Interim Financial Report for the Period Ended September 25, 2021

LOGISTEC

Q3 2021

Revenue

(in millions of Canadian dollars)	2018 [1]	2019	2020	2021
March	82.4	114.7	109.4	**104.9**
June	149.2	156.2	123.6	**172.5**
September	184.5	195.3	191.9	**236.2**
December	168.7	173.7	179.8	
Year-to-date	584.9	639.9	604.7	**513.6**

Adjusted EBITDA [2]

(in millions of Canadian dollars)	2018 [1]	2019	2020	2021
March	(3.2)	1.2	7.5	**6.2**
June	14.9	21.7	19.9	**27.3**
September	33.2	36.0	41.7	**49.7**
December	19.3	30.7	31.6	
Year-to-date	64.2	89.6	100.7	**83.2**

Profit (loss) attributable to owners of the Company

(in millions of Canadian dollars)	2018 [1]	2019	2020	2021
March	(9.5)	(8.9)	(5.4)	**(5.7)**
June	1.9	5.9	4.6	**10.2**
September	22.3	17.4	20.4	**26.8**
December	3.4	11.8	13.0	
Year-to-date	18.1	26.2	32.6	**31.3**

Total diluted earnings (loss) per share [3]

(in Canadian dollars)	2018 [1]	2019	2020	2021
March	(0.75)	(0.70)	(0.42)	**(0.44)**
June	0.14	0.45	0.35	**0.78**
September	1.69	1.33	1.56	**2.04**
December	0.26	0.90	0.99	
Year-to-date	1.38	2.00	2.49	**2.38**

[1] For all periods after January 1, 2019, figures reflect the application of IFRS 16, *Leases* ("IFRS 16"), for which the 2018 comparative figure has not been restated.
[2] Adjusted EBITDA is a non-IFRS measure; please refer to the non-IFRS measures section on page 16.
[3] For earnings (loss) per share per class of share, please refer to the selected quarterly financial information on page 7.



TO OUR SHAREHOLDERS

Highlights from the third quarter of 2021:

- Consolidated revenue totalled $236.2 million, up $44.3 million or 23.1%;
- Adjusted EBITDA [(1)] closed at $49.7 million, up $8.0 million;
- Total diluted earnings per share of $2.04, up $0.48;
- On August 5, 2021, the Company's Board of Directors elected to increase the dividend payment by 5.0%.

Highlights from the nine-month period ended September 25, 2021:

- Consolidated revenue totalled $513.6 million, up $88.7 million or 20.9%;
- Adjusted EBITDA [(1)] closed at $83.2 million, up $14.1 million;
- Total diluted earnings per share of $2.38, up 59.7%.

Delivered the Strongest Quarter in LOGISTEC's History

LOGISTEC reported its strongest quarter results to date in revenue and profit attributable to owners of the Company. Both the marine and the environmental services segments contributed to these great results. Together with our customers and communities, LOGISTEC continues to embrace the relaunch of an anticipated post-COVID economy. Consolidated revenue was $236.2 million in the period, an increase of $44.3 million or 23.1% over the same period in 2020.

Marine Services

Revenue from the marine services segment reached $111.9 million in 2021, up $32.7 million or 41.2% compared with the same period in 2020. The rebound in manufacturing production had a favourable impact on global trade which translated into incremental cargo handled at most of LOGISTEC's terminals. Furthermore, the traditional energy industry and wind energy sector continue to fuel the growth of our operations in the U.S. Gulf Coast.

Overall, volumes are at pre-pandemic levels and strategic acquisitions we have made over the years are contributing to LOGISTEC's performance. Sharing our expertise and best practices across our network is beneficial to our customers and represents a key component of our strategic growth plan. We are appreciative of our dedicated teams who are delivering successfully across our network, despite ongoing challenges including operating constraints due to the pandemic, as well as storms and disruptions in the supply chain. Our market intelligence indicates that the upswing in volumes will continue for some time.

In August, LOGISTEC resumed peanut pellet operations at the Port of Brunswick terminal, following the fire in May, and took necessary steps to put in place new measures to meet all the safety conditions for our operations. We expect to resume wood pellet activities in the fourth quarter of 2021.

Further solidifying LOGISTEC's commitment to Environmental, Social and Governance ("ESG") and sustainability goals, we took delivery of two electric cranes at the Port of Montréal. In addition, Gulf Stream Marine, Inc. ("GSM") qualified for Government grants to purchase new and upgraded equipment with reduced environmental impact, contributing to cleaner air in Texas.

We were honoured to receive two prestigious recognitions presented by the international Heavy Lift Awards, and have been named marine Terminal Operator of the Year, a distinction that recognizes our talent and unique operational expertise. Our wholly owned subsidiary GSM also received an award in the "Safety" category for its exemplary commitment to develop and nurture a culture of health and safety in handling project cargo and wind energy components.

[(1)] Adjusted EBITDA is a non-IFRS measure, please refer to the non-IFRS measures section on page 16.

Environmental Services

Revenue from the environmental services segment was $124.3 million, up $11.7 million or 10.4% in the third quarter of 2021. The growth is mainly attributable to the acquisition of American Process Group ("APG") while our ALTRA line of products continues to perform as expected. So far, our recent acquisition in APG has generated synergies of expertise and allowed us to expand market reach by providing complementary services for large-scale projects. However, ALTRA Proven Water Technologies renewal projects across the U.S. are currently affected by disruption in the supply chain, but projects are expected to resume in the fourth quarter, with the arrival of materials that are currently in short supply.

OUTLOOK

As we move through 2021, we remain focused on continuing to drive profitable growth and delivering long-term, sustainable value to our stakeholders. This was demonstrated as we delivered record results in this third quarter. With three quarters of the year completed and a positive outlook for the coming months, we anticipate a strong close to this year.

On the marine side of the business, we see a steady return to normal. With large infrastructure projects underway both in the U.S. and Canada, it is expected that bulk and break-bulk cargo handling will remain very busy for the foreseeable future. We continue to focus on Green Marine certification of our terminals to reduce our environmental footprint in everything we do.

In our environmental services segment, we are optimistic for the remainder of 2021, thanks to a strong order book and the success of ongoing projects and operations. We continue to work closely with customers to find innovative, sustainable, and reliable solutions in support of a strong and prosperous global economy. As part of this work with our customers, we have seen an increase in the number of companies looking to work with partners providing sustainable solutions. This positions LOGISTEC well to leverage our ambitious sustainability plan in line with our ESG goals.

Our strategy remains unchanged: leverage our high-quality assets, strong geographic footprint and culture of innovation to drive future growth. Our experts are committed to delivering this strategy and driving shareholder value.

(signed) Curtis J. Foltz	*(signed)* Madeleine Paquin
Curtis J. Foltz	Madeleine Paquin, C.M.
Chairman of the Board	President and Chief Executive Officer

November 9, 2021

FORWARD LOOKING STATEMENTS

This management's discussion and analysis ("MD&A") along with the annual report, audited annual consolidated financial statements, the annual information form and the information circular and compensation disclosure and analysis are all filed on SEDAR's website (www.sedar.com) and some of these documents can also be consulted on LOGISTEC's website (www.logistec.com), in the investors section.

The interim financial reports and financial press releases can also be consulted on SEDAR and LOGISTEC's website.

For the purpose of informing shareholders and potential investors about the Company's prospects, sections of this document may contain forward-looking statements, within the meaning of securities legislation, about the Company's activities, performance and financial position and, in particular, hopes for the success of the Company's efforts in the development and growth of its business. These forward-looking statements express, as of the date of this document, the estimates, predictions, projections, expectations, or opinions of the Company about future events or results. Although the Company believes that the expectations produced by these forward-looking statements are founded on valid and reasonable bases and assumptions, these forward-looking statements are inherently subject to important uncertainties and contingencies, many of which are beyond the Company's control, such that the Company's performance may differ significantly from the predicted performance expressed or presented in such forward-looking statements. The important risks and uncertainties that may cause the actual results and future events to differ significantly from the expectations currently expressed are examined under "Business Risks" in the Company's annual report and include (but are not limited to) the impact of the COVID-19 pandemic on the Company's business and results of operations, the performance of domestic and international economies and their effect on shipping volumes, weather conditions, labour relations, pricing and competitors' marketing activities. The reader of this document is thus cautioned not to place undue reliance on these forward-looking statements. The Company undertakes no obligation to update or revise these forward-looking statements, except as required by law.

INTRODUCTION

This MD&A deals with LOGISTEC Corporation's operations, results and financial position for the three-month and nine-month periods ended September 25, 2021, and September 26, 2020. All financial information contained in this MD&A and the attached condensed consolidated interim financial statements ("Q3 2021 financial statements") has been prepared in accordance with International Financial Reporting Standards ("IFRS") using the same accounting policies as outlined in Note 2 of the notes to 2020 audited consolidated financial statements, except for the new accounting standards and amendments described in Note 2 of the Q3 2021 financial statements. In this report, unless indicated otherwise, all dollar amounts are expressed in Canadian dollars.

OUR BUSINESS

The Company is incorporated in the Province of Québec and its shares are listed on the Toronto Stock Exchange ("TSX") under the ticker symbols LGT.A and LGT.B. The Company's largest shareholder is Sumanic Investments Inc.

The operations of LOGISTEC Corporation, its subsidiaries, and its joint ventures (collectively "LOGISTEC", the "Company", "we", "us", or "our") are divided into two segments: marine services and environmental services.

Marine Services

Consisting of 54 ports and 80 terminals across North America, LOGISTEC's marine services segment provides specialized cargo handling and other services to a wide variety of marine and industrial customers. LOGISTEC's cargo handling services business is one of the largest service providers in Canada and a growing player in the United States. Cargoes handled typically consist of products such as forest products, metals, dry bulk, fruit, grain and bagged cargoes, containers, general and project cargoes. Other marine services include marine transportation and marine agencies. The Company is consistently pursuing opportunities to deliver value to its customers and enhance long term shareholder value.

