UNI-SELECT®

Press Release

For immediate distribution

Uni-Select Inc. Reports 2021 Third Quarter Highlights and Financial Results

QUARTER HIGHLIGHTS (Compared to the Third Quarter of 2020):

- **Consolidated sales of $426.1 million, up 7.8%, driven by organic growth(1) of 3.9% primarily resulting from increased demand and prices as global markets continue to recover from the COVID-19 pandemic;**
- **EBITDA(1) increased 14.8% to $35.3 million or 8.3% of sales from $30.8 million or 7.8% of sales in 2020, as a result of improvements in gross margin and a reduction in operating costs; Adjusted EBITDA(1) increased 25.1% to $42.3 million or 9.9% of sales;**
- **Basic EPS of $0.28, up $0.17; Basic adjusted EPS(1) of $0.40, up $0.21 due to disciplined operational performance and lower interest costs as a result of the credit facility amendment completed during the second quarter of 2021; and**
- **Total net debt to adjusted EBITDA(1) ratio of 2.34x, driven by strong operating results, continued focus on working capital management and capital discipline.**

Boucherville (Québec), November 12, 2021 – Uni-Select Inc. (TSX: UNS) (**"Uni-Select"** or **"Corporation"**) today reported its financial results for the third quarter ended September 30, 2021.

"We are very pleased with our third-quarter results which reflect ongoing operational improvement and continued sequential recovery in our business. While revenues increased 7.8% to $426.1 million, adjusted earnings(1) more than doubled to $17.2 million, or $0.40 per basic share, driven by significantly higher operational results in all three businesses and materially lower borrowing costs," stated Brian McManus, Executive Chair and Chief Executive Officer of Uni-Select.

"This strong profitability combined with active cash management translated into free cash flows(1) of $37.0 million which we used primarily to reduce our total net debt(1) to $314.9 million, its lowest level since the second quarter of 2017, and we ended the period with a leverage ratio of 2.34x.

Our near-term focus remains to align the three businesses with our vision for the future while identifying growth opportunities. We expect 2021 to be a good year overall but remain cautiously optimistic for the fourth quarter and next year as we manage through the ongoing challenges related to supply chain shortages and labour costs. With our new leadership team firmly in place, we are positioning the business for the long term and see many opportunities ahead in all three businesses," concluded Mr. McManus.

(1) This is a non-GAAP financial measure. Refer to the "Non-GAAP Financial Measures" section for further details.

INTERIM CONSOLIDATED FINANCIAL RESULTS

During the quarter, the Corporation updated its definition of adjusted EBITDA, adjusted EBT, adjusted earnings and basic adjusted earnings (loss), and is now excluding stock-based compensation. Management believes this new definition better reflects its core operational performance. Accordingly, comparative figures were adjusted to reflect this change, including certain ratios such as total net debt to adjusted EBITDA. (Refer to the "Non-GAAP Financial Measures" section for further details.)

The following table presents selected consolidated information:

(in thousands of US dollars, except per share amounts, percentages and otherwise specified)	**Third Quarters Ended Sept. 30** 2021 $	2020 $	%	**Nine-month Periods Ended Sept. 30** 2021 $	2020 $	%
OPERATING RESULTS						
Sales	**426,094**	395,352	*7.8*	**1,212,625**	1,105,570	*9.7*
EBITDA[1]	**35,326**	30,780	*14.8*	**60,570**	43,186	*40.3*
EBITDA margin[1]	***8.3%***	*7.8%*		***5.0%***	*3.9%*	
Adjusted EBITDA[1]	**42,294**	33,799	*25.1*	**109,265**	67,367	*62.2*
Adjusted EBITDA margin[1]	***9.9%***	*8.5%*		***9.0%***	*6.1%*	
EBT[1]	**14,682**	6,800	*115.9*	**(8,508)**	(32,783)	*74.0*
EBT margin[1]	***3.4%***	*1.7%*		***(0.7%)***	*(3.0%)*	
Adjusted EBT[1]	**22,763**	10,861	*109.6*	**43,542**	(5,522)	*888.5*
Adjusted EBT margin[1]	***5.3%***	*2.7%*		***3.6%***	*(0.5%)*	
Change in estimates related to inventory obsolescence	**-**	-		**20,600**	-	
Stock-based compensation	**1,554**	515		**6,206**	2,456	
Special items	**5,414**	2,504		**21,889**	21,725	
Net earnings (loss)	**11,927**	4,454	*167.8*	**(8,113)**	(26,456)	*69.3*
Adjusted earnings (loss)[1]	**17,248**	7,916	*117.9*	**33,210**	(4,604)	*821.3*
Free cash flows[1]	**36,955**	61,084	*(39.5)*	**71,828**	76,215	*(5.8)*
COMMON SHARE DATA						
Basic earnings (loss) per share	**$0.28**	$0.11	*154.5*	**$(0.19)**	$(0.62)	*69.4*
Diluted earnings (loss) per share	**$0.25**	$0.11	*127.3*	**$(0.19)**	$(0.62)	*69.4*
Basic adjusted earnings (loss) per share	**$0.40**	$0.19	*110.5*	**$0.78**	$(0.11)	*809.1*
Number of shares outstanding *(in thousands)*	**43,793**	42,387		**43,793**	42,387	
Weighted average number of outstanding shares						
Basic *(in thousands)*	**43,042**	42,387		**42,608**	42,387	
Diluted *(in thousands)*	**51,988**	42,387		**42,608**	42,387	

	As at Sept. 30, 2021 $	As at Dec. 31, 2020 $
FINANCIAL POSITION		
Total net debt[1]	**314,933**	370,252
Credit facilities (including revolving and term loans) at nominal value	**237,053**	318,379
Convertible debentures	**78,181**	87,728

(1) This is a non-GAAP financial measure. Refer to the "Non-GAAP Financial Measures" section for further details.

