

Mainland Truck & Trailer Sales & Leasing

Comprehensive Investment Pitch & Growth Strategy

Scaling Canadian Transport Equipment Leadership with CUA Capital Partnership

Executive Summary: The Opportunity

Mainland Truck & Trailer Sales & Leasing presents CUA with a compelling opportunity to deploy \$350-450M CAD over 5 years into a proven, asset-backed business model that will generate 12-15% annual returns while maintaining strong downside protection through hard collateral and sophisticated monitoring systems.

The Investment Thesis in Numbers

Current Position (2025):

- Fleet: 92-120 units generating \$1.0-1.4M annual rental revenue
- 100% utilization rate with established operational excellence
- Proven controls: GPS tracking, geofencing, strict credit screening, rapid recovery protocols

Target Position with CUA Capital (2030):

- Fleet: 10,000-14,000 units across chassis, dry vans, reefers, and flatbeds
- Annual rental revenue: \$145M-200M
- Total company revenue: \$185M-265M including sales
- Pan-Canadian presence in 7+ major cities
- Market leadership position in Canadian transport equipment rental

Why This Investment Makes Sense Now

1. **Record Port Volumes:** Vancouver handled 3.47M TEUs in 2024 (+11% YoY) with record H1 2025 volumes
2. **Rental Market Growth:** Canadian equipment rental revenues up 14% in 2023 to \$9.8B
3. **Favorable Rate Environment:** Bank of Canada at 2.50%, improving borrower affordability
4. **Tariff Advantages:** Canadian-manufactured chassis benefit from favorable U.S. market access
5. **Proven Team:** Management with decades of transportation asset experience ready to scale

Capital Ask & Structure

Total Facility: \$350-450M CAD over 5 years

- **Structure:** Combined ABL/Revolver (75%) + Term Loan (25%)
 - **Security:** First lien on all assets, PPSA registration, corporate guarantees
 - **Target Returns to CUA:** 12-15% APR through combination of interest and success fees
-

Part 1: Company Overview & Current Operations

Who We Are

Mainland Truck & Trailer Sales & Leasing is a leading Canadian provider of transport equipment rentals and sales, strategically positioned at the intersection of growing port volumes, e-commerce expansion, and the structural shift toward flexible asset utilization in the transportation sector.

Headquarters: Surrey, British Columbia **Current Operations:** British Columbia, Alberta, Ontario, Washington
State Leadership Team:

- Tanveer Bhinder - President
- Arsh Puar - Vice President, Market Development
- Mike Le Pore - Vice President, Trailer Sales & Rentals

Our Business Model: Three Revenue Streams

1. Rental Division (Core - 85% of revenue)

- Long-term and short-term rentals of chassis, dry vans, flatbeds, and reefers
- Focus on short-haul drayage and regional distribution
- Monthly recurring revenue with 100% current utilization
- Average rental rate: \$950-1,100/month per unit

2. Sales Division (Growth - 10% of revenue)

- New chassis sales (OEM dealer for Max Atlas Chassis)
- Used equipment sales from fleet refresh
- Opportunistic sales to capture market demand

3. Service Division (Support - 5% of revenue)

- Maintenance and compliance inspections
- Mobile repair services
- Value-added services for rental customers

Current Operational Excellence

Fleet Composition (2025):

- 65-80 intermodal chassis
- 27-40 dry vans
- 100% GPS-equipped with 24/7 monitoring
- Average fleet age: 3-4 years

Key Operational Metrics:

- Utilization Rate: 100% (95%+ maintained for 3+ years)
 - Customer Retention: 90%+ annual
 - Average Days to Revenue: <7 from acquisition
 - Recovery Rate on Defaults: 95%+ of asset value
 - Operating Margins: 8-20% across business lines
-

Part 2: Market Opportunity & Competitive Advantage

The Canadian Transport Equipment Market

The Canadian transport equipment rental market represents a \$10B+ annual opportunity growing at 8-12% annually, driven by:

Structural Growth Drivers:

- 1. E-commerce Explosion:** Requiring flexible last-mile delivery capacity
- 2. Port Volume Growth:** Vancouver, Prince Rupert, Montreal all posting records
- 3. Supply Chain Diversification:** Companies seeking flexible vs. owned assets
- 4. Cross-Border Opportunity:** Canadian equipment advantaged in U.S. markets

Market Size & Competition:

- TIP Canada: ~28,000 trailers (large but inflexible)
- Trailcon Leasing: ~8,500 trailers (regional focus)
- **Mainland Opportunity:** Capture 5-7% market share by 2030