Environmental Services

The Company, through its subsidiaries SANEXEN Environmental Services Inc. ("SANEXEN"), FER-PAL Construction Ltd. ("FER-PAL"), American Process Group ("APG"), and NIEDNER Inc. ("NIEDNER"), as well as through its brand, ALTRA Proven Solutions ("ALTRA"), operates in the environmental sector. We deliver creative and customized solutions to industrial, municipal and governmental clients with respect to renewal of underground water mains, site remediation, dredging and dewatering, soils and materials management, risk assessment, and manufacturing of woven hoses.

OUTLOOK FROM THE CHIEF FINANCIAL OFFICER

Our third quarter results were very strong, continuing a positive trend reported in the second quarter. Despite the pandemic, we succeeded in adapting both our marine and environmental operations to the new normal, delivering sustained results and growth.

Cargo handling volumes remained high. The Baltic Dry Index ("BDI") continued its upward momentum, reaching a five-year high amid sustained demand for containers worldwide. Both of these indicators point to high cargo volumes for a while, although there is concern about the current elevated cost of transportation and its potential impact on the cost structure of exporters, importers and other cargo owners.

Our environmental segment is performing well, with our most recent acquisition, APG, contributing to the top and bottom lines. FER-PAL is also performing very well year-to-date. Difficulties in the global supply chain caused by the pandemic have impacted the procurement of waterworks, particularly in the U.S., which has led to the postponement of several of our ALTRA projects. This has not materially affected our ability to perform this year.

From a corporate perspective, we are currently investing in our Information and Technology ("IT") infrastructure with the ongoing implementation of a new Enterprise Resource Planning ("ERP") to support future growth and improve our overall efficiently.

All in all, most indicators are positive for 2021 and we expect a strong financial performance.

OUR RESPONSE TO COVID-19

Since March 2020, the COVID-19 pandemic has prompted governments and businesses to take unprecedented measures. The situation is constantly evolving, and the measures put in place have numerous economic repercussions at global and national levels. These measures, which include travel bans, solitary confinement or quarantine, whether voluntary or not, and social distancing have caused significant disruption in the United States and Canada, where the Company operates.

In 2021, LOGISTEC continues to operate under its business continuity plan. To date, all our operations were deemed essential services by the government authorities in Canada and the United States. As such, the Company's marine operations, including our terminal operations across our North American network, remained open and functional. Similarly, the Company's environmental operations, including renewal of underground water mains, dredging, dewatering, site remediation, soils and materials management, and manufacturing of woven hoses, remained operational. Nonetheless, the economic slowdown due to COVID-19 as well as the strict distancing and sanitation protocols, have increased the operating costs in our marine and environmental services segments.

As at September 25, 2021, the Company qualified for the Canada Emergency Wage Subsidy ("CEWS") and there was reasonable assurance that the amount would be received from the federal government in connection with the COVID-19 pandemic. For the three-month and the nine-month periods ended September 25, 2021, the Company recognized a wage subsidy of respectively $0.1 million and $2.9 million ($1.7 million and $12.7 million in the comparable periods of 2020) against the salary expense which qualified for that subsidy under employee benefits expense in the condensed consolidated interim statements of earnings.

In light of the COVID-19 measures, management has reviewed their judgments, estimates and assumptions, which are fully described in Note 3 of the notes to the 2020 audited consolidated financial statements, about the carrying amounts of assets and liabilities that are not readily apparent from other sources. As at September 25, 2021, management has not found any triggering events that could impair its long-lived assets, including goodwill, that could increase its expected credit losses on its trade receivables, or that could limit its ability to draw on its credit facilities.

BUSINESS COMBINATIONS

2021 BUSINESS COMBINATION

AMERICAN PROCESS GROUP

On June 3, 2021, SANEXEN acquired 100% ownership of APG for a purchase price of $50.0 million, subject to certain adjustments. On September 25, 2021, the Company has estimated the post-closing working capital adjustments at $3.0 million. APG is an Edmonton-based environmental industry leader, specializing in dredging, dewatering and residuals management. This strategic acquisition positions us in Western Canada and the United States, markets with strong potential. In addition, APG's complementary expertise allows us to enhance our service offering to our current and future clients.

2020 BUSINESS COMBINATIONS

CASTALOOP

On December 14, 2020, the Company acquired 100% ownership of Gestion Castaloop Inc. and its subsidiaries ("Castaloop") for a purchase price of $3.5 million, subject to certain adjustments. On May 19, 2021, the Company settled the post-closing working capital adjustments for an additional cash consideration of $0.9 million. Castaloop provides customized cargo handling services to clients along the Great Lakes and St. Lawrence Seaway as well as along the St. Lawrence River and U.S. East Coast. This acquisition solidifies LOGISTEC's position as a leading provider of innovative cargo handling services at ports throughout North America.

CARE AND PASCAGOULA TERMINALS

On June 26, 2020, Gulf Stream Marine, Inc. acquired the Care terminal at the Port of Houston in Texas, and on July 15, 2020, acquired an additional terminal at the Port of Pascagoula in Mississippi for a total purchase price of US$12.0 million (CA$16.5 million), subject to certain adjustments. These two strategically located marine terminals complement LOGISTEC's growing network throughout the U.S. Gulf, which is now operating in 12 terminals in three Gulf Coast states.

Please refer to Note 5 of the notes to Q3 2021 financial statements for further details on all business combinations.

SELECTED QUARTERLY FINANCIAL INFORMATION

(in thousands of Canadian dollars, except per share amounts)

	Q1	Q2	Q3	Q4	Year-to-date
	$	$	$	$	$
2021					
Revenue	**104,850**	**172,593**	**236,171**		**513,614**
Adjusted EBITDA [1]	**6,247**	**27,234**	**49,687**		**83,168**
Profit (loss) attributable to owners of the Company	**(5,724)**	**10,241**	**26,739**		**31,256**
Basic earnings (loss) per Class A Common Share [2]	**(0.42)**	**0.75**	**1.98**		**2.31**
Basic earnings (loss) per Class B Subordinate Voting Share [3]	**(0.47)**	**0.84**	**2.17**		**2.54**
Total basic earnings (loss) per share	**(0.44)**	**0.79**	**2.05**		**2.40**
Diluted earnings (loss) per Class A share	**(0.42)**	**0.75**	**1.95**		**2.28**
Diluted earnings (loss) per Class B share	**(0.47)**	**0.83**	**2.15**		**2.51**
Total diluted earnings (loss) per share	**(0.44)**	**0.78**	**2.04**		**2.38**

	Q1	Q2	Q3	Q4	Year
	$	$	$	$	$
2020					
Revenue	109,431	123,595	191,847	179,828	604,701
Adjusted EBITDA [1]	7,473	19,930	41,720	31,535	100,658
Profit (loss) attributable to owners of the Company	(5,421)	4,590	20,465	12,980	32,614
Basic earnings (loss) per Class A share	(0.41)	0.35	1.52	0.97	2.43
Basic earnings (loss) per Class B share	(0.45)	0.38	1.68	1.06	2.67
Total basic earnings (loss) per share	(0.42)	0.36	1.58	1.01	2.53
Diluted earnings (loss) per Class A share	(0.41)	0.34	1.50	0.95	2.39
Diluted earnings (loss) per Class B share	(0.45)	0.37	1.65	1.05	2.63
Total diluted earnings (loss) per share	(0.42)	0.35	1.56	0.99	2.49

(1) Adjusted EBITDA is a non-IFRS measure; please refer to the non-IFRS measures section on page 16.
(2) Class A Common Share ("Class A share").
(3) Class B Subordinate Voting Share ("Class B share")

SEASONAL NATURE OF OPERATIONS

Marine services are affected by weather conditions and are therefore of a seasonal nature. During the winter months, the St. Lawrence Seaway is closed. There is no activity on the Great Lakes, reduced activity on the St. Lawrence River, and no activity in Arctic transportation due to ice conditions.

Environmental services are also affected by weather conditions, as most of the specialized services offered involve the excavation of soils, which is more difficult during the winter.

Historically, the first quarter and, to a lesser extent, the second quarter have always presented a lower level of activity than the other quarters. The third and fourth quarters are usually the most active.

CONSOLIDATED FINANCIAL REVIEW

(in thousands of dollars, except per share amounts)	For the three months ended		For the nine months ended	
	September 25, 2021 $	September 26, 2020 $	**September 25, 2021 $**	September 26, 2020 $
Revenue	**236,171**	191,847	**513,614**	424,873
Employee benefits expense	**(110,596)**	(89,548)	**(248,192)**	(201,264)
Equipment and supplies expense	**(59,485)**	(45,153)	**(132,606)**	(109,291)
Operating expense	**(14,602)**	(10,588)	**(34,748)**	(31,191)
Other expenses	**(7,931)**	(6,828)	**(21,629)**	(19,319)
Depreciation and amortization expense	**(12,564)**	(11,602)	**(35,808)**	(33,601)
Share of profit of equity accounted investments	**4,020**	3,527	**6,107**	4,071
Other gains (losses)	**2,110**	(1,537)	**622**	1,244
Operating profit	**37,123**	30,118	**47,360**	35,522
Finance expense	**(2,660)**	(3,060)	**(7,917)**	(9,031)
Finance income	**109**	146	**411**	435
Profit before income taxes	**34,572**	27,204	**39,854**	26,926
Income taxes	**(7,815)**	(6,740)	**(8,431)**	(7,077)
Profit for the period	**26,757**	20,464	**31,423**	19,849
Profit attributable to:				
Owners of the Company	**26,739**	20,465	**31,256**	19,634
Non-controlling interests	**18**	(1)	**167**	215
Profit for the period	**26,757**	20,464	**31,423**	19,849
Basic earnings per Class A share	**1.98**	1.52	**2.31**	1.46
Basic earnings per Class B share	**2.17**	1.68	**2.54**	1.61
Diluted earnings per Class A share	**1.95**	1.50	**2.28**	1.44
Diluted earnings per Class B share	**2.15**	1.65	**2.51**	1.58

THIRD QUARTER

Consolidated revenue totalled $236.2 million for the third quarter of 2021, up $44.3 million or 23.1% from $191.9 million for the same period in 2020. Consolidated revenue was negatively affected by a $5.4 million variance due to a stronger Canadian dollar against the U.S. dollar in the third quarter of 2021. Please refer to the segmented results section for the revenue variance explanation for each segment.

