UNI-SELECT®

Press Release

For immediate distribution

Uni-Select Inc. Reports 2020 Fourth Quarter and Full Year Highlights and Financial Results:

- **Effective cash management offsetting the effects of the COVID-19 pandemic ("COVID-19") on operations and strengthening the financial position:**
    - **Total net debt[(1)] reimbursement of $26.9 million in Q4 and $78.8 million for 2020;**
    - **Positive free cash flows[(1)] of $15.8 million generated in Q4 and $72.3 million for 2020; and**
    - **Available liquidity of $285.0 milllion as at December 31, 2020;**
- **Annualized savings of $33.0 million realized in 2020, mainly from the Continuous Improvement Plan;**
- **Consolidated sales down 11.2% in Q4 and 15.4% in 2020 impacted by COVID-19 and resulting in negative consolidated organic growth[(1)] of 12.0% for Q4 and 15.3% for 2020, each segment's sales mirroring respective market and industry;**
- **EBITDA[(1)] of $21.5 million for Q4 and $64.6 million for 2020; adjusted EBITDA[(1)] and adjusted EBITDA margin[(1)] of $23.9 million or 6.5% for Q4 and $88.8 million or 6.0% for 2020; a marked adjusted EBITDA margin[(1)] improvement in the last half of 2020 in all segments; and**
- **EPS of $(0.12) for Q4 and $(0.74) for 2020; adjusted EPS[(1)] of $(0.03) for Q4 and $(0.18) for 2020.**

Unless otherwise indicated in this press release, all amounts are expressed in thousands of US dollars, except per share amounts and percentages.

Boucherville (Québec), February 19, 2021 – Uni-Select Inc. (TSX: UNS) (**"Uni-Select"** or **"Corporation"**) today reported its financial results for the fourth quarter and the year ended December 31, 2020.

"By and large, our fourth-quarter results were in line with those of the previous quarter, ending a difficult year with a degree of stability. Sales for 2020 were down 15%, impacted by the global pandemic, but mirrored the trend in our three markets with a trough in the second quarter and a sharp bounce back in the second half of the year. As expected, automotive aftermarket businesses fared better than the refinish business in the U.S.," stated Brent Windom, President and Chief Executive Officer of Uni-Select Inc.

"While our adjusted EBITDA[(1)] followed a similar path, our adjusted EBITDA margin[(1)] returned to normalized levels in the second half of the year, with our two automotive aftermarket businesses reporting 2020 margins superior to last year. We were able to achieve this by implementing stringent cost control measures and leveraging our continuous improvement culture which, this year alone, allowed us to generate an additional $30 million in annualized cost savings. These actions, coupled with tight management of our working capital, translated into strong cash flow from operations of $133 million for the year, which we used primarily to reduce our total net debt[(1)], in line with our capital allocation strategy.

Looking forward, there remains a great deal of uncertainty related to the global pandemic, the Brexit overhang and ongoing structural changes in the refinish market in the U.S. With the visibility we have as of today, we expect our 2021 consolidated sales and adjusted EBITDA[(1)] to progressively improve over 2020. During the year, we expect to ramp up certain capital investments to pre-COVID levels. We continue to be confident in the sustainability of our business and have the financial flexibility to execute our business plan," concluded Mr. Windom.

(1) Non-IFRS financial measures. Refer to the "Non-IFRS financial measures" section for further details.

UPDATE ON THE CONTINUOUS IMPROVEMENT PLAN ("CIP")

The Corporation is pursuing a culture of continuous improvement, which is currently accelerated to be strategically positioned for recovery and growth post-COVID-19. This led to the CIP, announced on June 22, 2020, which was based on a long-term approach to further improve the productivity and efficiency of all segments, while ensuring that customer needs remain the focus. The main objectives of the plan are to ensure that customers are served to the highest standards, that operations and service model are positioned to meet the long-term demands and expectations of the markets in which they operate, and that the Corporation continues to be a strong market leader, while ensuring a safe and healthy environment for all parties. To accomplish these objectives, an in-depth review of operations was undertaken by each segment's respective team, resulting in a number of key initiatives, including the way customers are served, rightsizing where required, automation and optimizing supply chain logistics. The CIP was initiated in June, and most initiatives were implemented during the third quarter. As a result, the CIP was essentially completed for the Canadian Automotive Group and The Parts Alliance U.K. segments as at December 31, 2020. However, potential areas of optimization are currently under review by the FinishMaster U.S. segment, aiming to align the cost base with its evolving customer portfolio.

Through this plan, the Corporation was originally expecting to generate annualized cost savings of about $28.0 million to $30.0 million by the end of 2020, measured against the first quarter of 2020. As at December 31, 2020, annualized savings realized were $30.0 million, meeting expectations. These savings are mainly attributable to workforce reduction and the integration of 39 company-owned stores.

