995 |
| Cash and cash equivalents, beginning of year | 19,292 | 4,297 |
| Cash and cash equivalents, end of year | 147,117 | 19,292 |

* Recasted for adjustments to provisional amounts of UPS Freight prior year's business combination.

SEGMENT INFORMATION

Geographical information (Unaudited)

Total revenue is attributed to geographical locations based on the origin of service's location.

| | Package and Courier | Less-Than-Truckload | Truckload | Logistics | Eliminations | Total |
|----------------------|---------------------|---------------------|------------------|------------------|-----------------|------------------|
| 2022 | | | | | | |
| Canada | 650,844 | 667,506 | 1,182,198 | 256,714 | (34,202) | 2,723,060 |
| United States | - | 3,355,657 | 1,268,840 | 1,488,941 | (41,632) | 6,071,806 |
| Mexico | - | - | - | 17,625 | - | 17,625 |
| Total revenue | 650,844 | 4,023,163 | 2,451,038 | 1,763,280 | (75,834) | 8,812,491 |
| 2021 | | | | | | |
| Canada | 641,449 | 576,311 | 912,166 | 269,568 | (31,193) | 2,368,301 |
| United States | - | 2,239,079 | 1,250,586 | 1,370,843 | (30,041) | 4,830,467 |
| Mexico | - | - | - | 21,661 | - | 21,661 |
| Total revenue | 641,449 | 2,815,390 | 2,162,752 | 1,662,072 | (61,234) | 7,220,429 |

Package and Courier

| (unaudited) (in thousands of U.S. dollars) | Three months ended December 31 | | | | Years ended December 31 | | | |
|---|--------------------------------|---------------|----------------|---------------|-------------------------|---------------|----------------|---------------|
| | 2022 | % | 2021 | % | 2022 | % | 2021 | % |
| Total revenue | 172,381 | | 177,368 | | 650,844 | | 641,449 | |
| Fuel surcharge | (43,307) | | (27,294) | | (151,872) | | (81,302) | |
| Revenue | 129,074 | 100.0% | 150,074 | 100.0% | 498,972 | 100.0% | 560,147 | 100.0% |
| Materials and services expenses (net of fuel surcharge) | 42,784 | 33.1% | 60,636 | 40.4% | 167,725 | 33.6% | 243,786 | 43.5% |
| Personnel expenses | 35,877 | 27.8% | 39,060 | 26.0% | 144,650 | 29.0% | 154,820 | 27.6% |
| Other operating expenses | 6,667 | 5.2% | 6,905 | 4.6% | 26,845 | 5.4% | 26,762 | 4.8% |
| Depreciation of property and equipment | 3,080 | 2.4% | 3,297 | 2.2% | 12,863 | 2.6% | 12,392 | 2.2% |
| Depreciation of right-of-use assets | 3,135 | 2.4% | 3,300 | 2.2% | 13,024 | 2.6% | 13,109 | 2.3% |
| Amortization of intangible assets | 157 | 0.1% | 186 | 0.1% | 645 | 0.1% | 903 | 0.2% |
| Gain on sale of rolling stock and equipment | (189) | -0.1% | (23) | -0.0% | (1,087) | -0.2% | (59) | -0.0% |
| (Gain) loss on derecognition of right-of-use assets | - | - | - | - | 1 | 0.0% | (7) | -0.0% |
| Loss on disposal of intangible assets | - | - | - | - | - | - | 1 | 0.0% |
| Operating income | 37,563 | 29.1% | 36,713 | 24.5% | 134,306 | 26.9% | 108,440 | 19.4% |
| Adjusted EBITDA¹ | 43,935 | 34.0% | 43,496 | 29.0% | 160,838 | 32.2% | 134,845 | 24.1% |
| Return on invested capital¹ | | 32.5% | | 25.3% | | | | |

¹ This is a non-IFRS measure. For a reconciliation, please refer to the "Non-IFRS and Other Financial Measures" section below.

| Operational data (unaudited) (Revenue in U.S. dollars) | Three months ended December 31 | | | | Years ended December 31 | | | |
|---|--------------------------------|----------|-----------|--------|-------------------------|----------|-----------|-------|
| | 2022 | 2021 | Variance | % | 2022 | 2021 | Variance | % |
| Revenue per pound (including fuel) | \$ 0.47 | \$ 0.43 | \$ 0.04 | 9.3% | \$ 0.48 | \$ 0.44 | \$ 0.04 | 9.1% |
| Revenue per pound (excluding fuel) | \$ 0.35 | \$ 0.36 | \$ (0.01) | -2.8% | \$ 0.37 | \$ 0.39 | \$ (0.02) | -5.1% |
| Revenue per package (excluding fuel) | \$ 5.59 | \$ 6.11 | \$ (0.52) | -8.5% | \$ 5.88 | \$ 6.21 | \$ (0.33) | -5.3% |
| Tonnage (in thousands of metric tons) | 167 | 187 | (20) | -10.7% | 614 | 656 | (42) | -6.4% |
| Packages (in thousands) | 23,107 | 24,581 | (1,474) | -6.0% | 84,915 | 90,257 | (5,342) | -5.9% |
| Average weight per package (in lbs.) | 15.93 | 16.77 | (0.84) | -5.0% | 15.94 | 16.03 | (0.09) | -0.6% |
| Vehicle count, average | 1,028 | 1,139 | (111) | -9.7% | 1,046 | 1,069 | (23) | -2.2% |
| Weekly revenue per vehicle (incl. fuel, in thousands of U.S. dollars) | \$ 12.90 | \$ 11.98 | \$ 0.92 | 7.7% | \$ 11.97 | \$ 11.54 | \$ 0.43 | 3.7% |

Less-Than-Truckload

| (unaudited) (in thousands of U.S. dollars) | Three months ended December 31 | | | | Years ended December 31 | | | |
|--|--------------------------------|---------------|----------------|---------------|-------------------------|---------------|-------------------|---------------|
| | 2022 | % | 2021 | % | 2022 | % | 2021 ¹ | % |
| Total revenue | 903,713 | | 959,546 | | 4,023,163 | | 2,815,390 | |
| Fuel surcharge | (182,930) | | (136,635) | | (779,606) | | (374,750) | |
| Revenue | 720,783 | 100.0% | 822,911 | 100.0% | 3,243,557 | 100.0% | 2,440,640 | 100.0% |
| Materials and services expenses (net of fuel surcharge) | 226,839 | 31.5% | 274,166 | 33.3% | 1,003,662 | 30.9% | 848,273 | 34.8% |
| Personnel expenses | 311,248 | 43.2% | 348,237 | 42.3% | 1,432,857 | 44.2% | 1,022,214 | 41.9% |
| Other operating expenses | 58,050 | 8.1% | 60,196 | 7.3% | 243,347 | 7.5% | 155,992 | 6.4% |
| Depreciation of property and equipment | 26,374 | 3.7% | 25,846 | 3.1% | 104,850 | 3.2% | 73,242 | 3.0% |
| Depreciation of right-of-use assets | 9,641 | 1.3% | 9,398 | 1.1% | 38,985 | 1.2% | 33,050 | 1.4% |
| Amortization of intangible assets | 2,065 | 0.3% | 2,495 | 0.3% | 8,831 | 0.3% | 9,768 | 0.4% |
| Bargain Purchase Gain | - | - | - | - | - | - | (271,593) | -11.1% |
| Gain on sale of rolling stock and equipment | (1,601) | -0.2% | (842) | -0.1% | (4,056) | -0.1% | (907) | -0.0% |
| Gain on derecognition of right-of-use assets | (60) | -0.0% | (35) | -0.0% | (12) | -0.0% | (573) | -0.0% |
| (Gain) loss on sale of land and buildings and assets held for sale | (13) | -0.0% | 1 | 0.0% | (55,714) | -1.7% | (1,624) | -0.1% |
| Operating income | 88,240 | 12.2% | 103,449 | 12.6% | 470,807 | 14.5% | 572,798 | 23.5% |
| Adjusted EBITDA¹ | 126,307 | 17.5% | 141,189 | 17.2% | 567,759 | 17.5% | 415,641 | 17.0% |

¹ This is a non-IFRS measure. For a reconciliation, please refer to the "Non-IFRS and Other Financial Measures" section below.