In the third quarter of 2021, employee benefits expense increased by $21.1 million to $110.6 million from the $89.5 million recorded for the same quarter in 2020. This increase stems mainly from two factors: higher revenue, as a portion of the employee benefits expense related to our field operations are variable in nature, and lower wage subsidy from the CEWS recognized in 2021.

Equipment and supplies expense amounted to $59.5 million in the third quarter of 2021, an increase of $14.3 million compared with the same period last year. The overall ratio of equipment and supplies expense to consolidated revenue increased to 25.2% for the third quarter of 2021, compared with 23.5% for the third quarter of 2020. The increase is primarily attributable to lower terminal expenses recognized in 2020 in the marine services segment as some customers had temporarily postponed their deliveries, and to the revenue mix in the environmental services segment.

Operating expense reached $14.6 million, an increase of $4.0 million over the same period last year. This increase is mainly revenue driven as the overall ratio of operating expense to consolidated revenue was stable at 6.2% in the third quarter of 2021 compared with 5.5% for the same period in 2020.

Other gains and losses varied by $3.6 million, from a $1.5 million loss in the third quarter of 2020 to a $2.1 million gain this quarter. This variance is mainly related to unrealized exchange gains and losses on translating net working capital denominated in U.S. dollars.

Overall, the Company reported a profit attributable to owners of the Company of $26.8 million in the third quarter of 2021, up $6.3 million from the $20.5 million recorded in the corresponding period last year. This translated into total diluted earnings per share of $2.04, of which $1.95 per share was attributable to Class A shares and $2.15 per share was attributable to Class B shares.

NINE-MONTH PERIOD

For the nine-month period ended September 25, 2021, consolidated revenue totalled $513.6 million, compared with $424.9 million for the same period in 2020, an increase of $88.7 million. Consolidated revenue has been negatively affected by a $20.9 million variance year-to-date, due to a stronger Canadian dollar against the U.S. dollar in the first nine months of 2021 compared with 2020. Please refer to the segmented results section for the revenue variance explanation of each segment.

For the first nine months of 2021, the employee benefits expense reached $248.2 million, an increase of $46.9 million or 23.3% over the $201.3 million recorded for the same period last year. This increase stems mainly from three factors: higher revenue, as a portion of the employee benefits expense related to our field operations are variable in nature, lower wage subsidy from the CEWS recognized in 2021, and the $2.9 million reduction of the long-term incentive plan provision for executives recognized in 2020.

For the first nine months of 2021, equipment and supplies expense amounted to $132.6 million, an increase of $23.3 million or 21.3% over the comparable period of 2020. This increase is mainly revenue driven as the overall ratio of equipment and supplies expense to consolidated revenue was stable at 25.8% for the first nine months of 2021 compared with 25.7% for the same period in 2020.

Share of profit of equity accounted investments reached $6.1 million, an increase of $2.0 million over the same period last year. This increase stems mainly from the strong performance of our equity accounted investments in TERMONT Terminal Inc., whose subsidiary specializes in handling containers.

Operating expense reached $34.7 million, an increase of $3.6 million over the same period last year. This increase was mainly revenue driven as the overall ratio of operating expense to consolidated revenue was stable at 6.8% in the nine-month period ended September 25, 2021, compared with 7.3% for the same period in 2020.

For the first nine months of 2021, the Company reported a profit for the period of $31.4 million, of which $0.2 million was attributable to a non-controlling interest, resulting in a $30.2 million profit attributable to owners of the Company. This translated into total diluted earnings per share of $2.38, of which $2.28 per share was attributable to Class A shares and $2.51 per share was attributable to Class B shares.

All other items of the condensed consolidated interim statements of earnings varied according to normal business parameters and were comparable to 2020 levels.

SEGMENTED RESULTS

(in thousands of dollars)	Three-month period ended September 25, 2021			Three-month period ended September 26, 2020		
	Marine services $	**Environmental services $**	**Total $**	Marine services $	Environmental services $	Total $
Revenue	**111,878**	**124,293**	**236,171**	79,237	112,610	191,847
Profit before income taxes	**13,170**	**21,402**	**34,572**	4,081	23,123	27,204

(in thousands of dollars)	Nine-month period ended September 25, 2021			Nine-month period ended September 26, 2020		
	Marine services $	**Environmental services $**	**Total $**	Marine services $	Environmental services $	Total $
Revenue	**298,850**	**214,764**	**513,614**	251,015	173,858	424,873
Profit before income taxes	**28,062**	**11,792**	**39,854**	16,032	10,894	26,926

MARINE SERVICES

THIRD QUARTER

Revenue from the marine services segment reached $111.9 million in 2021, up $32.7 million or 41.2% when compared with $79.2 million in 2020. The rebound in manufacturing production had a favourable impact on global trade, which translated into incremental cargo handled at most of LOGISTEC's terminals. Furthermore, the traditional energy industry and the wind energy sector continue to fuel the growth of our operations in the U.S. Gulf Coast.

Profit before income taxes from the marine services segment amounted to $13.2 million in the third quarter of 2021, up $9.1 million from the $4.1 million reported for the same quarter of 2020. This increase stemmed mainly from a higher level of activity and the unrealized exchange gains on translating net working capital denominated in U.S. dollars as explained above. These results include a wage subsidy of $0.1 million recognized under employee benefits expense in the third quarter of 2021 compared with $1.0 million recognized in the comparative period of 2020.

FIRST NINE MONTHS

Revenue in the marine services segment totalled $298.9 million for the first nine months of 2021, up $47.9 million from $251.0 million for the same period last year. The increase stems mainly from a general volume increase in our general cargo terminals, which saw more activity in the first nine months of 2021 than in the same period of 2020 as explained above.

For the first nine months of 2021, profit before income taxes from the marine services segment amounted to $28.1 million, up from $16.0 million for the same period of 2020. These results reflect a higher level of activity and a higher share of profit of equity accounted investments than in the same period of 2020. They also include a wage subsidy of $1.3 million recognized under employee benefits expense in the first nine months of 2021 compared with $5.1 million recognized in the comparative period of 2020.

ENVIRONMENTAL SERVICES

THIRD QUARTER

Revenue from the environmental services segment was $124.3 million, up $11.7 million or 10.4% in the third quarter of 2021. The growth is mainly attributable to the acquisition of APG while our ALTRA line of products continued to perform well.

Profit before income taxes from the environmental services segment amounted to $21.4 million in the third quarter of 2021, $1.7 million lower than the $23.1 million profit reported for the same quarter of 2020. These results include a wage subsidy of nil recognized under employee benefits expense in the third quarter of 2021 compared with $0.7 million recognized in the comparative period of 2020. The decreased profit was mainly attributable to higher equipment and supplies expense as explained above.

FIRST NINE MONTHS

The environmental services segment delivered revenue totalling $214.8 million, an increase of $40.9 million over revenue of $173.9 million for the same nine-month period in 2020. The increase stems mainly from higher revenue from services relating to the renewal of underground water mains and the acquisition of APG. It is important to note that some of these operations in the province of Québec were suspended last year, as they were not deemed essential services by the government authorities at that time.

For the first nine months of 2021, the profit before income taxes from the environmental services segment amounted to $11.8 million, up from $10.9 million profit for the same period of 2020. These results include a wage subsidy of $1.6 million recognized under employee benefits expense in the first nine months of 2021 compared with $7.5 million recognized in the comparative period of 2020.

FIRE INCIDENT AT THE PORT OF BRUNSWICK (GA)

On May 2, 2021, a fire destroyed a leased warehouse, a portion of a conveyor and certain terminal equipment assets at our bulk facilities in Brunswick (GA).

The Company has insurance in place covering, among other things, property and equipment damage and general liability up to specified amounts, subject to limited deductibles. The Company has notified its insurers of the incident and the anticipated proceeds from the insurance coverage is expected to be sufficient to cover the cost of the assets destroyed, as well as other costs incurred as a direct result of the fire.

During the nine-month period ended September 25, 2021, the Company received confirmation of an advance from the property insurance carriers on its initial claim in the amount of US$5.0 million (CA$6.1 million) related to the incident. The Company also recognized an impairment loss of US$5.3 million (CA$6.5 million) for the destroyed assets that were impacted by the fire. Both the insurance recovery and the impairment loss related to the assets destroyed were recognized under other gains (losses) in the condensed consolidated interim statements of earnings for the nine-month period ended September 25, 2021.

Pursuant to the lease agreement with the Georgia Ports Authority, the Company is required to rebuild the warehouse that was destroyed by the fire. As at the date of these Q3 2021 financial statements, discussions are ongoing with the Georgia Ports Authority and other parties to determine if the warehouse will be rebuilt and if so, the size and the type of warehouse to be constructed. In accordance with the lease agreement, this warehouse was insured for US$21.9 million (CA$26.9 million). As at the date of this MD&A, the Company has not begun reconstruction of the warehouse and is able to operate with reduced capacity at this facility. The Company will record the impact of final discussions related to the warehouse, including any required obligations for rebuilding of the warehouse and a corresponding insurance recovery, in the period when all information will be available.

This reflects management's best estimates based on the information available as at the date of this MD&A and is subject to change as new developments occur in the future in connection with the Company's reconstruction of the warehouse and finalization of the insurance claim.

