



DRIVING **OPTIMIZATION**



Q4 2021

(Ended December 31, 2021)

Conference Call

February 18, 2022

Forward-Looking Statements



Certain statements made in this presentation are 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 and statements regarding Uni-Select's intentions, plans, expectations, beliefs, objectives, future performance, and strategy, as well as any other information or statements that relate to future events or circumstances and which do not directly and exclusively relate to historical facts. Forward-looking statements often, but not always, use 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 risk and uncertainties include, but are not restricted to: risks associated with the COVID-19 pandemic, reduced demand for our products, disruptions of our supplier relationships or of our suppliers' operations or supplier consolidation, disruption of our customer relationships, competition in the industries in which we do business, security breaches, information security malfunctions or integration issues, the demand for e-commerce and failure to provide adequate e-commerce solutions, retention of employees, labor costs, union activities and labor and employment laws, failure to realize benefits of acquisitions and other strategic transactions, product liability claims, credit risk, loss of right to operate at key locations, failure to implement business initiatives, failure to maintain effective internal controls, macro-economic conditions such as unemployment, inflation, changes in tax policies and uncertain credit markets, operations in foreign jurisdictions, inability to service our debt or fulfil financial covenants, litigation, legislation or government regulation or policies, compliance with environmental laws and regulations, compliance with privacy laws, global climate change, changes in accounting standards, share price fluctuations, corporate social responsibility and reputation and activist investors as well as other risks identified or incorporated by reference in this presentation, in our MD&A for the year ended December 31, 2021 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 presentation is made as of the date hereof and Uni-Select disclaims any intention or obligation to publicly update or revise any forward-looking statements, 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 the forward-looking information is based were reasonable as at the date of this presentation, readers are cautioned not to place undue reliance on the 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 and 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 our MD&A for the year ended December 31, 2021, which is incorporated by reference in this cautionary statement.

We also caution readers that the above-mentioned risks and the risks disclosed in our MD&A for the year ended December 31, 2021 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, operating results, cash flows and financial condition.

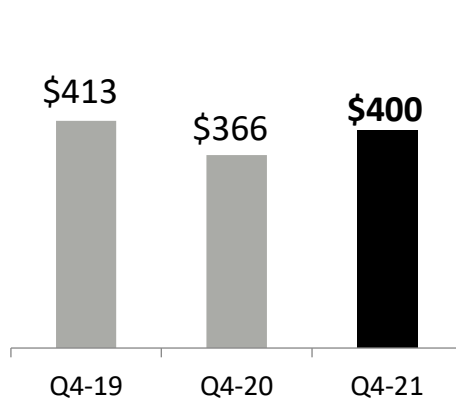


Q4 2021 HIGHLIGHTS

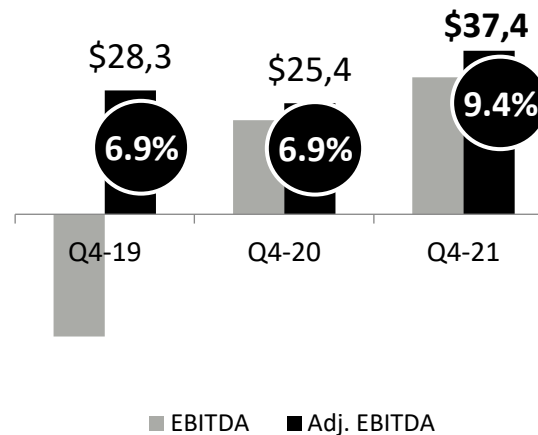
Q4 Conso – Surpassing 2019 Profitability



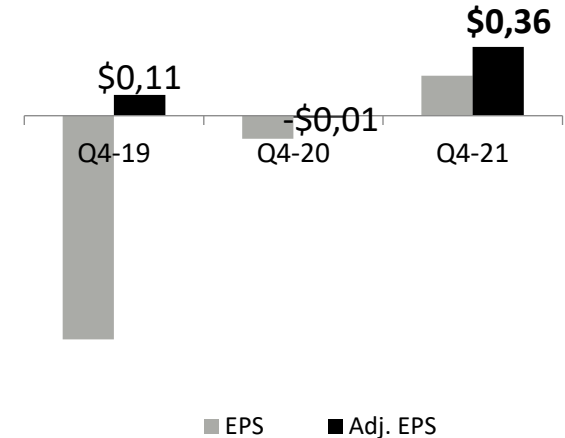
Sales (M\$)



EBITDA⁽¹⁾ & Adj. EBITDA^{(1)*} (M\$)



EPS & Adj. EPS^{(1)*}



Organic Growth⁽¹⁾
7.5% / \$28M

Adj. EBITDA%⁽¹⁾
+250bps

Adj. EPS⁽¹⁾
+\$0.37

*New definition of adjusted EBITDA, refer to MD&A.