* Recasted for adjustments to provisional amounts of UPS Freight prior year business combination.

| Operational data (unaudited) (Revenue in U.S. dollars) | Three months ended December 31 | | | | Years ended December 31 | | | |
|--|--------------------------------|-----------|-----------|--------|-------------------------|-----------|----------|-------|
| | 2022 | 2021 | Variance | % | 2022 | 2021 | Variance | % |
| U.S. LTL | | | | | | | | |
| Revenue (in thousands of dollars) ¹ | 475,389 | 568,761 | (93,372) | -16.4% | 2,186,668 | 1,586,228 | 600,440 | 37.9% |
| Adjusted Operating Ratio ² | 90.4% | 89.4% | | | 89.9% | 90.1% | | |
| Revenue per hundredweight (excluding fuel) ¹ | \$ 30.05 | \$ 29.20 | \$ 0.85 | 2.9% | \$ 29.67 | \$ 28.52 | \$ 1.15 | 4.0% |
| Revenue per shipment (excluding fuel) ¹ | \$ 322.74 | \$ 310.97 | \$ 11.77 | 3.8% | \$ 320.20 | \$ 299.91 | \$ 20.29 | 6.8% |
| Revenue per hundredweight (including fuel) ¹ | \$ 39.04 | \$ 34.76 | \$ 4.28 | 12.3% | \$ 38.03 | \$ 33.57 | \$ 4.46 | 13.3% |
| Revenue per shipment (including fuel) ¹ | \$ 419.26 | \$ 371.17 | \$ 49.09 | 13.3% | \$ 410.38 | \$ 353.06 | \$ 57.32 | 16.2% |
| Tonnage (in thousands of tons) ¹ | 791 | 974 | (183) | -18.8% | 3,685 | 2,781 | 904 | 32.5% |
| Shipments (in thousands) ¹ | 1,473 | 1,829 | (356) | -19.5% | 6,829 | 5,289 | 1,540 | 29.1% |
| Average weight per shipment (in lbs) ¹ | 1,074 | 1,065 | 9 | 0.8% | 1,079 | 1,052 | 27 | 2.6% |
| Average length of haul (in miles) ¹ | 1,092 | 1,110 | (18) | -1.6% | 1,101 | 1,089 | 12 | 1.1% |
| Vehicle count, average ⁴ | 4,410 | 4,583 | (173) | -3.8% | 4,685 | 4,866 | (181) | -3.7% |
| Return on invested capital ^{2,3} | 18.8% | - | | | | | | |
| Canadian LTL | | | | | | | | |
| Revenue (in thousands of dollars) | 123,176 | 144,697 | (21,521) | -14.9% | 548,012 | 556,891 | (8,879) | -1.6% |
| Adjusted Operating Ratio ² | 75.3% | 78.3% | | | 74.0% | 79.9% | | |
| Revenue per hundredweight (excluding fuel) | \$ 10.84 | \$ 11.13 | \$ (0.29) | -2.6% | \$ 11.26 | \$ 10.80 | \$ 0.46 | 4.3% |
| Revenue per shipment (excluding fuel) | \$ 235.97 | \$ 223.30 | \$ 12.67 | 5.7% | \$ 241.95 | \$ 222.40 | \$ 19.55 | 8.8% |
| Revenue per hundredweight (including fuel) ¹ | \$ 14.46 | \$ 13.33 | \$ 1.13 | 8.5% | \$ 14.65 | \$ 12.62 | \$ 2.03 | 16.1% |
| Revenue per shipment (including fuel) ¹ | \$ 314.61 | \$ 267.43 | \$ 47.18 | 17.6% | \$ 314.88 | \$ 260.01 | \$ 54.87 | 21.1% |
| Tonnage (in thousands of tons) | 568 | 650 | (82) | -12.6% | 2,434 | 2,579 | (145) | -5.6% |
| Shipments (in thousands) | 522 | 648 | (126) | -19.4% | 2,265 | 2,504 | (239) | -9.5% |
| Average weight per shipment (in lbs) | 2,176 | 2,006 | 170 | 8.5% | 2,149 | 2,060 | 89 | 4.3% |
| Average length of haul (in miles) | 734 | 791 | (57) | -7.2% | 748 | 773 | (25) | -3.2% |
| Vehicle count, average | 808 | 810 | (2) | -0.2% | 800 | 837 | (37) | -4.4% |
| Return on invested capital ² | 24.0% | 17.8% | | | | | | |

¹ Operational statistics exclude figures from Ground Freight Pricing ("GFP").

² This is a non-IFRS measure. For a reconciliation please refer to the "Non-IFRS and Other Financial Measures" section below.

³ The Return on invested capital for the U.S. LTL is not disclosed as the trailing twelve-month information is not available for fiscal 2021, as it was acquired on April 30, 2021.

⁴ The vehicle count average for the year ended December 31, 2021 was adjusted to calculate the average since the acquisition of UPS Freight on April 30, 2021. As at December 31, 2022 the active vehicle count was 4,046.

Truckload

| (unaudited) (in thousands of U.S. dollars) | Three months ended December 31 | | | | Years ended December 31 | | | |
|---|--------------------------------|---------------|----------------|---------------|-------------------------|---------------|------------------|---------------|
| | 2022 | % | 2021 | % | 2022 | % | 2021 | % |
| Total revenue | 502,784 | | 584,009 | | 2,451,038 | | 2,162,752 | |
| Fuel surcharge | (99,433) | | (77,577) | | (464,707) | | (261,595) | |
| Revenue | 403,351 | 100.0% | 506,432 | 100.0% | 1,986,331 | 100.0% | 1,901,157 | 100.0% |
| Materials and services expenses (net of fuel surcharge) | 174,305 | 43.2% | 221,538 | 43.7% | 821,442 | 41.4% | 823,645 | 43.3% |
| Personnel expenses | 115,449 | 28.6% | 160,351 | 31.7% | 585,891 | 29.5% | 604,041 | 31.8% |
| Other operating expenses | 13,709 | 3.4% | 19,193 | 3.8% | 76,612 | 3.9% | 66,468 | 3.5% |
| Depreciation of property and equipment | 26,695 | 6.6% | 35,652 | 7.0% | 129,013 | 6.5% | 137,301 | 7.2% |
| Depreciation of right-of-use assets | 15,730 | 3.9% | 15,087 | 3.0% | 59,473 | 3.0% | 52,680 | 2.8% |
| Amortization of intangible assets | 5,699 | 1.4% | 5,960 | 1.2% | 23,944 | 1.2% | 21,580 | 1.1% |
| Gain on sale of rolling stock and equipment | (3,981) | -1.0% | (6,338) | -1.3% | (54,481) | -2.7% | (23,747) | -1.2% |
| Gain on derecognition of right-of-use assets | (138) | -0.0% | (160) | -0.0% | (191) | -0.0% | (431) | -0.0% |
| Gain on sale of land and buildings and assets held for sale | (15,959) | -4.0% | (6,649) | -1.3% | (22,240) | -1.1% | (10,569) | -0.6% |
| Gain on disposal of intangible assets | - | - | (5) | -0.0% | - | - | - | - |
| Operating income | 71,842 | 17.8% | 61,803 | 12.2% | 366,868 | 18.5% | 230,189 | 12.1% |
| Adjusted EBITDA¹ | 104,007 | 25.8% | 111,848 | 22.1% | 557,058 | 28.0% | 431,181 | 22.7% |