DIVIDENDS

The Company's Board of Directors determines the level of dividend payments. Although LOGISTEC does not have a formal dividend policy, the practice to date has been to maintain regular quarterly dividends with modest increases over the years.

On August 5, 2021, the Company's Board of Directors elected to increase the dividend payment by 5%.

The following table describes the 2021 dividend payments schedule, which are all eligible dividends for Canada Revenue Agency purposes.

(in millions of dollars, except per share amounts)

Declaration date	Record date	Payment date	Per Class A $	Per Class B $	Total $
December 10, 2020	January 4, 2021	January 18, 2021	0.09350	0.10285	1.3
March 16, 2021	April 1, 2021	April 15, 2021	0.09350	0.10285	1.3
May 4, 2021	June 21, 2021	July 5, 2021	0.09350	0.10285	1.3
August 5, 2021	September 24, 2021	October 8, 2021	0.09818	0.10799	1.3

The Board of Directors has maintained the dividend payment for now and will reassess the decision at the upcoming Board meetings, depending on the evolution of the economic situation.

LIQUIDITY AND CAPITAL RESOURCES

CAPITAL MANAGEMENT

The Company's financial strategy and primary objectives when managing capital are described in Note 12 of the notes to the 2020 audited consolidated financial statements and were applied consistently in the third quarter of 2021. Please also refer to Note 7 of the notes to Q3 2021 financial statements for an update on financial risk management information.

CAPITAL RESOURCES

Total assets amounted to $917.6 million as at September 25, 2021, up $118.1 million from $799.5 million as at December 31, 2020. The increase is mainly due to the additional goodwill, property, plant and equipment and intangible assets following the business combination with APG, as well as additional contract assets that reflect the higher level of our seasonal operations.

Cash and cash equivalents totalled $31.4 million at the end of the third quarter of 2021, down $15.4 million from $46.8 million as at December 31, 2020. The main items underlying this decrease are as follows:

(in thousands of dollars)

Sources:	
Cash generated from operations	77,687
Issuance of long-term debt, net of repayment	44,590
Dividends received from equity accounted investments	3,565
	125,842
Uses:	
Business combination	(50,390)
Acquisition of property, plant and equipment, net of proceeds from disposal	(27,624)
Changes in non-cash working capital items	(30,133)
Repayment of lease liabilities	(10,019)
Interest paid	(8,962)
Income taxes paid	(8,019)
Dividends paid on Class A and Class B shares	(3,798)
Repayment of other non-current liabilities	(2,432)
	(141,377)

WORKING CAPITAL

As at September 25, 2021, current assets and current liabilities totalled $285.8 million and $192.9 million, respectively, computing into a working capital of $92.9 million for a current ratio 1.48:1. This compares with working capital of $91.6 million and a ratio of 1.69:1 as at December 31, 2020. The decrease is due to a higher trade and other payables, recorded in 2021 compared with 2020. This reflects the higher level of our seasonal operations and the reclassification to short-term of $19.3 million due to a non-controlling interest in FER-PAL.

LONG-TERM DEBT

Total net indebtedness [(1)] amounted to $180.1 million as at September 25, 2021, up $59.2 million from $120.9 million as at December 31, 2020. The increase stems mainly from the additional debt incurred to finance the acquisition of APG and a lower level of cash and cash equivalents as explained above.

EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY

As at September 25, 2021, equity attributable to owners of the Company amounted to $316.9 million, up $16.1 million from $300.8 million as at December 31, 2020. Adding total net indebtedness [(1)] yields a capitalization of $497.0 million, which computes to a net indebtedness/capitalization ratio of 36.2% compared with 28.7% as at December 31, 2020. The increased net indebtedness/capitalization ratio was mainly due to the additional debt incurred to finance the acquisition of APG.

As at November 9, 2021, 7,377,022 Class A shares and 5,685,936 Class B shares were issued and outstanding. Each Class A share is convertible at any time by its holder into one Class B share. Please refer to Note 8 of the notes to Q3 2021 financial statements for further details regarding the Company's share capital.

NORMAL COURSE ISSUER BID ("NCIB")

The Company repurchased some of its shares for cancellation purposes pursuant to NCIBs. The new NCIB was launched on October 28, 2021, and will terminate on October 27, 2022. LOGISTEC intends to repurchase, for cancellation purposes, up to 368,851 Class A shares and 284,301 Class B shares, representing 5% of the issued and outstanding shares of each class as at October 15, 2021.

SIGNIFICANT JOINT VENTURE

As disclosed in Note 16 of the notes to the 2020 audited consolidated financial statements, the Company holds various investments in joint ventures. The Company has only one significant joint venture, namely TERMONT Terminal Inc., whose activities are aligned with the Company's core marine services segment.

The following table summarizes the financial information of TERMONT Terminal Inc. at 100%. The Company holds a 50% equity interest in this joint venture.

(in thousands of dollars)

	As at September 25, 2021 $	As at December 31, 2020 $
Statement of financial position		
Total assets	**105,016**	95,316
Total liabilities	**43,569**	39,742

	For the three months ended		For the nine months ended	
	September 25, 2021 $	September 26, 2020 $	September 25, 2021 $	September 26, 2020 $
Statement of earnings				
Revenue	**1,166**	825	**3,404**	2,808
Share of profit of an equity accounted investment	**2,945**	1,830	**7,640**	5,051
Profit for the period	**3,522**	2,187	**9,377**	6,332

[(1)] The net indebtedness/capitalization ratio is a non-IFRS measure and is reconciled in Note 7 of the notes to Q3 2021 financial statements.

OTHER ITEMS IN THE CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

Financial position as at *(in millions of dollars)*	**September 25, 2021 $**	**December 31, 2020, $**	**Var. $**	**Var. %**	Explanation of variation
Trade and other receivables	**174.9**	138.7	**36.2**	**26.1%**	The variation reflects the higher level of our seasonal operations and the increase in revenue, which are returning to the pre-pandemic level.
Contract assets	**36.6**	7.6	**29.0**	**n.m**	Contract assets represent the gross unbilled amount that will be collected from customers for contract work performed in our environmental services segment. Higher seasonal activity in both our business segments, when compared to the fourth quarter of 2020, led to higher contract assets at the end of the quarter.
Inventories	**16.8**	12.9	**3.9**	**29.9%**	The increase is mainly related to the ALTRA Proven Solutions product that will be installed by the end of the year by our environmental services segment.
Prepaid and other expenses	**16.9**	9.1	**7.8**	**n.m**	This variation is primarily explained by the timing of payments of our insurance premium and property taxes.
Property, plant and equipment	**202.6**	185.7	**16.9**	**9.1%**	The increase stems mainly from the capital expenditure of $32.7 million, the fixed assets acquired as part of business combination of $11.6 million, offset by the depreciation expense of $20.1 million and the disposal of equipment for $5.9 million following the fire in the Port of Brunswick.
Goodwill	**181.7**	149.3	**32.4**	**21.7%**	The increase stems from the acquisition of APG, as discussed in the business combinations section of this MD&A.
Intangible assets	**42.6**	38.4	**4.2**	**11.0%**	The majority of the increase stems from the acquisition of APG. As a result of that transaction, LOGISTEC recorded intangible assets amounting to $8.3 million. This was partly offset by the amortization expense.
Trade and other payables	**151.3**	91.7	**59.6**	**65.0%**	The variation is primarily explained by the seasonality of operations. In addition, as at September 25, 2021, the Company remeasured a written put option held by the non-controlling interest in FER-PAL, which led to the recognition of an additional $14.2 million liability and a reclassification to short term of an amount due of $19.3 million.

Financial position as at *(in millions of dollars)*	**September 25, 2021 $**	December 31, 2020, $	**Var. $**	**Var. %**	Explanation of variation
Contract liabilities	**12.6**	8.9	**3.7**	**40.6%**	Contract liabilities represent advance consideration received from customers, recognized when contract work is performed in our environmental services segment. Higher seasonal activity in both our business segments, compared to the fourth quarter of 2020, led to higher contract liabilities at the end of the quarter.
Long-term debt	**208.7**	164.0	**44.7**	**27.2%**	The increase stems mainly from the new debt incurred in connection with the acquisition of APG, net of repayment of long-term debt.
Deferred income tax liabilities	**24.0**	21.4	**2.6**	**12.2%**	The increase stems mainly from taxable temporary differences upon the recognition of intangible assets and property, plant and equipment acquired from the business combination of APG.
Post-employment benefit obligations	**16.1**	22.1	**(6.0)**	**(26.8%)**	The decrease stems mainly from the remeasurement of the post-employment benefit obligations based on the prevailing discount rate of 3.25% as at September 25, 2021, compared with 2.50% as at December 31, 2020.
Non-current liabilities	**30.8**	38.4	**(7.6)**	**(19.7%)**	The variation is mainly due to the partial short-term reclassification of a due to a non-controlling interest in FER-PAL as explained above.
Share capital	**50.9**	45.6	**5.3**	**11.7%**	The variation is mainly due to the issuance of Class B shares in accordance with the terms of the 2016 acquisition of the non-controlling interest in SANEXEN.
Share capital to be issued	**—**	4.9	**(4.9)**	**(100%)**	

n.m.: not meaningful

All other items included in the condensed consolidated interim statements of financial position varied according to normal business parameters in the third quarter of 2021.

NON-IFRS MEASURES

In this MD&A, the Company uses measures that are not in accordance with IFRS. Adjusted earnings before interest expense, income taxes, depreciation and amortization expense ("adjusted EBITDA") and net indebtedness/capitalization ratio are not defined by IFRS and cannot be formally presented in the Q3 2021 financial statements. The definition of adjusted EBITDA excludes the Company's impairment charge. The definition of adjusted EBITDA and net indebtedness/capitalization ratio used by the Company may differ from those used by other companies. Even though adjusted EBITDA is a non-IFRS measure, it is used by managers, analysts, investors and other financial stakeholders to analyze and assess the Company's performance and management from a financial and operational standpoint. Net indebtedness/capitalization ratio is a leverage ratio used by our fund providers.