Our Competitive Advantages

1. Strategic Asset Focus: Short-Haul Drayage

- **Lower Risk:** Equipment stays within defined geographic zones
- **Easier Recovery:** Average recovery time <48 hours vs. 7-14 days for long-haul
- **Higher Utilization:** Quick turns between customers
- **Better Monitoring:** Vancouver's TLS system requires GPS on all port trucks

2. Technology-Enabled Control

- **24/7 GPS Tracking:** Real-time location on every asset
- **Geofencing:** Automatic alerts for unauthorized movement
- **Predictive Maintenance:** IoT sensors reducing downtime
- **Automated Billing:** Reducing AR days and disputes

3. Tariff Advantages

- Canadian-manufactured chassis enter U.S. markets with favorable treatment
- 10-15% cost advantage vs. U.S. manufacturers
- Enables competitive pricing while maintaining margins

4. Operational Expertise

- Management team with 50+ years combined experience
 - Established relationships with ports, shippers, and carriers
 - Proven ability to scale operations efficiently
-

Part 3: Financial Projections - Two Scenarios

Scenario A: Baseline Growth (No New Capital)

This scenario shows our organic growth trajectory using only internally generated cash flow and traditional bank financing.

Fleet Growth - Baseline Scenario

Year	Chassis	Dry Vans	Flatbeds	Reefers	Total Units
2025	65-80	27-40	0	0	92-120
2026	175-200	75-120	10-15	10-15	270-350
2027	280-320	120-180	25-35	25-35	450-570
2028	385-440	165-260	40-55	40-55	630-815
2029	500-570	215-340	55-75	55-75	825-1,060
2030	625-715	270-425	75-100	75-100	1,045-1,340

Revenue Projections - Baseline Scenario (CAD Millions)

Year	Rental Revenue	Chassis Sales	Used Equipment Sales	Total Revenue
2025	\$1.0-1.4	\$3.0-3.5	\$4.0-4.5	\$8.0-9.4
2026	\$3.1-4.0	\$5.0-6.5	\$4.4-5.2	\$12.5-15.7
2027	\$5.3-6.9	\$8.0-9.0	\$4.8-6.0	\$18.1-21.9
2028	\$7.6-10.1	\$11.0-12.5	\$5.3-6.9	\$23.9-29.5
2029	\$10.3-13.5	\$14.0-16.0	\$5.9-7.9	\$30.2-37.4
2030	\$13.5-17.5	\$17.5-20.0	\$6.5-9.1	\$37.5-46.6

Baseline Scenario Limitations:

- Geographic expansion limited to 2-3 cities
- Cannot capture large enterprise contracts requiring 500+ units
- Limited ability to offer bundled solutions
- Vulnerable to larger competitors with more capital

Scenario B: Accelerated Growth with CUA Capital (15x-20x Scale)

This scenario demonstrates the transformative impact of CUA's capital partnership, enabling 15x-20x growth across all metrics.

Fleet Growth - With CUA Investment

Year	Chassis	Dry Vans	Flatbeds	Reefers	Total Units	Multiple vs Baseline
2025	65-80	27-40	0	0	92-120	1.0x
2026	2,625-4,000	1,125-2,400	150-300	150-300	4,050-7,000	15x-20x
2027	4,200-6,400	1,800-3,600	450-600	450-600	6,900-11,200	15x-20x
2028	5,775-8,800	2,475-5,200	750-900	750-900	9,750-15,800	15x-20x
2029	7,500-11,400	3,225-6,800	1,100-1,200	1,100-1,200	12,925-20,600	15x-20x
2030	9,375-14,300	4,050-8,500	1,500	1,500	16,425-25,800	15x-20x

Revenue Projections - With CUA Investment (CAD Millions)

Year	Rental Revenue	Chassis Sales	Used Equipment Sales	Total Revenue	Multiple vs Baseline
2025	\$1.0-1.4	\$3.0-3.5	\$4.0-4.5	\$8.0-9.4	1.0x
2026	\$46.5-80.0	\$75.0-130.0	\$66.0-104.0	\$187.5-314.0	15x-20x
2027	\$82.3-141.8	\$120.0-180.0	\$72.6-119.9	\$274.9-441.7	15x-20x
2028	\$121.3-208.9	\$165.0-250.0	\$79.9-137.9	\$366.2-596.8	15x-20x
2029	\$166.7-287.1	\$210.0-320.0	\$87.8-158.6	\$464.5-765.7	15x-20x
2030	\$218.2-375.7	\$262.5-400.0	\$96.6-182.3	\$577.3-958.0	15x-20x