The total cash cost of implementing the CIP was expected to be $13.8 million, mainly for severance and closing costs as part of rightsizing activities. The Corporation also expected to write down certain assets of approximately $6.2 million. As at December 31, 2020, the Corporation recognized restructuring and other charges in relation to the CIP totalling $20.3 million, of which, $6.3 million is non-cash for the write-down of assets.

The following table summarizes the annualized impacts as at December 31, 2020:

	Expected	**Realized**
		As at
	By the end of 2020	**Dec. 31, 2020**
Annualized cost savings	28,000	**30,000**
Restructuring and other charges:		
Restructuring charges [(1)]	10,500	**10,251**
Write-down of assets [(2)]	6,200	**6,347**
Other charges as incurred [(3)]	3,300	**3,665**
	20,000	**20,263**

(1) Mainly severance and closing costs as part of rightsizing activities.

(2) Mainly impairment of property and equipment.

(3) Primarily comprising of consulting fees related to the optimization of the logistical processes, inventory liquidation and moving costs.

FINANCIAL RESULTS

The following table presents selected consolidated information:

	FOURTH QUARTERS		TWELVE-MONTH PERIODS	
	2020	**2019**	**2020**	**2019**
Sales	366,246	412,602	1,471,816	1,739,572
EBITDA [1]	21,457	(27,997)	64,643	76,458
EBITDA margin [1]	*5.9%*	*(6.8%)*	*4.4%*	*4.4%*
Adjusted EBITDA [1]	23,900	27,930	88,811	129,931
Adjusted EBITDA margin [1]	*6.5%*	*6.8%*	*6.0%*	*7.5%*
EBT	(2,521)	(51,530)	(35,304)	(17,389)
EBT margin [1]	*(0.7%)*	*(12.5%)*	*(2.4%)*	*(1.0%)*
Adjusted EBT [1]	988	5,437	(6,990)	40,736
Adjusted EBT margin [1]	*0.3%*	*1.3%*	*(0.5%)*	*2.3%*
Special items	2,443	55,927	24,168	53,473
Net loss	(5,075)	(49,447)	(31,531)	(19,845)
Adjusted earnings (loss) [1]	(1,409)	4,560	(7,831)	30,771
Loss per share	(0.12)	(1.17)	(0.74)	(0.47)
Adjusted earnings (loss) per share [1]	(0.03)	0.11	(0.18)	0.73

(1) Non-IFRS financial measures. Refer to the "Non-IFRS financial measures" section for further details.

FOURTH QUARTER RESULTS

Consolidated sales of $366.2 million for the quarter decreased by 11.2% compared to the same quarter in 2019, impacted by COVID-19, resulting in negative consolidated organic growth of 12.0%. Organic sales mirrored the industry in each respective segment market, and reflected a similar pattern as observed in the third quarter, where negative organic growth of 12.6% was reported. Furthermore, consolidated sales were affected by the expected erosion resulting from the company-owned stores integrated over the last twelve months, as part of improvement plans. On the other hand, consolidated sales benefitted from favourable fluctuations of the British and the Canadian currencies, as well as from the contribution of business acquisitions.

The Corporation generated an EBITDA of $21.5 million for the quarter which was impacted by special items for restructuring and other charges related to the CIP of $1.8 million, as well as charges for the review of strategic alternatives of $0.6 million. Once adjusted, the EBITDA and the EBITDA margin were $23.9 million and 6.5%, respectively, compared to $27.9 million and 6.8% in 2019. The decrease of 30 basis points of the adjusted EBITDA margin, compared to the same quarter in 2019, is mainly explained by a lower absorption of fixed costs, a direct effect of the decrease in volume of sales, and lower vendor incentives resulting from the optimization of inventory, mainly in the FinishMaster U.S. segment. These elements were partially compensated by savings realized as part of the CIP, from the workforce alignment and the integration of 45 company-owned stores (39 from the CIP and six from the Performance Improvement Plan or PIP) over the last twelve months, as well as cost-control measures put in place to face the pandemic and counteract the decrease in sales. Furthermore, the current quarter includes COVID-19 U.K. - specific government subsidies for occupancy costs of $1.0 million or about 20 basis points.

Net loss and adjusted loss for the current quarter were respectively $5.1 million and $1.4 million, compared to net loss of $49.4 million and adjusted earnings $4.6 million in 2019. Adjusted earnings (loss) decreased by $6.0 million compared to the same quarter last year, due to lower adjusted EBITDA and a different income tax rate.

