

Savaria Announces 2020 Q3 Results: Revenue of \$90.8M and Adjusted EBITDA margin at 18.6%

Laval, Québec, Canada, November 11, 2020 – Savaria Corporation (“Savaria”) (TSX: SIS), one of the global leaders in the accessibility industry, is pleased to announce today its results for the third quarter of fiscal 2020.

Highlights

- Revenue was \$90.8M, down \$5.6M, or 5.8%;
- Gross profit was \$32.6M, up \$0.4M, or 1.4%, representing 35.9% of revenue compared to 33.3%;
- Adjusted net earnings stable, at \$8.2M, or \$0.17 per share on a diluted basis;
- Adjusted EBITDA was \$16.9M, up \$1.3M or 8.1%.

in thousands of dollars, except per-share amounts and percentages	Q3			YTD		
	2020	2019	Change	2020	2019	Change
Revenue	\$ 90,808	\$ 96,434	(5.8)%	\$ 263,895	\$ 277,903	(5.0)%
Gross profit	\$ 32,583	\$ 32,134	1.4%	\$ 91,994	\$ 91,228	0.8%
% of revenue	35.9%	33.3%	n/a	34.9%	32.8%	n/a
Adjusted net earnings ¹	\$ 8,241	\$ 8,066	2.2%	\$ 21,678	\$ 17,943	20.8%
% of revenue	9.1%	8.4%	n/a	8.2%	6.5%	n/a
Adjusted net earnings per share ¹	\$ 0.17	\$ 0.16	6.2%	\$ 0.43	\$ 0.37	16.2%
Adjusted EBITDA ¹	\$ 16,914	\$ 15,652	8.1%	\$ 43,741	\$ 40,400	8.3%
% of revenue	18.6%	16.2%	n/a	16.6%	14.5%	n/a
Adjusted EBITDA per share ¹	\$ 0.33	\$ 0.31	6.5%	\$ 0.86	\$ 0.84	2.4%

¹Non-IFRS measures are described in the ‘Glossary’ section of the MD&A

A Word from the President

“I am very satisfied with the results of the third quarter of 2020. Our revenue and adjusted EBITDA numbers show investors that, despite a global pandemic, we can perform. We have focused our efforts on our core segment of accessibility products which represents approximately 75% of revenue and 90% of our adjusted EBITDA,” stated Mr. Marcel Bourassa, President and Chief Executive Officer of Savaria.

“Recently, we implemented a marketing campaign for the Savaria Vuelift® glass elevator product line, as we see strong growth potential for this innovative home elevator. We have seen keen interest from builders and architects for the Vuelift® products because of their luxury aesthetic, ease of installation for both new and retrofit construction, and because it can be installed in a variety of locations. We therefore believe we can reach sales of 600 units per year by the end of 2023, which would represent approximately \$30 million in revenue across our global market.

“We are excited to open our new showroom and warehouse in Boynton Beach, Florida next month, which will offer a large array of demonstration models including an octagonal Vuelift® elevator and our newest product, the Vuelift® Mini home elevator. The south Florida market has proven to be a highly desirable demographic for Savaria with both luxury homeowners and those with accessibility needs.

“As a result of our strong balance sheet, we are well positioned to take advantage of good acquisition opportunities that may arise. We continue to safeguard our employees and customers as much as possible during the pandemic and I thank our worldwide team for their ongoing support,” concluded Mr. Bourassa.

Savaria Corporation (savaria.com) is one of the global leaders in the accessibility industry. It provides accessibility solutions for the physically challenged to increase their comfort, their mobility and their independence. Its product line is one of the most comprehensive on the market. Savaria designs, manufactures, distributes and installs accessibility equipment, such as stairlifts for straight and curved stairs, vertical and inclined wheelchair lifts and elevators for home and commercial use. It also manufactures and markets a comprehensive selection of pressure management products for the medical market, medical beds for the long-term care market, as well as an extensive line of medical equipment and solutions for the safe handling of patients. In addition, Savaria converts and adapts vehicles to be wheelchair accessible. The Corporation operates a sales network of dealers worldwide and direct sales offices in North America, Europe (Switzerland, Germany, Italy, Czech Republic, Poland and United Kingdom), Australia and China. Savaria employs approximately 1,400 people globally and its plants are located across Canada in Laval and Magog (Québec), Brampton, Beamsville and Toronto (Ontario) and Surrey (British Columbia), in the United States at Greenville (South Carolina), in Huizhou (China), in Milan (Italy) and in Newton Abbot (United Kingdom).

Compliance with International Financial Reporting Standards (“IFRS”)

The information appearing in this press release has been prepared in accordance with IFRS. However, Savaria uses EBITDA, adjusted EBITDA, adjusted EBITDA margin, adjusted EBITDA per share, adjusted net earnings and adjusted net earnings per share for analysis purposes to measure its financial performance. These measures have no standardized definitions in accordance with IFRS and are therefore regarded as non-IFRS measures. These measures may therefore not be comparable to similar measures reported by other companies. Additional details for these non-IFRS measures can be found in Savaria’s MD&A, which is posted on Savaria’s website at savaria.com, and filed with SEDAR at sedar.com.

Forward-Looking Statements

This press release includes certain statements that are “forward-looking statements” within the meaning of the securities laws of Canada. Any statement in this press release that is not a statement of historical fact may be deemed to be a forward-looking statement. When used in this press release, the words “believe”, “could”, “should”, “intend”, “expect”, “estimate”, “assume” and other similar expressions are generally intended to identify forward-looking statements. It is important to know that the forward-looking statements in this document describe the Corporation’s expectations as at the date hereof, which are not guarantees of future performance of Savaria or its industry, and involve known and unknown risks and uncertainties that may cause Savaria’s or the industry’s outlook, actual results or performance to be materially different from any future results or performance expressed or implied by such statements. The Corporation’s actual results could be materially different from its expectations if known or unknown risks affect its business, or if its estimates or assumptions turn out to be inaccurate. A change affecting an assumption can also have an impact on other interrelated assumptions, which could increase or diminish the effect of the change. As a result, the Corporation cannot guarantee that any forward-looking statement will materialize and, accordingly, the reader is cautioned not to place undue reliance on these forward-looking statements. Forward-looking statements do not take into account the effect that transactions or special items announced or occurring after the statements are made may have on the Corporation’s business. For example, they do not include the effect of sales of assets, monetizations, mergers, acquisitions, other business combinations or transactions, asset write-downs or other charges announced or occurring after forward-looking statements are made.

Unless otherwise required by applicable securities laws, Savaria disclaims any intention or obligation to update or revise the forward-looking statements, whether as a result of new information, future events or otherwise. The foregoing risks and uncertainties include the risks set forth under “Risks and Uncertainties” in Savaria’s latest Annual MD&A as well as other risks detailed from time to time in reports filed by Savaria with securities regulators in Canada.

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Results Webcast and conference call on November 12, 2020, at 8:30 a.m. (EST)

Savaria will host a conference call on Thursday, November 12, 2020 at 8:30 a.m. Eastern Time with financial analysts to discuss results of the quarter ended September 30, 2020. Investors and members of the media are invited to participate on a listen-only basis.

Conference call access:

Local Dial-in Numbers: 647.427.7450 or 514.807.9895

North American Toll Free Number: 1.888.231.8191

Webcast URL (EN): https://produceredition.webcasts.com/starthere.jsp?ei=1395987&tp_key=751aaca965

A link to the replay of the webcast will be available on the Corporation's website at savaria.com.

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