

FOR IMMEDIATE RELEASE

RICHARDS PACKAGING INCOME FUND

Richards Packaging Income Fund announces 2019 Results and Normal course issuer bid

March 6, 2020, (TORONTO) -- Richards Packaging Income Fund (TSX: RPI.UN) (the “Fund”) announced today results for the fourth quarter and the year ended December 31, 2019 and a continuation of the normal course issuer bid.

“Due to the weak Canadian GDP in the fourth quarter we were not able to make up for the lost two large customers (\$2 million) from the Trump China tariff. Even though it was a volatile year, our overall sales growth exceeded expectations with revenue growth of 5%.

Revenue for the first quarter to date is growing double digits due to the spike in demand for healthcare products associated with combatting the coronavirus. As well, inventory levels have shielded our performance to date associated with the Canadian rail blockades. The shocks created by a new China countervailing tariff coming up in April will cause the US market to keep adjusting until it finds equilibrium. It is unclear what the impacts of these factors will be for the remainder of 2020.

Significant changes to the balance sheet include a \$12.5 million payment on the debt and a \$13.7 million conversion of exchangeable shares to units offset by \$6.7 million mark to market loss.

One key thing to note is that the new lease accounting policy required under IFRS was implemented effective January 1st with the impact outlined in the notes to the financial statements. After discussions with our bank we also modified the definition of adjusted EBITDA and distributable cash flow to reverse the effects of these changes as outlined in the MD&A.” commented Gerry Glynn, Chief Executive Officer.

The Fund also announces that it intends to continue the normal course issuer bid to acquire up to 500,000 of its outstanding trust units representing approximately 4.4% of its issued and outstanding units. Under the previous normal course issuer bid ending March 14, 2020, 500,000 units were approved for purchase, but the Fund had not purchased units. As at March 6, 2020, the Fund had 11,230,007 units issued and outstanding. All purchases will be made through the facilities of and in accordance with the rules of the Toronto Stock Exchange and all units purchased will be cancelled. Except where reliance is had on the Exchange’s block purchase exemption, the maximum number of units purchasable under the bid on any trading day will be limited to 1,062 units based on an average daily trading volume of 4,248 for the six months ended February 29, 2020. The normal course issuer bid will commence on March 14, 2020 and end no later than March 13, 2021. The Trustees of the Fund believe that such purchases are an appropriate and desirable use of available funds.

Details of the Fund’s results are currently available on Richards Packaging’s website at www.richardspackaging.com and on SEDAR at www.sedar.com.

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About Richards Packaging Income Fund

The Fund owns Richards Packaging Inc. (“Richards Packaging”), the leading packaging distributor in Canada, and third largest in North America. Richards Packaging is a full-service packaging distributor targeting small- and medium-sized North American businesses. Richards Packaging has operated since 1912 and currently serves over 14,300 regional companies from 17 locations throughout North America.