THIRD QUARTER RESULTS

Compared to the Third Quarter of 2020:

Consolidated sales of $426.1 million for the quarter increased by 7.8%, mainly driven by organic growth of 3.9% and favourable Canadian and British currency fluctuations. Consolidated organic growth continued to improve in the quarter reflecting the global market recovery.

The Corporation generated EBITDA of $35.3 million for the quarter, which was impacted by special items of $5.4 million for severance and write-down of property and equipment, as well as by stock-based compensation of $1.6 million mainly due to the Corporation's share price appreciation. Adjusted EBITDA and adjusted EBITDA margin increased by $8.5 million and 1.4% respectively to $42.3 million and 9.9% of sales, from $33.8 million and 8.5% of sales in 2020. This performance was largely driven by additional vendor rebates in all segments, as well as price increases in the Canadian Automotive Group and the FinishMaster U.S. segments. Furthermore, the quarter benefitted from scaling benefits linked to organic growth and a streamlined cost structure. These elements were, in part, offset by a higher level of expenses during the current quarter of 2021, as the third quarter of 2020 benefitted from government assistance programs, lower labour costs due to temporary employee lay-offs, reduction of working hours and the temporary closure of company-operated stores in response to the reduced demand effects of the pandemic. The current quarter of 2021 also had higher short-term incentive expenses, due to operational performance.

Net earnings for the quarter increased by $7.4 million to $11.9 million and adjusted earnings increased by $9.3 million or 117.9% to $17.2 million from $7.9 million in 2020. This performance is primarily attributable to increased sales, better scaling on operating costs as a result of disciplined operational performance, lower interest costs as a result of the credit facility amendment completed during the second quarter of 2021, lower debt levels and a lower effective tax rate.

Segmented Third Quarter Results

The FinishMaster U.S. segment reported sales of $174.9 million, organically increasing by 7.0%. This segment reported organic growth for a second consecutive quarter, stimulated by the global market recovery. EBITDA was $14.0 million for the quarter, compared to $6.5 million in 2020. Adjusted EBITDA and adjusted EBITDA margin improved by $7.9 million and 4.2% respectively to $15.9 million and 9.1% of sales, from $8.0 million and 4.9% of sales in 2020. This performance was driven by sales volume, increasing gross margin and improving fixed cost absorption, lower payroll costs, as well as the consolidation of company-operated stores. During the same quarter in 2020, this segment was affected by inventory obsolescence and higher professional fees. Starting in the third quarter of 2020, this segment has reported improved adjusted EBITDA in each quarter over the comparable quarter in the prior year, both in dollar and as a percentage of sales, as a result of measures put in place and a broader market recovery.

The Canadian Automotive Group segment reported sales of $144.5 million, an increase of 5.3% supported by the appreciation of the Canadian dollar and the impact of business acquisitions added to the network over the last twelve months. Organic growth declined by 1.0%, which is explained by exceptional performance during the third quarter of 2020, as pent-up demand was released abruptly due to the easing of lockdown restrictions. This segment reported EBITDA of $16.2 million for the quarter, compared to $19.0 million in 2020. Adjusted EBITDA and adjusted EBITDA margin decreased by $2.2 million and 2.3% respectively to $16.8 million or 11.6% of sales, from $19.0 million or 13.9% of sales in 2020. The variance is mainly related to government payroll subsidies included in the third quarter of 2020, representing $3.3 million or 2.4% of sales. Excluding this element, adjusted EBITDA margin increased by 0.1% and is mainly explained by additional vendor rebates and price increases, which were partially offset by higher short-term payroll incentive expenses in line with the operating performance of the segment, as well as by foreign exchange losses.

The Parts Alliance U.K. segment reported sales of $106.7 million, an increase of 12.8%, mainly driven by a strong British pound against the US dollar during the current quarter of 2021 and organic growth of 5.6%. Organic growth of the U.K. segment continued to improve during the quarter and sales were in line with 2019. This segment reported EBITDA of $10.8 million for the quarter, compared to $8.7 million in 2020. Adjusted EBITDA and adjusted EBITDA margin increased by $2.2 million and 1.0%, respectively, to $11.0 million and 10.3% of sales, from $8.8 million and 9.3% of sales in 2020. This improvement is attributable to additional sales volume, increasing gross margin due to higher vendor rebates and improved fixed cost absorption, as well as certain payroll savings. Starting in the third quarter of 2020, this segment has reported improved adjusted EBITDA in each quarter over the comparable quarter in the prior year, both in dollar and as a percentage of sales.