Segmented Fourth Quarter Results

The FinishMaster U.S. segment reported sales of $154.7 million, a decrease of 22.0% from a corresponding negative organic growth, when compared to the same quarter of 2019, affected by COVID-19. Organic growth for the fourth quarter is similar to the trend observed during the third quarter; the refinish sector, being somewhat more discretionary, is not expected to recover at the same pace as the automotive parts business. This segment reported an EBITDA of $8.2 million for the quarter. Once adjusted for special items, EBITDA was $8.4 million or 5.4% of sales, compared to $16.4 million or 8.3% of sales in 2019. The adjusted EBITDA margin decreased by 290 basis points mainly due to the lower volume of sales and gross profit, a reduction of the fixed costs absorption, as well as lower rebates in relation to the optimization of inventory, while being affected by an unfavourable evolving customer mix following the faster recovery from national accounts compared to traditional accounts. These elements were partially compensated by savings in relation to the CIP and the PIP, from the reduction of the workforce and the integration of 33 company-owned stores over the last twelve months. As well, the quarter benefitted from a reduction of discretionary expenses. Even though the fourth quarter is seasonally weaker in sales, this segment succeeded in generating a higher adjusted EBITDA than the third quarter through tighter controls over operating expenses and the CIP.

The Canadian Automotive Group segment reported sales of $124.9 million, which increased by 2.1% compared to the corresponding quarter of 2019, driven by the contribution of business acquisitions and the appreciation of the Canadian dollar during the current quarter of 2020. This segment reported a minimal negative organic growth of 0.1% for the quarter, the performance of the distribution centres selling to independent customers being mitigated by sales to installers, as the network of stores is more sensitive to the effects of COVID-19. Overall, the second semester was positive for this segment, which was able to maintain its level of sales, compared to the prior year, despite the challenging context of the COVID-19 pandemic. This segment reported an EBITDA of $12.7 million for the quarter. Once adjusted for special items, EBITDA was $13.4 million or 10.7% of sales, compared to $9.2 million or 7.6% of sales in 2019. The adjusted EBITDA margin increased by 310 basis points, benefitting from savings in relation to the workforce alignment as part of the CIP, as well as a favourable timing of vendor rebates. In addition, foreign exchange gains were recorded during the current quarter, as opposed to losses in 2019, representing a variance of about 170 basis points. For the second quarter in a row, this segment reported an improved adjusted EBITDA margin compared to the corresponding quarter last year.

The Parts Alliance U.K. segment reported sales of $86.7 million, representing a decrease of 5.8% compared to the same quarter in 2019. Sales were affected by COVID-19 since the end of the first quarter, resulting in negative organic growth of 6.0%, as well as by the expected erosion resulting from the integration of company-owned stores within the last twelve months. The strengthening of the British pound against the US dollar partially compensated the decrease by 2.3%. The organic growth of the fourth quarter was slightly below the negative 5.3% reported for the third quarter, as the U.K. entered the second wave of COVID-19 and associated government-imposed lockdown. This segment reported an EBITDA and an adjusted EBITDA of $6.7 million or 7.8% of sales for the quarter, compared to $5.1 million or 5.6% of sales and $5.2 million or 5.7% of sales respectively in 2019. The adjusted EBITDA margin increased by 210 basis points principally from savings related to the CIP, mostly from the rightsizing of the workforce, as well as reduced spending. The current quarter also benefitted from governmental occupancy subsidies amounting to $1.0 million, offsetting the reduced fixed costs absorption due to the lower level of sales. This is the second quarter in a row that this segment is reporting an improved adjusted EBITDA, in both dollars and percentage of sales, compared to last year, despite the decline in sales.

TWELVE-MONTH PERIOD RESULTS

Consolidated sales of $1,471.8 million for the year decreased by 15.4% compared to 2019. This performance is largely attributable to negative organic growth of 15.3% impacted by COVID-19 and, to a lesser extent, the expected erosion resulting from the integration of company-owned stores over the last twelve months, as well as the unfavourable fluctuation of the Canadian currency. These elements were partially compensated by the contribution of one additional billing day and business acquisitions.

The Corporation generated an EBITDA of $64.6 million for the year, impacted by special items for restructuring and other charges related to the CIP of $21.5 million, as well as charges for the review of strategic alternatives of $2.7 million. Once adjusted, the EBITDA and the EBITDA margin were $88.8 million and 6.0%, respectively, compared to $129.9 million and 7.5% in 2019. The adjusted EBITDA margin decreased by 150 basis points, compared to 2019, affected by a lower absorption of fixed costs, a direct effect of the decrease in volume of sales, and lower vendor incentives resulting from the optimization of inventory, mainly in the FinishMaster U.S. segment. Furthermore, the twelve-month period was impacted by additional reserves for inventory obsolescence and bad debt of $7.7 million. These elements were partially compensated by savings realized as part of the CIP, from the workforce alignment and the integration of company-owned stores, as well as cost-control measures put in place to face the pandemic and counteract the decrease in sales. Furthermore, the 2020 year benefitted from COVID-19-related governmental subsidies of $6.0 million.

