Titanium Transportation Group Reports Record $136 million Revenue and Adjusted EBITDA of $14 million in Q1 2022

BOLTON, Ontario, May 16, 2022 -- Titanium Transportation Group Inc. ("Titanium" or the "Company") (TSXV:TTR), a leading provider of transportation and logistics services throughout North America, is pleased to report its financial results for the three month period ended March 31, 2022. All amounts are in Canadian currency.

Q1 2022 Financial Highlights compared with Q1 2021

- Record consolidated revenue of $136.0 million -- an increase of 58.7%
- Consolidated EBITDA(1) of $13.9 million -- an increase of 85.2% -- EBITDA Margin(1) of 11.5%
- Logistics segment revenue of $87.9 million -- an increase of 84.9% -- including US freight brokerage revenue of $54.9 million which increased 69.6%
- Logistics segment EBITDA of $9.2 million –EBITDA Margin of 11.5%
- Truck Transportation segment revenue of $49.3 million -- increase of 25.9% and EBITDA(1) $5.7million -- increase 36.3% -- an EBITDA Margin(1) of 13.4%
- Total net income per share of $0.13, fully diluted, compared with total net income per share of $0.03 in Q1 2021.
- Closed acquisition of Bert & Sons Cartage Limited (“BSC”) in Canada, and expanded U.S. based freight-brokerage operations to 5 centres, including a new centre opened in Atlanta, Georgia in Q1 2022.

“Q1 results are a record start to the year marking the highest quarterly revenue achieved in our history, a seventh sequential quarter of top line revenue growth and significantly improved profitability,” said Ted Daniel, Chief Executive Officer, Titanium Transportation Group. “Titanium’s results reflect the focused investments in our technology, people and assets that are delivering continuous productivity improvements and strong organic growth in the U.S. and Canada despite several ongoing global economic and industry challenges.”

“Ongoing inflationary pressures, rising global energy and fuel costs, supply chain challenges and tighter labour markets, have seen the industry respond with higher freight rates. Titanium’s successful navigation of the current operating environment and our ability to increase pricing across our customer base supported strong revenue growth and significantly improved operating margins. This is especially evident in our Logistics segment, where margins increased more than two-fold, and in our Trucking segment we posted a 36% EBITDA improvement.”

“In Logistics, we continue to execute on expanding our geographic footprint in the US, with the opening of our Atlanta centre and potentially in another two other U.S. locations this year. In Trucking, we successfully closed on the acquisition of BSC in a key market in Canada while remaining focused on leveraging technology tools to improving our efficiency, productivity and costs to further normalize margins.”

“We also made excellent progress innovating and advancing our technologies to enable better scale, provide best-in-class service and maximize productivity across our business. Titanium was the first fleet in North America to deploy a newly integrated solution from Blackberry and ISACC Instruments – a new tool in our arsenal allowing fleet managers to have an aggregate view of current tractor and trailer operations in a single console, enabling them to better manage and automate their dispatch operations, driver messaging and hours of service compliance.”

2022 Outlook

Daniel concluded, “Looking ahead, as conditions have begun to normalize, portions of the supply chain continue to experience some stress as they look to recover from significant periods of disruption. Inflation and cost pressures continue to emerge broadly however Titanium is well positioned to navigate these pressures as we continue to focus on our productivity measures and management of rates and surcharges where appropriate.”

“We are seeing some early indications of some softer consumer trends emerging along with an increase in new smaller industry entrants, although to date, industry load volumes remain generally healthy and we expect 2022 to be a strong year of growth with additional acquisition opportunities for the Company.”

The Company estimates it will deliver consolidated top line revenue between $450 – $470 million and between $38 – $43 million in EBITDA.

In addition, with a solid balance sheet and disciplined focus, the Company remains committed to exploring further acquisition and expansion opportunities in the U.S. and Canada as they arise in 2022.

Summary of Q1 2022 Financial Results (in thousands $CAD)

	Q1 2022	Q1 2021	% Change
Consolidated Results			
Revenue	135,987	85,675	58.7%
EBITDA	13,917	7,515	85.2%
EBITDA margin(1)	11.5%	9.5%	
Net Income	5,969	1,169	410.6%
Net Income per share	0.14	0.03	
Truck Transportation			
Revenue	49,340	39,181	25.9%
EBITDA	5,697	4,179	36.3%
EBITDA margin(1)	13.4%	11.9%	
Logistics			
Revenue	87,917	47,541	84.9%
EBITDA	9,154	3,990	129.4%
EBITDA margin(1)	11.5%	8.8%	

1) EBITDA margin is calculated as EBITDA as a percentage of revenue before fuel surcharge.