NINE-MONTH PERIOD RESULTS

Compared to the Nine-Month Period of 2020:

Consolidated sales increased by $107.1 million or 9.7% to $1,212.6 million for the period, mainly driven by organic growth of 5.4% as global markets continue to recover from the COVID-19 pandemic, the favourable fluctuations of the British and the Canadian currencies and business acquisitions. This performance offsets the adverse impact of fewer billing days and the expected sales loss from the consolidation of company-operated stores.

The Corporation reported EBITDA of $60.6 million for the period, which was impacted by a change in estimates of $20.6 million related to inventory obsolescence in the FinishMaster U.S. segment, special items of $21.9 million, mainly for severance related to changes to executive leadership, as well as stock-based compensation of $6.2 million primarily as a result of the strong appreciation of the Corporation's share price. Adjusted EBITDA and adjusted EBITDA margin increased by $41.9 million and 2.9% respectively to $109.3 million and 9.0% of sales, from $67.4 million and 6.1% of sales in 2020. This performance resulted from improved gross margins due to additional volume rebates and price increases, a streamlined cost structure, as well as an improved fixed cost absorption related to organic growth. Furthermore, the results of the nine-month period benefitted from lower bad debt expense of about $7.0 million or 0.6% of sales. These elements were partially offset by a higher overall level of expenses in relation to the sales recovery and by higher short-term payroll incentives due to operational performance, while the same period of 2020 benefitted from actions in response to the reduced demand effects of the pandemic. For the same period last year, the Corporation benefitted from governmental assistance programs that were offset by additional obsolescence.

The Corporation reported a net loss of $8.1 million for the current period compared to a net loss of $26.5 million in 2020. Adjusted earnings for the current period increased by $37.8 million to $33.2 million from an adjusted loss of $4.6 million in 2020. This improvement in earnings was driven by increased sales, better scaling on operating costs as a result of disciplined operational performance, as well as lower interest costs as a result of the amendment to the credit facility completed during the second quarter of 2021 and lower debt levels.

Segmented Nine-Month Period Results

The FinishMaster U.S. segment reported sales of $504.3 million, an increase of 1.1%, driven by organic growth of 2.1%, or $10.5 million, in part offset by a lower number of billing days. This segment reported EBITDA of $15.9 million for the period, which was impacted by a change in estimates related to inventory obsolescence, special items and stock-based compensation, totalling $23.9 million. Adjusted EBITDA and adjusted EBITDA margin increase by $15.3 million and 3.0% respectively to $39.8 million and 7.9% of sales, from $24.5 million and 4.9% of sales in 2020. This performance is attributable to additional vendor incentives and price increases, cost reduction initiatives, including workforce optimization, company-operated stores consolidation, diligent control of overall discretionary expenses and a partial reversal of bad debt provision due to improved collection. During the nine-month period last year, this segment was affected by additional inventory obsolescence and bad debt expenses.

The Canadian Automotive Group segment reported sales of $404.9 million, an increase of 12.3%, driven by the appreciation of the Canadian dollar and organic growth of 3.8%. This segment reported EBITDA of $45.2 million for the period, which was impacted by special items and stock-based compensation. Adjusted EBITDA and adjusted EBITDA margin increased by $11.9 million and 1.9% respectively to $46.7 million and 11.5% of sales, from $34.8 million and 9.6% of sales in 2020. This performance is mainly attributable to additional vendor rebates and price increases, while the nine-month period of 2020 was affected by large foreign exchange losses. These elements were partially offset by an increase in short-term incentive expenses, due to the operating performance of the segment. Furthermore, the nine-month period of 2020 benefitted from government payroll subsidies, which partially offset additional bad debt expense, representing a net amount of $2.3 million or about 0.6% of sales.

The Parts Alliance U.K. segment reported sales of $303.4 million, an increase of 23.3%, mainly from organic growth of 14.6% and a strong British pound against the US dollar during the current period of 2021, exceeding the unfavourable variance in the number of billing days and the expected sales loss resulting from the consolidation of company-operated stores. This segment reported EBITDA of $26.3 million for the period, which was impacted by special items and stock-based compensation. Adjusted EBITDA and adjusted EBITDA margin increased by $15.6 million and 4.1% respectively to $29.5 million and 9.7% of sales, from $13.9 million and 5.6% of sales in 2020. This improvement was driven by additional sales volume, certain payroll savings, as well as improved gross margin from higher vendor rebates and price increases. During the nine-month period of 2020, results were affected by additional reserves for inventory obsolescence and bad debt, which were in part offset by governmental occupancy subsidies, for a net negative impact of about $1.6 million or 0.7% of sales.

PARTIAL REPAYMENT OF TERM LOAN

In August 2021, the Corporation voluntarily repaid $35.0 million of the $150.0 million outstanding under the term facilities, without penalty. Following this partial repayment, the aggregate amount available under the credit facility was reduced to $465.0 million.