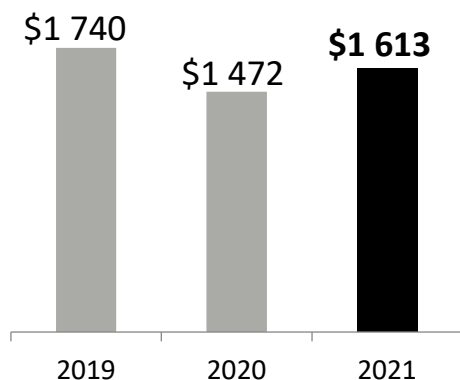
*New definition of adjusted EPS, refer to MD&A.

(1) This is a Non-GAAP financial measure. Refer to the "Non-GAAP Financial Measures" section at the end of this presentation for further details.

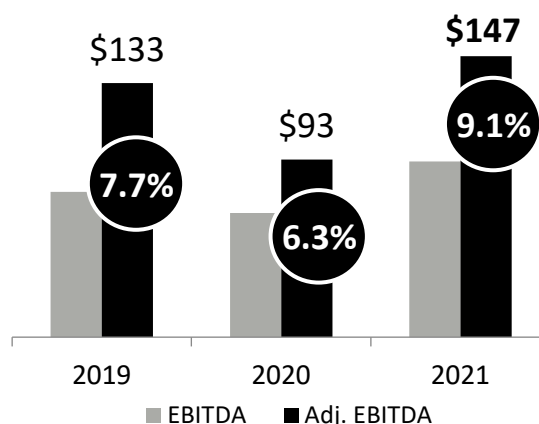
2021 Conso – Strong Adj. EBITDA & Adj. EPS



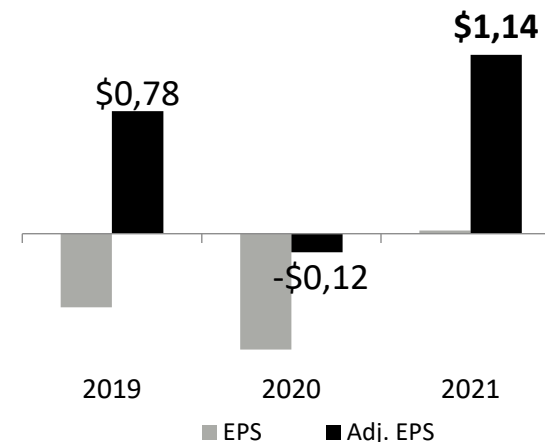
Sales (M\$)



EBITDA⁽¹⁾ & Adj. EBITDA^{(1)*} (M\$)



EPS & Adj. EPS^{(1)*}



Organic Growth⁽¹⁾
6.0% / \$88M

Adj. EBITDA%⁽¹⁾
+280bps

Adj. EPS⁽¹⁾
+\$1.26

*New definition of adjusted EBITDA, refer to MD&A.

*New definition of adjusted EPS, refer to MD&A.

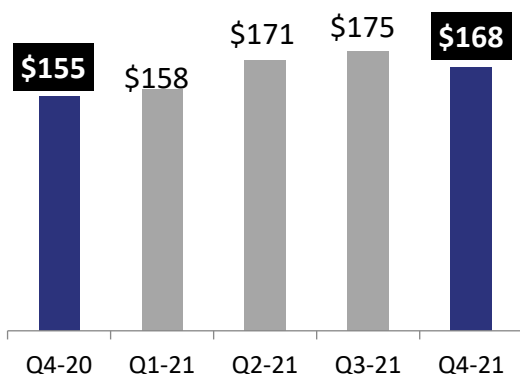
(1) This is a Non-GAAP financial measure. Refer to the "Non-GAAP Financial Measures" section at the end of this presentation for further details.