¹ This is a non-IFRS measure. For a reconciliation, please refer to the "Non-IFRS and Other Financial Measures" section below.

| Operational data (unaudited) | Three months ended December 31 | | | | Years ended December 31 | | | |
|---|--------------------------------|---------|----------|--------|-------------------------|-----------|----------|--------|
| | 2022 | 2021 | Variance | % | 2022 | 2021 | Variance | % |
| Specialized TL² | | | | | | | | |
| Revenue (in thousands of U.S. dollars) | 325,493 | 328,648 | (3,154) | -1.0% | 1,362,390 | 1,233,791 | 128,599 | 10.4% |
| Adjusted operating ratio ¹ | 87.4% | 89.6% | | | 83.1% | 88.7% | | |
| Tractor count, average | 3,839 | 3,845 | (7) | -0.2% | 3,641 | 3,722 | (81) | -2.2% |
| Trailer count, average | 11,004 | 11,302 | (298) | -2.6% | 10,833 | 10,912 | (79) | -0.7% |
| Tractor age | 3.6 | 3.4 | 0.2 | 5.5% | 3.6 | 3.4 | 0.2 | 5.5% |
| Trailer age | 11.5 | 10.5 | 1.0 | 9.8% | 11.5 | 10.5 | 1.0 | 9.8% |
| Number of owner operators, average | 1,193 | 1,201 | (8) | -0.7% | 1,126 | 1,217 | (91) | -7.5% |
| Return on invested capital ¹ | 13.4% | 9.2% | | | | | | |
| Canadian based Conventional TL | | | | | | | | |
| Revenue (in thousands of U.S. dollars) | 79,101 | 73,786 | 5,315 | 7.2% | 322,553 | 250,177 | 72,376 | 28.9% |
| Adjusted operating ratio ¹ | 81.1% | 88.4% | | | 78.7% | 87.9% | | |
| Total mileage (in thousands) | 24,498 | 26,467 | (1,969) | -7.4% | 93,923 | 92,236 | 1,687 | 1.8% |
| Tractor count, average | 858 | 728 | 130 | 17.9% | 741 | 640 | 102 | 15.9% |
| Trailer count, average | 3,636 | 3,401 | 235 | 6.9% | 3,456 | 2,884 | 572 | 19.8% |
| Tractor age | 3.5 | 4.1 | (0.6) | -13.7% | 3.5 | 4.1 | (0.6) | -13.7% |
| Trailer age | 7.3 | 7.5 | (0.2) | -2.5% | 7.3 | 7.5 | (0.2) | -2.5% |
| Number of owner operators, average | 254 | 324 | (70) | -21.7% | 269 | 306 | (37) | -12.0% |
| Return on invested capital ¹ | 21.3% | 10.9% | | | | | | |

¹ This is a non-IFRS measure. For a reconciliation, please refer to the "Non-IFRS Financial Measures" section below.

² Recasted comparative figures for change in operating segments of the dedicated operations from US Conventional Truckload as a result of the sale of business of CFI.

Logistics

| (unaudited) (in thousands of U.S. dollars) | Three months ended December 31 | | | | Years ended December 31 | | | |
|---|--------------------------------|---------------|----------------|---------------|-------------------------|---------------|------------------|---------------|
| | 2022 | % | 2021 | % | 2022 | % | 2021 | % |
| Total revenue | 394,071 | | 441,086 | | 1,763,280 | | 1,662,072 | |
| Fuel surcharge | (18,103) | | (13,525) | | (74,158) | | (41,146) | |
| Revenue | 375,968 | 100.0% | 427,561 | 100.0% | 1,689,122 | 100.0% | 1,620,926 | 100.0% |
| Materials and services expenses (net of fuel surcharge) | 269,625 | 71.7% | 323,164 | 75.6% | 1,232,049 | 72.9% | 1,223,846 | 75.5% |
| Personnel expenses | 35,770 | 9.5% | 29,419 | 6.9% | 143,505 | 8.5% | 116,523 | 7.2% |
| Other operating expenses | 27,107 | 7.2% | 32,443 | 7.6% | 134,923 | 8.0% | 111,742 | 6.9% |
| Depreciation of property and equipment | 333 | 0.1% | 375 | 0.1% | 1,460 | 0.1% | 1,581 | 0.1% |
| Depreciation of right-of-use assets | 3,644 | 1.0% | 3,442 | 0.8% | 14,794 | 0.9% | 13,943 | 0.9% |
| Amortization of intangible assets | 5,292 | 1.4% | 5,776 | 1.4% | 21,990 | 1.3% | 22,684 | 1.4% |
| Bargain purchase gain | - | - | - | - | - | - | (12,000) | -0.7% |
| (Gain) loss on sale of rolling stock and equipment | (7) | -0.0% | 70 | 0.0% | (37) | -0.0% | 70 | 0.0% |
| Gain on derecognition of right-of-use assets | - | - | - | - | (8) | -0.0% | (260) | -0.0% |
| Loss on sale of land and building | - | - | 3 | 0.0% | - | - | 3 | 0.0% |
| Operating income | 34,204 | 9.1% | 32,869 | 7.7% | 140,446 | 8.3% | 142,794 | 8.8% |
| Adjusted EBITDA¹ | 43,473 | 11.6% | 42,465 | 9.9% | 178,690 | 10.6% | 169,005 | 10.4% |
| Return on invested capital¹ | 21.9% | | 19.9% | | | | | |

¹ This is a non-IFRS measure. For a reconciliation, please refer to the "Non-IFRS and Other Financial Measures" section below.

NON-IFRS AND OTHER FINANCIAL MEASURES

Financial data have been prepared in conformity with IFRS, including the following measures:

Operating expenses: Operating expenses include: a) materials and services expenses, which are primarily costs related to independent contractors and vehicle operation; vehicle operation expenses, which primarily include fuel, repairs and maintenance, vehicle leasing costs, insurance, permits and operating supplies; b) personnel expenses; c) other operating expenses, which are primarily composed of costs related to offices' and terminals' rent, taxes, heating, telecommunications, maintenance and security and other general administrative expenses; d) depreciation of property and equipment, depreciation of right-of-use assets, amortization of intangible assets and gain or loss on the sale of rolling stock and equipment, on derecognition of right-of use assets, on sale of business and on sale of land and buildings and assets held for sale; e) bargain purchase gain; and f) impairment of intangible assets.