PARTIAL CONVERSION OF DEBENTURES

In August 2021, CAD$15.0 million of the convertible debentures of the Corporation were converted into 1,105,380 common shares at a price of CAD$13.57 per share, which reduced the aggregate principal amount of issued convertible senior subordinated unsecured debentures to CAD$110.0 million.

REBRANDING ACCROSS THE PARTS ALLIANCE U.K. NETWORK

The Parts Alliance U.K. segment, which traded locally under thirteen historic brands acquired through The Parts Alliance, has officially rebranded as GSF Car Parts, a brand with an established presence in the U.K. market. This will allow the segment to leverage a single trading name across its 170 company-owned stores for the first time. Operating nationally, as one brand, will enable processes streamlining and will ease the implementation of various improvements across the business more quickly and efficiently.

CONFERENCE CALL

Uni-Select will host a conference call to discuss its third-quarter results for 2021 on November 12, 2021, at 8:00 AM Eastern. To join the conference, dial 1 888 390-0549 (or 1 416 764-8682 for international calls).

A recording of the conference call will be available from 11:30 AM Eastern on November 12, 2021, until 11:59 PM Eastern on December 12, 2021. To access the replay, dial 1 888 390-0541 followed by 399374#.

A webcast of the quarterly results conference call will also be accessible through the "Investors" section of our website at uniselect.com where a replay will also be archived. Listeners should allow ample time to access the webcast and supporting slides.

ABOUT UNI-SELECT

With over 4,800 employees in Canada, the U.S. and the U.K., Uni-Select is a leader in the distribution of automotive refinish and industrial coatings and related products in North America, as well as a leader in the automotive aftermarket parts business in Canada and in the U.K. Uni-Select is headquartered in Boucherville, Québec, Canada, and its shares are traded on the Toronto Stock Exchange under the symbol UNS.

In Canada, Uni-Select supports over 16,000 automotive repair and collision repair shops and more than 4,000 shops through its automotive repair/installer shop banners and automotive refinish banners. Its national network includes over 1,000 independent customer locations and more than 75 company-operated stores, many of which operate under the Uni-Select BUMPER TO BUMPER®, AUTO PARTS PLUS® and FINISHMASTER® store banner programs.

In the United States, Uni-Select, through its wholly-owned subsidiary FinishMaster, Inc., operates a national network of over 145 automotive refinish company-operated stores under the FINISHMASTER® banner, which supports over 30,000 customers annually.

In the U.K. and Ireland, Uni-Select, through its Parts Alliance group of subsidiaries, is a major distributor of automotive parts supporting over 20,000 customer accounts with a network of over 170 company-operated stores. www.uniselect.com

CAUTION REGARDING FORWARD-LOOKING INFORMATION

Certain information made in this press release is forward-looking information within the meaning of Canadian securities laws. All such forward-looking information is made and disclosed in reliance upon the "safe harbour" provisions of applicable Canadian securities laws.

Forward-looking information includes all information regarding Uni-Select's intentions, plans, expectations, beliefs, objectives, future performance, and strategy, as well as any other information that relates to future events or circumstances and which does not directly and exclusively relate to historical facts. Forward-looking information often, but not always, uses words such as "believe," "estimate," "expect," "intend," "anticipate," "foresee," "plan," "predict," "project," "aim," "seek," "strive," "potential," "continue," "target," "may," "might," "could," "should," and similar expressions and variations thereof.

Forward-looking information is based on Uni-Select's perception of historic trends, current conditions and expected future developments, as well as other assumptions, both general and specific, that Uni-Select believes are appropriate in the circumstances. Such information is, by its very nature, subject to inherent risks and uncertainties, many of which are beyond the control of Uni Select, and which give rise to the possibility that actual results could differ materially from Uni-Select's expectations expressed in, or implied by, such forward-looking information. Uni-Select cannot guarantee that any forward-looking information will materialize, and we caution readers against relying on any forward-looking information.

These risks and uncertainties include, but are not restricted to: risks associated with the effects and duration of the COVID-19 pandemic; risks associated with the economy; risks associated with Uni-Select's business context, such as growth in the vehicle fleet, products supply and inventory management, distribution by manufacturers directly to consumers, technology, the environment and legal, regulatory compliance and litigation risk; risks associated with operations, such as Uni Select's business model and strategy, the integration of acquired businesses, competition, manufacturer and customer consolidation, computer and financial systems and human resources; risks associated with financial instruments, as well as other risks identified or incorporated by reference in this press release, MD&A for the quarter ended September 30, 2021, in Uni-Select's MD&A for the year ended December 31, 2020, and in other documents that we make public, including our filings with the Canadian Securities Administrators (on SEDAR at www.sedar.com).

Unless otherwise stated, the forward-looking information contained in this press release is made as of the date hereof and Uni Select disclaims any intention or obligation to publicly update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable law. While we believe that our assumptions on which this forward-looking information is based were reasonable as at the date of this MD&A, readers are cautioned not to place undue reliance on this forward-looking information.

Furthermore, readers are reminded that forward-looking information is presented for the sole purpose of assisting investors and others in understanding Uni-Select's expected financial results, as well as our objectives, strategic priorities and business outlook along with our anticipated operating environment. Readers are cautioned that such information may not be appropriate for other purposes.

