



NEWS RELEASE

Boyd Group Services Inc. Announces Preliminary First Quarter Results and a Bought Deal Financing for Gross Proceeds of Approximately C\$200 Million

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Winnipeg, Manitoba – April 28, 2020 – Boyd Group Services Inc. (TSX: BYD) (the “Company”, “Boyd” or the “Boyd Group”) today announced that it has entered into an agreement with CIBC Capital Markets, Cormark Securities Inc., Goldman Sachs and National Bank Financial Inc., acting as co-leads and joint bookrunners, on behalf of a syndicate of underwriters (collectively, the “Underwriters”), pursuant to which the Company will issue from treasury, and the Underwriters shall purchase on a “bought-deal” basis, 1,100,000 common shares (the “Shares”) at a price of \$183.00 per Share for gross proceeds to the Company of approximately C\$200 million (the “Offering”). The Shares will be offered to the public by way of a short form prospectus.

The Company intends to use the net proceeds of the Offering to fund potential future acquisition opportunities post COVID-19, as well as to further strengthen its balance sheet through either holding cash or debt repayment, and for general corporate purposes.

The Company has also granted to the underwriters an over-allotment option to purchase up to an additional 165,000 Shares at a price of \$183.00 per Share, representing 15% of the size of the Offering. The over-allotment option may be exercised until 30 days following the closing of the offering.

“We believe there will be many opportunities that come from this crisis, both internal and external, and our strong balance sheet, which will be further strengthened by this financing, will put us in the best possible position to come out of this crisis as a stronger company”, said Tim O’Day, President and CEO. “We will continue to be a leader and one of the largest operators of collision repair shops in North America and we are excited about our future opportunities as our industry and our Company emerge from the COVID-19 pandemic.”

The Company expects to file a preliminary short form prospectus relating to the Offering on May 4, 2020 and closing of the Offering is expected to occur on or about May 14, 2020. The Offering is subject to normal regulatory approvals, including approval of the Toronto Stock Exchange. The Shares will be offered in each of the provinces of Canada, excluding Quebec, and if offered in the United States, by way of private placement in accordance with applicable registration exemptions.

This news release does not constitute an offer of securities for sale in the United States. The securities being offered have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, and such securities may not be offered or sold within the United States absent U.S. registration or an applicable exemption from U.S. registration requirements.

First Quarter Ended March 31, 2020 Preview:

- Sales increased by 12.6% to \$628.4 million from \$557.9 million in the same period of 2019, including same-store sales decreases of 1.5%
- Adjusted EBITDA¹ increased 4.0% to \$81.4 million, compared with \$78.3 million in the same period of 2019
- Adjusted net earnings¹ decreased 28.3% to \$20.2 million, compared with \$28.1 million in the same period of 2019 and adjusted net earnings per share/unit¹ decreased 29.6% to \$1.00, compared

- with \$1.42 in the same period of 2019
- Net earnings increased 5.9% to \$22.7 million, compared with \$21.4 million in the same period of 2019 and net earnings per share/unit increased 3.7% to \$1.12, compared with \$1.08 in the same period of 2019
- Cash balance of \$576 million
- Debt, net of cash and excluding lease liabilities was approximately \$400 million with no significant maturities until March 2025. Lease liabilities were approximately \$550 million

“Our team has undertaken proactive steps to adapt to the current environment, and to maintain our strong financial position,” said Tim O’Day, President & Chief Executive Officer of the Boyd Group. “We have ample liquidity and we have been able to adjust our business to manage through this challenging situation, while also preparing to ramp back up as the demand for collision repair services begins to rise. Boyd team members have demonstrated exceptional perseverance and entrepreneurial spirit to adapt our operational excellence strategy by developing and executing revised operating procedures that provide a safe and healthy work environment while maximizing the business opportunities that exist. As a result, thus far in April our sales have been stable at the favourable end of the range outlined in our March 27th announcement and we are now seeing some small improvement in demand from a few weeks ago. I am humbled by the sacrifices our team members have made and we look forward to being in a position to reinstate many of those who were laid off over the last month, when the time is right. Our priorities remain taking care of the health and safety of our team members and guests while scaling our business appropriately during this pandemic, as well as preserving financial flexibility and preparing for the opportunities that lie ahead.”

The Boyd Group has also proactively commenced discussions with its lending syndicate to amend the credit facility covenants to provide additional covenant headroom, further enhancing the Company’s financial flexibility. Based on the discussions to date, the Company believes that an acceptable amendment will be achieved. While the Company has not breached any covenants to date, nor is it forecasting any breach for Q2 based on current sales levels, this amendment is intended to prevent the effects of the COVID-19 pandemic from distorting the covenant calculations and distracting the Company or its lenders from the prudent management of the business over the quarters ahead.