Operating income (loss): Net income or loss before finance income and costs and income tax expense, as stated in the consolidated financial statements.

This press release includes references to certain non-IFRS financial measures as described below. These non-IFRS financial measures are not standardized financial measures under IFRS used to prepare the financial statements of the Company to which the measures relates and might not be comparable to similar financial measures disclosed by other issuers. Accordingly, they should not be considered in isolation, in addition to, not as a substitute for or superior to, measures of financial performance prepared in accordance with IFRS. The terms and definitions of non-IFRS measures used in this press release and a reconciliation of each non-IFRS measure to the most directly comparable IFRS measure are provided below.

Adjusted net income: Net income or loss excluding amortization of intangible assets related to business acquisitions, net change in the fair value and accretion expense of contingent considerations, net change in the fair value of derivatives, net foreign exchange gain or loss, impairment of intangible

assets, bargain purchase gain, gain or loss on sale of land and buildings and assets held for sale of land and building, gain or loss on the sale of business and directly attributable expenses due to disposal, gain or loss on the disposal of intangible assets and U.S. Tax Reform. In presenting an adjusted net income and adjusted EPS, the Company's intent is to help provide an understanding of what would have been the net income and earnings per share in a context of significant business combinations and excluding specific impacts and to reflect earnings from a strictly operating perspective. The amortization of intangible assets related to business acquisitions comprises amortization expense of customer relationships, trademarks and non-compete agreements accounted for in business combinations and the income tax effects related to this amortization. Management also believes, in excluding amortization of intangible assets related to business acquisitions, it provides more information on the amortization of intangible asset expense portion, net of tax, that will not have to be replaced to preserve the Company's ability to generate similar future cash flows. The Company excludes these items because they affect the comparability of its financial results and could potentially distort the analysis of trends in its business performance. Excluding these items does not imply they are necessarily non-recurring.

Adjusted net income reconciliation:

| <i>(unaudited)</i> <i>(in thousands of U.S. dollars, except per share data)</i> | Three months ended December 31 | | Years ended December 31 | |
|--|-----------------------------------|----------------|----------------------------|----------------|
| | 2022 | 2021* | 2022 | 2021* |
| Net income | 153,494 | 144,139 | 823,232 | 754,405 |
| Amortization of intangible assets related to business acquisitions | 13,969 | 13,128 | 52,003 | 50,498 |
| Net change in fair value and accretion expense of contingent considerations | 90 | 1,571 | 216 | 1,932 |
| Net foreign exchange (gain) loss | (564) | (939) | 556 | (1,471) |
| (Gain) loss on sale of business and direct attributable costs | 2,069 | — | (69,753) | — |
| Bargain purchase gain | — | — | — | (283,593) |
| Gain on sale of land and buildings and assets held for sale | (15,941) | (6,638) | (77,870) | (11,978) |
| (Gain) loss on disposal of intangible assets | — | (5) | — | 1 |
| Tax impact of adjustments | (1,358) | (2,636) | 3,284 | (11,446) |
| Adjusted net income¹ | 151,759 | 148,620 | 731,668 | 498,348 |
| Adjusted EPS – basic¹ | 1.75 | 1.60 | 8.19 | 5.36 |
| Adjusted EPS – diluted¹ | 1.72 | 1.57 | 8.02 | 5.23 |

* Recasted for adjustments to provisional amounts of UPS Freight prior year business combination.

Adjusted earnings per share (adjusted "EPS") - basic: Adjusted net income divided by the weighted average number of common shares.

Adjusted EPS - diluted: Adjusted net income divided by the weighted average number of diluted common shares.

Adjusted EBITDA: Net income or loss before finance income and costs, income tax expense, depreciation, amortization, impairment of intangible assets, bargain purchase gain, and gain or loss on sale of land and buildings, assets held for sale, sale of business, and gain or loss on disposal of intangible assets. Management believes adjusted EBITDA to be a useful supplemental measure. Adjusted EBITDA is provided to assist in determining the ability of the Company to assess its performance.

Segmented adjusted EBITDA refers to operating income (loss) before depreciation, amortization, impairment of intangible assets, bargain purchase gain, gain or loss on sale of business, land and buildings, and assets held for sale and gain or loss on disposal of intangible assets. Management believes adjusted EBITDA to be a useful supplemental measure. Adjusted EBITDA is provided to assist in determining the ability of the Company to assess its performance.

Consolidated adjusted EBITDA reconciliation:

| <i>(unaudited)</i> <i>(in thousands of U.S. dollars)</i> | Three months ended December 31 | | Years ended December 31 | |
|---|-----------------------------------|----------------|----------------------------|------------------|
| | 2022 | 2021 | 2022 | 2021* |
| Net income | 153,494 | 144,139 | 823,232 | 754,405 |
| Net finance costs | 16,963 | 21,441 | 80,397 | 73,018 |
| Income tax expense | 46,403 | 49,399 | 242,409 | 151,806 |
| Depreciation of property and equipment | 56,587 | 65,294 | 248,638 | 225,007 |
| Depreciation of right-of-use assets | 32,150 | 31,190 | 126,276 | 112,782 |
| Amortization of intangible assets | 13,262 | 13,653 | 55,679 | 55,243 |
| (Gain) loss on sale of business | 2,069 | — | (73,653) | — |
| Bargain purchase gain | — | — | — | (283,593) |
| (Gain) loss on sale of land and buildings | — | 9 | (43) | 19 |
| Gain on sale of assets held for sale | (15,972) | (6,654) | (77,911) | (12,209) |
| (Gain) loss on sale of intangible assets | — | (5) | — | 1 |
| Adjusted EBITDA | 304,956 | 318,466 | 1,425,024 | 1,076,479 |

* Recasted for adjustments to provisional amounts of UPS Freight prior year business combination.

Segmented adjusted EBITDA reconciliation:

| <i>(unaudited)</i> <i>(in thousands of U.S. dollars)</i> | Three months ended | | Years ended | |
|---|--------------------|---------------------|-------------|----------------------|
| | 2022 | December 31 2021 | 2022 | December 31 2021* |
| Package and Courier | | | | |
| Operating income | 37,563 | 36,713 | 134,306 | 108,440 |
| Depreciation and amortization | 6,372 | 6,783 | 26,532 | 26,404 |
| Loss on disposal of intangible assets | — | — | — | 1 |
| Adjusted EBITDA | 43,935 | 43,496 | 160,838 | 134,845 |
| Less-Than-Truckload | | | | |
| Operating income | 88,240 | 103,449 | 470,807 | 572,798 |
| Depreciation and amortization | 38,080 | 37,739 | 152,666 | 116,060 |
| Bargain purchase gain | — | — | — | (271,593) |
| (Gain) loss on sale of land and buildings | (1) | 6 | — | 16 |
| Gain on sale of assets held for sale | (12) | (5) | (55,714) | (1,640) |
| Adjusted EBITDA | 126,307 | 141,189 | 567,759 | 415,641 |
| Truckload | | | | |
| Operating income | 71,842 | 61,803 | 366,868 | 230,189 |
| Depreciation and amortization | 48,124 | 56,699 | 212,430 | 211,561 |
| (Gain) loss on sale of land and buildings | 1 | — | (43) | — |
| Gain on sale of assets held for sale | (15,960) | (6,649) | (22,197) | (10,569) |
| Gain on disposal of intangible assets | — | (5) | — | — |
| Adjusted EBITDA | 104,007 | 111,848 | 557,058 | 431,181 |
| Logistics | | | | |
| Operating income | 34,204 | 32,869 | 140,446 | 142,794 |
| Depreciation and amortization | 9,269 | 9,593 | 38,244 | 38,208 |
| Bargain purchase gain | — | — | — | (12,000) |
| Loss on sale of land and buildings | — | 3 | — | 3 |
| Adjusted EBITDA | 43,473 | 42,465 | 178,690 | 169,005 |
| Corporate | | | | |
| Operating loss | (14,989) | (19,855) | 33,611 | (74,992) |
| Depreciation and amortization | 154 | (677) | 721 | 799 |
| (Gain) loss on sale of business | 2,069 | — | (73,653) | — |
| Adjusted EBITDA | (12,766) | (20,532) | (39,321) | (74,193) |