Further information on the risks that could cause our actual results to differ significantly from our current expectations may be found in the section titled "Risk Management" of Uni-Select's MD&A for the year ended December 31, 2020, which is incorporated by reference herein.

We also caution readers that the above-mentioned risks and the risks disclosed in Uni-Select's MD&A for the year ended December 31, 2020, and other documents and filings are not the only ones that could affect us. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial could also have a material adverse effect on our business activities, operating results, cash flows and financial position.

CONTACT INFORMATION

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NON-GAAP FINANCIAL MEASURES

The information included in this Press release contains certain financial measures that are inconsistent with GAAP. Non-GAAP financial measures do not have any standardized meaning prescribed by GAAP and are therefore unlikely to be comparable to similar measures presented by other entities. The Corporation is of the opinion that users of its Press release may analyze its results based on these measurements. The following presents performance measures used by the Corporation which are not defined by GAAP.

Organic growth – This measure consists of quantifying the increase in consolidated sales between two given periods, excluding the impact of acquisitions, the loss of sales from the consolidation of company-operated stores, exchange-rate fluctuations and when necessary, the variance in the number of billing days. This measure enables Uni-Select to evaluate the intrinsic trend in the sales generated by its operational base in comparison with the rest of the market. Organic growth is based on what management regards as reasonable and may not be comparable to other corporations' organic growth.

EBITDA and adjusted EBITDA – EBITDA represents net earnings (loss) excluding depreciation and amortization, net financing costs and income tax expense (recovery). This measure is a financial indicator of a corporation's ability to service and incur debt. It should not be considered by an investor as an alternative to sales or net earnings, as an indicator of operating performance or cash flows, or as a measure of liquidity, but as additional information.

Adjusted EBITDA contains certain adjustments, which may affect the comparability of the Corporation's financial results. These adjustments include, among other things, restructuring and other charges, stock-based compensation expenses as well as change in estimate related to inventory obsolescence.

EBITDA margin and adjusted EBITDA margin – EBITDA margin is a percentage corresponding to the ratio of EBITDA to sales. Adjusted EBITDA margin is a percentage corresponding to the ratio of adjusted EBITDA to sales.

EBT, adjusted EBT, adjusted earnings and adjusted earnings per share – Management uses adjusted earnings before taxes "**EBT**", adjusted earnings and adjusted earnings per share to assess earnings before taxes, net earnings and net earnings per share from core operating activities, containing certain adjustments, net of income taxes for adjusted earnings and adjusted earnings per share, which may affect the comparability of the Corporation's financial results. Management considers that these measures facilitate the analysis and provide the best understanding of the Corporation's operational performance. The intent of these measures is to provide additional information.

These adjustments include, among other things, restructuring and other charges, stock-based compensation expenses, change in estimate related to inventory obsolescence as well as amortization of intangible assets related to The Parts Alliance acquisition. The exclusion of these items does not indicate that they are non-recurring.

EBT margin and adjusted EBT margin – EBT margin is a percentage corresponding to the ratio of EBT to sales. Adjusted EBT margin is a percentage corresponding to the ratio of adjusted EBT to sales.

Free cash flows – This measure corresponds to the cash flows from operating activities according to the consolidated statements of cash flows adjusted for the following items: net acquisitions of property and equipment, net advances to merchant members and incentives granted to customers, as well as net acquisitions and development of intangible assets. Uni-Select considers the free cash flows to be a good indicator of financial strength and of operating performance because it shows the amount of funds available to manage growth, repay debt, reinvest in the Corporation and capitalize on various market opportunities that arise.

The free cash flows exclude certain other funds generated and used according to the consolidated statements of cash flows. Therefore, it should not be considered as an alternative to the consolidated statements of cash flows, or as a measure of liquidity, but as additional information.

Total net debt – This measure corresponds to the sum of the revolving credit facility, term facilities, lease obligations (including the portion due within a year), net of deferred financing costs and cash.

Total net debt to adjusted EBITDA ratio – This ratio corresponds to total net debt (as defined above) divided by adjusted EBITDA.

NON-GAAP FINANCIAL MEASURES (CONTINUED)

The following is a reconciliation of organic growth.

	Third Quarters Ended Sept. 30,		Nine-Month Periods Ended Sept. 30,	
	2021	2020	**2021**	2020
	$	$	**$**	$
FinishMaster U.S.	**174,872**	163,490	**504,336**	499,063
Canadian Automotive Group	**144,489**	137,240	**404,918**	360,480
The Parts Alliance U.K.	**106,733**	94,622	**303,371**	246,027
Sales	**426,094**	395,352	**1,212,625**	1,105,570
		%		%
Sales variance	**30,742**	***7.8***	**107,055**	***9.7***
Translation effect of the Canadian dollar and the British pound	**(14,741)**	***(3.7)***	**(53,987)**	***(4.9)***
Impact of number of billing days	**-**	**-**	**7,939**	***0.7***
Erosion of sales from the consolidation of company-operated stores	**-**	**-**	**1,175**	***0.5***
Acquisitions	**(663)**	***(0.2)***	**(2,138)**	***(0.6)***
Consolidated organic growth	**15,338**	***3.9***	**60,044**	***5.4***

The following is a reconciliation of EBITDA and adjusted EBITDA.