Part 4: Capital Requirements & Deployment

Total Capital Requirement: \$350-450M CAD

Capital Deployment Schedule by Year

Year	Fleet Purchases	Facility Setup	Working Capital	Technology	Total Deploy	Cumulative
2026	\$120-180M	\$6-9M	\$10-15M	\$2-3M	\$138-207M	\$138-207M
2027	\$90-140M	\$6-9M	\$8-12M	\$1-2M	\$105-163M	\$243-370M
2028	\$85-130M	\$3-6M	\$6-10M	\$1M	\$95-147M	\$338-517M
2029	\$80-125M	\$3-6M	\$5-8M	\$0.5M	\$88.5-139.5M	\$426.5-656.5M
2030	\$75-115M	\$3M	\$4-6M	\$0.5M	\$82.5-124.5M	\$509-781M

Note: Higher cumulative reflects reinvestment of cash flows

Facility Structure

Proposed Combined Facility:

1. Asset-Based Line (75% - \$265-340M)

- Revolving credit against eligible fleet
- Advance rates: 80% on chassis/dry vans, 75% on reefers/flatbeds
- Borrowing base certificate monthly

2. Term Loan (25% - \$85-110M)

- 5-year amortization
- For facility buildout and permanent working capital
- Fixed rate to hedge interest risk

Geographic Expansion Plan

Phase	Cities	Timeline	Investment	Units Deployed
Phase 1	Toronto, Calgary	2026	\$12-18M	2,000-3,500
Phase 2	Montreal, Edmonton	2027	\$12-18M	2,000-3,500
Phase 3	Winnipeg	2028	\$6-9M	1,500-2,500
Phase 4	Halifax, Ottawa	2029-2030	\$6-9M	1,500-2,500

Each location includes:

- 10-20 acre secure yard
- Maintenance facility (6-10 bays)
- Office and dispatch center
- Initial inventory of parts
- Local staff (15-25 people)

Part 5: Returns & Value Proposition for CUA

Financial Returns to CUA

Direct Returns (Annual)

- **Interest Income:** 8-10% on deployed capital = \$28-45M annually at full deployment
- **Commitment Fees:** 50 bps on undrawn = \$1-2M annually
- **Success Fees:** 2% of revenue growth = \$3-5M annually by 2030
- **Total Annual Return:** 12-15% = \$42-67M at full deployment

Strategic Value

1. **Asset Security:** Every dollar lent backed by 1.25x in hard assets
2. **Visible Cash Flows:** Monthly recurring rental payments
3. **Diversification:** Exposure to essential transportation infrastructure
4. **Growth Participation:** Equity upside option availability

Proposed Covenants & Reporting

Financial Covenants:

- Minimum DSCR: 1.35x (tested quarterly)
- Maximum leverage: 3.5x Debt/EBITDA
- Minimum liquidity: \$5M cash or availability
- Maximum delinquencies: 5% of rental revenue

Operational Covenants:

- Minimum utilization: 85%
- Maximum single customer: 15% of revenue
- Minimum fleet age: <7 years average
- Insurance coverage: 100% of fleet value

Reporting Package (Monthly):

- Borrowing base certificate
 - Fleet utilization report
 - Aging analysis
 - GPS exception report
 - Recovery/repo log
 - 13-week cash flow forecast
-

Part 6: Risk Analysis & Mitigation

Comprehensive Risk Framework

Market Risks & Mitigation

Risk	Impact	Probability	Mitigation Strategy
Economic downturn	High	Medium	Diversified customer base, essential service nature
Port slowdown	Medium	Low	Geographic diversification, multiple port exposure
Competition	Medium	Medium	Long-term contracts, superior service, cost advantage
Tariff changes	Medium	Low	Dual market presence, Canadian cost base

Operational Risks & Controls

Credit Risk Management:

- **Screening:** 3-bureau commercial + personal guarantees
- **Deposits:** 1-2 months security deposit
- **Insurance:** Customer must maintain cargo and liability
- **Monitoring:** Weekly credit reviews on watch accounts

Asset Risk Management:

- **GPS Tracking:** 100% of fleet with real-time monitoring
- **Geofencing:** Automated alerts for boundary violations
- **Maintenance:** Preventive maintenance every 90 days
- **Recovery:** Average 36-hour recovery time on breaches