The following tables provide a reconciliation of profit (loss) for the period to adjusted EBITDA:

(in thousands of Canadian dollars)

	Q1 $	Q2 $	Q3 $	Q4 $	Year-to-date $
2021					
Profit (loss) for the period	(5,621)	10,287	26,757		**31,423**
PLUS:					
Depreciation and amortization expense	11,361	11,883	12,564		**35,808**
Net finance expense	2,433	2,522	2,551		**7,506**
Income taxes	(1,926)	2,542	7,815		**8,431**
Adjusted EBITDA [(1)]	6,247	27,234	49,687		**83,168**

	Q1 $	Q2 $	Q3 $	Q4 $	Year $
2020					
Profit (loss) for the period	(5,230)	4,615	20,464	12,939	32,788
PLUS:					
Depreciation and amortization expense	10,776	11,223	11,602	11,789	45,390
Net finance expense	3,006	2,676	2,914	3,222	11,818
Income taxes	(1,079)	1,416	6,740	3,585	10,662
Adjusted EBITDA [(1)]	7,473	19,930	41,720	31,535	100,658
2019					
Profit (loss) for the period	(8,931)	6,106	17,478	11,784	26,437
PLUS:					
Depreciation and amortization expense	10,834	10,728	10,497	10,063	42,122
Net finance expense	2,552	2,804	2,662	4,335	12,353
Income taxes	(3,287)	2,106	5,403	4,477	8,699
Adjusted EBITDA [(1)]	1,168	21,744	36,040	30,659	89,611
2018					
Profit (loss) for the period	(8,326)	3,060	19,823	3,437	17,994
PLUS:					
Depreciation and amortization expense	6,083	6,485	7,385	8,627	28,580
Impairment charge	—	—	—	6,821	6,821
Net finance expense	804	2,745	1,858	2,067	7,474
Income taxes	(1,745)	2,630	4,081	(1,658)	3,308
Adjusted EBITDA [(1)]	(3,184)	14,920	33,147	19,294	64,177

[(1)] For all periods after January 1, 2019, figures reflect the application of IFRS 16, *Leases* ("IFRS 16"), for which the 2018 comparative figure has not been restated.

REPORT ON DISCLOSURE CONTROLS

Pursuant to the requirements of National Instrument 52-109 "Certification of Disclosure in Issuers' Annual and Interim Filings", the President and Chief Executive Officer and the Chief Financial Officer are responsible for the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"). They are assisted in these tasks by a Certification Steering Committee, which is comprised of members of the Company's senior executives including the two previously mentioned executives.

They have reviewed this management's discussion and analysis and the Q3 2021 financial statements and related notes (the "Interim Filings"). Based on their knowledge, the Interim Filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, for the period covered by the Interim Filings. Based on their knowledge, the Q3 2021 financial statements, together with the other financial information included in the Interim Filings, fairly present in all material respects the financial condition, financial performance, and cash flows of the Company, as of the date and for the periods presented in the Interim Filings.

The President and Chief Executive Officer and the Chief Financial Officer have concluded that the design of DC&P provided reasonable assurance that material information relating to the Company, including its consolidated subsidiaries, was communicated to them in a timely manner for the preparation of the Interim Filings and that information required to be disclosed in its Interim Filings was recorded, processed, summarized and reported within the required time periods.

The President and Chief Executive Officer and the Chief Financial Officer have also designed such ICFR, or caused it to be designed under their supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with IFRS, the Company's generally accepted accounting principles.

The management's evaluation of the design of the Company's DC&P and ICFR exclude controls, policies and procedures regarding APG, acquired on June 3, 2021. The Company has a period of one year from the acquisition date to conduct this analysis and to implement internal controls deemed necessary. Please refer to Note 5 of the notes to Q3 2021 financial statements for further financial information.

Despite the COVID-19 outbreak and the necessity of physical distancing, there has been no change in the Company's ICFR that occurred during the third quarter of 2021 that has materially affected, or is reasonably likely to materially affect, the Company's ICFR.

(signed) Jean-Claude Dugas
Jean-Claude Dugas, CPA, CA
Chief Financial Officer

November 9, 2021

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF EARNINGS

(in thousands of Canadian dollars, except for per share amounts and number of shares)

	Notes	For the three months ended September 25, 2021 $	September 26, 2020 $	For the nine months ended September 25, 2021 $	September 26, 2020 $
Revenue	9	**236,171**	191,847	**513,614**	424,873
Employee benefits expense		**(110,596)**	(89,548)	**(248,192)**	(201,264)
Equipment and supplies expense		**(59,485)**	(45,153)	**(132,606)**	(109,291)
Operating expense		**(14,602)**	(10,588)	**(34,748)**	(31,191)
Other expenses		**(7,931)**	(6,828)	**(21,629)**	(19,319)
Depreciation and amortization expense		**(12,564)**	(11,602)	**(35,808)**	(33,601)
Share of profit of equity accounted investments		**4,020**	3,527	**6,107**	4,071
Other gains (losses)		**2,110**	(1,537)	**622**	1,244
Operating profit		**37,123**	30,118	**47,360**	35,522
Finance expense		**(2,660)**	(3,060)	**(7,917)**	(9,031)
Finance income		**109**	146	**411**	435
Profit before income taxes		**34,572**	27,204	**39,854**	26,926
Income taxes		**(7,815)**	(6,740)	**(8,431)**	(7,077)
Profit for the period		**26,757**	20,464	**31,423**	19,849
Profit (loss) attributable to:					
Owners of the Company		**26,739**	20,465	**31,256**	19,634
Non-controlling interest		**18**	(1)	**167**	215
Profit for the period		**26,757**	20,464	**31,423**	19,849
Basic earnings per Class A Common Share (1)		**1.98**	1.52	**2.31**	1.46
Basic earnings per Class B Subordinate Voting Share (2)		**2.17**	1.68	**2.54**	1.61
Diluted earnings per Class A share		**1.95**	1.50	**2.28**	1.44
Diluted earnings per Class B share		**2.15**	1.65	**2.51**	1.58
Weighted average number of Class A shares outstanding, basic and diluted		**7,377,022**	7,377,655	**7,377,022**	7,379,478
Weighted average number of Class B shares outstanding, basic		**5,677,569**	5,544,436	**5,619,662**	5,504,921
Weighted average number of Class B shares outstanding, diluted		**5,738,227**	5,703,038	**5,737,438**	5,696,538

(1) Class A Common Share ("Class A share").
(2) Class B Subordinate Voting Share ("Class B share").

See accompanying notes to the condensed consolidated interim financial statements.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE INCOME

(in thousands of Canadian dollars)

	For the three months ended		For the nine months ended	
	September 25, 2021	September 26, 2020	**September 25, 2021**	September 26, 2020
	$	$	**$**	$
Profit for the period	**26,757**	20,464	**31,423**	19,849
Other comprehensive income (loss)				
Items that are or may be reclassified to the consolidated statements of earnings				
Currency translation differences arising on translation of foreign operations	**5,775**	(2,906)	**(232)**	3,567
Unrealized (loss) gain on translating debt designated as hedging item of the net investment in foreign operations	**(4,275)**	1,872	**213**	(1,675)
Income taxes relating to unrealized gain on translating debt designated as hedging item of the net investment in foreign operations	**332**	—	**(28)**	—
Gain (loss) on derivatives designated as cash flow hedges	**10**	(92)	**100**	(92)
Income taxes relating to derivatives designated as cash flow hedges	**(3)**	24	**(27)**	24
Total items that are or may be reclassified to the consolidated statements of earnings	**1,839**	(1,102)	**26**	1,824
Items that will not be reclassified to the consolidated statements of earnings				
Remeasurement (losses) gains on benefit obligations	**—**	(1,260)	**4,174**	(2,548)
Return on retirement plan assets	**125**	188	**218**	21
Income taxes on remeasurement (losses) gains on benefit obligations and return on retirement plan assets	**(33)**	285	**(1,164)**	670
Total items that will not be reclassified to the consolidated statements of earnings	**92**	(787)	**3,228**	(1,857)
Share of other comprehensive income (loss) of equity accounted investments, net of income taxes				
Items that are or may be reclassified to the consolidated statements of earnings	**—**	4	**—**	(15)
Items that will not be reclassified to the consolidated statements of earnings	**—**	(1)	**—**	4
Total share of other comprehensive income (loss) of equity accounted investments, net of income taxes	**—**	3	**—**	(11)
Other comprehensive income (loss) for the period, net of income taxes	**1,931**	(1,886)	**3,254**	(44)
Total comprehensive income for the period	**28,688**	18,578	**34,677**	19,805
Total comprehensive income (loss) attributable to:				
Owners of the Company	**28,642**	18,599	**34,513**	19,575
Non-controlling interest	**46**	(21)	**164**	230
Total comprehensive income for the period	**28,688**	18,578	**34,677**	19,805

See accompanying notes to the condensed consolidated interim financial statements.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION

(in thousands of Canadian dollars)

