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Management's Discussion & Analysis

**FOR THE THREE MONTH ENDED
March 31, 2025**

Dated May 13, 2025

Titanium Transportation Group Inc.

Management's Discussion and Analysis for the first quarter ended March 31, 2025

GENERAL INFORMATION

The following is Titanium Transportation Group Inc.'s management discussion and analysis dated May 13, 2025 ("MD&A"), which provides a comparative overview of the Company's performance for its three-month period ended March 31, 2025 with the corresponding three-month period ended March 31, 2024, and it reviews the Company's financial position as at March 31, 2025. Throughout this MD&A, any reference to "Company", "we", "us", "our" or "Titanium" shall mean Titanium Transportation Group Inc. and all of its direct and indirect wholly-owned subsidiaries. This discussion should be read in conjunction with the Company's annual MD&A, audited consolidated financial statements and accompanying notes as at and for the year ended December 31, 2024, as well as the unaudited condensed consolidated interim financial statements of the Company for the first quarter ended March 31, 2025 ("consolidated interim financial statements").

The consolidated interim financial statements of the Company and extracts from those consolidated interim financial statements contained in this MD&A were prepared in accordance with International Financial Reporting Standards ("IFRS"). The consolidated interim financial statements comply with IAS 34, Interim Financial Reporting, and do not include all of the information required for annual financial statements. The Company's presentation currency is the Canadian dollar. All financial information presented has been rounded to the nearest thousand dollar, except per share amounts and where otherwise indicated. The Company's consolidated interim financial statements for the first quarter ended March 31, 2025, were approved by its Board of Directors on May 13, 2025. Readers are cautioned that certain information included herein is forward-looking and based upon assumptions and anticipated results that are subject to uncertainties. Should one or more of these uncertainties materialize or should the underlying assumption prove incorrect, actual results may vary significantly from those expected. See "Forward Looking Statements" and "Risks and Uncertainties".

Unless otherwise indicated, the information in this report is dated as of May 13, 2025. Additional information relating to the Company is available on SEDAR at www.sedarplus.ca.

OVERVIEW

Titanium is an asset-based transportation and logistics company servicing Canada and the United States with terminals in Bolton, Belleville, Bracebridge, Brantford, Napanee, North Bay, Windsor, ON, Oakwood, GA and Falkville, AL with additional parking/switch yards in Brockville and Trenton, ON and freight brokerage offices in Windsor, ON, Montreal, QC, Charlotte, NC, Nashville, TN, Chicago, IL, Denver, CO, Atlanta, GA, Fayetteville, AR, Jacksonville, FL, Virginia Beach, VA and Irving, TX. The Company has over 1,000 customers across various industries, including large multinational corporations. The Company has approximately 850 power units, 3,000 trailers, and over 1,300 independent owner-operators and full-time employees.

The Truck Transportation segment provides transport of general merchandise by long-haul, dedicated and local trucking services throughout Canada and the United States with a variety of trailer types, including dry vans and flatbeds that support both heated and multi-axle services. Through the use of a modern fleet, the Truck Transportation segment provides reliable and high-quality service to various customers, attains a high asset utilization through its network of terminals and yards both in Canada and the United States, and creates a platform for revenue growth and cost efficiencies through the integration of acquisitions.

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The Logistics segment is a non-asset-based third-party logistics provider of ancillary transportation services, such as freight brokerage, North American and international freight forwarding, intermodal, special and expedited services. Through its network, the Logistics segment offers customers a variety of transportation services, including intermodal, international shipping, specialty services, and expedited services. The Logistics segment succeeds due to the extensive experience and expertise of the Company's dedicated personnel, up to date and innovative information technology and systems, as well as strong strategic relationships with third-party providers.