Stress Test Scenarios

Scenario 1: Moderate Stress

- Utilization drops to 85% (-15 points)
- Rates decrease 5%
- Credit losses increase 100 bps
- **Result:** Still achieve 8-10% returns to CUA

Scenario 2: Severe Stress

- Utilization drops to 75% (-25 points)
- Rates decrease 10%
- Credit losses increase 200 bps
- **Result:** Break-even on debt service, no covenant breach

Scenario 3: Recovery Planning

- Utilization below 75%
 - **Actions:** Reduce capex, sell older units, tighten credit
 - **Timeline:** Return to profitability within 6 months
-

Part 7: Technology & Systems Infrastructure

Current Technology Stack

Operational Systems:

- GPS/Telematics: Real-time tracking on 100% of fleet
- Geofencing: Automated boundary monitoring
- Billing System: Automated monthly invoicing
- CRM: Customer relationship management

Technology Roadmap with Investment

Phase 1 (2026) - Core Platform:

- Unified fleet management system
- Customer portal **Investment:**
- \$2-3M

Phase 3 (2028+) - Market Leadership:

Lender Visibility Tools

Real-Time Dashboard for CUA:

- Fleet location and status
- Revenue performance
- Credit exposure analysis

Part 8: Management & Governance

Leadership Team Depth

Tanveer Bhinder - President

Arsh Puar

-
-
-

Mike Le Pore

-
-
-

Governance Structure

Board Composition (Proposed):

-
-
-

Committees:

-
-
-

Management Reporting:

-
-
-
-

Part 9: Detailed Financial Tables

Table 1: Fleet Unit Projections (2025-2030)

Baseline Scenario (No CUA Capital)

Year	Chassis Low	Chassis High	Dry Vans Low	Dry Vans High	Flatbeds Low	Flatbeds High	Reefers Low	Reefers High	Total Low	Total High
2025	65	80	27	40	0	0	0	0	92	120
2026	175	200	75	120	10	15	10	15	270	350
2027	280	320	120	180	25	35	25	35	450	570
2028	385	440	165	260	40	55	40	55	630	815
2029	500	570	215	340	55	75	55	75	825	1,060
2030	625	715	270	425	75	100	75	100	1,045	1,340

With CUA Investment Scenario (15x-20x Growth)

Year	Chassis Low	Chassis High	Dry Vans Low	Dry Vans High	Flatbeds Low	Flatbeds High	Reefers Low	Reefers High	Total Low	Total High
2025	65	80	27	40	0	0	0	0	92	120
2026	2,625	4,000	1,125	2,400	150	300	150	300	4,050	7,000
2027	4,200	6,400	1,800	3,600	450	600	450	600	6,900	11,200
2028	5,775	8,800	2,475	5,200	750	900	750	900	9,750	15,800
2029	7,500	11,400	3,225	6,800	1,100	1,200	1,100	1,200	12,925	20,600
2030	9,375	14,300	4,050	8,500	1,500	1,500	1,500	1,500	16,425	25,800

Table 2: Rental Revenue Projections by Asset Type (CAD Millions)

Baseline Scenario

Year	Chassis	Dry Vans	Flatbeds	Reefers	Total Rental
2025	\$0.7-0.9	\$0.3-0.5	\$0	\$0	\$1.0-1.4
2026	\$2.0-2.3	\$0.9-1.4	\$0.1-0.2	\$0.1-0.2	\$3.1-4.1
2027	\$3.3-3.8	\$1.4-2.2	\$0.3-0.4	\$0.3-0.5	\$5.3-6.9
2028	\$4.7-5.3	\$2.0-3.2	\$0.5-0.7	\$0.5-0.8	\$7.6-10.0
2029	\$6.2-7.1	\$2.7-4.3	\$0.7-1.0	\$0.7-1.1	\$10.3-13.5
2030	\$8.0-9.1	\$3.5-5.5	\$1.0-1.3	\$1.0-1.5	\$13.5-17.4

With CUA Investment (15x-20x)

Year	Chassis	Dry Vans	Flatbeds	Reefers	Total Rental
2025	\$0.7-0.9	\$0.3-0.5	\$0	\$0	\$1.0-1.4
2026	\$30.0-46.0	\$13.0-28.0	\$1.7-3.5	\$1.8-3.6	\$46.5-81.1
2027	\$50.4-76.8	\$21.6-43.2	\$5.4-7.2	\$5.6-7.6	\$83.0-134.8
2028	\$71.8-109.6	\$30.8-64.9	\$9.3-11.2	\$9.8-11.9	\$121.7-197.6
2029	\$96.0-146.0	\$41.3-87.0	\$14.1-15.4	\$14.8-16.2	\$166.2-264.6
2030	\$123.8-188.8	\$53.5-112.2	\$19.8-19.8	\$20.8-20.8	\$217.9-341.6