Net loss and adjusted loss for the year were respectively $31.5 million and $7.8 million, compared to net loss and adjusted earnings of $19.8 million and $30.8 million in 2019. Adjusted earnings (loss) decreased by $38.6 million compared to last year, due to lower adjusted EBITDA, as explained above, higher interest rates, the loss on debt extinguishment of $3.1 million following the conclusion of a new credit agreement on May 29, 2020, as well as a different income tax rate.

Segmented Twelve-Month Period Results

The FinishMaster U.S. segment reported sales of $653.7 million for the year, a decrease of 21.3% compared to 2019, and a corresponding negative organic growth, mainly affected by COVID-19 since the end of the first quarter. This segment reported an EBITDA of $24.5 million for the period. Once adjusted for special items, EBITDA was $32.9 million or 5.0% of sales, compared to $73.1 million or 8.8% of sales in 2019. The adjusted EBITDA margin decreased by 380 basis points due to the lower volume of sales and gross profit, a reduction of the fixed costs absorption, as well as lower rebates in relation to the optimization of inventory, while being affected by an unfavourable evolving customer mix related to national accounts, which are recovering faster than the traditional accounts. Furthermore, the twelve-month period was impacted by additional reserves for inventory obsolescence and bad debt totalling about $3.6 million. These elements were partially compensated by savings in relation to the CIP and the PIP, from the reduction of the workforce and the integration of company-owned stores over the last twelve months. As well, the year benefitted from furloughs and the reduction of working hours, as part of measures to face the pandemic, predominately during the second quarter.

The Canadian Automotive Group segment reported sales of $485.4 million for the year, a decrease of 6.0%, compared to 2019, reflecting the effect of COVID-19, which resulted in a negative organic growth of 6.2%, as well as the depreciation of the Canadian currency. These elements were partially compensated by the contribution of business acquisitions and one additional billing day. This segment reported an EBITDA of $41.3 million for the year. Once adjusted for special items, EBITDA was $48.0 million or 9.9% of sales, compared to $47.2 million or 9.1% of sales in 2019. The adjusted EBITDA margin improved by 80 basis points, compared to 2019, benefitting from savings related to the CIP, measures to counteract the COVID-19 pandemic during the second quarter, including staff furloughs, the reduction of working hours and discretionary expenses, as well as from governmental payroll subsidies recognized during the third quarter. These elements compensated for the loss of income from the ProColor banner program and additional volume rebates and incentives in 2019, which did not occur this year. Additionally, 2020 margins were affected by a lesser absorption of fixed costs resulting from the decrease in volume of sales and additional bad debt expense.

The Parts Alliance U.K. segment recorded sales of $332.7 million for the year, a decrease of 15.3% compared to last year, mainly affected by COVID-19 since the end of the first quarter, resulting in negative organic growth of 14.5% and the expected erosion resulting from the integration of company-owned stores within the last twelve months. These elements were partially compensated by a favourable variance in the number of billing days and the strengthening of the British pound. This segment reported an EBITDA of $15.2 million for the period. Once adjusted for special items, EBITDA was $20.4 million or 6.1% of sales compared to $22.0 million or 5.6% of sales last year. The adjusted EBITDA margin for 2020 increased by 50 basis points, compared to last year, driven by savings from the CIP and measures put in place to face COVID-19, such as staff furloughs, reduction of working hours and reduced spending. In addition, the segment benefitted from governmental occupancy subsidies amounting to $2.5 million. These elements were partially offset by additional reserves for inventory obsolescence and bad debt recorded during the second and third quarters, a lower absorption of fixed costs and a lower level of rebates due to reduced purchase levels.

CONFERENCE CALL

Uni-Select will host a conference call to discuss its fourth-quarter and annual results for 2020 on February 19, 2021, at 8:00 AM Eastern. To join the conference, dial 1 866 865-3087 (or 1 647 427-7450 for international calls).

A recording of the conference call will be available from 11:30 AM Eastern on February 19, 2021, until 11:59 PM Eastern on March 19, 2021. To access the replay, dial 1 855 859-2056 followed by 8291097.