Note Regarding Preliminary Results

The estimated fiscal 2020 first quarter results and liquidity are preliminary, unaudited and subject to completion, reflect management’s current views and may change as a result of management’s review of results and other factors. Such preliminary results for the fiscal 2020 first quarter are subject to the finalization and closing of our accounting books and records, and should not be viewed as a substitute for full quarterly financial statements prepared in accordance with accounting principles generally accepted under IFRS. Neither our independent registered public accounting firm nor any other independent registered public accounting firm has audited, reviewed or compiled, examined or performed any procedures with respect to the preliminary results, nor have they expressed any opinion or any other form of assurance on the preliminary results.

1. EBITDA, Adjusted EBITDA (earnings before interest, income taxes, depreciation and amortization, adjusted for the fair value adjustments related to the exchangeable share liability, unit option liability, non-controlling interest put option and contingent consideration, as well as acquisition and transaction costs), adjusted net earnings and adjusted net earnings per share / unit are not recognized measures under International Financial Reporting Standards (“IFRS”). Management believes that in addition to revenue, net earnings and cash flows, the supplemental measures of adjusted net earnings, EBITDA and Adjusted EBITDA are useful as they provide investors with an indication of earnings from operations. Investors should be cautioned, however, that EBITDA, Adjusted EBITDA, adjusted net earnings and adjusted net earnings per share / unit should not be construed as an alternative to net earnings determined in accordance with IFRS as an indicator of Boyd’s performance. Boyd’s method of calculating these measures may differ from other public issuers and, accordingly, may not be comparable to similar measures used by other issuers. For a detailed explanation of how Boyd’s non-GAAP measures are calculated, please refer to Boyd’s MD&A filing for the year ended December 31, 2019, which can be accessed via the SEDAR Web site (www.sedar.com)

About Boyd Group Services Inc.

Boyd Group Services Inc. is a Canadian corporation and controls The Boyd Group Inc. and its subsidiaries. Boyd Group Services Inc. shares trade on the Toronto Stock Exchange (TSX) under the symbol BYD. For more information on The Boyd Group Inc. or Boyd Group Services Inc., please visit our website at <http://www.boydgroup.com>.

About The Boyd Group Inc.

The Boyd Group Inc. (the "Company") is one of the largest operators of non-franchised collision repair centres in North America in terms of number of locations and sales. The Company operates locations in Canada under the trade names Boyd Autobody & Glass (<http://www.boydautobody.com>) and Assured Automotive (<http://www.assuredauto.ca>) as well as in the U.S. under the trade name Gerber Collision & Glass (<http://www.gerbercollision.com>). In addition, the Company is a major retail auto glass operator in the U.S. with operations under the trade names Gerber Collision & Glass, Glass America, Auto Glass Service, Auto Glass Authority and Autoglassonly.com. The Company also operates a third party administrator, Gerber National Claims Services ("GNCS"), that offers glass, emergency roadside and first notice of loss services. For more information on The Boyd Group Inc. or Boyd Group Services Inc., please visit our website at (<http://www.boydgroup.com>).

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Caution concerning forward-looking statements

Statements made in this press release, other than those concerning historical financial information, may be forward-looking and therefore subject to various risks and uncertainties. Some forward-looking statements may be identified by words like "may", "will", "anticipate", "estimate", "expect", "intend", or "continue" or the negative thereof or similar variations. Readers are cautioned not to place undue reliance on such statements, as actual results may differ materially from those expressed or implied in such statements. Factors that could cause results to vary include, but are not limited to: pandemic risk & economic downturn; operational performance; acquisition risk; employee relations and staffing; brand management and reputation; market environment change; reliance on technology; foreign currency risk; loss of key customers; decline in number of insurance claims; margin pressure and sales mix changes; weather conditions and climate change; competition; access to capital; dependence on key personnel; tax position risk; corporate governance; increased government regulation and tax risk; environmental, health and safety risk; fluctuations in operating results and seasonality; risk of litigation; execution on new strategies; insurance risk; dividends not guaranteed; interest rates; U.S. health care costs and workers compensation claims; low capture rates; supply chain risk; capital expenditures; and energy costs and the BGS's success in anticipating and managing the foregoing risks.

We caution that the foregoing list of factors is not exhaustive and that when reviewing our forward-looking statements, investors and others should refer to the “Risk Factors” section of BGS’s Annual Information Form, the “Risks and Uncertainties” and other sections of our Management’s Discussion and Analysis of Operating Results and Financial Position and our other periodic filings with Canadian securities regulatory authorities. All forward-looking statements presented herein should be considered in conjunction with such filings.