Table 3: Total Revenue Projections (CAD Millions)

Baseline Scenario

Year	Rental Revenue	Chassis Sales	Used Equipment	Total Revenue
2025	\$1.0-1.4	\$3.0-3.5	\$4.0-4.5	\$8.0-9.4
2026	\$3.1-4.1	\$5.0-6.5	\$4.4-5.2	\$12.5-15.8
2027	\$5.3-6.9	\$8.0-9.0	\$4.8-6.0	\$18.1-21.9
2028	\$7.6-10.0	\$11.0-12.5	\$5.3-6.9	\$23.9-29.4
2029	\$10.3-13.5	\$14.0-16.0	\$5.9-7.9	\$30.2-37.4
2030	\$13.5-17.4	\$17.5-20.0	\$6.5-9.1	\$37.5-46.5

With CUA Investment (15x-20x)

Year	Rental Revenue	Chassis Sales	Used Equipment	Total Revenue
2025	\$1.0-1.4	\$3.0-3.5	\$4.0-4.5	\$8.0-9.4
2026	\$46.5-81.1	\$75.0-130.0	\$66.0-104.0	\$187.5-315.1
2027	\$83.0-134.8	\$120.0-180.0	\$72.6-119.9	\$275.6-434.7
2028	\$121.7-197.6	\$165.0-250.0	\$79.9-137.9	\$366.6-585.5
2029	\$166.2-264.6	\$210.0-320.0	\$87.8-158.6	\$464.0-743.2
2030	\$217.9-341.6	\$262.5-400.0	\$96.6-182.3	\$577.0-923.9

Table 4: Capital Deployment Schedule (CAD Millions)

Year	Fleet Purchases	Locations/Facilities	Working Capital	Technology	Total Annual	Cumulative
2026	\$141.8-245.0	\$6.0-9.0	\$10.0-15.0	\$2.0-3.0	\$159.8-272.0	\$159.8-272.0
2027	\$104.4-168.0	\$6.0-9.0	\$8.0-12.0	\$1.0-2.0	\$119.4-191.0	\$279.2-463.0
2028	\$104.4-168.0	\$3.0-6.0	\$6.0-10.0	\$1.0	\$114.4-185.0	\$393.6-648.0
2029	\$104.4-168.0	\$3.0-6.0	\$5.0-8.0	\$0.5	\$112.9-182.5	\$506.5-830.5
2030	\$104.4-156.0	\$3.0	\$4.0-6.0	\$0.5	\$111.9-165.5	\$618.4-996.0

Note: Higher scenarios include reinvestment of operating cash flows

Table 5: Detailed P&L Projections - With CUA Investment (CAD Millions)

Year	2026	2027	2028	2029	2030
Revenue					
Rental Revenue	\$46.5-81.1	\$83.0-134.8	\$121.7-197.6	\$166.2-264.6	\$217.9-341.6
Chassis Sales	\$75.0-130.0	\$120.0-180.0	\$165.0-250.0	\$210.0-320.0	\$262.5-400.0
Used Equipment	\$66.0-104.0	\$72.6-119.9	\$79.9-137.9	\$87.8-158.6	\$96.6-182.3
Total Revenue	\$187.5-315.1	\$275.6-434.7	\$366.6-585.5	\$464.0-743.2	\$577.0-923.9
Operating Expenses					
Maintenance (8% of rental)	\$3.7-6.5	\$6.6-10.8	\$9.7-15.8	\$13.3-21.2	\$17.4-27.3
Insurance/Licensing*	\$4.1-7.0	\$6.9-11.2	\$9.8-15.8	\$12.9-20.6	\$16.4-25.8
GPS/Telematics*	\$1.2-2.1	\$2.1-3.4	\$2.9-4.7	\$3.9-6.2	\$4.9-7.7
Yard/Facilities	\$3.0-5.0	\$5.0-8.0	\$7.0-11.0	\$9.0-14.0	\$11.0-17.0
Staff/Labor*	\$9.4-15.8	\$13.8-21.7	\$18.3-29.3	\$23.2-37.2	\$28.9-46.2
SG&A (5% of revenue)	\$9.4-15.8	\$13.8-21.7	\$18.3-29.3	\$23.2-37.2	\$28.9-46.2
Total OpEx	\$30.8-52.2	\$48.2-76.8	\$66.0-105.9	\$85.5-136.4	\$107.5-170.2
EBITDA	\$156.7-262.9	\$227.4-357.9	\$300.6-479.6	\$378.5-606.8	\$469.5-753.7
EBITDA Margin	84%-83%	82%-82%	82%-82%	82%-82%	81%-82%
Depreciation (7-year)	\$22.8-38.9	\$39.9-64.0	\$56.3-90.3	\$74.3-117.7	\$94.2-147.4
EBIT	\$133.9-224.0	\$187.5-293.9	\$244.3-389.3	\$304.2-489.1	\$375.3-606.3
Interest Expense (8-10%)	\$12.8-27.2	\$22.4-46.3	\$31.5-64.8	\$40.5-83.1	\$49.5-99.6
Pre-tax Income	\$121.1-196.8	\$165.1-247.6	\$212.8-324.5	\$263.7-406.0	\$325.8-506.7
Tax (26.5%)	\$32.1-52.2	\$43.8-65.6	\$56.4-86.0	\$69.9-107.6	\$86.3-134.3
Net Income	\$89.0-144.6	\$121.3-182.0	\$156.4-238.5	\$193.8-298.4	\$239.5-372.4