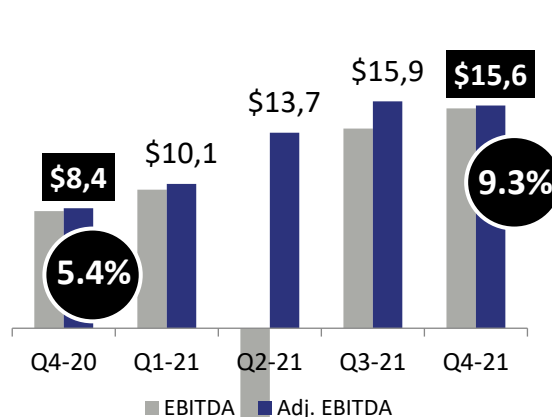
Q4 2021 SEGMENT REVIEW

FM – Ongoing Sequential Improvement

Sales (M\$)



EBITDA⁽¹⁾ & Adj. EBITDA^{(1)*} (M\$)



Organic Growth⁽¹⁾
8.5% / \$13M

Adj. EBITDA%⁽¹⁾
+390bps

- Sales up 8.5% stimulated by general recovery in the market and effects of price increases
- Organic growth⁽¹⁾ continued its sequential improvement, with all regions positively contributing
- Adj. EBITDA margin⁽¹⁾ up +390bps:
 - + Increased sales
 - + Vendor rebates
 - + Optimized cost structure

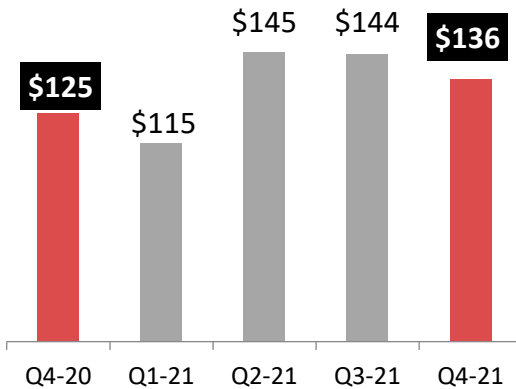
Best adj. EBITDA⁽¹⁾ margin performance over the past 9 quarters

(1) This is a Non-GAAP financial measure. Refer to the “Non-GAAP Financial Measures” section at the end of this presentation for further details.

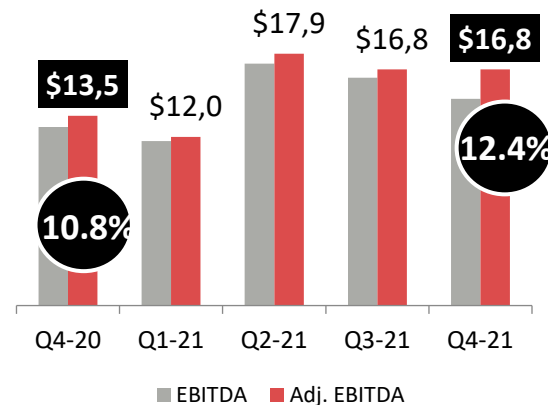
*New definition of adjusted EBITDA, refer to MD&A.

CAG – Results Surpassing Pre-pandemic Levels

Sales (M\$)



EBITDA⁽¹⁾ & Adj. EBITDA^{(1)*} (M\$)