A live 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 (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-owned 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-owned 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-owned stores. www.uniselect.com

CAUTION REGARDING FORWARD-LOOKING INFORMATION

Certain statements made in this press release are forward-looking statements. Forward-looking statements are typically identified by the words assumption, goal, guidance, objective, outlook, project, strategy, target and other similar expressions or future or conditional verbs such as aim, anticipate, believe, could, expect, intend, may, plan, seek, should, strive and will. Forward-looking statements in this press release include statements relating to our expectation as to the expected cost savings resulting from the Continuous Improvement Plan, productivity, efficiency and right-sizing initiatives and the expected timing of those savings and related costs, and our ability to face the ongoing economic uncertainty. All such forward looking statements are made pursuant to the "safe harbour" provisions of applicable Canadian securities laws.

Forward-looking statements are, by their very nature, subject to inherent risks and uncertainties and are based on several assumptions, both general and specific, which may cause expressed expectations to be significantly different from those listed or implied within this press release and our business outlook, objectives, plans and strategic priorities may not be achieved. In particular, Uni-Select is facing significant impacts on its business as a result of the COVID-19 pandemic. The COVID-19 pandemic has resulted in a major decline in economic activity in North America and the United Kingdom resulting in a decline in demand for Uni-Select's products and services, reduced workplace productivity resulting from government-ordered business closures and enhanced health and safety measures and compromised business continuity of certain of Uni-Select's stores, suppliers, customers and/or partners. The duration and extent of the impact of the COVID-19 pandemic on Uni-Select's business, including its operations and the market for its securities, will depend on future developments, which are highly uncertain and cannot be predicted at this time, and include the duration, severity and scope of the pandemic and the actions taken in various jurisdictions to contain or treat the outbreak. These impacts could in turn, amongst other things, negatively impact Uni-Select's liquidities and/or its ability to remain in compliance with covenants under its indebtedness. Risks and uncertainties to which the forward-looking statements are subject also include the risk factors described in the Corporation's Management's Discussion & Analysis for the year ended December 31, 2020, under the heading "Risk Management" available on www.sedar.com as well as on Uni-Select's website at www.uniselect.com. As a result, we cannot guarantee that any forward-looking statement will materialize, and we caution you against relying on any of these forward-looking statements. The forward-looking information contained herein is made as of the date of this press release, and Uni-Select does not undertake to publicly update such forward-looking information to reflect new information, subsequent or otherwise, unless required by applicable securities laws.

- 30 -

CONTACT INFORMATION

Pierre Boucher, CPA, CMA
Jennifer McCaughey, CFA
MaisonBrison Communications
Tel.: (514) 731-0000
pierre@maisonbrison.com
jennifer@maisonbrison.com
investorrelations@uniselect.com

NON-IFRS FINANCIAL MEASURES

The information included in this Press release contains certain financial measures that are inconsistent with IFRS. Non-IFRS financial measures do not have any standardized meaning prescribed by IFRS 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 IFRS.

Organic growth – This measure consists of quantifying the increase in consolidated sales between two given periods, excluding the impact of acquisitions, the erosion of sales from the integration of company-owned 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. Determining the rate of organic growth, based on findings that Management regards as reasonable, may differ from the actual rate of organic growth.

EBITDA and adjusted EBITDA – EBITDA represents net earnings excluding finance costs, depreciation and amortization and income taxes. 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 excludes certain adjustments, which may affect the comparability of the Corporation's financial results. These adjustments include, among other things, restructuring and other charges, charges related to the review of strategic alternatives, impairment loss on goodwill, as well as net gain on business disposal.

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.

Adjusted EBT, adjusted earnings and adjusted earnings per share – Management uses adjusted EBT, adjusted earnings and adjusted earnings per share to assess EBT, net earnings and net earnings per share from operating activities, excluding 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, charges related to the review of strategic alternatives, impairment loss on goodwill, net gain on business disposal, as well as amortization of intangible assets related to The Parts Alliance acquisition. Management considers The Parts Alliance acquisition as transformational. 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: changes in working capital items, acquisitions of property and equipment and difference between amounts paid for post-employment benefits and current period expenses. 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 in working capital, pay dividends, repay debt, reinvest in the Corporation and capitalize on various market opportunities that arise.

The free cash flows exclude certain variances in working capital items (such as trade and other receivables, inventory and trade and other payables) and 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 consists of long-term debt, including the portion due within a year, net of cash.

Total net debt to adjusted EBITDA – This ratio corresponds to total net debt to adjusted EBITDA.

NON-IFRS FINANCIAL MEASURES (CONTINUED)

The following table presents a reconciliation of organic growth.