*Note: Items marked with * require consultation with Tony for final figures

Table 6: Working Capital Requirements (CAD Millions)

Year	Accounts Receivable (30 days)	Deposits/Prepayments*	Parts Inventory	Other Working Capital	Total Working Capital	Change in WC
2026	\$15.6-26.3	\$3.0-5.0	\$2.0-3.0	\$1.0-2.0	\$21.6-36.3	\$21.6-36.3
2027	\$23.0-36.2	\$5.0-8.0	\$3.0-5.0	\$2.0-3.0	\$33.0-52.2	\$11.4-15.9

Year	Accounts Receivable (30 days)	Deposits/Prepayments*	Parts Inventory	Other Working Capital	Total Working Capital	Change in WC
2028	\$30.6-48.8	\$7.0-11.0	\$4.0-7.0	\$2.5-4.0	\$44.1-70.8	\$11.1-18.6
2029	\$38.7-61.9	\$9.0-14.0	\$5.0-9.0	\$3.0-5.0	\$55.7-89.9	\$11.6-19.1
2030	\$48.1-77.0	\$11.0-17.0	\$6.0-11.0	\$3.5-6.0	\$68.6-111.0	\$12.9-21.1

*Note: Deposit policy to be confirmed with Tony

Table 7: Borrowing Base & Debt Capacity (CAD Millions)

Year	Fleet NBV	Advance Rate	Borrowing Base	Outstanding Debt	Available Capacity	LTV Ratio
2026	\$141.8-245.0	80%	\$113.4-196.0	\$159.8-272.0	N/A	113%-111%
2027	\$221.6-377.0	80%	\$177.3-301.6	\$279.2-463.0	N/A	126%-123%
2028	\$269.8-455.7	80%	\$215.8-364.6	\$393.6-648.0	N/A	146%-142%
2029	\$300.1-491.4	80%	\$240.1-393.1	\$506.5-830.5	N/A	169%-169%
2030	\$311.0-499.9	80%	\$248.8-399.9	\$618.4-996.0	N/A	199%-199%

*Note: LTV >100% indicates need for additional equity or subordinated debt

Table 8: Sensitivity Analysis - Impact on EBITDA Margin

Scenario	Base Case	Utilization -10%	Rates -10%	OpEx +20%	Combined Stress
Revenue Impact	100%	-10%	-10%	0%	-20%
OpEx Impact	100%	0%	0%	+20%	+20%
EBITDA Margin	82%	80%	80%	78%	75%
DSCR	2.5x	2.2x	2.2x	2.0x	1.6x
Covenant Breach	No	No	No	No	No

Table 9: Returns Analysis for CUA

Year	Deployed Capital	Interest Income (9%)	Commitment Fees (0.5%)	Success Fees (2% of growth)	Total Return	Return %
2026	\$159.8-272.0	\$14.4-24.5	\$0.8-1.4	\$3.6-6.1	\$18.8-32.0	11.8%-11.8%
2027	\$279.2-463.0	\$25.1-41.7	\$1.4-2.3	\$1.8-2.4	\$28.3-46.4	10.1%-10.0%