Organic Growth⁽¹⁾

5.5% / 7M\$

Adj. EBITDA%⁽¹⁾

160bps

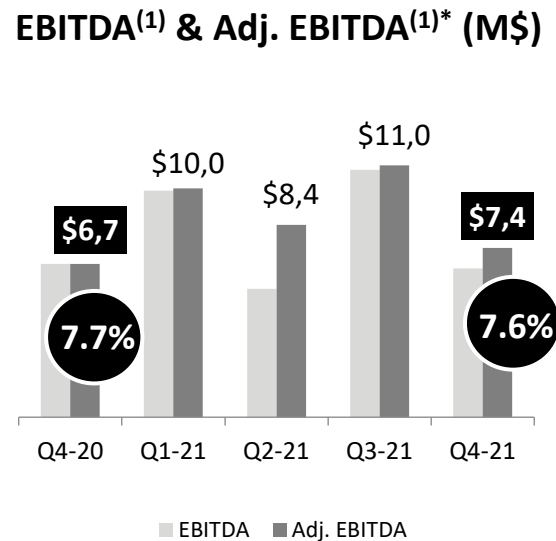
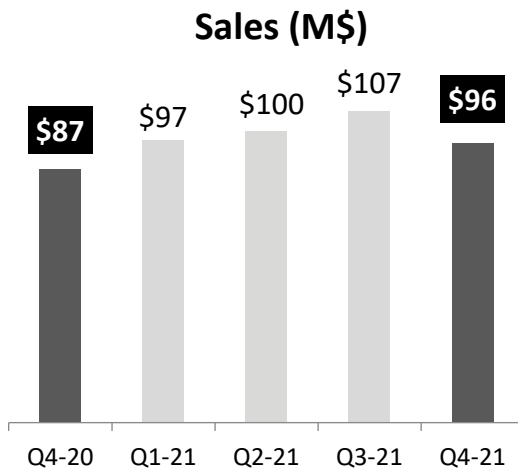
- Sales increased 8.8%:
(+) Organic growth⁽¹⁾
(+) FX
(-) Billing days
- Organic growth⁽¹⁾ was up 5.5% due to increased demand and price increases
- Adj. EBITDA margin⁽¹⁾ up +160bps:
+ Vendor rebates
+ Product mix
+ Price increases
- Unfavorable variation in FX

Double-digit adj. EBITDA margin⁽¹⁾ for a 7th consecutive quarter

(1) This is a Non-GAAP financial measure. Refer to the “Non-GAAP Financial Measures” section at the end of this presentation for further details.

*New definition of adjusted EBITDA, refer to MD&A.

GSF – Results Surpassing Pre-pandemic Levels



Organic Growth⁽¹⁾
8.6% / \$7M

Adj. EBITDA%⁽¹⁾
(10bps)

- Sales up +11.2%:
 (+) FX
 (+) Organic growth⁽¹⁾
- Organic growth⁽¹⁾ continued to improve
- Adj. EBITDA margin⁽¹⁾ down -10bps:
 - Q4-20 subsidies (\$1M)
 + Sales volume
 + Vendor rebates
 + Optimized cost structure
- Opened 2 greenfields in Q4-21

The 6th consecutive quarter of year-over-year adjusted EBITDA⁽¹⁾ improvement

(1) This is a Non-GAAP financial measure. Refer to the “Non-GAAP Financial Measures” section at the end of this presentation for further details.

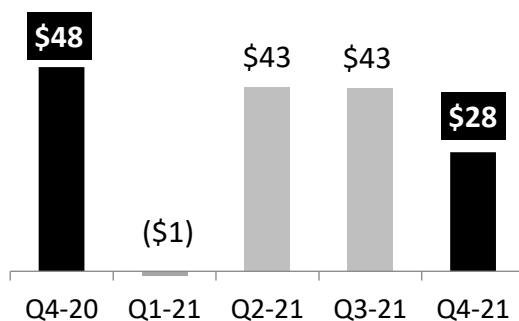
*New definition of adjusted EBITDA, refer to MD&A.



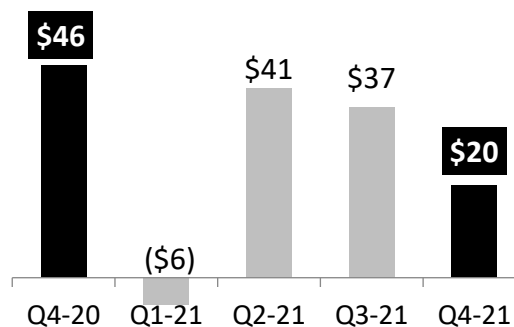
Q4 2021 LIQUIDITY & CAPITAL RESOURCES

Cash Flow & Free Cash Flow

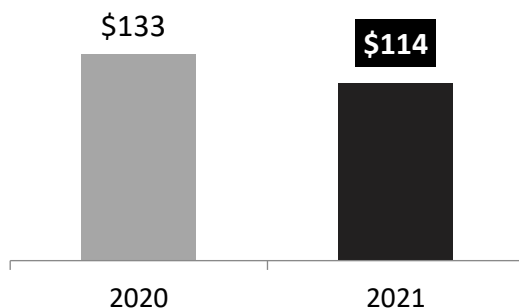
Cash Flow from Operating Activities (M\$)



