Mullen Group Ltd. (MLLGF)

Updated October 26th, 2026, by Nikolaos Sismanis

Key Metrics

Current Price:	$21.72	**5 Year Annual Expected Total Return:**	-3.6%	**Market Cap:**	$2.09 B
Fair Value Price:	$12.78	**5 Year Growth Estimate:**	3.0%	**Ex-Dividend Date:**	10/30/2026
% Fair Value:	170%	**5 Year Valuation Multiple Estimate:**	-10.1%	**Dividend Payment Date:**	11/16/2026
Dividend Yield:	2.8%	**5 Year Price Target**	$14.81	**Years Of Dividend Growth:**	4[1]
Dividend Risk Score:	F	**Sector:**	Industrials	**Rating:**	Hold

Overview & Current Events

Mullen Group is a Canadian logistics and transportation company running one of the largest networks of independently managed business units in the country. Through its decentralized model, the company delivers services across four main segments: Less-Than-Truckload (LTL), Logistics & Warehousing (L&W), Specialized & Industrial Services (S&I), and U.S. & International Logistics (US 3PL). These units collectively offer final-mile delivery, full truckload, intermodal, warehousing, transload, fluid hauling, environmental services, and third-party logistics. The company has 8,500+ associates and a substantial vehicle fleet and real estate portfolio across Canada. It pays monthly dividends and reports in CAD. Its market cap is $2.09 billion.

On October 19th, 2026, Mullen announced an agreement to acquire Willson International, a Canadian and U.S. customs brokerage and trade compliance provider. The cash-funded acquisition is expected to close on November 2nd and contribute about $57.2 million in annual revenue.

On October 22nd, 2026, Mullen reported Q3 results for the period ended September 30th, 2026. Record revenue rose 16.3% to $466.8 million, driven by $31.7 million of internal growth, $26.9 million of higher fuel surcharges, and $6.7 million from acquisitions. Adjusted OIBDA grew 23.0% to $84.8 million, with its margin expanding to 18.2% from 17.2% as selling and administrative expenses declined as a share of revenue. Lower finance costs also helped net income rise 55.1% to $36.8 million, while basic EPS increased 42.1% to $0.39. For FY2026, we expect EPS of $1.06.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
EPS	$0.39	$0.50	($0.31)	$0.53	$0.50	$0.59	$1.20	$1.10	$0.85	$0.74	***$1.06***	***$1.23***
DPS	$0.42	$0.29	$0.44	$0.46	$0.26	$0.38	$0.50	$0.54	$0.54	$0.61	***$0.60***	***$0.70***
Shares[2]	99.2	103.7	104.3	104.8	100.6	96.1	102.4	99.1	97.2	96.3	***97.8***	***80.0***

Mullen's EPS has been cyclical but generally upward-trending over the past decade, reflecting shifts in freight demand, cost control efforts, and M&A. From 2016 to 2018, EPS was volatile and modest, impacted by rather weak energy-sector exposure and impairments (particularly in 2018, when a non-cash goodwill write-down drove a net loss). From there, Mullen shifted its capital allocation strategy more aggressively toward logistics and diversified services, improving the stability of earnings.

Specifically, from 2019 through 2021, EPS hovered around $0.50–$0.60, despite the pandemic. The company managed through COVID-19 with prudent cost control and wage subsidies, while pivoting further into LTL and final-mile services, which outperformed during lockdowns. In 2022, EPS skyrocketed to $1.20, the highest in the decade, driven by record revenue, strong freight markets, and operating leverage across its platform. The following year saw a modest decline as cost inflation, softer volumes, and higher interest costs pressured margins. In 2024, EPS fell further amid freight normalization and weakness in the industrial services segment due to project delays and pricing pressure. In 2025, EPS

[1] In local currency (CAD)

[2] Share count is in millions.

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declined again to $0.74, reflecting tougher pricing, lower margins in key segments, and acquisition integration costs, partly offset by record revenues and strong contributions from recent acquisitions.

Moving forward, we believe Mullen can grow its EPS at a CAGR of 3%. We have applied the same rate to the monthly dividend, which the company has increased for 4 consecutive years.

Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
Avg. P/E	---	---	---	---	---	20.9	7.7	8.8	12.2	13.6	***20.4***	***12.0***
Avg. Yld.	---	---	---	---	---	3.1%	5.4%	5.6%	5.2%	6.0%	***2.8%***	***4.7%***

Mullen Group has historically traded at a discount to broader transportation and logistics peers, especially in asset-light or U.S.-based markets. The elevated multiple in 2021 reflected post-pandemic optimism and EPS growth expectations, but multiples normalized quickly as the market priced in softer freight conditions and economic uncertainty. Shares trade at 20.4 times our projected EPS, above our maintained fair P/E of 12. A return to that multiple implies a 10.1% annual valuation headwind.

