

Third Quarter 2021 results Earnings call presentation

September 8, 2021

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Note to readers

In this document, unless otherwise indicated, all financial data are prepared in accordance with International Financial Reporting Standards (IFRS) and the term “dollars” as well as the symbol “\$” designate Canadian dollars. In this document, we also use non-IFRS financial measures for which a complete definition is presented below and for which a reconciliation to financial information in accordance with IFRS is presented at the end of this presentation and in Note 3 "Segmented Information" to the unaudited condensed interim consolidated financial statements for the third quarter ended July 25, 2021. These measures should be considered as a complement to financial performance measures in accordance with IFRS. They do not substitute and are not superior to them.

Terms used	Definitions
Adjusted operating earnings before depreciation and amortization (Adjusted EBITDA)	Operating earnings before depreciation and amortization as well as restructuring and other costs (gains) and impairment of assets
Adjusted EBITDA margin	Adjusted operating earnings before depreciation and amortization divided by revenues
Adjusted net earnings attributable to shareholders of the Corporation per share (Adjusted EPS)	Net earnings attributable to shareholders of the Corporation before restructuring and other costs (gains), impairment of assets, amortization of intangible assets arising from business combinations, net of related income taxes as well as an adjustment on additional income taxes in other jurisdictions resulting from a prior year
Net indebtedness	Total of long-term debt, of current portion of long-term debt, of lease liabilities and of current portion of lease liabilities, less cash
Net indebtedness ratio	Net indebtedness divided by the last 12 months' adjusted operating earnings before depreciation and amortization

Forward-looking information

Our public communications often contain oral or written forward-looking statements which are based on the expectations of management and inherently subject to a certain number of risks and uncertainties, known and unknown. By their very nature, forward-looking statements are derived from both general and specific assumptions. The Corporation cautions against undue reliance on such statements since actual results or events may differ materially from the expectations expressed or implied in them. Forward-looking statements may include observations concerning the Corporation's objectives, strategy, anticipated financial results and business outlook. The Corporation's future performance may also be affected by a number of factors, many of which are beyond the Corporation's will or control. These factors include, but are not limited to, the economic situation in the world, structural changes in the industries in which the Corporation operates, the impact of digital product development and adoption on the demand for retailer-related services and other printed products, the Corporation's ability to generate organic growth in highly competitive industries, the Corporation's ability to complete acquisitions in the packaging industry and properly integrate them, the inability to maintain or improve operational efficiency and avoid disruptions that could affect its ability to meet deadlines, cybersecurity and data protection, the political and social environment as well as regulatory and legislative changes, in particular with regard to the environment and door-to-door distribution, changes in consumption habits related, in particular, to issues involving sustainable development and the use of certain products or services such as door-to-door distribution, change in consumption habits or loss of a major customer, customer consolidation, the safety and quality of its packaging products used in the food industry, the protection of its intellectual property rights, the exchange rate, availability of capital at a reasonable rate, bad debts from certain customers, import and export controls, raw materials and transportation costs, recruiting and retaining qualified personnel in certain geographic areas and industry sectors, taxation, interest rates and the impact of the COVID-19 pandemic on its operations, facilities and financial results, changes in consumption habits from consumers and changes in the operations and financial position of the Corporation's customers due to the COVID-19 pandemic and the effectiveness of plans and measures implemented in response thereto. The main risks, uncertainties and factors that could influence actual results are described in the *Management's Discussion and Analysis* for the year ended October 25, 2020 and in the latest *Annual Information Form*.

Unless otherwise indicated by the Corporation, forward-looking statements do not take into account the potential impact of non-recurring or other unusual items, nor of disposals, business combinations, mergers or acquisitions which may be announced or entered into after the date of September 8, 2021. The forward-looking statements in this presentation are made pursuant to the "safe harbour" provisions of applicable Canadian securities legislation. The forward-looking statements in this presentation are based on current expectations and information available as at September 8, 2021. Such forward-looking information may also be found in other documents filed with Canadian securities regulators or in other communications. The Corporation's management disclaims any intention or obligation to update or revise these statements unless otherwise required by the securities authorities.

