

Immediate Release

TC Transcontinental Sells its Industrial Packaging Operations to Hood Packaging Corporation

Montréal, October 28, 2024 – TC Transcontinental (TSX: TCL.A TCL.B) announces the sale of its industrial packaging operations to Hood Packaging Corporation for a price of US\$95 million (about C\$132 million¹) subject to working capital adjustments. These operations generated approximately US\$50 million (about C\$68 million²) in revenues during the last twelve months ended July 28, 2024. The Corporation anticipates using the net proceeds to continue reducing net debt in line with its business priorities. This will increase its flexibility in capital allocation, including targeted acquisitions in growth segments.

“Industrial packaging is a solid business. However, after operating it for several years, we concluded that it offers few synergies with the rest of our portfolio, and is not core to our Packaging Sector’s growth strategy,” said Thomas Morin, President and Chief Executive Officer of TC Transcontinental. “We are pleased for our employees that Hood Packaging, a family-controlled company like TC Transcontinental whose industrial packaging business is core to their activities, is the buyer.”

Hood Packaging is acquiring TC Transcontinental’s Thomasville, North Carolina, packaging operations and building, and 138 employees are being transferred. Hood Packaging is also acquiring the industrial packaging business of TC Transcontinental’s Ontario, California plant, which represents approximately 15% of this plant’s revenues. Roop Nangia, Senior Vice President, Consumer & Beverage, TC Transcontinental Packaging, added: “We sincerely thank all of our talented employees for their contribution, commitment and performance.”

Forward-looking Statements

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 impact of digital product development and adoption as well as regulations or legislation regarding door-to-door distribution on the printing of paper flyers or printed advertising materials, inflation and recession risks, economic conditions and geopolitical uncertainty, environmental risks as well as adoption of new regulations or amendments and changes to consumption habits, risk of an operational disruption that could be harmful to its ability to meet deadlines, the worldwide outbreak of a disease, a virus or any other contagious disease could have an adverse impact on the Corporation’s operations, the ability to generate organic long-term growth and face competition, a significant increase in the cost of raw materials, the availability of those materials and energy consumption could have an adverse impact on the Corporation’s activities, the ability to complete acquisitions and properly integrate them, cybersecurity, data protection, warehousing and usage, the impact of digital product development and adoption on the demand for printed products other than flyers, the failure of patents, trademarks and confidentiality agreements to protect intellectual property, a difficulty to attract and retain employees in the main operating

¹ Converted at an exchange rate of 1.39 CAD per USD

² Converted at an exchange rate of 1.36 CAD per USD

sectors, the safety and quality of packaging products used in the food industry, bad debts from certain customers, import and export controls, duties, tariffs or taxes, exchange rate fluctuations, increase in market interest rates with respect to our financial instruments as well as availability of capital at a reasonable cost, the legal risks related to its activities and the compliance of its activities with applicable regulations, the impact of major market fluctuations on the solvency of defined benefit pensions plans, changes in tax legislation and disputes with tax authorities or amendments to statutory tax rates in force, the impact of impairment tests on the value of assets and a conflict of interest between the controlling shareholder and other shareholders. 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 29, 2023 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 October 28, 2024. The forward-looking statements in this press release are made pursuant to the "safe harbour" provisions of applicable Canadian securities legislation. The forward-looking statements in this release are based on current expectations and information available as at October 28, 2024. 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.

About TC Transcontinental

TC Transcontinental is a leader in flexible packaging in North America and in retail services in Canada and is Canada's largest printer. The Corporation is also the leading Canadian French-language educational publishing group. Founded in 1976, 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: TCL.A TCL.B), known as TC Transcontinental, has approximately 7,600 employees, the majority of which are based in Canada, the United States and Latin America. TC Transcontinental generated revenues of \$2.9 billion during the fiscal year ended October 29, 2023. For more information, visit TC Transcontinental's website at www.tc.tc.

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