Conference Call

The Company will also hold a conference call on Tuesday, May 17, 2022, at 8:00 a.m. Eastern Time, to discuss these results. Business media are also invited to listen to the call.

Dial-In Details:

Interested parties can join the call by dialing 1-888-886-7786 (North America) or 1-647-764-8658 (International).

Replay Details:

A replay of the conference call can be accessed until midnight on May 31, 2022 by dialing 1-877-674-7070 (North America) or 1-416-764-8692 (International) and entering the Conference ID: 65891817.

About Titanium

Titanium is a leading North American transportation company with asset-based trucking operations and logistics brokerages servicing Canada and the United States, with approximately 800 power units, 3,000 trailers and 1,100 employees and independent owner operators. Titanium provides truckload, dedicated, and cross-border trucking services, logistics, and warehousing and distribution to over 1,000 customers. In the U.S. Titanium has established operations in Charlotte, Atlanta, Chicago, Nashville, Denver. In February 2021, Titanium completed its largest acquisition since its founding, establishing Titanium as the 12th largest Canadian transportation company. Titanium is a recognized purchaser of asset-based trucking companies, having completed twelve (12) transactions since 2011. Titanium ranked among top 500 companies in the inaugural Financial Times Americas' Fastest Growing Companies in 2020. The Company has been ranked by Canadian Business as one of Canada's Fastest Growing Companies for twelve (12) consecutive years. Titanium is currently listed on the Toronto Stock Exchange Venture under the symbol “TTR".

NON-IFRS FINANCIAL MEASURES

The following financial measures do not have any standardized meaning under IFRS and may not be comparable to similar measures employed by other companies:

"Earnings before interest, income taxes, depreciation and amortization" ("EBITDA") is calculated as net income before depreciation, amortization, asset impairments, gains or losses on the sale of equipment, finance income and costs, gains or losses on foreign exchange, income tax expense, transaction costs, accelerated customer list amortization and goodwill impairment.

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

“Free cash flow” is calculated as cash flow from operations plus proceeds from finance lease receivables and proceeds from disposition, less capital expenditures.

"Adjusted net income" is calculated as net income before items that are not in the normal course of business, such as accelerated customer list amortization and goodwill impairment.

Management of the Company believes that these financial measures are useful for investors and other readers, when used in conjunction with other IFRS financial measures, as they are measurers used internally by management to evaluate performance. However, these financial measures are intended to provide additional information and should not be considered *in isolation or as a substitute for measures of financial performance prepared in accordance with IFRS.*

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Certain statements contained in this press release constitute forward-looking information within the meaning of Canadian securities laws. Forward-looking statements are provided for the purposes of assisting the reader in understanding Titanium's current expectations and plans relating to the future and readers are cautioned that such statements may not be appropriate for other purposes. Forward-looking information may relate to Titanium's future outlook and anticipated events, and may include statements regarding the financial position, business strategy, budgets, litigation, projected costs, capital expenditures, financial results, taxes and plans and objectives of or involving Titanium. Particularly, statements regarding future acquisitions, the availability of credit, performance, achievements, prospects or opportunities for Titanium or the industry in which it operates are forward-looking statements. In some cases, forward-looking information can be identified by terms such as "may", "might", "will", "could", "should", "would", "occur", "expect", "plan", "anticipate", "believe", "intend", "seek", "aim", "estimate", "target", "project", "predict", "forecast", "potential", "continue", "likely", "schedule", or the negative thereof or other similar expressions concerning matters that are not historical facts.

Information contained in forward-looking statements is based upon certain material assumptions that were applied in drawing a conclusion or making a forecast or projection, including management's perceptions of historical trends, current conditions and expected future developments, as well as other considerations that are believed to be appropriate in the circumstances. While management considers these assumptions to be reasonable based on currently available information, they may prove to be incorrect.

The forward-looking statements made in this press release are dated, and relate only to events or information, as of the date of this press release. Except as specifically required by law, Titanium undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events.

Neither the TSX-V nor its Regulation Services Provider (as that term is defined in the policies of the TSX-V) accepts responsibility for the adequacy or accuracy of this release.

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