Q3 2021 Highlights

Packaging

- ▶ Good performance despite significant headwinds from higher resin prices, exchange rate, and lower wage subsidy
- ▶ Very strong demand for our sustainable products

Printing

- ▶ Strong organic growth from gradual reopening of economy
- ▶ Good profitability despite significantly lower wage subsidy, reflecting our ability to operate with efficiency and to control our costs

Consolidated

- ▶ Our three sectors continued to perform well, including double-digit growth in Media
- ▶ Investments in CAPEX and M&A to generate significant growth for years to come

Focused on creating long-term value for our stakeholders

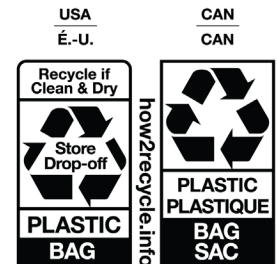
Corporate Social Responsibility (CSR) in Action

Aligning of credit facility with ESG targets

- Extended maturity to February 2026
- Benefit from **lower cost** based on achieving our targets
- Strong **alignment** between business and ESG principles

Sustainable Packaging

- **Designed** and **prequalified** new **recycle-ready** sustainable films for pet food and frozen food applications
- Received third-party **certification** that the resin we produce is from **100% post-consumer recycled (PCR)** content



Our CSR approach is well integrated into our corporate strategy

Q3 2021 Financial Results

Revenues	\$621.6M
Adj. EBITDA ⁽¹⁾	\$101.7M
EBIT	\$50.2M
Adj. EPS ⁽¹⁾	\$0.51
Cash flow Operations	\$54.6M

Highlights

- ▶ +34.2M (+5.8%) from same quarter last year (+\$70.4M organic growth and -\$38.2M FX)
- ▶ 14.4% organic growth in Print
- ▶ Adjusted EBITDA grew by >\$10M after excluding the impacts of lower CEWS⁽²⁾, lag in passing through higher resin price, and FX
- ▶ Good operating performance more than offset by impacts of lower CEWS, lag in passing through higher resin price, and FX
- ▶ Lower interest expense and tax rate at 23.6%
- ▶ IFRS EPS decreased from \$0.55 in Q3 2020 to \$0.32 in Q3 2021
- ▶ Decline due to lower EBIT, higher inventory (impacted by resin price) and higher taxes paid (delayed installment last year)

Good performance across all sectors in a difficult environment

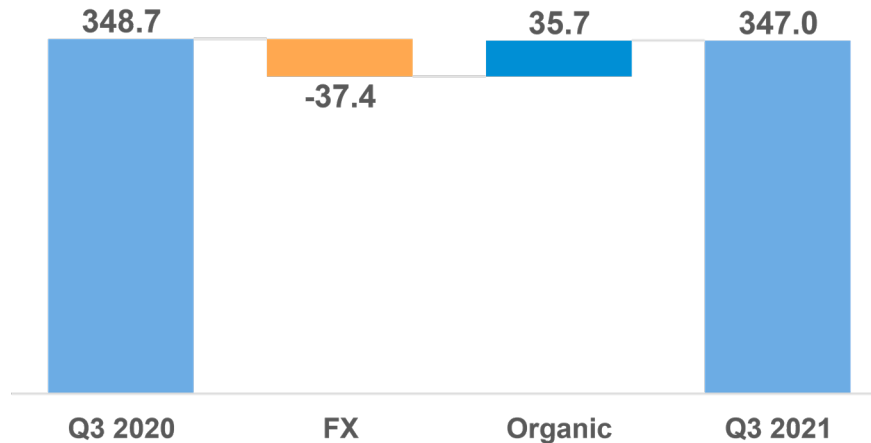
(1) Non-IFRS financial measure. Please refer to page 2 of this presentation for a complete description of these measures