The Company's operational results are influenced by industry-wide economic factors and by capital allocation including operating and spending decisions. Industry-wide economic factors which impact operational results include freight demand, truck capacity, trade policy, fuel prices, driver availability, overall economic conditions, exchange rates, government regulation and weather. The Company makes key decisions when allocating capital between its Truck Transportation and Logistics segments, hiring employees or contracting for services of independent contractors and determining sustainable compensation structures, investing in new equipment and technology, and considering business acquisitions. Operating and spending decisions are made after the analysis of numerous important financial and operational metrics including EBITDA¹, operating income, revenue generated per truck and per mile, empty miles, driver retention and fuel efficiency.

Q1 2025 Key Highlights

- ◆ Consolidated revenue for Q1 2025 was \$121.4 million, a 7.5% increase over Q1 2024.
- ◆ Operating income was \$1.5 million for Q1 2025, representing a 1.4% operating margin¹, compared to \$0.6 million and 0.6% in Q1 2024. The increase is largely a reflection of slight improvements in market condition as compared to Q1 2024.
- ◆ Truck Transportation segment revenue for Q1 2025 was \$56.1 million, representing a 2.2% decrease year over year. Our strategic shift toward operational efficiencies led to a reduced operating loss of \$0.4 million and an operating margin of -0.9%, compared to a loss of \$1.1 million and -2.3%, respectively, in Q1 2024.
- ◆ Logistics segment revenue was \$66.1 million for Q1 2025 -- an increase of 17.6% compared to the same period in 2024. Our US freight brokerage division contributed revenue of \$42.4 million in Q1 2025. Operating income was \$3.3 million, representing an 5.6% operating margin for the quarter, compared to operating income of \$3.1 million and a 6.1% operating margin in Q1 2024. Improvement in market conditions led to both volume and transactional pricing increase in the segment.
- ◆ The Logistics segment continued to expand its US freight brokerage operations by adding the Irving, Texas office, bringing the total to nine offices.

Revenue by Industry

Manufactured goods	43.7%
Food & Beverages	18.2%
Logistics/Trucking	11.3%
Retail	6.2%
Metals & Mining	4.5%
Automotive	4.2%
Forest Products	3.9%
Chemical & Explosives	3.0%
Other	5.0%

Based on Q1 2025 revenue

¹ Refer to "Results of Operations" on page 3 and "Non-IFRS Financial Measures" on page 13 for more information about EBITDA and for a reconciliation of EBITDA to net income.

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RESULTS OF OPERATIONS

Financial Highlights (unaudited)
(in '000 Canadian dollars)

	3 months ended March 31 2025	3 months ended March 31 2024
Revenue	107,862	99,071
Fuel surcharge	13,543	13,850
	121,405	112,921
Operating expenses	112,609	103,237
EBITDA ⁽¹⁾	8,796	9,684
EBITDA margin ⁽¹⁾	8.2 %	9.8 %
Depreciation	7,316	8,617
Amortization of customer lists	-	467
Operating income ⁽¹⁾	1,480	600
Operating margin ⁽¹⁾	1.4 %	0.6 %
Loss (gain) on sale of property and equipment	3,581	(1,394)
Finance costs	2,700	3,680
Finance income	(99)	(102)
Foreign exchange (gain) loss	(199)	1,267
Income tax recovery	(1,116)	(464)
Net income (loss) from continuing operations	(3,387)	(2,387)
Net income (loss) from discontinuing operations	-	3,068
Net income (loss)	(3,387)	681
Earnings (loss) per share:		
Net income (loss) per share - basic	(0.08)	0.02
Net income (loss) per share - diluted	(0.07)	0.02
Earnings (loss) per share from continuing operations:		
Net income (loss) per share - basic	(0.08)	(0.05)
Net income (loss) per share - diluted	(0.07)	(0.05)

(1) Refer to "Non-IFRS Financial Measures".

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EXECUTIVE SUMMARY AND OUTLOOK

Titanium remained focused on its strategic objective of strengthening the balance sheet through disciplined financial management and continued debt reduction efforts. Our deleveraging initiatives continue to progress as planned and remain a top priority as we work to enhance long-term financial flexibility and resilience. During the quarter, our net-debt-to-equity ratio improved to 1.86 from 2.00 on December 31, 2024.