	Third Quarters Ended Sept. 30,			Nine-Month Periods Ended Sept. 30,		
	2021	2020		**2021**	2020	
	$	$	%	**$**	$	%
Net earnings (loss)	**11,927**	4,454		**(8,113)**	(26,456)	
Income tax expense (recovery)	**2,755**	2,346		**(395)**	(6,327)	
Net financing costs	**5,867**	8,763		**23,629**	28,263	
Depreciation and amortization	**14,777**	15,217		**45,449**	47,706	
EBITDA	**35,326**	30,780	*14.8*	**60,570**	43,186	*40.3*
EBITDA margin	***8.3%***	*7.8%*		***5.0%***	*3.9%*	
Change in estimate related to inventory obsolescence	**-**	-		**20,600**	-	
Stock-based compensation	**1,554**	515		**6,206**	2,456	
Special items	**5,414**	2,504		**21,889**	21,725	
Adjusted EBITDA	**42,294**	33,799	*25.1*	**109,265**	67,367	*62.2*
Adjusted EBITDA margin	***9.9%***	*8.5%*		***9.0%***	*6.1%*	

The following is a reconciliation of EBT and adjusted EBT.

	Third Quarters Ended Sept. 30,			Nine-Month Periods Ended Sept. 30,		
	2021	2020		**2021**	2020	
	$	$	%	**$**	$	%
Net earnings (loss)	**11,927**	4,454		**(8,113)**	(26,456)	
Income tax expense (recovery)	**2,755**	2,346		**(395)**	(6,327)	
EBT	**14,682**	6,800	*115.9*	**(8,508)**	(32,783)	*74.0*
EBT margin	***3.4%***	*1.7%*		***(0.7%)***	*(3.0%)*	
Change in estimate related to inventory obsolescence	**-**	-		**20,600**	-	
Stock-based compensation	**1,554**	515		**6,206**	2,456	
Special items	**5,414**	2,504		**21,889**	21,725	
Amortization of intangible assets related to the acquisition of The Parts Alliance	**1,113**	1,042		**3,355**	3,080	
Adjusted EBT	**22,763**	10,861	*109.6*	**43,542**	(5,522)	*888.5*
Adjusted EBT margin	***5.3%***	*2.7%*		***3.6%***	*(0.5%)*	

NON-GAAP FINANCIAL MEASURES (CONTINUED)

The following is a reconciliation of adjusted earnings (loss).

	Third Quarters Ended Sept. 30,			Nine-Month Periods Ended Sept. 30,		
	2021	2020		**2021**	2020	
	$	$	*%*	**$**	$	*%*
Net earnings (loss)	**11,927**	4,454	*167.8*	**(8,113)**	(26,456)	*69.3*
Change in estimate related to inventory obsolescence, net of taxes	**(659)**	-		**15,615**	-	
Stock-based compensation, net of taxes	**1,159**	382		**4,601**	1,818	
Special items, net of taxes	**3,919**	1,911		**16,365**	16,572	
Amortization of intangible assets related to the acquisition of The Parts Alliance, net of taxes	**902**	1,169		**2,748**	3,462	
Net tax impact of changes in rates and reversal of a contingency provision	**-**	-		**1,994**	-	
Adjusted earnings (loss)	**17,248**	7,916	*117.9*	**33,210**	(4,604)	*821.3*
Earnings (loss) per share	**0.28**	0.11	*154.5*	**(0.19)**	(0.62)	*69.4*
Change in estimate related to inventory obsolescence, net of taxes	**(0.02)**	-		**0.37**	-	
Stock-based compensation, net of taxes	**0.03**	0.01		**0.11**	0.04	
Special items, net of taxes	**0.09**	0.04		**0.38**	0.39	
Amortization of intangible assets related to the acquisition of The Parts Alliance, net of taxes	**0.02**	0.03		**0.06**	0.08	
Net tax impact of changes in rates and reversal of a contingency provision	**-**	-		**0.05**	-	
Adjusted earnings (loss) per share	**0.40**	0.19	*110.5*	**0.78**	(0.11)	*809.1*

The following table presents a reconciliation of free cash flows.

In June 2021, the Corporation reviewed its definition of free cash flows to better reflect the amount of funds available to manage growth, repay debt, reinvest in the Corporation and capitalize on various market opportunities that arise. Accordingly, the comparative figures presented below were adjusted.

