

# Investor Fact Sheet

## Fiscal Year 2021

### HIGHLIGHTS

- Strong growth in revenues and solid profitability in our three Sectors for the second half of the fiscal year.
- Revenues of \$2,643.4 million for the fiscal year ended October 31, 2021; operating earnings of \$233.8 million; and net earnings attributable to shareholders of the Corporation of \$130.6 million (\$1.50 per share).
- Adjusted operating earnings before depreciation and amortization<sup>(1)</sup> of \$454.9 million for the fiscal year ended October 31, 2021; adjusted operating earnings<sup>(1)</sup> of \$313.5 million; and adjusted net earnings attributable to shareholders of the Corporation<sup>(1)</sup> of \$206.4 million (\$2.37 per share).
- Made significant investments in research and development laboratories with state-of-the-art equipment in the state of Wisconsin, to drive growth and innovation and optimize the creation of sustainable solutions for customers.
- Winner of the Flexographic Technical Association (FTA) Innovations in Sustainability Award for the Integritite™ postconsumer recycled film.
- Extended the \$400 million revolving credit facility until 2026 and added a sustainability-related component providing for a rate adjustment based on achieving targets linked to ESG factors, including diversity and reduction in greenhouse gas emissions.
- Acquired BGI Retail Inc. on June 1, 2021 and expanded the in-store marketing solutions offering to retailers.
- Acquired H.S. Crocker on November 1, 2021, broadening the packaging solutions portfolio in the food sector as well as expanding pharmaceutical and medical expertise in the advanced coatings product offering.
- Retirement of François Olivier on December 9, 2021 and Peter Brues will assume the position of President and Chief Executive Officer on December 10, 2021.

As at December 9<sup>th</sup>, 2021

### NOTES TO READERS

In this document, unless otherwise indicated, all financial data are prepared in accordance with International Financial Reporting Standards (IFRS) and the term "dollar", as well as the symbol "\$" designate Canadian dollars. In this Investor Fact Sheet, we also use non-IFRS financial measures. Please refer to the section entitled "Reconciliation of Non-IFRS Financial Measures" in the Management Discussion and Analysis (MD&A) and Note 3, "Segmented Information", to the annual consolidated financial statements for the year ended October 31, 2021.

### FORWARD-LOOKING STATEMENT

This report contains certain forward-looking statements concerning the future performance of the Corporation. Such statements, based on the current expectations of management, inherently involve numerous risks and uncertainties, both general and specific. We caution that all forward-looking information is inherently uncertain and actual results may differ materially from the assumptions, estimates or expectations reflected or contained in the forward-looking information, and that actual future performance will be affected by a number of factors, many of which are beyond the Corporation's control. The risks, uncertainties and other factors that could influence actual results are described in the *Management's Discussion and Analysis (MD&A) for the fiscal year ended October 31st, 2021* and in the most recent *Annual Information Form*.

## MESSAGE FROM THE PRESIDENT & CEO

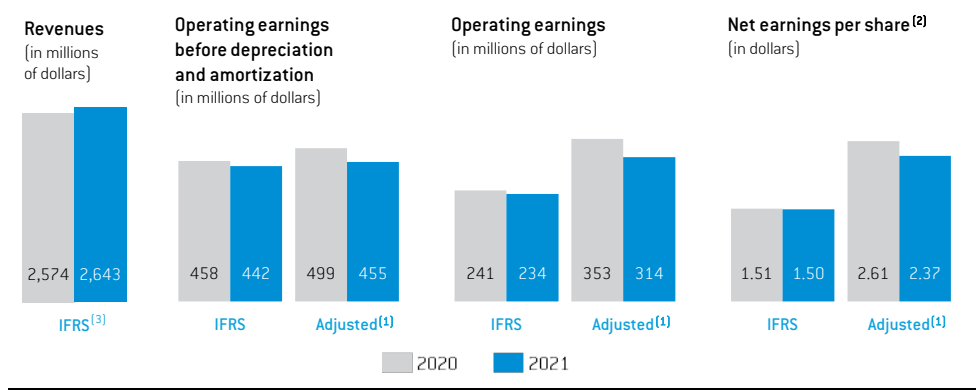
"I'm very satisfied with the results for fiscal year 2021. Excluding the significant negative impact of the rise in the price of resin, the reduction in the Canada Emergency Wage Subsidy and the exchange rate variation, our three sectors delivered excellent operating performance.

"In our Packaging Sector, our main engine of long-term growth, demand remains strong. Through our operational efficiency initiatives and our price increases resulting from higher raw material costs, we successfully offset inflationary pressures, especially with respect to resin prices. In addition, we continued to invest in our innovation initiatives to meet our customers' sustainability objectives based on the conviction that our sustainable packaging will be a key driver of our long-term growth.