Despite significant concerns over tariffs and increasing trade tensions precipitated by the new US administration, the Company's operations have remained stable to date. Approximately two-thirds of our total volume involves domestic movement, which is not directly exposed to current tariff measures. Nevertheless, prolonged trade disputes may contribute to broader economic uncertainty, including inflationary pricing and potential disruption across global supply chains. These developments could impact the Company in future periods.

To mitigate these risks, we are closely monitoring international trade developments and remain agile in our operational planning. Our team is prepared to respond swiftly to evolving customer demands and market conditions to ensure continued service excellence and operational stability. Our various product lines and domestic US and Canadian freight, as well as our cross-border business models allows us to take necessary actions as the economy responds to the current trade environment.

In our Truck Transportation segment, we continued to face headwinds stemming from inflationary operating costs and overcapacity. However, our cost mitigation efforts have started to yield positive results, with operating margins from continuing operations improving by 140 basis points year over year. In line with our strategic realignment, we ceased unprofitable operations in this segment throughout 2024—specifically operations that had recorded a 10% operating loss in Q1 2024. These discontinued operations are not included in the current period's margin improvement.

We also continued our asset rationalization strategy in the Truck Transportation segment, completing divestitures of redundant assets and realizing an additional \$1.7 million in proceeds. These funds were directed toward further debt repayment, reinforcing our commitment to financial discipline.

In our Logistics segment, a persistently soft market continued to exert downward pressure on pricing and margins. Nonetheless, the segment delivered robust year-over-year volume growth of nearly 9%, reflecting the strength of our business development strategy and the scalability of our asset-light model. This approach provides the Company with operational flexibility and resilience in the face of ongoing supply chain disruption and global economic uncertainty.

Titanium's commitment to delivering sustainable and profitable growth underpins every action we make in navigating the market. Notwithstanding the current economic challenges, we remain focused on improving our capital position and strengthening our foundation of people and technology. We believe a prudent capital management strategy is the backbone to current and future growth and profitability.

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Selected Segmented Financial Information (unaudited)

(in '000 Canadian dollars)

	3 months ended March 31 2025	3 months ended March 31 2024
Truck Transportation		
Revenue	49,181	49,130
Fuel surcharge	6,906	8,222
	<hr/> 56,087	<hr/> 57,352
Operating expenses		
Carriers and independent contractors	20,674	17,761
Vehicle operating	13,293	13,518
Wages and casual labour	13,388	16,349
Other operating	2,169	2,009
	<hr/> 49,524	<hr/> 49,637
EBITDA ⁽¹⁾	6,563	7,715
EBITDA margin ⁽¹⁾	13.3 %	15.7 %
Depreciation	6,994	8,360
Amortization of customer lists	-	467
	<hr/>	<hr/>
Operating income (loss) ⁽¹⁾	(431)	(1,112)
Operating margin ⁽¹⁾	(0.9)%	(2.3)%
Loss (gain) on sale of property and equipment	3,581	(1,394)
Finance costs	2,332	3,208
Finance income	(99)	(102)
Transaction costs	-	-
Income tax recovery	(1,874)	(465)
	<hr/>	<hr/>
Net income (loss) from continuing operations	(4,371)	(2,359)
Net income (loss) from discontinued operations	-	3,068
	<hr/>	<hr/>
Net income (loss)	(4,371)	709

(1) Refer to "Non-IFRS Financial Measures".

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Selected Segmented Financial Information (unaudited), continued

(in '000 Canadian dollars)

	3 months ended March 31 2025	3 months ended March 31 2024
Logistics		
Revenue	59,463	50,594
Fuel surcharge	6,638	5,629
	<hr/> 66,101	<hr/> 56,223
Operating expenses		
Carriers and independent contractors	56,879	47,319
Wages and casual labour	4,783	4,637
Other operating	1,121	1,198
	<hr/> 62,783	<hr/> 53,154
EBITDA/ Operating income ⁽¹⁾	3,318	3,069
EBITDA/ Operating margin ⁽¹⁾	5.6 %	6.1 %
Depreciation ⁽²⁾	322	257
Finance costs ⁽²⁾	368	472
Income tax expense	987	634
	<hr/> 1,641	<hr/> 1,706
Net income	<hr/> 1,641	<hr/> 1,706

(1) Refer to "Non-IFRS Financial Measures".