* Recasted for adjustments to provisional amounts of UPS Freight prior year business combination

Adjusted EBITDA margin is calculated as adjusted EBITDA as a percentage of revenue before fuel surcharge.

Operating margin is calculated as operating income (loss) as a percentage of revenue before fuel surcharge.

Adjusted operating ratio: Operating expenses before gain on sale of business, bargain purchase gain, and gain or loss on sale of land and buildings and assets held for sale, and gain or loss on disposal of intangible assets ("**Adjusted operating expenses**"), net of fuel surcharge revenue, divided by revenue before fuel surcharge. Although the adjusted operating ratio is not a recognized financial measure defined by IFRS, it is a widely recognized measure in the transportation industry, which the Company believes provides a comparable benchmark for evaluating the Company's performance. Also, to facilitate the comparison of business level activity and operating costs between periods, the Company compares the revenue before fuel surcharge ("revenue") and reallocates the fuel surcharge revenue to materials and services expenses within operating expenses.

Consolidated adjusted operating ratio reconciliation:

| <i>(unaudited)</i> <i>(in thousands of U.S. dollars)</i> | Three months ended | | Years ended | |
|---|--------------------|---------------------|-------------|----------------------|
| | 2022 | December 31 2021 | 2022 | December 31 2021* |
| Operating expenses | 1,739,834 | 1,925,935 | 7,666,453 | 6,241,200 |
| (Gain) loss on sale of business | (2,069) | — | 73,653 | — |
| Bargain purchase gain | — | — | — | 283,593 |
| Gain (loss) on sale of land and building | — | (9) | 43 | (19) |
| Gain on sale of assets held for sale | 15,972 | 6,654 | 77,911 | 12,209 |
| Gain (loss) on disposal of intangible assets | — | 5 | — | (1) |
| Adjusted operating expenses | 1,753,737 | 1,932,585 | 7,818,060 | 6,536,982 |
| Fuel surcharge revenue | (340,199) | (252,491) | (1,455,427) | (751,644) |
| Adjusted operating expenses, net of fuel surcharge revenue | 1,413,538 | 1,680,094 | 6,362,633 | 5,785,338 |
| Revenue before fuel surcharge | 1,616,495 | 1,888,423 | 7,357,064 | 6,468,785 |
| Adjusted operating ratio | 87.4% | 89.0% | 86.5% | 89.4% |

* Recasted for adjustments to provisional amounts of UPS Freight prior year business combination.

Less-Than-Truckload and Truckload reportable segments adjusted operating ratio reconciliation and Truckload operating segments reconciliations:

| <i>(unaudited)</i> <i>(in thousands of U.S. dollars)</i> | Three months ended December 31 | | Years ended December 31 | |
|--|-----------------------------------|-----------|----------------------------|-----------|
| | 2022 | 2021* | 2022 | 2021* |
| Less-Than-Truckload | | | | |
| Total revenue | 903,713 | 959,546 | 4,023,163 | 2,815,390 |
| Total operating expenses | 815,473 | 856,097 | 3,552,356 | 2,242,592 |
| Operating income | 88,240 | 103,449 | 470,807 | 572,798 |
| Operating expenses | 815,473 | 856,097 | 3,552,356 | 2,242,592 |
| Bargain purchase gain | — | — | — | 271,593 |
| Gain (loss) on sale of land and buildings and assets held for sale | 13 | (1) | 55,714 | 1,624 |
| Adjusted operating expenses | 815,486 | 856,096 | 3,608,070 | 2,515,809 |
| Fuel surcharge revenue | (182,930) | (136,635) | (779,606) | (374,750) |
| Adjusted operating expenses, net of fuel surcharge revenue | 632,556 | 719,461 | 2,828,464 | 2,141,059 |
| Revenue before fuel surcharge | 720,783 | 822,911 | 3,243,557 | 2,440,640 |
| Adjusted operating ratio | 87.8% | 87.4% | 87.2% | 87.7% |
| Less-Than-Truckload - Revenue before fuel surcharge | | | | |
| U.S. based LTL | 601,436 | 680,212 | 2,709,762 | 1,889,611 |
| Canadian based LTL | 123,176 | 144,697 | 548,012 | 556,891 |
| Eliminations | (3,829) | (1,998) | (14,217) | (5,862) |
| | 720,783 | 822,911 | 3,243,557 | 2,440,640 |
| Less-Than-Truckload - Fuel surcharge revenue | | | | |
| U.S. based LTL | 142,180 | 108,275 | 615,840 | 281,110 |
| Canadian based LTL | 41,051 | 28,598 | 165,185 | 94,166 |
| Eliminations | (301) | (238) | (1,419) | (526) |
| | 182,930 | 136,635 | 779,606 | 374,750 |
| Less-Than-Truckload - Operating income (loss) | | | | |
| U.S. based LTL | 57,819 | 72,077 | 327,793 | 459,071 |
| Canadian based LTL | 30,421 | 31,372 | 143,014 | 113,727 |
| | 88,240 | 103,449 | 470,807 | 572,798 |
| U.S. based LTL | | | | |
| Operating expenses* | 685,797 | 716,410 | 2,997,809 | 1,711,650 |
| Bargain purchase gain | - | - | - | 271,593 |
| Gain (loss) on sale of land and buildings and assets held for sale | - | (7) | 55,054 | (17) |
| Adjusted operating expenses | 685,797 | 716,403 | 3,052,863 | 1,983,226 |
| Fuel surcharge revenue | (142,180) | (108,275) | (615,840) | (281,110) |
| Adjusted operating expenses, net of fuel surcharge | 543,617 | 608,128 | 2,437,023 | 1,702,116 |
| Revenue before fuel surcharge | 601,436 | 680,212 | 2,709,762 | 1,889,611 |
| Adjusted operating ratio | 90.4% | 89.4% | 89.9% | 90.1% |
| Canadian based LTL | | | | |
| Operating expenses* | 133,806 | 141,923 | 570,183 | 537,330 |
| Gain on sale of land and buildings and assets held for sale | 13 | 6 | 660 | 1,641 |
| Adjusted operating expenses | 133,819 | 141,929 | 570,843 | 538,971 |
| Fuel surcharge revenue | (41,051) | (28,598) | (165,185) | (94,166) |
| Adjusted operating expenses, net of fuel surcharge | 92,768 | 113,331 | 405,658 | 444,805 |
| Revenue before fuel surcharge | 123,176 | 144,697 | 548,012 | 556,891 |
| Adjusted operating ratio | 75.3% | 78.3% | 74.0% | 79.9% |