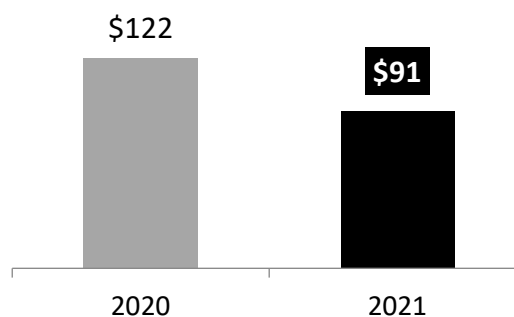
Free Cash Flows⁽¹⁾⁽²⁾ (M\$)



Cash Flow from Operating Activities (M\$)



Free Cash Flows⁽¹⁾⁽²⁾ (M\$)



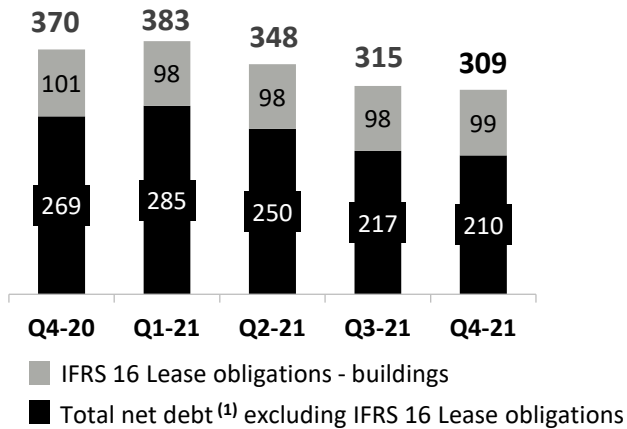
- **Cash flow from operating activities down year-over-year:**
 - Right-sizing of working capital in 2020
 - + Improved profitability
- **FCF⁽¹⁾⁽²⁾ down year-over-year:**
 - Right-sizing of working capital in 2020
 - reinvestment in the business

(1) This is a Non-GAAP financial measure. Refer to the “Non-GAAP Financial Measures” section at the end of this presentation for further details.

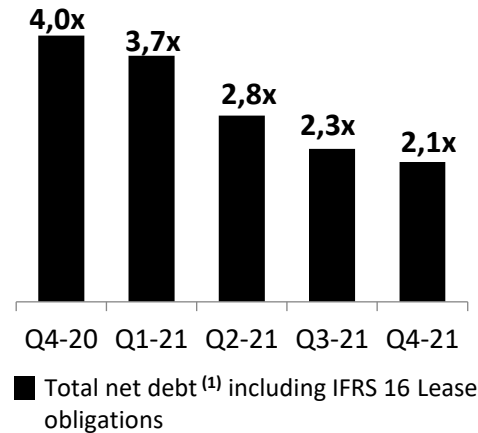
(2) The Free Cash Flow definition was reviewed in Q2-21 and comparative figures were adjusted accordingly, refer to MD&A.

Material Improvement in Debt & Leverage

Total Net Debt⁽¹⁾⁽²⁾



Total Net Debt⁽¹⁾ to Adj. EBITDA^{(1)*}



Total Net Debt Reduction
\$61M

Reduced Leverage Ratio
1.9x

*New definition of adjusted EBITDA, refer to MD&A.

- (1) This is a Non-GAAP financial measure. Refer to the "Non-GAAP Financial Measures" section at the end of this presentation for further details.
- (2) This measure consists of long-term debt, including the portion due within a year (as shown in note 18 in the consolidated financial statements), net of cash. For avoidance of doubt, it excludes letters of credit and the convertible debentures which are considered equity for ratio purposes.