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Revenue (unaudited)
(in '000 Canadian dollars)

	3 months ended March 31 2025	3 months ended March 31 2024
Truck Transportation		
Revenue	49,181	49,130
Fuel surcharge	6,906	8,222
	<hr/> 56,087	<hr/> 57,352
Logistics		
Revenue	59,463	50,594
Fuel surcharge	6,638	5,629
	<hr/> 66,101	<hr/> 56,223

For the three-month period ended March 31, 2025, the Company's consolidated revenues from continued operations increased by \$8.5 million or 7.5%, compared to the three-month period ended March 31, 2024. The increase was due to increase in volume in the Logistics segment, and improved pricing in both the Logistics and Truck Transportation segment.

The Truck Transportation segment recorded a decrease in revenue from continued operations of \$1.3 million or 2.2%, for Q1 2025, compared to the same period in 2024. The decrease mainly reflects a reduction in capacity from our strategic realignment of the segment towards more sustainable business.

The Logistics segment revenue significantly increased in Q1 2025 compared to the three-month period in 2024. Revenue increased by \$9.9 million or 17.6% in the quarter compared to the three-month period ended March 31, 2024. Transactional pricing improved by 9.2% in the Canadian division and 7.0% in the US division from the prior year. In addition, we continue to experience organic volume growth in both divisions. US volumes increased by 12.8% while Canadian volume increased by 2.8% when compared to the same period in 2024.

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Operating Expenses and Income (unaudited)

(in '000 Canadian dollars)

	3 months ended March 31 2025	3 months ended March 31 2024
Truck Transportation		
Revenue	56,087	57,352
Operating expenses	49,524	49,637
EBITDA ⁽¹⁾	6,563	7,715
EBITDA margin ⁽¹⁾	13.3 %	15.7 %
Depreciation and amortization	6,994	8,827
Operating income ⁽¹⁾	(431)	(1,112)
Operating margin ⁽¹⁾	(0.9)%	(2.3)%
Logistics		
Revenue	66,101	56,223
Operating expenses	62,783	53,154
EBITDA/ Operating income ⁽¹⁾	3,318	3,069
EBITDA/ Operating margin ⁽¹⁾	5.6 %	6.1 %
Corporate		
Operating expenses	1,086	1,101

(1) Refer to "Non-IFRS Financial Measures".

For the Truck Transportation segment, operating expenses from continuing operations decreased by \$0.1 million or 0.2%, for the three-month period ended March 31, 2025, compared to the same period in 2024. An operating loss from continuing operations for the segment of \$0.4 million was recorded, alongside an operating margin from continued operations of -0.9%, a 140 basis point improvement compared to the three-month period ended March 31, 2024. The improvement reflects the segment's strategic realignment initiated in 2024, which involved cessation of unprofitable geographic regions and certain service offerings, as well as fleet operating cost mitigation through the use of data-driven analytics.

For the Logistics segment, operating expenses increased by \$9.6 million or 18.1% for the three month period ended March 31, 2025 compared to the same quarter in 2024 -- largely reflecting the increase in revenue and volume. Operating margins decreased by 0.5% -- a 50-basis point decline -- largely reflecting margin compression.

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SUMMARY OF QUARTERLY RESULTS

(in '000 Canadian dollars)

The following table sets out quarterly financial information for the Company's eight most recently completed quarters:

	<u>Q1'25</u>	<u>Q4'24</u>	<u>Q3'24</u>	<u>Q2'24</u>	<u>Q1'24</u>	<u>Q4'23</u>	<u>Q3'23</u>	<u>Q2'23</u>
Revenue	121,405	113,840	118,400	115,085	112,921	113,051	106,437	94,132
EBITDA ⁽¹⁾	8,796	11,734	10,294	10,218	9,684	13,665	12,244	10,814
EBITDA margin ⁽¹⁾	8.2 %	11.6 %	9.8 %	10.1 %	9.8 %	14.1 %	13.5 %	13.5 %
Operating income ⁽¹⁾	1,480	4,981	1,689	1,376	599	4,684	4,770	4,701
Operating margin ⁽¹⁾	1.4 %	4.9 %	1.6 %	1.4 %	0.6 %	4.8 %	5.0 %	5.6 %
Adjusted net income ⁽¹⁾	(3,387)	2,235	(1,500)	(2,329)	681	1,398	1,874	3,370
Per share - basic	(0.08)	0.05	(0.03)	(0.05)	0.02	0.03	0.04	0.08
Per share - diluted	(0.07)	0.05	(0.03)	(0.05)	0.02	0.03	0.04	0.07
Net income	(3,387)	(20,865)	(1,500)	(2,329)	681	1,398	1,874	3,370
Per share - basic	(0.08)	(0.47)	(0.03)	(0.05)	0.02	0.03	0.04	0.08
Per share - diluted	(0.07)	(0.46)	(0.03)	(0.05)	0.02	0.03	0.04	0.07

(1) Refer to "Non-IFRS Financial Measures".

(2) The amounts above are inclusive of discontinued operations

Changes from quarter-to-quarter are mainly a reflection of seasonality of operations, changes in industry conditions and acquisitions. Historically, the Company experiences weaker demand in the first quarter, moderate demand in the third and fourth quarters and stronger demand in the second quarter.

In 2023, industry overcapacity; mounting inflationary pressure, and tightening monetary policy, dampened the North American economies, leading to the onset of the longest freight recession in history. In 2024, inflation, while persistent, began to moderate, taking some pressure off interest rates. Early, tentative signs of an improved balance between freight demand and industry capacity – in large part reflecting exits from the industry – started to emerge.

However, in Q1 2025, the US administration – for a variety of stated reasons including trade balances, migration, drug interdiction, revenue generation, etc. -- began imposing tariffs on Canadian (and many other countries') exports to the United States. Due to the uncertain and everchanging nature of these measures, the impacts on many end markets was difficult to anticipate. Some markets built up inventories to reduce the impact of anticipated tariffs, while others reduced investment and production until matters were clarified.

The Company has stayed close to the evolving demands from our customers and saw minimal impact to the business in Q1 2025. However, a prolonged trade dispute will likely have adverse effects on cross-border freight volume. As a result, we continue to monitor the situation closely.

In addition, there has historically been an increase in revenue and a decrease in margins in quarters following an acquisition until the integration of the newly acquired business into our operations is completed. We expect the integration of our first-ever U.S. asset-based acquisition, which began Q3 2023, to follow a similar pattern. However, the ongoing challenges of industry overcapacity and ongoing trade uncertainty has lengthened the margin improvement timeframe.

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LIQUIDITY AND CAPITAL RESOURCES

(in '000 Canadian dollars)

	March 31 2025	December 31 2024
Working capital ⁽¹⁾	(15,769)	(15,601)
Total assets	308,523	297,317
Net debt ⁽²⁾	143,226	159,923
Shareholders' equity	76,996	79,909
Net debt to equity ratio ⁽³⁾	1.86	2.00

(1) Working capital (deficit) is defined as current assets less current liabilities.

(2) Net debt is defined as bank indebtedness, acquisition loan, loans payable and finance lease liabilities, net of cash and finance lease receivables and assets held for sale, both current and long-term portions.

(3) Net debt to equity ratio is defined as net debt divided by shareholders' equity.

As the focus of our current capital deployment strategy, our working capital deficiency improved when compared to December 31, 2024, despite continued market weakness. Net debt to equity ratio declined due to the asset impairment recorded in 2024. Our efforts towards debt reduction and improving financial health have been progressing, positioning our company for sustainable growth.