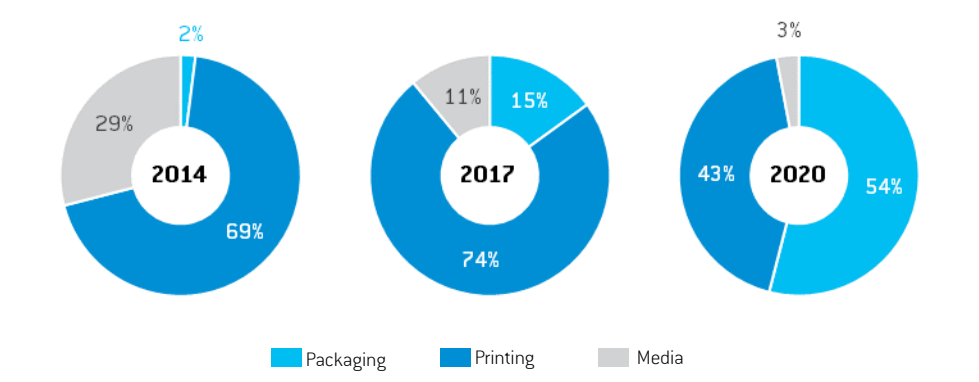
"Our Printing Sector posted another quarter of strong organic growth in revenues and generated solid profitability. Growth in the fourth quarter was especially significant for our in-store marketing and book printing activities. The proportion of our growth activities in the Printing Sector continues to increase, which allowed us to end the fiscal year with higher revenues and in a favourable position for the future. Meanwhile, the Media Sector had an exceptional year in terms of both revenues and profitability.

"To conclude, following the success of our transformation, I am proud to leave behind an international company that is well positioned in its three sectors and has a solid financial position, a proven strategy as well as a seasoned new President and Chief Executive Officer and management team. I am very proud of our accomplishments and confident that TC Transcontinental has a brilliant future ahead."

## FISCAL 2021 FINANCIAL HIGHLIGHTS



## EVOLUTION OF OUR CONSOLIDATED REVENUE COMPOSITION



## KEY INVESTMENT CONSIDERATIONS

- Strong cash flow generating ability
- Leader in most of the markets we serve
- Solid relationships with our customers
- Balanced portfolio of businesses
- Track record of dividend growth
- Family-controlled business with long-term vision
- Investment grade credit rating

## STOCK MARKET INFORMATION

As at October 31, 2021

Symbol on the TSX: **TCLA** **TCLB**

Participating Shares Outstanding: 87.0M

Market Capitalization: \$1,704.0 M

Dividend Yield: 4.6%

Annual Dividend per Share: \$0.90

Corporate Credit Ratings:

- DBRS: BBB (low), Stable outlook
- S&P: BBB-, Stable outlook

## ANALYST COVERAGE

Adam Shine	National Bank Financial
David McFadgen	Cormark Securities Inc.
Drew McReynolds	RBC Capital Markets
Mark Neville	Scotia Capital
Robert Bek	CIBC Capital Markets
Stephen MacLeod	BMO Capital Markets

## IMPORTANT DATES

### Quarterly Results

Q1-2022	Tuesday, March 8, 2022
Q2-2022	Wednesday, June 8, 2022
Q3-2022	Wednesday, September 7, 2022
Q4-2022	Tuesday, December 8, 2022

## CONTACT

Yan Lapointe	Transcontinental Inc.
Director, Investor Relations	1 Place Ville Marie, Suite 3240
Telephone: 514 954-3574	Montréal, Québec
Email: yan.lapointe@tc.tc	Canada H3B 0G1

## PROFILE

TC Transcontinental is a leader in flexible packaging in North America, and Canada's largest printer. The Corporation is also the leading Canadian French-language educational publishing group. For over 45 years, TC Transcontinental's mission has been to create quality products and services that allow businesses to attract, reach and retain their target customers.

Respect, teamwork, performance and innovation are the strong values held by the Corporation and its employees. TC Transcontinental's commitment to its stakeholders is to pursue its business activities in a responsible manner.

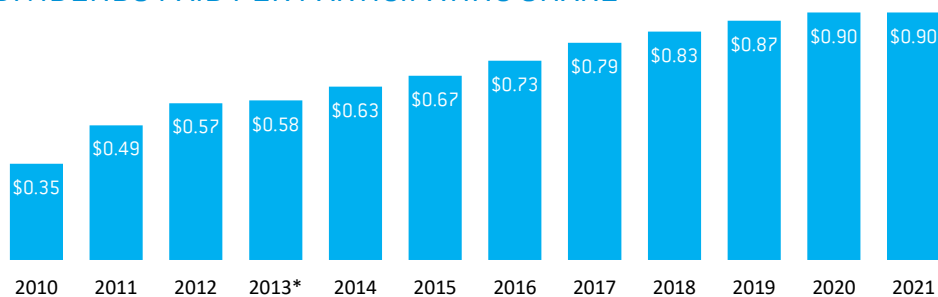
Transcontinental Inc. (TSX: TCLA TCLB), known as TC Transcontinental, has approximately 8,000 employees, the majority of which are based in Canada, the United States and Latin America. TC Transcontinental had revenues of more than C\$2.6 billion for the fiscal year ended October 31, 2021. For more information, visit TC Transcontinental's website at [www.tc.tc](http://www.tc.tc).