(2) CEWS: Canada Emergency Wage Subsidy

Q3 2021 Financial Results

Packaging

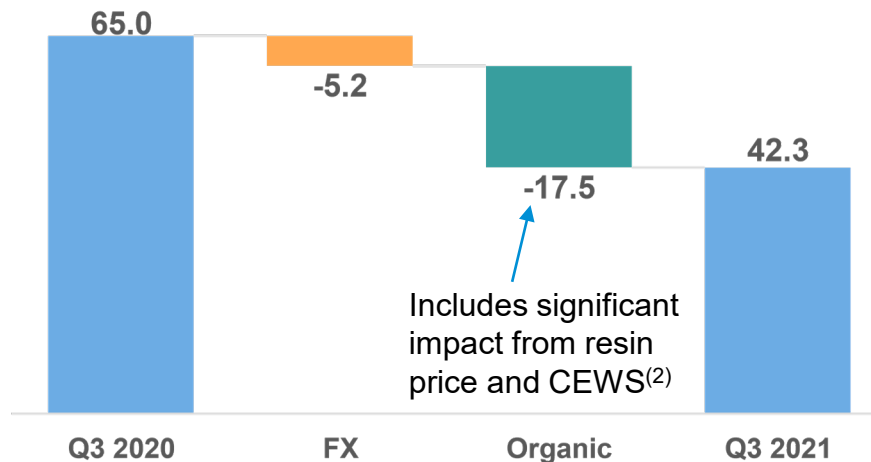
Revenues (in millions of \$)



Highlights

- ▶ Organic growth from higher resin prices offset by FX
- ▶ Flat organic growth excluding resin
- ▶ Short-term delays in ramping up production caused some revenues to slip to Q4 2021 and FY2022

Adj. EBITDA⁽¹⁾ (in millions of \$)



- ▶ Includes significant temporary impact from resin price increases not yet passed through
- ▶ Excluding the impacts of higher resin prices, FX and lower CEWS⁽²⁾, Adj. EBITDA would have been higher than Q3 2020

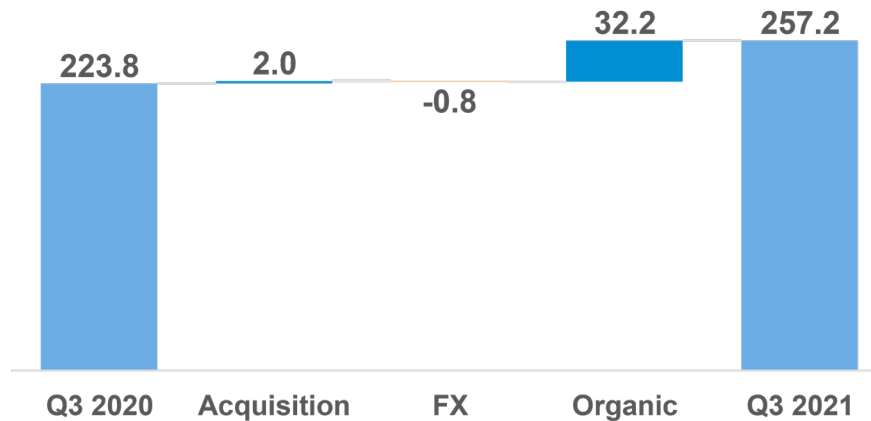
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(2) Canada Emergency Wage Subsidy

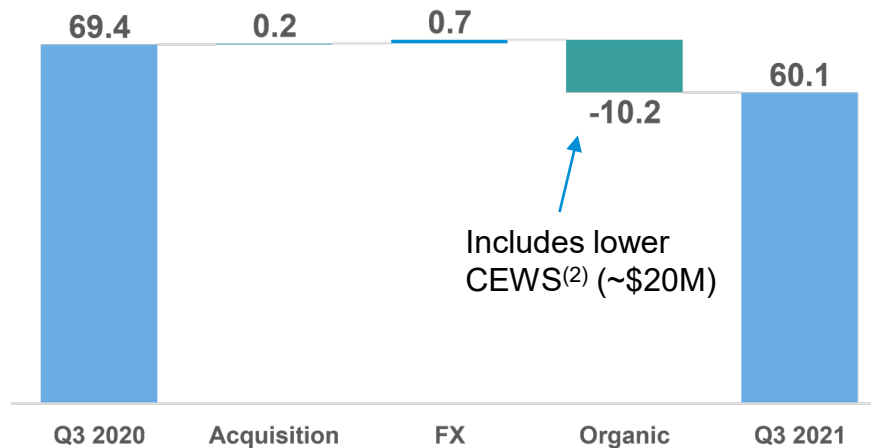
Q3 2021 Financial Results

Printing

Revenues (in millions of \$)



Adj. EBITDA⁽¹⁾ (in millions of \$)



Highlights

- ▶ 14.4% organic growth from gradual reopening of economy
- ▶ Expect solid organic growth to continue in Q4 2021 and in FY2022
- ▶ Very solid profitability in Q3 2021 despite continued impact of COVID-19
- ▶ Margin of 23.4% (19.8% excluding CEWS⁽²⁾, a 180 bps improvement)

(1) Non-IFRS financial measure. Please refer to page 2 of this presentation for a complete description of these measures.