	Notes	As at September 25, 2021 $	As at December 31, 2020 $
Assets			
Current assets			
Cash and cash equivalents		**31,408**	46,778
Trade and other receivables		**174,898**	138,649
Contract assets		**36,606**	7,617
Current income tax assets		**9,161**	9,171
Inventories		**16,821**	12,946
Prepaid expenses and other		**16,916**	9,056
		285,810	224,217
Equity accounted investments		**47,424**	45,061
Property, plant and equipment		**202,612**	185,686
Right-of-use assets		**134,434**	132,779
Goodwill	5	**181,675**	149,311
Intangible assets		**42,636**	38,422
Non-current assets		**2,432**	2,381
Non-current financial assets		**8,949**	9,210
Deferred income tax assets		**11,635**	12,385
Total assets		**917,607**	799,452
Liabilities			
Current liabilities			
Short-term bank loans		**524**	—
Trade and other payables		**151,311**	91,694
Contract liabilities		**12,573**	8,941
Current income tax liabilities		**9,887**	8,719
Dividends payable		**1,337**	1,259
Current portion of lease liabilities		**14,466**	18,251
Current portion of long-term debt		**2,829**	3,748
		192,927	132,612
Lease liabilities		**124,929**	116,901
Long-term debt		**208,672**	163,962
Deferred income tax liabilities		**24,039**	21,418
Post-employment benefit obligations		**16,133**	22,055
Contract liabilities		**2,233**	2,533
Non-current liabilities		**30,830**	38,400
Total liabilities		**599,763**	497,881
Equity			
Share capital	8	**50,913**	45,575
Share capital to be issued	8	**—**	4,906
Retained earnings		**258,006**	242,358
Accumulated other comprehensive income	11	**7,972**	7,943
Equity attributable to owners of the Company		**316,891**	300,782
Non-controlling interest		**953**	789
Total equity		**317,844**	301,571
Total liabilities and equity		**917,607**	799,452

See accompanying notes to the condensed consolidated interim financial statements.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY

(in thousands of Canadian dollars)

		Attributable to owners of the Company						
	Notes	Share capital $	Share capital to be issued $	Accumulated other comprehensive income (Note 11) $	Retained earnings $	Total $	Non-controlling interests $	Total equity $
Balance as at January 1, 2021		**45,575**	**4,906**	**7,943**	**242,358**	**300,782**	**789**	**301,571**
Profit for the period		—	—	—	31,256	31,256	167	31,423
Other comprehensive (loss) income								
Currency translation differences arising on translation of foreign operations		—	—	(229)	—	(229)	(3)	(232)
Unrealized gain on translating debt designated as hedging item of the net investment in foreign operations		—	—	185	—	185	—	185
Remeasurement gains on benefit obligations and return on retirement plan assets, net of income taxes		—	—	—	3,228	3,228	—	3,228
Cash flow hedges, net of income taxes		—	—	73	—	73	—	73
Total comprehensive income for the period		—	—	29	34,484	34,513	164	34,677
Remeasurement of written put option liability	11	—	—	—	(14,756)	(14,756)	—	(14,756)
Repurchase of Class B shares	8	(83)	—	—	(338)	(421)	—	(421)
Issuance of Class B shares capital to a subsidiary shareholder	8	5,421	(4,906)	—	—	515	—	515
Class B shares to be issued under the Executive Stock Option Plan	8	—	—	—	241	241	—	241
Other dividend					(107)	(107)		(107)
Dividends on Class A shares	8	—	—	—	(2,104)	(2,104)	—	(2,104)
Dividends on Class B shares	8	—	—	—	(1,772)	(1,772)	—	(1,772)
Balance as at September 25, 2021		**50,913**	**—**	**7,972**	**258,006**	**316,891**	**953**	**317,844**

See accompanying notes to the condensed consolidated interim financial statements.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY (CONTINUED)

(in thousands of Canadian dollars)

		Attributable to owners of the Company						
	Notes	Share capital $	Share capital to be issued $	Accumulated other comprehensive income (Note 11) $	Retained earnings $	Total $	Non-controlling interests $	Total equity $
Balance as at January 1, 2020		**40,222**	**9,811**	**9,697**	**220,641**	**280,371**	**643**	**281,014**
Profit for the period		—	—	—	19,634	19,634	215	19,849
Other comprehensive income (loss)								
Currency translation differences arising on translation of foreign operations		—	—	3,552	—	3,552	15	3,567
Unrealized loss on translating debt designated as hedging item of the net investment in foreign operations		—	—	(1,675)	—	(1,675)	—	(1,675)
Remeasurement losses on benefit obligations and return on retirement plan assets, net of income taxes		—	—	—	(1,857)	(1,857)	—	(1,857)
Share of other comprehensive (loss) of equity accounted investments, net of income taxes		—	—	(11)	—	(11)	—	(11)
Cash flow hedges, net of income taxes		—	—	(68)	—	(68)	—	(68)
Total comprehensive income for the period		—	—	1,798	17,777	19,575	230	19,805
Remeasurement of written put option liability		—	—	—	(818)	(818)	—	(818)
Repurchase of Class A shares	8	(4)	—	—	(159)	(163)	—	(163)
Repurchase of Class B shares	8	499	—	—	(708)	(209)	—	(209)
Issuance of Class B shares capital to a subsidiary shareholder	8	4,905	(4,905)	—	—	—	—	—
Class B shares to be issued under the Executive Stock Option Plan	8	—	—	—	91	91	—	91
Other dividend		—	—	—	(121)	(121)	—	(121)
Dividends on Class A shares	8	—	—	—	(2,070)	(2,070)	—	(2,070)
Dividends on Class B shares	8	—	—	—	(1,707)	(1,707)	—	(1,707)
Balance as at September 26, 2020		**45,622**	**4,906**	**11,495**	**232,926**	**294,949**	**873**	**295,822**

See accompanying notes to the condensed consolidated interim financial statements.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS

(in thousands of Canadian dollars)

	Notes	For the nine months ended September 25, 2021 $	September 26, 2020 $
Operating activities			
Income for the period		**31,423**	19,849
Items not affecting cash and cash equivalents		**46,264**	45,824
Cash generated from operations		**77,687**	65,673
Dividends received from equity accounted investments		**3,565**	3,600
Contributions to defined benefit retirement plans		**(752)**	(674)
Settlement of provisions		**(726)**	(371)
Changes in non-cash working capital items		**(30,133)**	(7,900)
Income taxes paid		**(8,019)**	(4,392)
		41,622	55,936
Financing activities			
Net change in short-term banks		**524**	—
Issuance of long-term debt, net of transaction cost		**59,870**	59,639
Repayment of long-term debt		**(15,280)**	(57,465)
Repayment of other non-current liabilities		**(2,432)**	(2,447)
Repayment of lease liabilities		**(10,019)**	(9,641)
Interest paid		**(8,962)**	(7,424)
Issuance of Class B shares		**130**	190
Repurchase of Class A shares	8	**—**	(163)
Repurchase of Class B shares	8	**(421)**	(903)
Dividends paid on Class A shares		**(2,069)**	(2,070)
Dividends paid on Class B shares		**(1,729)**	(1,692)
		19,612	(21,976)
Investing activities			
Acquisition of property, plant and equipment		**(28,129)**	(16,290)
Acquisition of intangible assets		**(14)**	(89)
Proceeds from disposal of property, plant and equipment		**505**	340
Business combinations	5	**(50,390)**	(16,457)
Repayment of due to shareholders		**(107)**	(121)
Interest received		**565**	205
Repayment of other non-current financial assets		**1,049**	165
Acquisition of other non-current assets		**(204)**	(496)
Proceeds from disposal of other non-current assets		**60**	79
		(76,665)	(32,664)
Net change in cash and cash equivalents		**(15,431)**	1,296
Cash and cash equivalents, beginning of period		**46,778**	22,608
Effect of exchange rate on balances held in foreign currencies of foreign operations		**61**	(247)
Cash and cash equivalents, end of period		**31,408**	23,657
Additional information			
Acquisition of property, plant and equipment included in trade and other payables		**5,703**	3,297
Issuance of Class B shares under the Employee Stock Purchase Plan for non-interest-bearing loans	8	**385**	504

See accompanying notes to the condensed consolidated interim financial statements.

1. GENERAL INFORMATION

LOGISTEC Corporation (the "Company") provides specialized cargo handling and other services to a wide variety of marine, industrial and municipal customers. The Company has cargo handling facilities in 54 ports across North America and offers marine agency services to foreign shipowners and operators serving the Canadian market. The Company is widely diversified in terms of cargo type and port location with a balance between import and export activities. Furthermore, the Company, through its subsidiaries SANEXEN Environmental Services Inc. ("SANEXEN"), FER-PAL Construction Ltd. ("FER-PAL"), American Process Group ("APG"), and NIEDNER Inc. ("NIEDNER") operates in the environmental services segment where it provides services for the renewal of underground water mains, dredging, dewatering, soils and materials management, site remediation, risk assessment and manufacturing of woven hoses.

The Company is incorporated in the Province of Québec and is governed by the Québec *Business Corporations Act*. Its shares are listed on the Toronto Stock Exchange ("TSX") under the ticker symbols LGT.A and LGT.B. The address of its registered office is 600 de la Gauchetière Street West, 14th Floor, Montréal, Québec H3B 4L2, Canada.

The Company's largest shareholder is Sumanic Investments Inc.

The accompanying Q3 2021 financial statements of the Company have been prepared by and are the responsibility of management. The Q3 2021 financial statements were approved by the Company's Board of Directors on November 9, 2021.

2. BASIS OF PREPARATION

The condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34 *Interim Financial Reporting*, using the same accounting policies as outlined in Note 2 of the notes to 2020 audited consolidated financial statements, except as described below.

In the application of the Company's significant accounting policies, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. The estimates and underlying assumptions are reviewed on an ongoing basis. Actual results may differ from these estimates. The measurement of certain assets and liabilities in the preparation of these Q3 2021 financial statements includes significant assumptions made by management, which have been set out in Note 3 of the notes to 2020 audited consolidated financial statements.

The Q3 2021 financial statements do not include all of the information required for annual financial statements and should therefore be read in conjunction with the audited consolidated financial statements included in the Company's 2020 annual report.

