

Fastfrate Group announces majority acquisition of Challenger Group

The acquisition adds to Fastfrate Group's diverse suite of transportation and supply chain offerings

TORONTO, ON – June 16, 2022 – Today, Fastfrate Group has announced the majority acquisition of the Challenger Group. The newly combined entity will help address the rapidly changing state of supply chains.

Fastfrate Group will add the Challenger Group's industry-leading cross-border trucking capabilities to complete an already diverse suite of services, which includes LTL, TL, intermodal, drayage, logistics, warehousing, distribution services, home delivery, e-commerce, and more.

"Our acquisition of the Challenger Group brings together two iconic organizations in transportation and supply chain," said Ron Tepper, Chairman of Fastfrate Group. "Together, we are a force within our industry that will compete collectively to deliver a complete and complementary suite of solutions to customers. This will serve to help our customers as supply chains become more diverse."

Together the new entity will bring over 100 years of experience combined, more than 5,000 employees and owner operators, over 1.2 million sqft of facilities, and over 5,500 pieces of equipment.

"With similar histories of entrepreneurship and growth, this is as much an acquisition as it is a partnership of like minds," said Dan Einwechter, Founder and Chairman of Challenger. "We are excited to offer truly end-to-end transportation and supply chain solutions to our customers which support their needs and grow their business."

As part of the terms of the acquisition, Challenger Group will continue to operate independently under incoming CEO Jim Peeples. Dan Einwechter will remain Chairman of Challenger Group and join the Board of Directors of Fastfrate Group. Manny Calandrino will continue as CEO of the Fastfrate Group. Current employees and management teams at both organizations will not be impacted by the transaction.

"Who we are won't change," said Jim Peeples, CEO of Challenger Group. "Like Fastfrate Group, we remain focused on delivering exceptional service, maintaining a people-first culture, and providing end-to-end services that meet our customers' needs. Those common values are what will drive our collective success."

Now with 7 companies and 40 locations operating across Canada and the United States, Fastfrate Group is one of the largest independently owned transportation and supply chain companies in Canada.

"After years of aggressive growth, Fastfrate Group is ready to set a new standard in our industry," said Manny Calandrino, CEO of Fastfrate Group. "We have the people, solutions, and service to deliver on our promise to customers. And when we deliver, our customers win."

Loopstra Nixon LLP is acting as legal counsel and Ernst & Young Orenda Corporate Finance Inc. is acting as financial advisor to the Fastfrate Group. Scotiabank and Whiteshell Advisory Inc. are acting as financial advisors and Gowling WLG is serving as legal counsel to the Challenger Group.

About Fastfrate Group

Fastfrate Group is comprised of 6 companies operating out of 30 terminals and final mile hubs across Canada and into the United States. We provide industry-leading, end-to-end supply chain solutions that are an essential part of keeping our customers businesses running. We offer customers a full suite of asset-based transportation including over-the-road, crossborder and intermodal LTL and TL, drayage and transload, warehousing, distribution, final mile, and logistics services. With a 56-year legacy in Canada, we are driven to be the country's most trusted and leading transportation company.

About Challenger

Challenger Motor Freight has been serving customers for 48 years. We provide leading transportation, warehousing, and distribution services to customers from coast-to-coast, with the ability to ship domestically and across North America. Challenger transportation services include LTL, full truckload, rail transport, intermodal, and expedite services to ensure efficient, on-time delivery. Logistics and Supply Chain Management, including Third-Party Logistics and On-site Warehousing are key parts of Challenger's complete shipping and transportation solution. Our customs specialists make hassle-free cross-border shipments easy.

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