(2) Canada Emergency Wage Subsidy

Conclusion

- ▶ Good performance across all sectors in a challenging environment
- ▶ Well-positioned to grow organically in the fourth quarter of fiscal 2021 and in fiscal 2022
- ▶ Solid financial position and strong cash flow generation providing the flexibility to deliver on our growth strategy in our three sectors (through CAPEX and M&A)

Appendix

Reconciliation of Non-IFRS Financial Measures

Reconciliation of operating earnings - Third quarter and cumulative

(in millions of dollars)	Three months ended		Nine months ended	
	July 25, 2021	July 26, 2020	July 25, 2021	July 26, 2020
Operating earnings	\$50.2	\$75.3	\$153.3	\$160.2
Restructuring and other costs	0.8	9.2	6.1	29.5
Amortization of intangible assets arising from business combinations ⁽¹⁾	16.4	17.6	49.2	53.0
Adjusted operating earnings	\$67.4	\$102.1	\$208.6	\$242.7
Depreciation and amortization ⁽²⁾	34.3	37.2	105.8	109.9
Adjusted operating earnings before depreciation and amortization	\$101.7	\$139.3	\$314.4	\$352.6

(1) Intangible assets arising from business combinations include our customer relationships, trademarks and non-compete agreements.

(2) Depreciation and amortization excludes the amortization of intangible assets arising from business combinations.

Reconciliation of net earnings attributable to shareholders of the Corporation - Third quarter

(in millions of dollars, except per share amounts)	Three months ended			
	July 25, 2021		July 26, 2020	
	Total	Per share	Total	Per share
Net earnings attributable to shareholders of the Corporation	\$28.1	\$0.32	\$48.3	\$0.55
Restructuring and other costs, net of related income taxes	0.4	—	6.6	0.07
Amortization of intangible assets arising from business combinations, net of related income taxes ⁽¹⁾	12.4	0.15	13.3	0.16
Adjustments on additional income taxes in other jurisdictions ⁽²⁾	3.3	0.04	—	—
Adjusted net earnings attributable to shareholders of the Corporation	\$44.2	\$0.51	\$68.2	\$0.78

(1) Intangible assets arising from business combinations include our customer relationships, trademarks and non-compete agreements.

(2) Adjustments on additional income taxes in other jurisdictions resulting from a pre-acquisition item.

Reconciliation of Non-IFRS Financial Measures (cont'd)

Reconciliation of net earnings attributable to shareholders of the Corporation - Cumulative

(in millions of dollars, except per share amounts)	Nine months ended			
	July 25, 2021		July 26, 2020	
	Total	Per share	Total	Per share
Net earnings attributable to shareholders of the Corporation	\$91.4	1.05	\$80.4	\$0.92
Restructuring and other costs, net of related income taxes	3.8	0.04	34.2	0.39
Amortization of intangible assets arising from business combinations, net of related income taxes ⁽¹⁾	37.3	0.43	40.0	0.46
Adjustments on additional income taxes in other jurisdictions ⁽²⁾	3.3	0.04	—	—
Adjusted net earnings attributable to shareholders of the Corporation	\$135.8	\$1.56	\$154.6	\$1.77

(1) Intangible assets arising from business combinations include our customer relationships, trademarks and non-compete agreements.

(2) Adjustments on additional income taxes in other jurisdictions resulting from a pre-acquisition item.

Reconciliation of net indebtedness

(in millions of dollars, except ratios)	As at July 25, 2021	As at October 25, 2020
Long-term debt	\$781.6	\$790.4
Current portion of long-term debt	378.5	229.7
Lease liabilities	134.7	132.0
Current portion of lease liabilities	23.7	22.8
Cash	(392.0)	(241.0)
Net indebtedness	\$926.5	\$933.9
Adjusted operating earnings before depreciation and amortization (last 12 months)	\$461.2	\$499.4
Net indebtedness ratio	2.0 x	1.9 x