	Third Quarters Ended Sept. 30,		Nine-Month Periods Ended Sept. 30,	
	2021	2020	**2021**	2020
	$	$	**$**	$
Cash flows from operating activities	**42,865**	62,074	**85,607**	84,272
Advances to merchant members and incentives granted to customers	**(2,408)**	(1,246)	**(9,560)**	(5,568)
Reimbursement of advances to merchant members	**621**	1,140	**4,377**	2,532
Acquisitions of property and equipment	**(2,573)**	(647)	**(5,959)**	(4,453)
Proceeds from disposal of property and equipment	**304**	349	**869**	769
Acquisitions and development of intangible assets	**(1,854)**	(586)	**(3,506)**	(1,337)
Free cash flows	**36,955**	61,084	**71,828**	76,215

UNI-SELECT INC.
INTERIM CONSOLIDATED STATEMENTS OF NET EARNINGS (LOSS)

(In thousands of US dollars, except per share amounts, unaudited)	Third Quarters Ended Sept. 30,		Nine-Month Periods Ended Sept. 30,	
	2021	2020	**2021**	2020
	$	$	**$**	$
Sales	**426,094**	395,352	**1,212,625**	1,105,570
Purchases, net of changes in inventories	**289,144**	280,396	**847,984**	781,882
Gross margin	**136,950**	114,956	**364,641**	323,688
Salaries and employee benefits	**67,258**	56,779	**199,113**	174,097
Other operating expenses	**28,952**	24,893	**83,069**	84,680
Special items	**5,414**	2,504	**21,889**	21,725
Earnings before net financing costs, depreciation and amortization and income taxes	**35,326**	30,780	**60,570**	43,186
Depreciation and amortization	**14,777**	15,217	**45,449**	47,706
Net financing costs	**5,867**	8,763	**23,629**	28,263
Earnings (loss) before income taxes	**14,682**	6,800	**(8,508)**	(32,783)
Income tax expense (recovery)	**2,755**	2,346	**(395)**	(6,327)
Net earnings (loss)	**11,927**	4,454	**(8,113)**	(26,456)
Earnings (loss) per share				
Basic	**$0.28**	$0.11	**$(0.19)**	$(0.62)
Diluted	**$0.25**	$0.11	**$(0.19)**	$(0.62)
Weighted average number of common shares outstanding (in thousands)				
Basic	**43,042**	42,387	**42,608**	42,387
Diluted	**51,988**	42,387	**42,608**	42,387

UNI-SELECT INC.
INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

(In thousands of US dollars, unaudited)	Third Quarters Ended Sept. 30,		Nine-Month Periods Ended Sept. 30,	
	2021	2020	**2021**	2020
	$	$	**$**	$
Net earnings (loss)	**11,927**	4,454	**(8,113)**	(26,456)
Other comprehensive income (loss)				
Items that will subsequently be reclassified to net earnings (loss):				
Effective portion of changes in the fair value of cash flow hedges (net of income tax of nil and $3 respectively for the quarter and nine-month period ($22 and $177 in 2020))	**-**	(62)	**8**	(492)
Net change in the fair value of derivative financial instruments designated as cash flow hedges transferred to net earnings (loss) (net of income tax of nil and $118 respectively for the quarter and nine-month period ($49 and $101 in 2020))	**11**	138	**327**	282
Unrealized exchange gains (losses) on the translation of financial statements to the presentation currency	**(3,885)**	8,055	**(2,754)**	(3,799)
Unrealized exchange gains (losses) on the translation of debt designated as a hedge of net investments in foreign operations	**(3,744)**	(257)	**1,036**	(3,105)
	(7,618)	7,874	**(1,383)**	(7,114)
Items that will not subsequently be reclassified to net earnings (loss):				
Remeasurements of long-term employee benefit obligations (net of income tax of $1,219 and $3,869 respectively for the quarter and nine-month period ($509 and $2,366 in 2020))	**3,381**	1,411	**10,731**	(6,563)
Total other comprehensive income (loss)	**(4,237)**	9,285	**9,348**	(13,677)
Comprehensive income (loss)	**7,690**	13,739	**1,235**	(40,133)

UNI-SELECT INC.
INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

(In thousands of US dollars, unaudited)	Share capital $	Contributed surplus $	Equity component of the convertible debentures $	Retained earnings (loss) $	Accumulated other comprehensive loss $	**Total equity** $
Balance as at December 31, 2019	100,244	6,724	8,232	418,624	(26,830)	506,994
Net loss	-	-	-	(26,456)	-	(26,456)
Other comprehensive loss	-	-	-	(6,563)	(7,114)	(13,677)
Comprehensive loss	-	-	-	(33,019)	(7,114)	(40,133)
Contributions by and distributions to shareholders:						
Dividends	-	-	-	(2,923)	-	(2,923)
Stock-based compensation	-	1,534	-	-	-	1,534
	-	1,534	-	(2,923)	-	(1,389)
Balance as at September 30, 2020	100,244	8,258	8,232	382,682	(33,944)	465,472
Balance as at December 31, 2020	**100,244**	**8,404**	**8,232**	**378,196**	**(21,021)**	**474,055**
Net loss	**-**	**-**	**-**	**(8,113)**	**-**	**(8,113)**
Other comprehensive income (loss)	**-**	**-**	**-**	**10,731**	**(1,383)**	**9,348**
Comprehensive income (loss)	**-**	**-**	**-**	**2,618**	**(1,383)**	**1,235**
Contributions by and distributions to shareholders:						
Conversion of convertible debentures into common shares	**12,202**	**-**	**(988)**	**-**	**-**	**11,214**
Issuance of common shares	**2,993**	**-**	**-**	**-**	**-**	**2,993**
Transfer upon exercise of stock options	**612**	**(612)**	**-**	**-**	**-**	**-**
Stock-based compensation	**-**	**256**	**-**	**-**	**-**	**256**
	15,807	**(356)**	**(988)**	**-**	**-**	**14,463**
Balance as at September 30, 2021	**116,051**	**8,048**	**7,244**	**380,814**	**(22,404)**	**489,753**