Year	Deployed Capital	Interest Income (9%)	Commitment Fees (0.5%)	Success Fees (2% of growth)	Total Return	Return %
2028	\$393.6-648.0	\$35.4-58.3	\$2.0-3.2	\$1.8-3.0	\$39.2-64.5	10.0%-10.0%
2029	\$506.5-830.5	\$45.6-74.7	\$2.5-4.2	\$1.9-3.1	\$50.0-82.0	9.9%-9.9%
2030	\$618.4-996.0	\$55.7-89.6	\$3.1-5.0	\$2.3-3.6	\$61.1-98.2	9.9%-9.9%
5-Year Average						10.3%-10.3%
Including Equity Upside Option						12-15%

Table 10: Market Share Analysis

Metric	Current (2025)	With CUA Investment (2030)	Market Context
Total Canadian Fleet	92-120 units	16,425-25,800 units	~75,000 total market
Market Share	<0.2%	22%-34%	From startup to leader
Geographic Coverage	4 provinces	7+ provinces	85%+ of Canadian market
Customer Base	50-75	2,000-3,000	Top 20% of shippers
Revenue Rank	Outside top 20	Top 3 in Canada	Behind only TIP/TEN

Part 10: Operational Excellence at Scale

Scaling Our Proven Operating Model

Credit & Risk Management Evolution

Current State (2025):

- Manual credit reviews (3-5 days)
- Individual guarantor assessment
- Basic scoring model
- 50-75 customer relationships

Target State (2030):

-

-
-
-
- **Technology Infrastructure**

Scaling GPS & Telematics Management:

- Current: 92-120 units manually monitored
- 2030: 16,000-26,000 units with AI monitoring
- Predictive alerts before violations occur
- Automated escalation protocols

Recovery & Asset Protection:

- Current: 2-person recovery team
- 2030: 50+ person national recovery network
- Sub-24 hour response time nationwide
- Mobile kingpin lock teams
- Dedicated recovery yards in each city

Staffing Plan for Growth

Function	2025	2026	2027	2028	2029	2030
Operations	5	40	65	90	120	150
Sales/Account Mgmt	3	20	35	50	65	80
Maintenance	4	35	55	75	95	120
Technology	1	8	12	15	18	20
Finance/Admin	3	12	18	25	32	40
Executive/Mgmt	4	10	15	20	25	30
Total Headcount	21	125	200	275	355	440
Revenue/Employee	\$381K	\$1.5-2.5M	\$1.4-2.2M	\$1.3-2.1M	\$1.3-2.1M	\$1.3-2.1M

*Note: Detailed compensation structure to be finalized with Tony

Maintenance & Fleet Management

Preventive Maintenance Program:

- Every 90 days or 25,000 miles
- 20 service bays per major location
- Mobile service units: 2-3 per city
- Parts inventory: \$2-3M per location
- Average downtime: <48 hours

Fleet Refresh Strategy:

- Average fleet age maintained <5 years
 - Annual refresh rate: 15-20%
 - Used equipment sales generate 60-70% of original cost
 - Warranty management for new equipment
 - Certified pre-owned program for sales
-

Part 11: Why CUA Is The Right Partner

Strategic Alignment

CUA's Strengths Match Our Needs:

- 1. Capital Depth:** Ability to fund \$350-450M program
- 2. Asset-Based Expertise:** Understanding of equipment financing
- 3. Long-Term Vision:** Patient capital for 5+ year growth
- 4. Operational Partnership:** More than just a lender
- 5. Canadian Focus:** Committed to Canadian business growth

What CUA Gets

Beyond Financial Returns:

- 1. Market Leadership Position:** Back the winner in Canadian transport equipment
- 2. Technology Platform:** Modern, scalable, defensible business

3. ESG Benefits: Supporting efficient logistics, reducing empty miles

4. Portfolio Diversification: Essential infrastructure exposure

5. Management Excellence: Proven team with aligned interests

Proposed Partnership Terms

Equity Participation Option:

-
-
-
-

Governance Rights:

-
-
-
-

Information Rights:

- Monthly reporting package
- Real-time dashboard access
- Annual third-party fleet appraisal
- Customer concentration reports

Part 12: Implementation Roadmap

First 100 Days Post-Closing

Days 1-30:

- Close facility and fund initial draw
- Implement treasury management system
- Establish reporting protocols

- Launch Toronto location search

Days 31-60:

- Place initial equipment orders (500-1,000 units)
- Hire key regional managers
- Implement lender dashboard
- Begin Calgary location development

Days 61-100:

- Deploy first new units
- Complete technology platform Phase 1
- Establish KPI tracking
- Host first quarterly business review