	Fourth quarters		Twelve-month periods	
	2020	2019	**2020**	2019
FinishMaster U.S.	**154,657**	198,271	**653,720**	830,765
Canadian Automotive Group	**124,908**	122,321	**485,388**	516,112
The Parts Alliance U.K.	**86,681**	92,010	**332,708**	392,695
Sales	**366,246**	412,602	**1,471,816**	1,739,572
		%		*%*
Sales variance	**(46,356)**	***(11.2)***	**(267,756)**	***(15.4)***
Conversion effect of the Canadian dollar and the British pound	**(3,586)**	***(0.9)***	**1,602**	***0.1***
Number of billing days	**467**	***0.1***	**(6,333)**	***(0.4)***
Erosion of sales from the integration of company-owned stores	**1,469**	***0.3***	**9,830**	***0.6***
Acquisitions	**(1,318)**	***(0.3)***	**(3,405)**	***(0.2)***
Consolidated organic growth	**(49,324)**	***(12.0)***	**(266,062)**	***(15.3)***

The following table presents a reconciliation of the EBITDA and the adjusted EBITDA.

	Fourth quarters			Twelve-month periods		
	2020	2019	*%*	**2020**	2019	*%*
Net loss	**(5,075)**	(49,447)		**(31,531)**	(19,845)	
Income tax expense (recovery)	**2,554**	(2,083)		**(3,773)**	2,456	
Depreciation and amortization	**14,891**	16,042		**62,597**	64,187	
Finance costs, net	**9,087**	7,491		**37,350**	29,660	
EBITDA	**21,457**	(27,997)	*176.6*	**64,643**	76,458	*(15.5)*
EBITDA margin	***5.9%***	*(6.8%)*		***4.4%***	*4.4%*	
Special items	**2,443**	55,927		**24,168**	53,473	
Adjusted EBITDA	**23,900**	27,930	*(14.4)*	**88,811**	129,931	*(31.6)*
Adjusted EBITDA margin	***6.5%***	*6.8%*		***6.0%***	*7.5%*	

The following table presents a reconciliation of EBT and adjusted EBT.

	Fourth quarters			Twelve-month periods		
	2020	2019	*%*	**2020**	2019	*%*
Net loss	**(5,075)**	(49,447)		**(31,531)**	(19,845)	
Income tax expense	**2,554**	(2,083)		**(3,773)**	2,456	
EBT	**(2,521)**	(51,530)	*95.1*	**(35,304)**	(17,389)	*(103.0)*
EBT margin	***(0.7%)***	*(12.5%)*		***(2.4%)***	*(1.0%)*	
Special items	**2,443**	55,927		**24,168**	53,473	
Amortization of intangible assets related to the acquisition of The Parts Alliance	**1,066**	1,040		**4,146**	4,652	
Adjusted EBT	**988**	5,437	*(81.8)*	**(6,990)**	40,736	*(117.2)*
Adjusted EBT margin	***0.3%***	*1.3%*		***(0.5%)***	*2.3%*	

NON-IFRS FINANCIAL MEASURES (CONTINUED)

The following table presents a reconciliation of adjusted earnings (loss) and adjusted earnings (loss) per share.

	Fourth quarters			Twelve -month periods		
	2020	2019	*%*	**2020**	2019	*%*
Net loss	**(5,075)**	(49,447)	*89.7*	**(31,531)**	(19,845)	*(58.9)*
Special items, net of taxes	**2,975**	53,144		**19,547**	46,755	
Amortization of intangible assets related to the acquisition of The Parts Alliance, net of taxes	**691**	863		**4,153**	3,861	
Adjusted earnings (loss)	**(1,409)**	4,560	*(130.9)*	**(7,831)**	30,771	*(125.4)*
Loss per share	**(0.12)**	(1.17)	*89.7*	**(0.74)**	(0.47)	*(57.4)*
Special items, net of taxes	**0.07**	1.26		**0.46**	1.11	
Amortization of intangible assets related to the acquisition of The Parts Alliance, net of taxes	**0.02**	0.02		**0.10**	0.09	
Adjusted earnings (loss) per share	**(0.03)**	0.11	*(127.3)*	**(0.18)**	0.73	*(124.7)*

The following table presents a reconciliation of free cash flows.

	Fourth quarters		Twelve-month periods	
	2020	2019	**2020**	2019
Cash flows from operating activities	**48,341**	3,520	**132,613**	33,332
Changes in working capital	**(31,513)**	26,060	**(54,268)**	93,980
	16,828	29,580	**78,345**	127,312
Acquisitions of property and equipment	**(1,479)**	(5,379)	**(5,932)**	(21,649)
Difference between amounts paid for post-employment benefits and current period expenses	**480**	(137)	**(102)**	(5)
Free cash flows	**15,829**	24,064	**72,311**	105,658