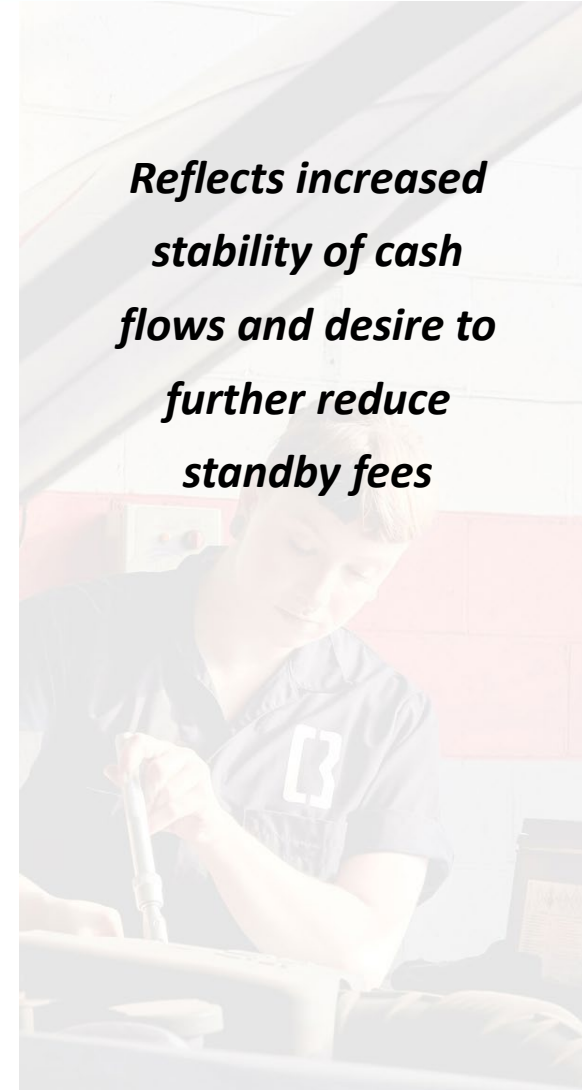
- Total net debt ⁽¹⁾ decreased due to strong operating performance and cash flow management
- Leverage ratio decreased to 2.1x in Q4-21 due to:
 - Higher adjusted EBITDA⁽¹⁾
 - Lower total net debt⁽¹⁾
- Available liquidity of ~186M (subject to covenants)

Lowest level of total net debt⁽¹⁾ since Q2-17

Capital Structure Update

- **Entered into an amended credit agreement with syndicate of lenders:**
 - Single revolving credit facility, total capacity reduced to \$400M from \$453M
 - \$200M accordion feature
 - Revised covenants and covenant calculation
 - Covenant step ups in the case of certain acquisitions
 - Reduced pricing grid on drawn and undrawn components
- **In compliance with covenants**

Reflects increased stability of cash flows and desire to further reduce standby fees





CONCLUSION

Concluding Remarks

- **Achievements in the 2nd half of 2021**
 - Identified and executed operational improvements across the three business units
 - Made substantial improvements to the Company's results and financial position
 - Material progress with the team and culture
 - Well positioned to take advantage of growth opportunities
- **Priorities for 2022**
 - Continue to drive operational improvements across each business unit
 - Continue to reinvest in the business
 - Begin to consider strategic acquisition opportunities
- **Ongoing Headwinds**
 - Ongoing supply chain challenges
 - Labor scarcity & inflation



APPENDIX – Reconciliation of Non-GAAP measures

Non-GAAP Financial Measures

The information included in this presentation 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

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, write-off of assets 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.

Non-GAAP Financial Measures (cont'd)



Adjusted earnings and adjusted earnings per share

Management uses adjusted earnings and adjusted earnings per share to assess net earnings and net earnings per share from core operating activities, containing certain adjustments, net of income taxes, 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, write-off of deferred financing costs, 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.

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 an 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.

Non-GAAP Financial Measures (cont'd)



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. (Refer to Note 18 to the Consolidated Financial Statements for further details.)

Total net debt to adjusted EBITDA ratio

This ratio corresponds to total net debt divided by adjusted EBITDA.

Non-GAAP Financial Measures (cont'd)



Reconciliation of Consolidated Organic Growth				
	Fourth quarters		Twelve-month periods	
	2021	2020	2021	2020
<i>FinishMaster U.S.</i>	167.8	154.7	672.1	653.7
<i>Canadian Automotive Group</i>	136.0	124.9	540.9	485.4
<i>GSF Car Parts U.K.</i>	96.4	86.7	399.8	332.7
Sales	400.2	366.2	1,612.8	1,471.8
		(in %)		(in %)
Sales variance	33.9	9.3	141.0	9.6
Translation effect of the Canadian dollar and the British pound	(7.0)	(1.9)	(60.9)	(4.1)
Impact of number of billing days	1.1	0.3	9.0	0.6
Loss of sales from the consolidation of company-operated stores	-	-	1.2	0.1
Acquisitions	(0.5)	(0.2)	(2.7)	(0.2)
Consolidated organic growth	27.5	7.5	87.6	6.0

Note: Numbers may not add exactly due to rounding.