Application of New Accounting Standards and Amendments

In April 2021, the IFRS Interpretations Committee published an agenda decision clarifying how to recognize certain configuration and customization expenditures related to cloud computing. For the three-month and nine-month periods ended September 25, 2021, the Company capitalized $1,191 and $3,127, respectively, in implementation costs of a new cloud computing arrangement. The Company is currently collecting additional information in order to evaluate the impact of this agenda decision and to apply the new policy in accordance with IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*, including the relevant disclosures, which may result in some of the capitalized amounts to be accounted for as expenses incurred. Accordingly, the Company expects to implement any changes arising from this agenda decision in the annual financial statements for the year ending December 31, 2021.

3. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

COVID-19 Measures

Since March 2020, the COVID-19 pandemic has prompted governments and businesses to take unprecedented measures. The situation is constantly evolving, and the measures put in place have numerous economic repercussions at global and national levels. These measures, which include travel bans, solitary confinement or quarantine, whether voluntary or not, and social distancing, have caused significant disruption in the United States and Canada, where the Company operates.

In 2021, LOGISTEC continues to operate under its business continuity plan. To date, all our operations were deemed essential services by the government authorities in Canada and the United States. As such, the Company's marine operations, including our terminal operations across our North American network, remained open and functional. Similarly, the Company's environmental operations, including renewal of underground water mains, dredging and dewatering, site remediation, soils and materials management, and manufacturing of woven hoses, remained operational. Nonetheless, the economic slowdown due to COVID-19, as well as the strict distancing and sanitation protocols have increased the operating costs in our marine and environmental services segments.

In light of the COVID-19 measures, management has reviewed their judgments, estimates and assumptions, which are fully described in Note 3 of the notes to 2020 audited consolidated financial statements, about the carrying amounts of assets and liabilities that are not readily apparent from other sources. As at September 25, 2021, management has not found any triggering events that could impair its long-lived assets, including goodwill, that could increase its expected credit losses on its trade receivables, or that could limit its ability to draw on its credit facilities.

4. SEASONAL NATURE OF OPERATIONS

Marine services are affected by weather conditions and are therefore of a seasonal nature. During the winter months, the St. Lawrence Seaway is closed. There is no activity on the Great Lakes, reduced activity on the St. Lawrence River, and no activity in Arctic transportation due to ice conditions.

Environmental services are also affected by weather conditions, as most of the specialized services offered involve the excavation of soils, which is more difficult during the winter.

Historically, the first quarter and, to a lesser extent, the second quarter have always presented a lower level of activity than the other quarters. The third and fourth quarters are usually the most active.

5. BUSINESS COMBINATIONS

2021 BUSINESS COMBINATION

AMERICAN PROCESS GROUP

On June 3, 2021, SANEXEN acquired 100% ownership of APG for a purchase price of $50,000, subject to adjustments. On September 25, 2021, the Company has estimated the post closing working capital adjustments at $2,958. APG is an Edmonton-based environmental industry leader, specializing in dredging, dewatering and residuals management. This strategic acquisition positions us in Western Canada and the United States, markets with strong potential. In addition, APG's complementary expertise allows us to enhance our service offering to our current and future clients.

The purchase price has been allocated on a preliminary basis and will be finalized as soon as the Company has obtained all the information it deems necessary. As at September 25, 2021, we are currently evaluating the fair values of property, plant and equipment, intangible assets and working capital.

(in thousands of Canadian dollars)

At the acquisition date, the preliminary fair values of the underlying identifiable assets acquired and liabilities assumed were as follows:

	American Process Group $
Current assets	6,293
Property, plant and equipment	11,629
Right of use assets	1,429
Goodwill	32,472
Intangible assets	8,250
Non-current financial assets	203
Current liabilities	(2,336)
Lease liabilities	(1,429)
Deferred income tax liabilities	(3,553)
	52,958
Cash consideration paid	49,500
Undisbursed consideration included in trade and other payables	3,458
Purchase price consideration	52,958

The fair value of receivables acquired of $4,431 which includes a negligible amount deemed uncollectible as at the acquisition date, is included in the current assets. The acquisition transaction costs for these assets, included under other expenses, amounted to $523.

Impact of the business combination on the results of the Company

The Company's results for the three-month and nine-month periods ended September 25, 2021, include $9,551 and $11,669, respectively, in revenue, and a profit before income taxes of $2,312 and $2,193, respectively, generated by the business combination. If the business combination had been completed on January 1, 2021, in the Company's best estimate, revenue and profit before income taxes for the nine-month period would have been $25,327 and $3,148, respectively.

In determining these estimated amounts, the Company assumes that the fair value adjustments that arose on the acquisition date would have been the same, had the acquisition occurred on January 1, 2021.

Goodwill

Goodwill mainly arose in the acquisition as a result of synergies attributable to the expected future growth potential from the expanded locations and intangible assets not qualifying for separate recognition.

2020 BUSINESS COMBINATIONS

CASTALOOP

On December 14, 2020, the Company acquired 100% ownership of Gestion Castaloop Inc. and its subsidiaries ("Castaloop") for a purchase price of $3,500, subject to certain adjustments. On May 19, 2021, the Company settled the post-closing working capital adjustments for an additional cash consideration of $890. On June 26, 2021, the Company finalized estimates of the fair value of assets acquired and liability assumed. Consequently, the comparative figures of the consolidated statements of financial position have been changed accordingly.

Castaloop provides customized cargo handling services to clients along the Great Lakes and St. Lawrence Seaway as well as along the St. Lawrence River and U.S. East Coast. This acquisition solidifies LOGISTEC's position as a leading provider of innovative cargo handling services at ports throughout North America.

(in thousands of Canadian dollars)

At the acquisition date, fair values of the underlying identifiable assets acquired and liabilities assumed were as follows:

	Castaloop $
Cash and cash equivalent	1,280
Current assets	789
Property, plant and equipment	505
Non-current financial assets	50
Right of use assets	111
Goodwill	2,963
Current liabilities	(1,197)
Lease liabilities	(111)
Purchase price consideration	4,390

The fair value of receivables acquired of $738, which includes a negligible amount deemed uncollectible as at the acquisition date, is included in the current assets. The purchase price allocation is final.

CARE AND PASCAGOULA TERMINALS

On June 26, 2020, Gulf Stream Marine, Inc. acquired the Care terminal at the Port of Houston, in Texas, and on July 15, 2020, acquired an additional terminal at the Port of Pascagoula, in Mississippi, for a total purchase price of US$12,033 (CA$16,457), subject to certain adjustments. These two strategically located marine terminals complement LOGISTEC's growing network throughout the U.S. Gulf Coast region, which is now operating in 12 terminals in three Gulf Coast states.

6. GOVERNMENT ASSISTANCE

As at September 25, 2021, the Company qualified for the Canada Emergency Wage Subsidy and there was reasonable assurance that the amount would be received from the federal government in connection with the COVID-19 pandemic. For the three-month and nine-month periods ended September 25, 2021, the Company recognized a wage subsidy of $70 and $2,921, respectively ($1,702 and $12,662 respectively in the comparable period of 2020), against the salary expense qualifying for that subsidy under employee benefits expense in the condensed consolidated interim statements of earnings.

As at September 25, 2021, the Company qualified for the Texas Emission Reduction Plan related to the acquisition of new and upgraded equipment, to reduce pollution and improve the air quality in Texas. The Company recognized a grant of US$1,600 (CA$2,029) as a reduction of the US$3,500 (CA$4,438) cost of the related assets.

7. FINANCIAL RISK MANAGEMENT

Capital Management

The Company monitors the ratio of net indebtedness/capitalization on a quarterly basis. As at September 25, 2021, the ratio was calculated as follows:

	As at September 25, 2021 $	As at December 31, 2020 $
Long-term debt, including the current portion	**211,501**	167,710
Less:		
Cash and cash equivalents	**31,408**	46,778
Total net indebtedness	**180,093**	120,932
Equity attributable to owners of the Company	**316,891**	300,782
Capitalization	**496,984**	421,714
Ratio of net indebtedness/capitalization	**36.2%**	28.7%

As at September 25, 2021, the Company was in compliance with all of its obligations under the terms of its banking agreements.

Financial Risk Management

Due to the nature of the activities carried out and as a result of holding financial instruments, the Company is exposed to credit risk, liquidity risk and market risk, especially interest rate risk and foreign exchange risk.

CREDIT RISK

Credit risk arises from the possibility that a counterpart will fail to perform its obligations. The Company conducts a thorough assessment of credit issues prior to committing to the investment and actively monitors the financial health of its investees on an ongoing basis. In addition, the Company is exposed to credit risk from customers. On the one hand, the Company does business mostly with large industrial, municipal and well-established customers, thus reducing its credit risk. On the other hand, the number of customers served by the Company is limited, which increases the risk of business concentration and economic dependency. Overall, the Company serves some 2,200 customers. For the nine months ended September 25, 2021, the 20 largest customers accounted for 39.8% (45.4% in 2020) of consolidated revenue.

Fair Value of Financial Instruments

As at September 25, 2021, and December 31, 2020, the estimated fair values of cash and cash equivalents, trade and other receivables, trade and other payables, and dividends payable approximated their respective carrying values due to their short-term nature.

The estimated fair value of long-term notes receivable, included in non-current financial assets, was not significantly different from their carrying value as at September 25, 2021, and December 31, 2020, based on the Company's estimated interest rate for long-term notes receivable with similar terms and conditions.

The estimated fair value of long-term debt was $933 higher than its carrying value as at September 25, 2021 ($3,349 higher as at December 31, 2020) as a result of a change in financial conditions of similar instruments available to the Company. The fair value of long-term debt is determined using the discounted future cash flows method and management's estimates for market interest rates for identical or similar issuances.

For the period ended September 25, 2021, no financial instruments were recorded at fair value and transferred between levels 1, 2 and 3.

Sensitivity analysis

On September 25, 2021, all other things being equal, a 10% increase of the pre-established financial performance threshold of acquired businesses related to the written put option would have resulted in a decrease of $3,399 in retained earnings for the period ended September 25, 2021, and an increase of the same amount in total liabilities. A 10.0% decrease of the pre-established financial performance threshold would have had the opposite estimated impact.