In terms of rolling stock expenditures, we are not committed to any purchases over the next year. In addition, we expect to realize proceeds from the sale of excess aged equipment of approximately \$0.5 million. Our rolling stock replacement policy is to replace trucks after 6 years, van trailers after 10 years and flatbed trailers after 15 years. As a result of our rolling stock renewal program, our fleet is substantially newer than our normal average age. We expect to realize savings in fleet maintenance of about 15% over the next three years. We believe there is sufficient financing available to fund planned capital expenditures for further organic and inorganic growth of the business.

The following table sets out the Company's contractual obligations, excluding future interest payments:

(in '000 Canadian dollars)

	Total	1 Year	2 Years	3 Years	4 Years	5 Years	After 5 Years
Loans	121,512	33,110	31,468	27,251	17,593	8,845	3,245
Finance leases	20,202	6,126	4,455	2,475	2,413	2,329	2,404
	141,714	39,236	35,923	29,726	20,006	11,174	5,649

Titanium actively seeks debt refinancing when possible, especially for debt acquired through business acquisitions, to the extent that penalties for early retirement of debt are not significant and lower cost financing is available. We believe the Company's operating cash flows are sufficient to fund daily operating activities and meet regular debt repayment obligations.

The portion of the Company's bank credit facilities which was unused as of March 31, 2025, include approximately \$31.6 million under the revolving demand operating facility, and \$7.5 million under a finance lease loan facility.

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The Company's credit facility and finance leasing agreements require Titanium to maintain three covenants on a quarterly basis. These covenants are measured on a consolidated rolling twelve-month basis. We were in compliance with all covenants as of March 31, 2025, and we believe the Company will be in compliance with all required covenants for the next twelve months. The first covenant requires the Company's debt to tangible net worth ratio to be less than 3.5. Debt to tangible net worth is a ratio of total liabilities plus future minimum lease payments on non-realty operating leases to shareholder's equity less goodwill, customer lists and deferred tax assets. The second covenant requires the Company's debt service coverage ratio to be greater than 1.00. Debt service coverage is a ratio of net income before interest income and expenses, gains on sale of equipment, depreciation, amortization and non-cash items, less unfinanced capital expenditures, plus proceeds of sale of equipment, to contractually required principal and interest payments made over the prior twelve months. The third covenant requires the Company's fixed charge coverage ratio to be greater than 1.00 for the first quarter of 2025. Fixed charge coverage is a ratio of net income before interest income and expenses, gains on sale of equipment, to contractually required principal and interest payments made over the prior twelve months.

The Company must calculate its covenants by adjusting its net income and debt to treat realty leases as an operating lease rather than a finance lease.

Common Shares

The Company offers a share purchase plan (the "Plan"), which allows all employees and independent contractors, but excluding insiders of the Company, to contribute up to 5% of their compensation to a maximum of \$9,600 per year, towards the purchase of Titanium common shares. Contributions are matched at a rate of 100% by the Company and shares are issued from treasury in order to fund the Plan. In the case of employees, matched shares are subject to a three year vesting period. In the case of independent contractors, matched shares are issued after three-years of service. The maximum number of shares approved for issuance under the Plan is reviewed by the Board of Directors annually. Of the shares issued to date, 758,419 (December 31, 2024 - 693,419) have not vested.

As of May 13, 2025, there are 45,430,658 common shares of the Company outstanding. In addition, there are 3,611,900 stock options outstanding, of which 2,016,333 are exercisable.

TRANSACTIONS WITH RELATED PARTIES

The Company provides truck transportation services to companies under common control. These companies include Vision Extrusions Group Limited and Vision Profile Extrusions Ltd. Aggregate revenues from these companies totaled \$3.8 million for the three-month period ended March 31, 2025 (2024 - \$4.2 million).

These transactions are in the normal course of operations materially under the same commercial terms and conditions as transactions with unrelated companies and are measured at fair value.

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FORWARD LOOKING STATEMENTS

This MD&A contains forward looking statements that reflect the Company's current expectations and projections about its future results. When used in this MD&A, forward looking statements can be identified by the use of words such as "may", or by such words as "will", "intend", "believe", "estimate", "consider", "expect", "anticipate", "objective" and similar expressions or variations of such words. Forward looking statements are, by their nature, not guarantees of the Company's future operational or financial performance and are subject to risks and uncertainties and other factors that could cause the Company's actual results, performance, prospects or opportunities to differ materially from those expressed in, or implied by, these forward-looking statements. No representation or warranty is intended with respect to anticipated future results or that estimates or projections will be sustained.