* Recasted for adjustments to provisional amounts of UPS Freight prior year business combination

Less-Than-Truckload and Truckload reportable segments adjusted operating ratio reconciliation and Truckload operating segments reconciliations (continued):

| <i>(unaudited)</i> <i>(in thousands of U.S. dollars)</i> | Three months ended December 31 | | Years ended December 31 | |
|---|-----------------------------------|----------|----------------------------|-----------|
| | 2022 | 2021 | 2022 | 2021 |
| Truckload | | | | |
| Total revenue | 502,784 | 584,009 | 2,451,038 | 2,162,752 |
| Total operating expenses | 430,942 | 522,206 | 2,084,170 | 1,932,563 |
| Operating income | 71,842 | 61,803 | 366,868 | 230,189 |
| Operating expenses | 430,942 | 522,206 | 2,084,170 | 1,932,563 |
| Gain on sale of business | — | — | — | — |
| Gain on sale of land and buildings and assets held for sale | 15,959 | 6,649 | 22,240 | 10,569 |
| Adjusted operating expenses | 446,901 | 528,855 | 2,106,410 | 1,943,132 |
| Fuel surcharge revenue | (99,433) | (77,577) | (464,707) | (261,595) |
| Adjusted operating expenses, net of fuel surcharge revenue | 347,468 | 451,278 | 1,641,703 | 1,681,537 |
| Revenue before fuel surcharge | 403,351 | 506,432 | 1,986,331 | 1,901,157 |
| Adjusted operating ratio | 86.1% | 89.1% | 82.7% | 88.4% |
| Truckload - Revenue before fuel surcharge | | | | |
| U.S. based Conventional TL ¹ | — | 106,171 | 310,026 | 424,320 |
| Canadian based Conventional TL | 79,101 | 73,786 | 322,553 | 250,177 |
| Specialized TL ¹ | 325,493 | 328,648 | 1,362,390 | 1,233,761 |
| Eliminations | (1,243) | (2,173) | (8,638) | (7,101) |
| | 403,351 | 506,432 | 1,986,331 | 1,901,157 |
| Truckload - Fuel surcharge revenue | | | | |
| U.S. based Conventional TL ¹ | — | 20,337 | 82,059 | 72,527 |
| Canadian based Conventional TL | 17,307 | 9,414 | 62,929 | 29,043 |
| Specialized TL ¹ | 82,288 | 48,045 | 321,362 | 160,574 |
| Eliminations | (162) | (219) | (1,643) | (549) |
| | 99,433 | 77,577 | 464,707 | 261,595 |
| Truckload - Operating income | | | | |
| U.S. based Conventional TL ¹ | — | 12,409 | 46,133 | 49,989 |
| Canadian based Conventional TL | 30,463 | 8,565 | 84,321 | 30,367 |
| Specialized TL ¹ | 41,379 | 40,829 | 236,414 | 149,833 |
| | 71,842 | 61,803 | 366,868 | 230,189 |
| U.S. based Conventional TL¹ | | | | |
| Operating expenses* | — | 114,099 | 345,952 | 446,858 |
| Gain on sale of land and buildings and assets held for sale | — | — | — | — |
| Adjusted operating expenses | — | 114,099 | 345,952 | 446,858 |
| Fuel surcharge revenue | — | (20,337) | (82,059) | (72,527) |
| Adjusted operating expenses, net of fuel surcharge revenue | — | 93,762 | 263,893 | 374,331 |
| Revenue before fuel surcharge | — | 106,171 | 310,026 | 424,320 |
| Adjusted operating ratio | — | 88.3% | 85.1% | 88.2% |
| Canadian based Conventional TL | | | | |
| Operating expenses* | 65,945 | 74,635 | 301,161 | 248,853 |
| Gain on sale of land and buildings and assets held for sale | 15,485 | — | 15,529 | 17 |
| Adjusted operating expenses | 81,430 | 74,635 | 316,690 | 248,870 |
| Fuel surcharge revenue | (17,307) | (9,414) | (62,929) | (29,043) |
| Adjusted operating expenses, net of fuel surcharge revenue | 64,123 | 65,221 | 253,761 | 219,827 |
| Revenue before fuel surcharge | 79,101 | 73,786 | 322,553 | 250,177 |
| Adjusted operating ratio | 81.1% | 88.4% | 78.7% | 87.9% |
| Specialized TL¹ | | | | |
| Operating expenses* | 366,402 | 335,864 | 1,447,338 | 1,244,502 |
| Gain on sale of assets held for sale | 474 | 6,649 | 6,711 | 10,552 |
| Adjusted operating expenses | 366,876 | 342,513 | 1,454,049 | 1,255,054 |
| Fuel surcharge revenue | (82,288) | (48,045) | (321,362) | (160,574) |
| Adjusted operating expenses, net of fuel surcharge revenue | 284,588 | 294,468 | 1,132,687 | 1,094,480 |
| Revenue before fuel surcharge | 325,493 | 328,648 | 1,362,390 | 1,233,761 |
| Adjusted operating ratio | 87.4% | 89.6% | 83.1% | 88.7% |

¹ Recasted comparative figures for change in operating segments of the dedicated operations from US Conventional Truckload as a result of the sale of business of CFI.

* Operating expenses excluding intra TL eliminations

Free cash flow conversion : Adjusted EBITDA less net capital expenditures, divided by the adjusted EBITDA. Management believes that this measure provides a benchmark to evaluate the performance of the Company in regard to its ability to convert its operating profit into free cash flow.

| <i>(unaudited)</i> <i>(in thousands of U.S. dollars)</i> | Three months ended | | Years ended | |
|---|--------------------|---------------------|------------------|----------------------|
| | 2022 | December 31 2021 | 2022 | December 31 2021* |
| Net income | 153,494 | 144,139 | 823,232 | 754,405 |
| Net finance costs | 16,963 | 21,441 | 80,397 | 73,018 |
| Income tax expense | 46,403 | 49,399 | 242,409 | 151,806 |
| Depreciation of property and equipment | 56,587 | 65,294 | 248,638 | 225,007 |
| Depreciation of right-of-use assets | 32,150 | 31,190 | 126,276 | 112,782 |
| Amortization of intangible assets | 13,262 | 13,653 | 55,679 | 55,243 |
| (Gain) loss on the sale of business | 2,069 | — | (73,653) | — |
| Bargain purchase gain | — | — | — | (283,593) |
| (Gain) loss on sale of land and buildings | — | 9 | (43) | 19 |
| Gain on sale of assets held for sale | (15,972) | (6,654) | (77,911) | (12,209) |
| (Gain) loss on sale of intangible assets | — | (5) | — | 1 |
| Adjusted EBITDA | 304,956 | 318,466 | 1,425,024 | 1,076,479 |
| Net capital expenditures | (77,755) | (68,237) | (175,954) | (136,782) |
| Adjusted EBITDA less net capital expenditures | 227,201 | 250,229 | 1,249,070 | 939,697 |
| Free cash flow conversion | 74.5% | 78.6% | 87.7% | 87.3% |

* Recasted for adjustments to provisional amounts of UPS Freight prior year business combination.