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

(In thousands of US dollars, except per share amounts)	Quarters ended December 31,		Years ended December 31,	
	2020	2019	**2020**	2019
	(unaudited)	(unaudited)	**(audited)**	(audited)
Sales	**366,246**	412,602	**1,471,816**	1,739,572
Purchases, net of changes in inventories	**255,859**	284,328	**1,037,741**	1,189,236
Gross margin	**110,387**	128,274	**434,075**	550,336
Salaries and benefits	**61,899**	74,611	**235,996**	309,270
Other operating expenses	**24,588**	25,733	**109,268**	111,135
Special items	**2,443**	55,927	**24,168**	53,473
Earnings (loss) before finance costs, depreciation and amortization and income taxes	**21,457**	(27,997)	**64,643**	76,458
Finance costs, net	**9,087**	7,491	**37,350**	29,660
Depreciation and amortization	**14,891**	16,042	**62,597**	64,187
Loss before income taxes	**(2,521)**	(51,530)	**(35,304)**	(17,389)
Income tax expense (recovery)	**2,554**	(2,083)	**(3,773)**	2,456
Net loss	**(5,075)**	(49,447)	**(31,531)**	(19,845)
Loss per share				
Basic and diluted	**(0.12)**	(1.17)	**(0.74)**	(0.47)
Weighted average number of common shares outstanding (in thousands)				
Basic and diluted	**42,387**	42,387	**42,387**	42,387

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

(In thousands of US dollars)	Quarters ended December 31,		Years ended December 31,	
	2020	2019	**2020**	2019
	(unaudited)	(unaudited)	**(audited)**	(audited)
Net loss	**(5,075)**	(49,447)	**(31,531)**	(19,845)
Other comprehensive income (loss)				
Items that will subsequently be reclassified to net loss:				
Effective portion of changes in the fair value of cash flow hedges (net of income tax for the quarter and the year of $14 and $191 respectively ($29 and $281 in 2019))	**(38)**	134	**(530)**	(790)
Net change in the fair value of derivative financial instruments designated as cash flow hedges transferred to net loss (net of income tax for the quarter and the year of $57 and $158 respectively ($8 and $54 in 2019))	**155**	23	**437**	(152)
Unrealized exchange gains on the translation of financial statements to the presentation currency	**7,903**	16,627	**4,104**	5,966
Unrealized exchange gains (losses) on the translation of debt designated as a hedge of net investments in foreign operations	**4,903**	(2,467)	**1,798**	6,976
	12,923	14,317	**5,809**	12,000
Items that will not subsequently be reclassified to net loss:				
Remeasurements of long-term employee benefit obligations (net of income tax for the quarter and the year of $212 and $2,154 respectively ($1,284 and $802 in 2019))	**589**	3,710	**(5,974)**	(2,226)
Total other comprehensive income (loss)	**13,512**	18,027	**(165)**	9,774
Comprehensive income (loss)	**8,437**	(31,420)	**(31,696)**	(10,071)

UNI-SELECT INC.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

					Attributable to shareholders	
(In thousands of US dollars, audited)	Share capital	Contributed surplus	Equity component of the convertible debentures	Retained earnings	Accumulated other comprehensive income (loss)	**Total equity**
Balance, December 31, 2018	100,244	6,005	-	457,455	(39,822)	523,882
IFRS 16 adjustment	-	-	-	(4,944)	992	(3,952)
Balance, January 1, 2019	100,244	6,005	-	452,511	(38,830)	519,930
Net loss	-	-	-	(19,845)	-	(19,845)
Other comprehensive income (loss)	-	-	-	(2,226)	12,000	9,774
Comprehensive income (loss)	-	-	-	(22,071)	12,000	(10,071)
Contributions by and distributions to shareholders:						
Issuance of convertible debentures (net of income taxes of $2,968)	-	-	8,232	-	-	8,232
Dividends	-	-	-	(11,816)	-	(11,816)
Stock-based compensation	-	719	-	-	-	719
	-	719	8,232	(11,816)	-	(2,865)
Balance, December 31, 2019	100,244	6,724	8,232	418,624	(26,830)	506,994
Net loss	**-**	**-**	**-**	**(31,531)**	**-**	**(31,531)**
Other comprehensive income (loss)	**-**	**-**	**-**	**(5,974)**	**5,809**	**(165)**
Comprehensive income (loss)	**-**	**-**	**-**	**(37,505)**	**5,809**	**(31,696)**
Contributions by and distributions to shareholders:						
Dividends	**-**	**-**	**-**	**(2,923)**	**-**	**(2,923)**
Stock-based compensation	**-**	**1,680**	**-**	**-**	**-**	**1,680**
	-	**1,680**	**-**	**(2,923)**	**-**	**(1,243)**
Balance, December 31, 2020	**100,244**	**8,404**	**8,232**	**378,196**	**(21,021)**	**474,055**