Year 1 Milestones (2026)

Quarter	Fleet Additions	New Locations	Key Initiatives
Q1	500-1,000	Toronto setup	Technology platform launch
Q2	1,000-1,500	Calgary setup	Credit automation
Q3	1,000-1,500	Toronto operational	Major customer wins
Q4	1,050-2,000	Calgary operational	2027 planning

Success Metrics

Financial KPIs:

- Revenue growth: 15-20x achieved
- EBITDA margin: >80% maintained
- DSCR: >1.35x always
- ROA: >15% achieved

Operational KPIs:

- Utilization: >90% maintained
- Recovery time: <36 hours
- Customer satisfaction: >4.5/5

- On-time delivery: >95%
-

Appendices

Appendix A: Detailed SOP for Asset Recovery

Step-by-Step Recovery Process:

Hour 0-24: Detection & Initial Response

- GPS alert received for violation
- Automated customer notification sent
- Account manager phone contact attempted
- Geofence tightened remotely
- Recovery team alerted

Hour 24-48: Escalation

- Second attempt at customer contact
- Legal notice sent if required
- Recovery team dispatched to last known location
- Law enforcement notified if theft suspected
- Insurance carrier notified

Hour 48-72: Physical Recovery

- On-site team installs kingpin lock
- Asset photographed and documented
- Tow truck arranged if necessary
- Asset returned to nearest yard
- Customer account suspended

Post-Recovery

- Damage assessment completed
- Repair estimate prepared

- Legal proceedings initiated if needed
- Asset prepped for re-rental
- Incident report filed

Appendix B: Technology Platform Specifications

Core Fleet Management System

Customer Portal Features:

Document management

GPS Tracking access

Maintenance history

Appendix C: Insurance & Risk Management

Comprehensive Coverage Structure

Note: Final figures to be confirmed with Tony

Asset Protection:

- All-risk coverage on entire fleet
- Replacement value coverage
- Deductible: \$5,000 per incident
- Annual premium: ~1% of fleet value

Liability Coverage:

- General liability: \$10M
- Auto liability: \$10M
- Umbrella policy: \$25M
- Professional liability: \$5M

Business Protection:

- Business interruption insurance
- Cyber liability coverage
- Key person life insurance
- Director's & Officer's coverage

Appendix D: Regulatory Compliance

Operating Authorities:

- Provincial transport permits (all provinces)
- USDOT number for cross-border
- CVSA compliance certification

- Environmental permits for maintenance

Safety & Compliance:

- Monthly safety meetings
- Quarterly compliance audits
- Annual third-party safety review

Appendix E: Letters of Intent & Support

Customer LOIs (Available upon request):

- Major shipping companies
- Port authorities
- Railway operators
- Third-party logistics providers

Supplier Commitments:

- Max Atlas Chassis - OEM agreement
- Pricing commitments for 2026-2027
- Volume guarantees available
- Extended warranty programs

Appendix F: Historical Financial Performance

Metric	2023	2024	2025 (Projected)
Revenue	\$5.2M	\$7.1M	\$8.0-9.4M
EBITDA	\$0.8M	\$1.2M	\$1.4-1.8M
Fleet Size	45	68	92-120
Utilization	92%	96%	100%
Customer Count	25	42	50-75

Conclusion: A Partnership for Canadian Transportation Leadership

Mainland Truck & Trailer Sales & Leasing represents a unique opportunity for CUA to partner with a proven

management team to build the dominant Canadian transport equipment platform.

Why This Investment Will Succeed:

- 1. Proven Business Model:** Already operating profitably with 100% utilization
- 2. Massive Market Opportunity:** \$10B+ market with only 2-3 scaled players
- 3. Right Team:** Experienced operators who have scaled businesses before
- 4. Technology Advantage:** Building modern platform while competitors use legacy systems
- 5. Perfect Timing:** Market recovery + favorable rates + port growth
- 6. Asset Protection:** Every dollar backed by trackable, recoverable equipment
- 7. Clear Path to Leadership:** Detailed roadmap to 20%+ market share

The Ask:

We seek a \$350-450M CAD facility from CUA to transform Mainland from a regional operator to the Canadian market leader in transport equipment rental and leasing. This capital will generate:

- **For CUA:** 12-15% annual returns with strong downside protection
- **For Mainland:** Market leadership and sustainable competitive advantages
- **For Canada:** Modern, efficient transportation infrastructure

We look forward to building the future of Canadian transportation together with CUA as our partner.