Free cash flow: Net cash from operating activities less additions to property and equipment plus proceeds from sale of property and equipment and assets held for sale. Management believes that this measure provides a benchmark to evaluate the performance of the Company in regard to its ability to meet capital requirements.

| <i>(unaudited)</i> <i>(in thousands of U.S. dollars)</i> | Three months ended | | Years ended | |
|---|--------------------|---------------------|------------------|---------------------|
| | 2022 | December 31 2021 | 2022 | December 31 2021 |
| Net cash from operating activities | 248,348 | 190,333 | 971,645 | 855,351 |
| Additions to property and equipment | (111,716) | (102,595) | (350,824) | (267,173) |
| Proceeds from sale of property and equipment | 17,685 | 22,508 | 128,821 | 92,842 |
| Proceeds from sale of assets held for sale | 33,956 | 10,503 | 131,250 | 19,869 |
| Free cash flow | 188,273 | 120,749 | 880,892 | 700,889 |

Total assets less intangible assets: Management believes that this presents a more useful basis to evaluate the return on the productive assets. The excluded intangibles relate primarily to intangibles assets acquired through business acquisitions.

| <i>(unaudited)</i> <i>(in thousands of U.S. dollars)</i> | Package and Courier | Less-Than-Truckload | Truckload | Logistics | Corporate | Eliminations | Total |
|---|--------------------------------|---------------------|------------------|----------------|----------------|--------------|------------------|
| | As at December 31, 2022 | | | | | | |
| Total assets | 362,724 | 2,275,672 | 1,861,093 | 731,564 | 274,777 | - | 5,505,830 |
| Intangible assets | 180,119 | 167,798 | 775,464 | 468,547 | 182 | - | 1,592,110 |
| Total assets less intangible assets | 182,605 | 2,107,874 | 1,085,629 | 263,017 | 274,595 | - | 3,913,720 |
| As at December 31, 2021* | | | | | | | |
| Total assets | 379,881 | 2,351,138 | 2,317,615 | 746,638 | 88,391 | - | 5,883,663 |
| Intangible assets | 193,765 | 188,604 | 955,608 | 454,612 | 332 | - | 1,792,921 |
| Total assets less intangible assets | 186,116 | 2,162,534 | 1,362,007 | 292,026 | 88,059 | - | 4,090,742 |

* Recasted for adjustments to provisional amounts of UPS Freight prior year business combination.

Net capital expenditures: Additions to rolling stock and equipment, net of proceeds from the sale of rolling stock and equipment and assets held for sale excluding property. Management believes that this measure illustrates the recurring net capital expenditures which is required for the respective period.

| <i>(unaudited)</i> <i>(in thousands of U.S. dollars)</i> | Package and Courier | Less- Than- Truckload | Truckload | Logistics | Corporate | Eliminations | Total |
|---|---------------------------|-----------------------------|---------------|------------|------------|--------------|----------------|
| Three months ended December 31, 2022 | | | | | | | |
| Additions to rolling stock | 5,786 | 58,353 | 23,167 | - | - | - | 87,306 |
| Additions to equipment | 579 | 5,025 | 2,134 | 437 | 58 | - | 8,233 |
| Proceeds from the sale of rolling stock | (320) | (6,399) | (11,252) | (115) | - | - | (18,086) |
| Proceeds from the sale of equipment | - | 294 | 199 | (191) | - | - | 302 |
| Net capital expenditures | 6,045 | 57,273 | 14,248 | 131 | 58 | - | 77,755 |
| Three months ended December 31, 2021 | | | | | | | |
| Additions to rolling stock | 4,794 | 47,680 | 33,394 | - | - | - | 85,868 |
| Additions to equipment | 1,112 | 1,620 | 1,801 | 235 | 20 | - | 4,788 |
| Proceeds from the sale of rolling stock | 20 | (2,313) | (20,075) | (26) | - | - | (22,394) |
| Proceeds from the sale of equipment | - | (1) | (7) | (17) | - | - | (25) |
| Net capital expenditures | 5,926 | 46,986 | 15,113 | 192 | 20 | - | 68,237 |
| YTD ended December 31, 2022 | | | | | | | |
| Additions to rolling stock | 9,991 | 134,898 | 141,388 | - | - | - | 286,277 |
| Additions to equipment | 2,227 | 10,888 | 3,747 | 1,032 | 170 | - | 18,064 |
| Proceeds from the sale of rolling stock | (1,579) | (13,067) | (111,582) | (165) | - | - | (126,393) |
| Proceeds from the sale of equipment | (3) | 95 | (1,895) | (191) | - | - | (1,994) |
| Net capital expenditures | 10,636 | 132,814 | 31,658 | 676 | 170 | - | 175,954 |
| YTD ended December 31, 2021 | | | | | | | |
| Additions to rolling stock | 11,569 | 55,087 | 150,282 | 142 | - | - | 217,080 |
| Additions to equipment | 3,125 | 2,655 | 6,897 | 373 | 141 | - | 13,191 |
| Proceeds from the sale of rolling stock | (246) | (5,024) | (87,995) | (146) | - | - | (93,411) |
| Proceeds from the sale of equipment | (3) | (15) | (7) | (53) | - | - | (78) |
| Net capital expenditures | 14,445 | 52,703 | 69,177 | 316 | 141 | - | 136,782 |

Covenants : The following table indicates the Company's financial covenants to be maintained under its credit facility. These covenants are measured on a consolidated rolling twelve-month basis and are calculated as prescribed by the credit agreement which, among other things, requires the exclusion of the impact of the new standard IFRS 16 Leases:

| <i>(unaudited)</i> Covenants | Requirements | As at December 31, 2022 |
|--|---------------------|--|
| Funded debt-to- EBITDA ratio [ratio of total debt, net of cash, plus letters of credit and some other long-term liabilities to earnings before interest, income tax, depreciation and amortization ("EBITDA"), including last twelve months adjusted EBITDA from business acquisitions] | < 3.50 | 0.96 |
| EBITDAR Coverage Ratio [ratio of EBITDAR (EBITDA before rent and including last twelve months adjusted EBITDAR from business acquisitions) to interest and net rent expenses] | > 1.75 | 6.22 |

Return on invested capital ("ROIC"): Management believes ROIC at the segment level is a useful measure in the efficiency in the use of capital funds. The Company calculates ROIC as segment operating income net of exclusions, after tax, divided by the segment average invested capital. Operating income net of exclusions, after tax, is calculated as the trailing twelve months of operating income before bargain purchase gain, gain or loss on the sale of land and buildings and assets held for sale, and amortization of intangible assets, after tax using the statutory tax rate of the Company. Average invested capital is calculated as intangibles plus total assets excluding intangibles, net of trade and other payables, income taxes payable and provisions averaged between the beginning and ending balance over a twelve-month period.