## SELECTED FINANCIAL DATA

(in millions of dollars, except ratios and per share information)

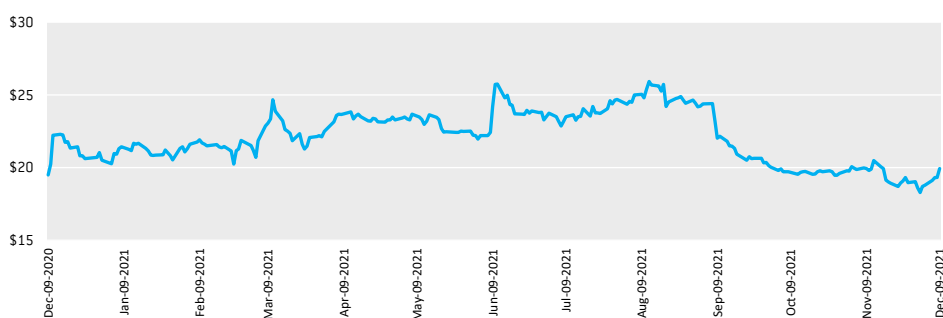
	2020	Q1-21	Q2-21	Q3-21	Q4-21	2021
Packaging	\$1,418.7	\$337.2	\$348.1	\$347.0	\$417.4	\$1,449.7
Printing	\$1,098.1	\$274.4	\$268.3	\$257.2	\$332.7	\$1,132.6
Other	\$57.2	\$11.1	\$6.9	\$17.4	\$25.7	\$61.1
<b>Revenues</b>	<b>\$2,574.0</b>	<b>\$622.7</b>	<b>\$623.3</b>	<b>\$621.6</b>	<b>\$775.8</b>	<b>\$2,643.4</b>
<b>Operating earnings before depreciation and amortization</b>	<b>\$458.0</b>	<b>\$100.9</b>	<b>\$106.5</b>	<b>\$100.9</b>	<b>\$133.2</b>	<b>\$441.5</b>
Packaging	\$227.5	\$50.1	\$49.2	\$42.3	\$57.9	\$199.5
Printing	\$268.7	\$61.1	\$67.3	\$60.1	\$81.1	\$269.6
Other	\$3.2	-\$5.5	-\$9.5	-\$0.7	\$1.5	-\$14.2
<b>Adjusted operating earnings before depreciation and amortization<sup>(1)</sup></b>	<b>\$499.4</b>	<b>\$105.7</b>	<b>\$107.0</b>	<b>\$101.7</b>	<b>\$140.5</b>	<b>\$454.9</b>
Packaging	16.0%	14.9%	14.1%	12.2%	13.9%	13.8%
Printing	24.5%	22.3%	25.1%	23.4%	24.4%	23.8%
<b>Adjusted operating earnings before depreciation and amortization margin<sup>(1)</sup></b>	<b>19.4%</b>	<b>17.0%</b>	<b>17.2%</b>	<b>16.4%</b>	<b>18.1%</b>	<b>17.2%</b>
<b>Net earnings per share<sup>(2)</sup></b>	<b>\$1.51</b>	<b>\$0.32</b>	<b>\$0.41</b>	<b>\$0.32</b>	<b>\$0.45</b>	<b>\$1.50</b>
<b>Adjusted net earnings per share<sup>(1) (2)</sup></b>	<b>\$2.61</b>	<b>\$0.50</b>	<b>\$0.55</b>	<b>\$0.51</b>	<b>\$0.81</b>	<b>\$2.37</b>
Net indebtedness ratio	1.9x					2.0x
Net indebtedness	\$933.9					\$894.8

## DIVIDENDS PAID PER PARTICIPATING SHARE



\* Paid a special dividend of \$1.00 and a regular dividend of \$0.58.

## TCL.A STOCK PRICE – LAST TWELVE MONTHS



Note 1: Please refer to the section entitled "Non-IFRS Financial Measures" on page 6 of the 2021 Annual Report for a definition of these measures.

Note 2: Attributable to shareholders of the Corporation.

Note 3: The above revenues include a \$56.5 million impact for the additional week effect in the fourth quarter of 2021, compared to 13 weeks in the fourth quarter of 2020.