News Release

AUTOCANADA ACQUIRES DCCHAIL, A LEADING HAIL DAMAGE REPAIR COMPANY

EDMONTON, Alberta, February 27, 2023 - AutoCanada Inc. ("AutoCanada" or the "Company") (TSX: ACQ), a multi-location North American automobile dealership group, announced today that it has acquired DCCHail, a paintless dent repair ("PDR") company specializing in the insurance claim management process and repairing hail damaged vehicles, with a national presence, including Canada's largest hail repair facility in Calgary, Alberta.

"We're excited to add this well-managed hail damage repair operation to our network, providing a vertical integration opportunity that will allow us to take greater control of the repair process and expand this business across markets in Canada and the U.S. by leveraging our current dealership, parts & service and collision centre platforms," said Executive Chairman, Paul Antony. "We are also pleased to welcome the high quality DCCHail team to the AutoCanada family and we look forward to continuing its legacy into the future."

Operating for over 20 years, DCCHail is one of Canada's leading PDR service providers, specializing in insurance claim management and repairing hail damaged vehicles. DCCHail's responsive business model provides the expertise, manpower, and professionalism to manage catastrophic hail losses throughout Canada. DCCHail has revolutionized the PDR industry with its proprietary technology DCCScan. DCCScan can inspect and document automotive hail damage under an average of five seconds per scan. This greatly increases the efficiency and accuracy of the hail repair process. DCCScan integrates with DCCHail's developed PDRMAX, a unique proprietary software for processing hail estimates and managing the hail repair process. The company offers PDR services to National Insurance Partners (Direct Repair Agreements), collision centres, and auto dealerships (fleet inventory repairs). The current management team will continue to operate the business going forward. Apart from continuing to strengthen the operation's performance, the acquisition unlocks additional growth opportunities, including the potential to expand the business by leveraging AutoCanada's dealership, parts & service and collision platforms.

Financial Highlights

The acquired company generates in excess of $15 million in annual revenue. The transaction was funded from a drawdown of the Company's credit facility and is expected to be accretive to 2023 earnings.

About AutoCanada

AutoCanada is a leading North American multi-location automobile dealership group currently operating 82 franchised dealerships, comprised of 28 brands, in eight provinces in Canada as well as a group in Illinois, USA. AutoCanada currently sells Chrysler, Dodge, Jeep, Ram, FIAT, Alfa Romeo, Chevrolet, GMC, Buick, Cadillac, Ford, Infiniti, Nissan, Hyundai, Subaru, Audi, Volkswagen, Kia, Mazda, Mercedes-Benz, BMW, MINI, Volvo, Toyota, Lincoln, Acura, Honda and Porsche branded vehicles. In addition, AutoCanada's Canadian Operations segment currently operates 3 used vehicle dealerships and 1 used vehicle auction business supporting the Used Digital Retail Division, 11 RightRide division locations, and 10 stand-alone collision centres within our group of 25 collision centres. In 2021, our dealerships sold approximately 86,000 vehicles and processed over 800,000 service and collision repair orders in our 1,303 service bays generating revenue in excess of $4 billion.

Additional information about AutoCanada Inc. is available at www.sedar.com and the Company's website at www.autocan.ca.

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Certain statements contained in this press release are forward-looking statements and information (collectively, *"forward-looking statements") within the meaning of the applicable Canadian securities legislation. We hereby provide cautionary statements identifying important factors that could cause our actual results to differ materially from those projected in these forward-looking statements. Any statements that express, or involve discussions as to, expectations, beliefs, plans, objectives, assumptions or future events or performance (often, but not always, through the use of words or phrases such as "will likely result", "are expected to", "will continue", "is anticipated", "projection", "vision", "goals", "objective", "target", "schedules", "outlook", "anticipate", "expect", "estimate", "could", "should", "plan", "seek", "may", "intend", "likely", "will", "believe" and similar expressions) are not historical facts and are forward looking. In particular, this press release contains forward-looking statements with respect to, among other things, future operating results of the acquired business, the successful integration of the acquired business into AutoCanada's business, and the growth of the acquired business.*

The forward-looking statements included in this press release are not guarantees of future performance and should not be unduly relied upon. Readers are cautioned that forward-looking statements are based on current expectations, estimates and projections that, by their nature, forward-looking statements involve a number of known and unknown risks and uncertainties, which could cause actual results to differ materially from those anticipated and described in the forward-looking statements. These known and unknown risks and uncertainties include, but are not limited to: future operating results, the impact of the COVID-19 pandemic on our operations, events that interrupt vehicle or parts supply to AutoCanada's OEMs, financial condition and liquidity and the duration of such impacts; potential changes in the regulatory and legislative environment; volatility in interest and tax rates; operating risks inherent in the automotive retail industry; and changes in general economic conditions including the capital and credit markets.

Forward-looking statements involve estimates and assumptions and are subject to risks, uncertainties and other factors some of which are beyond our control and difficult to predict. Accordingly, actual results or outcomes may differ materially from those expressed in the forward-looking statements. In particular, in presenting its forward-looking statements, AutoCanada has made assumptions respecting, among other things the future operating results of the acquired business, the successful integration of the acquired business into AutoCanada's platform and the growth opportunities at the acquired business.

AutoCanada cautions that the foregoing list of assumptions, risks and uncertainties is not exhaustive. The Company's Annual Information Form and other documents filed with securities regulatory authorities (accessible through the SEDAR website at www.sedar.com) describe the risks, material assumptions and other factors that could influence actual results and which are incorporated herein by reference. The forward-looking statements contained in this press release speak only as of the date hereof and AutoCanada assumes no obligation to publicly update or revise them to reflect new events or circumstances, except as may be required pursuant to applicable securities laws.