Non-GAAP Financial Measures (cont'd)



During the third quarter, the Corporation updated its definition of adjusted EBITDA and is now excluding stock-based compensation to better reflect the operational performance. Accordingly, the comparative figures were adjusted to reflect this change.

Reconciliation of EBITDA and Adjusted EBITDA						
	Fourth quarters			Twelve-month periods		
	2021	2020	%	2021	2020	%
Net earnings (loss)	9.0	(5.1)		0.9	(31.5)	
Income tax expense (recovery)	1.3	2.6		0.9	(3.8)	
Net financing costs	6.6	9.1		30.2	37.4	
Depreciation and amortization	14.4	14.9		59.9	62.6	
EBITDA	31.3	21.5	45.9	91.9	64.6	42.1
<i>EBITDA margin</i>	<i>7.8%</i>	<i>5.9%</i>		<i>5.7%</i>	<i>4.4%</i>	
Change in estimate related to inventory obsolescence	1.0	-		21.6	-	
Stock-based compensation	5.2	1.5		11.4	4.0	
Special items	(0.1)	2.4		21.8	24.2	
Adjusted EBITDA	37.4	25.4	47.2	146.7	92.8	58.1
<i>Adjusted EBITDA margin</i>	<i>9.4%</i>	<i>6.9%</i>		<i>9.1%</i>	<i>6.3%</i>	

Note: Numbers may not add exactly due to rounding.



Non-GAAP Financial Measures (cont'd)

During the third quarter, the Corporation updated its definition of adjusted earnings and adjusted EPS and is now excluding stock-based compensation to better reflect the core operational performance. Accordingly, the comparative figures were adjusted to reflect this change.

Reconciliation of Adjusted Earnings and Adjusted Earnings Per Share

	Fourth quarters			Twelve-month periods		
	2021	2020	%	2021	2020	%
Net earnings (loss)	9.0	(5.1)	(277.5)	0.9	(31.5)	(102.8)
Change in estimate related to inventory obsolescence, net of taxes	0.8	-		16.4	-	
Stock-based compensation, net of taxes	3.9	1.1		8.5	2.9	
Special items, net of taxes	(0.1)	3.0		16.3	19.5	
Amortization of intangible assets related to the acquisition of GSF Car Parts, net of taxes	0.9	0.7		3.6	4.2	
Write-off of deferred financing costs, net of taxes	1.2	-		1.2	-	
Net tax impact of changes in rates and reversal of a contingency provision	-	-		2.0	-	
Adjusted earnings (loss)	15.7	(0.3)	5,469.2	48.9	(4.9)	1,097.4

Earnings (loss) per share	0.21	(0.12)	271.8	0.02	(0.74)	102.8
Change in estimate related to inventory obsolescence, net of taxes	0.02	-		0.38	-	
Stock-based compensation, net of taxes	0.09	0.03		0.20	0.07	
Special items, net of taxes	(0.01)	0.06		0.38	0.45	
Amortization of intangible assets related to the acquisition of GSF Car Parts, net of taxes	0.02	0.02		0.08	0.10	
Write-off of deferred financing costs, net of taxes	0.03	-		0.03	-	
Net tax impact of changes in rates and reversal of a contingency provision	-	-		0.05	-	
Adjusted earnings (loss) per share	0.36	(0.01)	3,756.5	1.14	(0.12)	1,021.0

Note: Numbers may not add exactly due to rounding.

Non-GAAP Financial Measures (cont'd)



The Free Cash Flows definition was reviewed in Q2-21 and comparative figures were adjusted accordingly.

Reconciliation of Free Cash Flows				
	Fourth quarters		Twelve-month periods	
	2021	2020	2021	2020
Cash flows from operating activities	28.5	48.3	114.1	132.6
Advances to merchant members and incentives granted to customers	(3.6)	(1.9)	(13.1)	(7.4)
Reimbursement of advances to merchant members	0.5	1.0	4.9	3.5
Acquisitions of property and equipment	(5.1)	(1.5)	(11.1)	(5.9)
Proceeds from disposal of property and equipment	0.3	1.0	1.2	1.8
Acquisitions and development of intangible assets	(1.0)	(1.0)	(4.5)	(2.3)
Free cash flows	19.6	46.1	91.5	122.3

Note: Numbers may not add exactly due to rounding.



UNI-SELECT®

UNISELECT.COM