Safety, Quality, Competitive Advantage, & Recession Resiliency

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	108%	58%	---	87%	52%	64%	42%	49%	64%	82%	***56%***	***56%***

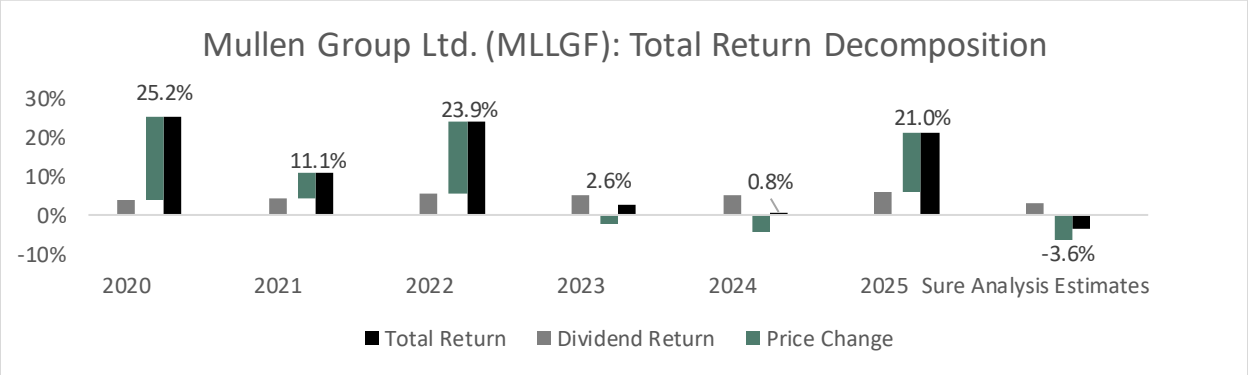
Mullen's diversified operations and decentralized structure combine local execution with owned infrastructure and real estate. At September 30th, 2026, it held $152.9 million in cash and had $739.9 million in debt including leases, with no drawn bank credit facilities. Its private placement debt carries an average fixed rate of 6.1%, with maturities in 2034 and 2037. The projected payout ratio is 56%, while USD dividends fluctuate with exchange rates.

In terms of recession resiliency, performance has varied across cycles. During 2020, revenue declined as the pandemic disrupted freight and energy activity, while cost control and wage subsidies cushioned earnings. Still, during the 2008–2009 crisis, revenue and EPS fell notably, particularly due to weakness in industrial and energy-related services. This highlights the dual nature of the model. While parts of the business are defensive, others are sensitive to CapEx and commodity cycles. Mullen's asset-heavy model may limit margin flexibility in downturns compared to asset-light peers.

Final Thoughts & Recommendation

Mullen offers cash flow and yield from a diversified logistics platform, with upside tied to industrial recovery and downside cushioned by essential freight exposure. We expect annualized returns of -3.6% through 2031, as a valuation headwind more than offsets our growth forecast and the 2.8% starting dividend yield. We retain our hold rating only because the company maintains progressive dividend growth.

Total Return Breakdown by Year



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Income Statement Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue	782	878	973	963	869	1,178	1,537	1,477	1,451	1,527
Gross Profit	180	186	209	194	199	246	353	351	345	353
Gross Margin	23.0%	21.1%	21.5%	20.1%	22.9%	20.9%	23.0%	23.8%	23.8%	23.1%
SG&A Exp.	107	120	130	126	112	148	186	194	198	232
D&A Exp.	64	67	68	84	76	91	86	86	95	105
Operating Profit	72	66	78	67	87	98	167	157	147	121
Operating Margin	9.2%	7.5%	8.1%	7.0%	10.0%	8.3%	10.9%	10.6%	10.1%	7.9%
Net Profit	39	51	(34)	54	48	58	122	101	82	65
Net Margin	5.0%	5.8%	-3.5%	5.7%	5.5%	4.9%	7.9%	6.9%	5.6%	4.3%
Free Cash Flow	116	84	29	72	119	104	140	130	164	113
Income Tax	15	13	13	6	17	19	40	34	30	21

Balance Sheet Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets	1,389	1,392	1,208	1,339	1,347	1,507	1,471	1,539	1,625	1,875
Cash & Equivalents	200	107	3	60	83	-	6	2	88	106
Accounts Receivable	103	128	140	139	134	168	189	185	179	192
Inventories	22	24	25	25	24	28	31	36	32	33
Goodwill & Int. Ass.	278	321	232	243	249	359	343	345	339	467
Total Liabilities	677	605	549	636	644	810	754	804	917	1,043
Accounts Payable	21	23	24	23	23	43	40	42	38	52
Long-Term Debt	516	429	376	441	449	521	457	502	536	769
Shareholder's Equity	712	787	659	703	703	697	717	735	709	832
LTD/E Ratio	0.72	0.55	0.57	0.63	0.64	0.75	0.64	0.68	0.76	0.92

Profitability & Per Share Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	2.9%	3.6%	-2.6%	4.3%	3.6%	4.0%	8.2%	6.7%	5.2%	3.7%
Return on Equity	6.1%	6.7%	-4.7%	8.0%	6.8%	8.3%	17.2%	13.9%	11.3%	8.5%
ROIC	3.3%	4.1%	-3.0%	5.0%	4.2%	4.9%	10.2%	8.4%	6.6%	4.3%
Shares Out.	99.2	103.7	104.3	104.8	100.6	96.1	102.4	99.1	97.2	96.3
Revenue/Share	7.88	8.48	9.33	9.19	8.64	12.26	15.01	14.91	14.93	15.85
FCF/Share	1.17	0.81	0.28	0.68	1.18	1.08	1.36	1.31	1.68	1.18

Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.

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