Return on invested capital segment reconciliation:

| <i>(unaudited)</i> <i>(in thousands of U.S. dollars)</i> | 2022 | As at December 31 2021 |
|---|----------------|------------------------------|
| Package and Courier | | |
| Operating income | 134,306 | 108,440 |
| Amortization of intangible assets | 645 | 903 |
| Operating income, net of exclusions | 134,951 | 109,343 |
| Income tax | 26.5% | 26.5% |
| Operating income net of exclusions, after tax | 99,189 | 80,367 |
| Intangible assets | 180,119 | 193,765 |
| Total assets, excluding intangible assets | 182,605 | 186,116 |
| less: Trade and other payables, income taxes payable and provisions | (67,428) | (65,438) |
| Total invested capital, current year | 295,296 | 314,443 |
| Intangible assets, prior year | 193,765 | 193,288 |
| Total assets, excluding intangible assets, prior year | 186,116 | 194,631 |
| less: Trade and other payables, income taxes payable and provisions, prior year | (65,438) | (66,793) |
| Total invested capital, prior year | 314,443 | 321,126 |
| Average invested capital | 304,870 | 317,785 |
| Return on invested capital | 32.5% | 25.3% |
| Less-Than-Truckload - Canadian based LTL | | |
| Operating income | 143,014 | 113,727 |
| Gain on sale of assets held for sale | (660) | (1,640) |
| Amortization of intangible assets | 7,713 | 9,004 |
| Operating income, net of exclusions | 150,067 | 121,091 |
| Income tax | 26.5% | 26.5% |
| Operating income net of exclusions, after tax | 110,299 | 89,002 |
| Intangible assets | 162,397 | 182,084 |
| Total assets, excluding intangible assets | 352,949 | 373,655 |
| less: Trade and other payables, income taxes payable and provisions | (77,439) | (74,241) |
| Total invested capital, current year | 437,907 | 481,498 |
| Intangible assets, prior year | 182,084 | 189,579 |
| Total assets, excluding intangible assets, prior year | 373,655 | 403,549 |
| less: Trade and other payables, income taxes payable and provisions, prior year | (74,241) | (76,608) |
| Total invested capital, prior year | 481,498 | 516,520 |
| Average invested capital | 459,703 | 499,009 |
| Return on invested capital | 24.0% | 17.8% |

Return on invested capital segment reconciliation (continued):

| <i>(unaudited)</i> <i>(in thousands of U.S. dollars)</i> | 2022 | As at December 31 2021 |
|---|------------------|------------------------------|
| Truckload - Canadian based Conventional TL | | |
| Operating income | 84,321 | 30,367 |
| Gain on sale of land and buildings | (44) | — |
| Gain on sale of assets held for sale | (15,485) | (17) |
| Amortization of intangible assets | 1,958 | 2,124 |
| Operating income, net of exclusions | 70,750 | 32,474 |
| Income tax | 26.5% | 26.5% |
| Operating income net of exclusions, after tax | 52,001 | 23,868 |
| Intangible assets | 96,941 | 104,947 |
| Total assets, excluding intangible assets | 185,740 | 169,197 |
| less: Trade and other payables, income taxes payable and provisions | (40,671) | (28,473) |
| Total invested capital, current year | 242,010 | 245,671 |
| Intangible assets, prior year | 104,947 | 96,737 |
| Total assets, excluding intangible assets, prior year | 169,197 | 121,407 |
| less: Trade and other payables, income taxes payable and provisions, prior year | (28,473) | (24,839) |
| Total invested capital, prior year | 245,671 | 193,305 |
| Average invested capital | 243,841 | 219,488 |
| Return on invested capital | 21.3% | 10.9% |
| Truckload - Specialized TL* | | |
| Operating income | 236,414 | 149,833 |
| Gain on sale of assets held for sale | (6,711) | (10,553) |
| Amortization of intangible assets | 20,495 | 17,394 |
| Operating income, net of exclusions | 250,198 | 156,674 |
| Income tax | 26.5% | 26.5% |
| Operating income net of exclusions, after tax | 183,896 | 115,155 |
| Intangible assets | 678,522 | 658,692 |
| Total assets, excluding intangible assets | 906,564 | 791,293 |
| less: Trade and other payables, income taxes payable and provisions | (151,097) | (139,683) |
| Total invested capital, current year | 1,433,989 | 1,310,302 |
| Intangible assets, prior year | 658,692 | 615,865 |
| Total assets, excluding intangible assets, prior year | 791,293 | 701,987 |
| less: Trade and other payables, income taxes payable and provisions, prior year | (139,683) | (112,888) |
| Total invested capital, prior year | 1,310,302 | 1,204,964 |
| Average invested capital | 1,372,146 | 1,257,633 |
| Return on invested capital | 13.4% | 9.2% |
| Logistics | | |
| Operating income | 140,446 | 142,794 |
| Loss on sale of land and buildings | — | 3 |
| Amortization of intangible assets | 21,990 | 22,683 |
| Bargain Purchase gain | — | (12,000) |
| Operating income, net of exclusions | 162,436 | 153,480 |
| Income tax | 26.5% | 26.5% |
| Operating income net of exclusions, after tax | 119,390 | 112,808 |
| Intangible assets | 468,547 | 454,612 |
| Total assets, excluding intangible assets | 263,550 | 292,026 |
| less: Trade and other payables, income taxes payable and provisions | (186,557) | (199,967) |
| Total invested capital, current year | 545,540 | 546,671 |
| Intangible assets, prior year | 454,612 | 457,098 |
| Total assets, excluding intangible assets, prior year | 292,026 | 272,592 |
| less: Trade and other payables, income taxes payable and provisions, prior year | (199,967) | (144,305) |
| Total invested capital, prior year | 546,671 | 585,385 |
| Average invested capital | 546,106 | 566,028 |
| Return on invested capital | 21.9% | 19.9% |

* Recasted comparative figures for change in operating segments of the dedicated operations from US Conventional Truckload as a result of the sale of business of CFI.

Return on invested capital for US LTL : Management believes ROIC at the segment level is a useful measure in the efficiency in the use of capital funds and the ROIC calculation for U.S. LTL has been modified as compared to the other segment ROICs due to the impact of the bargain purchase gain to provide more consistent comparison to other segments ROIC calculation. The modification includes reducing the total assets, excluding intangible assets by the bargain purchase gain, using the acquisition price instead of the prior year invested capital, and reducing the current year total invested capital by the total liabilities of the US .

| <i>(unaudited)</i> <i>(in thousands of U.S. dollars)</i> | 2022 | As at December 31 2021* |
|---|----------------|-------------------------------|
| Less-Than-Truckload - U.S. based LTL | | |
| Operating income | 327,793 | — |
| Loss on sale of land and buildings | 8 | |
| Gain on sale of assets held for sale | (55,054) | |
| Amortization of intangible assets | 1,118 | |
| Operating income, net of exclusions | 273,865 | — |
| Income tax | 26.5% | |
| Operating income net of exclusions, after tax | 201,291 | — |
| Intangible assets | 5,401 | |
| Total assets, excluding intangible assets | 1,483,288 | |
| less: Total liabilities | (637,340) | |
| Total invested capital, current year | 851,349 | — |
| Total invested capital, acquisition price | 838,910 | — |
| Average invested capital | 845,130 | — |
| Return on invested capital | 23.8% | — |

* The return on invested capital for the U.S. LTL is not disclosed as the trailing twelve-month information was not available for 2021.