Readers are cautioned not to place undue reliance on these forward-looking statements, which are necessarily based on a number of estimates and assumptions that, while considered reasonable by management as of the date of this MD&A, are inherently subject to significant business, economic and competitive uncertainties and contingencies. The following factors could cause the Company's actual financial performance to differ materially from that expressed in any forward looking statement: highly competitive market conditions, the Company's ability to recruit, train and retain qualified drivers, the Company's ability to identify, successfully complete and integrate suitable acquisitions, fuel price variation and the Company's ability to recover these costs from its customers, foreign currency fluctuations, the impact of environmental standards and regulations, changes in Canadian and US government regulations applicable to the Company's operations, changes in key personnel, adverse weather conditions, accidents and litigation, the market for used equipment, changes in interest rates, changes in the cost of liability insurance coverage, downturns in general economic conditions affecting the Company and its customers and availability of financing on reasonable commercial terms. The Company expressly disclaims any obligation to update forward looking statements if circumstances or management's views or estimates change, except as otherwise required pursuant to applicable law.

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NON-IFRS FINANCIAL MEASURES

This MD&A includes the following financial measures and ratios that 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.

"Operating income" is calculated as net income before 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.

"Operating margin" is calculated as operating earnings as a percentage of revenue before fuel surcharge.

"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.

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

We believe that these financial measures are useful for investors and other readers, when used in conjunction with other IFRS financial measures, as they are measures 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.

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RISKS AND UNCERTAINTIES

The Company's business is subject to a number of risk factors which are described in our most recently filed annual information form. Additional risks and uncertainties not presently known to us or that we currently consider immaterial also may impair our business and operations and cause the price of the common shares to decline. If any of the noted risks actually occur, our business may be harmed, and the financial condition and results of operations may suffer significantly. In that event, the trading price of the common shares could decline, and shareholders may lose all or part of their investment.

DISCLOSURE CONTROLS AND INTERNAL CONTROLS OVER FINANCIAL REPORTING

In compliance with the provisions of Canadian Securities Administrators' National Instrument 52-109, the President and Chief Executive Officer ("CEO"), and the Chief Financial Officer ("CFO") of the Company, have designed, or caused to be designed under their supervision, disclosure controls and procedures as well as internal controls over financial reporting in order to provide reasonable assurance over reliability of financial reporting and material information relating to the Company's annual financial statements and other reports filed and submitted under securities legislation.

It is the responsibility of management for the establishment and maintenance of adequate disclosure controls and procedures, as well as internal controls over financial reporting. Effective disclosure controls and internal controls ensures the Company's consolidated financial statements are presented fairly and free of material misstatements. In addition, management conducts an evaluation of the effective of its internal controls over financial report and disclosure controls and procedures as at March 31, 2025, under the supervision and with the participation of the CEO and CFO.

Based on the evaluation performed, the CEO and CFO concluded that internal controls over financial reporting, as well as disclosure controls and procedures, were effective as at March 31, 2025, to provide reasonable assurance over the Company's consolidated financial statements for external reporting purposes prepared under these controls. The control framework used to design the Company's internal controls over financial reporting is based on Internal Control Integrated Framework (2013 framework) as issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO").

Due to its inherent limitations, internal control over financial reporting and disclosure may not prevent or detect all misstatements. Further, the effectiveness of internal control is subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with policies or procedures may change.

There were no changes in the Company's internal control over financial reporting during the quarter ended March 31, 2025, that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

CHANGES IN ACCOUNTING POLICIES

The following new standards and amendments to standards are not yet effective for the quarter ended March 31, 2025, and have not been applied in preparing the consolidated interim financial statements:

IFRS 18, Presentation and Disclosure in Financial Statements