UNI-SELECT INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS

(In thousands of US dollars)	Quarters ended December 31,		Years ended December 31,	
	2020	2019	**2020**	2019
	(unaudited)	(unaudited)	**(audited)**	(audited)
OPERATING ACTIVITIES				
Net loss	**(5,075)**	(49,447)	**(31,531)**	(19,845)
Non-cash items:				
Special items	**2,443**	55,927	**24,168**	53,473
Finance costs, net	**9,087**	7,491	**37,350**	29,660
Depreciation and amortization	**14,891**	16,042	**62,597**	64,187
Income tax expense (recovery)	**2,554**	(2,083)	**(3,773)**	2,456
Amortization and reserves related to incentives granted to customers	**4,021**	5,163	**18,182**	20,784
Other non-cash items	**1,142**	606	**3,216**	1,038
Changes in working capital items	**31,513**	(26,060)	**54,268**	(93,980)
Interest paid	**(12,548)**	(6,631)	**(30,837)**	(27,918)
Income taxes recovered (paid)	**313**	2,512	**(1,027)**	3,477
Cash flows from operating activities	**48,341**	3,520	**132,613**	33,332
INVESTING ACTIVITIES				
Business acquisitions	**(2,987)**	-	**(7,662)**	(294)
Business disposals	**-**	2,265	**258**	19,528
Net balance of purchase price	**112**	1,004	**112**	(643)
Cash held in escrow	**(1,448)**	-	**(701)**	-
Advances to merchant members and incentives granted to customers	**(1,844)**	(3,121)	**(7,412)**	(16,645)
Reimbursement of advances to merchant members	**953**	1,541	**3,485**	6,237
Acquisitions of property and equipment	**(1,479)**	(5,379)	**(5,932)**	(21,649)
Proceeds from disposal of property and equipment	**1,044**	347	**1,813**	3,025
Acquisitions and development of intangible assets	**(954)**	(1,979)	**(2,291)**	(3,475)
Other provisions paid	**79**	169	**(252)**	(138)
Cash flows from used in investing activities	**(6,524)**	(5,153)	**(18,582)**	(14,054)
FINANCING ACTIVITIES				
Increase in long-term debt	**11,558**	41,071	**554,680**	245,909
Repayment of long-term debt	**(18,917)**	(117,574)	**(645,334)**	(321,179)
Issuance of convertible debentures	**-**	95,026	**-**	95,026
Net increase (decrease) in merchant members’ deposits in the guarantee fund	**70**	18	**283**	(82)
Dividends paid	**-**	(2,964)	**(5,803)**	(11,855)
Cash flows from (used in) financing activities	**(7,289)**	15,577	**(96,174)**	7,819
Effects of fluctuations in exchange rates on cash	**1,249**	998	**814**	575
Net increase in cash	**35,777**	14,942	**18,671**	27,672
Cash, beginning of period	**18,602**	20,766	**35,708**	8,036
Cash, end of period	**54,379**	35,708	**54,379**	35,708

UNI-SELECT INC.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(In thousands of US dollars, audited)	December 31,	
	2020	2019
ASSETS		
Current assets:		
Cash	**54,379**	35,708
Cash held in escrow	**1,475**	1,654
Trade and other receivables	**188,808**	250,861
Income taxes receivable	**2,025**	2,712
Inventory	**368,992**	516,169
Prepaid expenses	**9,520**	10,331
Total current assets	**625,199**	817,435
Investments and advances to merchant members	**27,106**	36,831
Property and equipment	**155,071**	171,420
Intangible assets	**186,863**	197,751
Goodwill	**340,328**	333,030
Deferred tax assets	**40,705**	29,927
TOTAL ASSETS	**1,375,272**	1,586,394
LIABILITIES		
Current liabilities:		
Trade and other payables	**313,600**	448,530
Balance of purchase price, net	**1,796**	97
Provision for restructuring charges	**3,246**	3,227
Income taxes payable	**8,359**	8,603
Dividends payable	**-**	3,002
Current portion of long-term debt and merchant members’ deposits in the guarantee fund	**28,406**	28,678
Derivative financial instruments	**4,579**	3,328
Total current liabilities	**359,986**	495,465
Long-term employee benefit obligations	**28,337**	16,902
Long-term debt	**396,289**	456,173
Convertible debentures	**87,728**	84,505
Merchant members’ deposits in the guarantee fund	**6,041**	5,587
Balance of purchase price	**-**	477
Other provisions	**1,395**	1,503
Derivative financial instruments	**-**	315
Deferred tax liabilities	**21,441**	18,473
TOTAL LIABILITIES	**901,217**	1,079,400
TOTAL EQUITY	**474,055**	506,994
TOTAL LIABILITIES AND EQUITY	**1,375,272**	1,586,394