UNI-SELECT INC.
INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

(In thousands of US dollars, unaudited)	Third Quarters Ended Sept. 30,		Nine-Month Periods Ended Sept. 30,	
	2021	2020	**2021**	2020
	$	$	**$**	$
OPERATING ACTIVITIES				
Net earnings (loss)	**11,927**	4,454	**(8,113)**	(26,456)
Adjustment for:				
Special items and others	**5,414**	2,504	**42,489**	21,725
Depreciation and amortization	**14,777**	15,217	**45,449**	47,706
Net financing costs	**5,867**	8,763	**23,629**	28,263
Income tax expense (recovery)	**2,755**	2,346	**(395)**	(6,327)
Amortization and reserves related to incentives granted to customers	**3,894**	4,426	**12,495**	14,161
Other items	**(4,851)**	275	**(2,959)**	2,074
Changes in working capital items	**8,879**	29,392	**(3,002)**	23,175
Interest paid	**(4,693)**	(5,148)	**(21,210)**	(18,709)
Income taxes paid	**(1,104)**	(155)	**(2,776)**	(1,340)
Cash flows from operating activities	**42,865**	62,074	**85,607**	84,272
INVESTING ACTIVITIES				
Business acquisition	**(1,501)**	(193)	**(1,501)**	(4,675)
Business disposal	**-**	-	**-**	258
Net balance of purchase price	**(555)**	(41)	**(613)**	-
Cash held in escrow	**(214)**	-	**(214)**	747
Proceeds from sale of investment	**396**	-	**396**	-
Advances to merchant members and incentives granted to customers	**(2,408)**	(1,246)	**(9,560)**	(5,568)
Reimbursement of advances to merchant members	**621**	1,140	**4,377**	2,532
Acquisitions of property and equipment	**(2,573)**	(647)	**(5,959)**	(4,453)
Proceeds from disposal of property and equipment	**304**	349	**869**	769
Acquisitions and development of intangible assets	**(1,854)**	(586)	**(3,506)**	(1,337)
Other provisions paid	**(330)**	(143)	**(582)**	(331)
Cash flows used in investing activities	**(8,114)**	(1,367)	**(16,293)**	(12,058)
FINANCING ACTIVITIES				
Increase in long-term debt	**38,454**	162	**77,468**	543,122
Repayment of long-term debt	**(84,718)**	(84,164)	**(180,335)**	(626,417)
Net increase (decrease) in merchant members’ deposits in the guarantee fund	**(216)**	162	**(562)**	213
Issuance of common shares	**2,993**	-	**2,993**	-
Dividends paid	**-**	-	**-**	(5,803)
Cash flows used in financing activities	**(43,487)**	(83,840)	**(100,436)**	(88,885)
Effects of fluctuations in exchange rates on cash	**(453)**	795	**(35)**	(435)
Net decrease in cash	**(9,189)**	(22,338)	**(31,157)**	(17,106)
Cash, beginning of period	**32,411**	40,940	**54,379**	35,708
Cash, end of period	**23,222**	18,602	**23,222**	18,602

UNI-SELECT INC.
INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(In thousands of US dollars, unaudited)	**As at Sept. 30, 2021**	As at Dec. 31, 2020
ASSETS	**$**	$
Current assets:		
Cash	**23,222**	54,379
Cash held in escrow	**1,242**	1,475
Trade and other receivables	**206,060**	188,808
Income taxes receivable	**1,656**	2,025
Inventory	**338,957**	368,992
Prepaid expenses	**7,176**	9,520
Derivative financial instruments	**159**	-
Total current assets	**578,472**	625,199
Investments and advances to merchant members	**21,261**	27,106
Property and equipment	**143,640**	155,071
Intangible assets	**175,227**	186,863
Goodwill	**339,606**	340,328
Deferred tax assets	**38,268**	40,705
TOTAL ASSETS	**1,296,474**	1,375,272
LIABILITIES		
Current liabilities:		
Trade and other payables	**336,990**	313,600
Balance of purchase price, net	**1,016**	1,796
Provision for restructuring charges	**1,942**	3,246
Income taxes payable	**4,607**	8,359
Current portion of long-term debt and merchant members' deposits in the guarantee fund	**27,077**	28,406
Derivative financial instruments	**-**	4,579
Total current liabilities	**371,632**	359,986
Long-term employee benefit obligations	**16,451**	28,337
Long-term debt	**311,155**	396,289
Convertible debentures	**78,181**	87,728
Merchant members' deposits in the guarantee fund	**5,474**	6,041
Other provisions	**1,080**	1,395
Deferred tax liabilities	**22,748**	21,441
TOTAL LIABILITIES	**806,721**	901,217
TOTAL SHAREHOLDERS' EQUITY	**489,753**	474,055
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**1,296,474**	1,375,272