8. SHARE CAPITAL

Since the beginning of the year, pursuant to the Company's normal course issuer bid, nil (5,300 in 2020) Class A shares and 11,100 (28,200 in 2020) Class B shares were repurchased and cancelled for cash consideration of nil ($163 in 2020) and $421 ($903 in 2020), respectively. Of this amount, the excess over the stated capital of the repurchased shares of nil ($159 in 2020) and $338 ($708 in 2020), respectively, was charged to retained earnings.

As of September 24, 2021, following the issuance of 12,700 (24,300 in 2020) Class B shares under the Employee Stock Purchase Plan ("ESPP"), there remains an unallocated balance of 156,700 Class B shares reserved for issuance pursuant to this ESPP. Those 12,700 (24,300 in 2020) Class B shares were issued in exchange for a cash consideration of $130 ($190 in 2020) and non-interest-bearing loans of $385, repayable over two years. The carrying value of non-interest-bearing loans amounts to $566 as at September 25, 2021 ($443 as at December 31, 2020).

Following the 2016 agreement with SANEXEN, during the nine-month period ended September 25, 2021, LOGISTEC issued 148,567 Class B shares at $33.02 per share, which reduced the share capital to be issued from $4,906 as at December 31, 2020, to nil as at September 25, 2021.

(in thousands of Canadian dollars)

The issued and outstanding shares were as follows:

	As at September 25, 2021 $	As at December 31, 2020 $
7,377,022 Class A shares (7,377,022 as at December 31, 2020)	**4,875**	4,875
5,686,036 Class B shares (5,535,869 as at December 31, 2020)	**46,038**	40,700
	50,913	45,575

Dividends

Details of dividends declared per share are as follows:

	For the nine months ended	
	September 25, 2021 $	September 26, 2020 $
Class A shares	**0.29**	0.28
Class B shares	**0.31**	0.31

Executive Stock Option Plan

The Company has an Executive Stock Option Plan under which 60,933 options to subscribe for the Company's Class B shares have been granted to certain senior executives in 2021 (60,658 in 2020). The exercise price of the options is $44.79 ($24.86 for the 2020 grant) and is equal to the average of the daily high and low trading prices for the five days, consecutive or not, preceding the date of grant. The options granted vest over a period of four years at the rate of 25% per year, starting at the grant date. The fair value of the options was estimated at $13.99 ($5.77 for the 2020 grant) at the grant date using the Black-Scholes option pricing model, taking into account the terms and conditions on which the options were granted. The contractual term of each option granted is ten years. There are no cash settlement alternatives.

The Company accounts for the Executive Stock Option Plan as an equity-settled plan. The expenses recorded in the condensed consolidated interim statements of earnings for the three-month and nine-month periods ended September 25, 2021, were $136 ($46 in 2020) and $241 ($91 in 2020), respectively.

9. REVENUE

Revenue is detailed as follows:

	For the three months ended		For the nine months ended	
	September 25, 2021 $	September 26, 2020 $	September 25, 2021 $	September 26, 2020 $
Revenue from cargo handling services	**111,865**	79,199	**298,365**	250,340
Revenue from services relating to the renewal of underground water mains	**83,174**	81,449	**124,606**	104,409
Revenue from site remediation and soils and materials management services	**35,626**	24,141	**71,489**	49,259
Revenue from sale of goods	**5,506**	7,058	**19,154**	20,865
	236,171	191,847	**513,614**	424,873

(in thousands of Canadian dollars)

10. INDEBTEDNESS

On September 14, 2021, the Company renegotiated its unsecured long-term debt in the principal amount of $50,000 leading to an amendment to the existing debt facility. The interest rate charged on the unsecured long-term debt was revised to 4.50% (formerly bearing interest at 4.82% and 4.64% as at December 31, 2020), and an advance prepayment option of $25,000 exercisable on September 15, 2022, was added without penalty.

11. STATEMENTS OF CHANGE IN EQUITY

Accumulated other comprehensive income

	As at September 25, 2021 $	As at September 26, 2020 $
Losses on derivatives designated as cash flow hedges	**(5)**	(70)
Currency translation differences arising on translation of foreign operations	**6,961**	13,964
Unrealized gains (losses) on translating debt designated as hedging item of the net investment in foreign operations	**1,016**	(2,399)
	7,972	11,495

Remeasurement of written put option liabilities

Following the business combination of FER-PAL on July 6, 2017, the Company granted the non-controlling interest shareholders a put option, exercisable at any time after July 6, 2021, allowing them to sell all the remaining shares to LOGISTEC in three equal tranches over three fiscal years for cash consideration based on a predetermined purchase price formula based on FER-PAL's performance. As at September 25, 2021, following the accretion of interest and the reevaluation of the put option, a liability of $46,719 ($31,963 as at December 31, 2020) was recognized, of which $19,296 (nil as at December 31, 2020) has been included in trade and other payables while the remaining balance of $27,423 ($31,963 as at December 31, 2020) has been included in non-current liabilities in the condensed consolidated statements interim statements of financial position. For the nine-month period ended September 25, 2021, the Company recognized a loss on remeasurement of $14,756 ($818 in the comparable period of 2020) in retained earnings. The Company also has a call option, exercisable by LOGISTEC at any time after July 6, 2022, to purchase the remaining 48% shares from the non-controlling interest shareholders on the same terms as the put option.

12. SEGMENTED INFORMATION

The Company and its subsidiaries are organized and operate primarily in two reportable industry segments: marine services and environmental services. The accounting policies used within the segments are applied in the same manner as for the condensed consolidated interim financial statements.

The Company discloses information about its reportable segments based upon the measures used by management in assessing the performance of those reportable segments. The Company uses segmented profit before income taxes to measure the operating performance of its segments.

(in thousands of Canadian dollars)

The financial information by industry and geographic segments is as follows:

Industry Segments

The financial information by industry segment is as follows:

	Three-month period ended September 25, 2021			Three-month period ended September 26, 2020		
	Marine services	**Environmental services**	**Total**	Marine services	Environmental services	Total
	$	**$**	**$**	$	$	$
Revenue	**111,878**	**124,293**	**236,171**	79,237	112,610	191,847
Profit before income taxes	**13,170**	**21,402**	**34,572**	4,081	23,123	27,204

	Nine-month period ended September 25, 2021			Nine-month period ended September 26, 2020		
	Marine services	**Environmental services**	**Total**	Marine services	Environmental services	Total
	$	**$**	**$**	$	$	$
Revenue	**298,850**	**214,764**	**513,614**	251,015	173,858	424,873
Profit before income taxes	**28,062**	**11,792**	**39,854**	16,032	10,894	26,926

	As at September 25, 2021			As at December 31, 2020		
	Marine services	**Environmental services**	**Total**	Marine services	Environmental services	Total
	$	**$**	**$**	$	$	$
Total assets	**544,201**	**373,406**	**917,607**	525,833	273,619	799,452
Total liabilities	**380,504**	**219,259**	**599,763**	374,346	123,535	497,881

Geographic Segments

The Company's revenue from external customers by country of origin and information about its non-current assets by location of assets are detailed below.

	Three-month period ended September 25, 2021			Three-month period ended September 26, 2020		
	Canada	**USA**	**Total**	Canada	USA	Total
	$	**$**	**$**	$	$	$
Revenue	**161,694**	**74,477**	**236,171**	127,063	64,784	191,847

	Nine-month period ended September 25, 2021			Nine-month period ended September 26, 2020		
	Canada	**USA**	**Total**	Canada	USA	Total
	$	**$**	**$**	$	$	$
Revenue	**310,437**	**203,177**	**513,614**	226,185	198,688	424,873

	As at September 25, 2021			As at December 31, 2020		
	Canada	**USA**	**Total**	Canada	USA	Total
	$	**$**	**$**	$	$	$
Non-current assets (1)	**350,058**	**261,155**	**611,213**	281,235	272,405	553,640

(1) Non-current assets exclude non-current financial assets and deferred income tax assets.

13. FIRE INCIDENT AT THE PORT OF BRUNSWICK (GA)

On May 2, 2021, a fire destroyed a leased warehouse, a portion of a conveyor and certain terminal equipment assets at our bulk facilities in Brunswick (GA).

The Company has insurance in place covering, among other things, property and equipment damage and general liability up to specified amounts, subject to limited deductibles. The Company has notified its insurers of the incident and the anticipated proceeds from the insurance coverage is expected to be sufficient to cover the cost of the assets destroyed, as well as other costs incurred as a direct result of the fire.

During the nine-month period ended September 25, 2021, the Company received confirmation of an advance from the property insurance carriers on its initial claim in the amount of US$5,000 (CA$6,147) related to the incident. The Company also recognized an impairment loss of US$5,250 (CA$6,454) for the destroyed assets that were impacted by the fire. Both the insurance recovery and the impairment loss related to the assets destroyed were recognized under other gains (losses) in the condensed consolidated interim statements of earnings for the nine-month period ended September 25, 2021.

Pursuant to the lease agreement with Georgia Ports Authority, the Company is required to rebuild the warehouse that was destroyed by the fire. As at the date of these condensed consolidated interim financial statements, discussions are ongoing with the Georgia Ports Authority and other parties to determine if the warehouse will be rebuilt and if so, the size and the type of warehouse to be constructed. In accordance with the lease agreement, this warehouse was insured for US$21,900 (CA$26,900). As at the date of these financial statements, the Company has not begun reconstruction of the warehouse and is able to operate with reduced capacity at this facility. The Company will record the impact of final discussions related to the warehouse, including any required obligations for rebuilding of the warehouse and a corresponding insurance recovery, in the period when all information will be available.

This reflects management's best estimates based on the information available as at the date of these condensed consolidated interim financial statements and are subject to change as new developments occur in the future in connection with the Company's reconstruction of the warehouse and finalization of the insurance claim.

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