

## **Hardwoods Announces Closing of C\$100.6 Million Bought Deal Common Share Offering**

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Langley, B.C., December 7, 2021 - Hardwoods Distribution Inc. (TSX:HDI) (“**HDI**” or the “**Company**”) announced today that it closed its previously announced bought deal public offering of common shares (the “**Common Shares**”) in the capital of the Company through a syndicate of underwriters led by Cormark Securities Inc. and National Bank Financial Inc., as co-lead underwriters and joint bookrunners (collectively, the “**Lead Underwriters**”) and CIBC Capital Markets, Acumen Capital Finance Partners Limited, Canaccord Genuity Corp. and BMO Capital Markets (together, with the Lead Underwriters, the “**Underwriters**”).

The Company issued an aggregate of 2,326,680 Common Shares (the “**Offering**”), including 303,480 Common Shares issued pursuant to the exercise in full of an over-allotment option granted to the Underwriters. The Common Shares were sold at a price of \$43.25 per Common Share for total gross proceeds to HDI of \$100,628,910. In connection with the Offering, the Underwriters received a cash commission equal to 4% of the gross proceeds from the sale of the Common Shares.

HDI issued the Common Shares to repay certain indebtedness of the Company and for working capital and general corporate purposes.

The Common Shares will be listed for trading on the Toronto Stock Exchange under the symbol “HDI”. The Common Shares were qualified for distribution by way of a short form prospectus in each of the Provinces of Canada.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. This press release does not constitute an offer of securities for sale in the United States. The securities being offered have not been, nor will they be, registered under the *United States Securities Act of 1933*, as amended, and such securities may not be offered or sold within the United States absent registration under U.S. federal and state securities laws or an applicable exemption from such U.S. registration requirements.

### **About Hardwoods Distribution Inc.**

HDI is one of North America’s largest suppliers of specialty building products to fabricators, home centers and builders servicing the new residential, repair and remodel, and commercial construction end-markets. The Company currently operates a network in North America of 83 distribution facilities in the United States and Canada. HDI's common shares are listed on the TSX under the symbol HDI.

### **Forward-Looking Statements**

Certain statements in this press release contain forward-looking information within the meaning of applicable securities laws (“**forward-looking information**”). Forward-looking information is generally identifiable by the use of the words “shall”, “may”, “will”, “expect”, “can”, “could” and

similar expressions. Forward-looking information in this press release includes statements regarding the anticipated use of the proceeds from the Offering; and the listing of the Common Shares on the TSX.

In connection with the forward looking information contained in this press release, we have made numerous assumptions, regarding, among other things: there are no material exchange rate fluctuations between the Canadian and U.S. dollar that will affect the Company's performance; the general state of the economy will not materially worsen; there are no decreases in the supply of, demand for, or market values of hardwood lumber or sheet goods that could harm the Company's business; the Company will not incur material losses related to credit provided to its customers; its products are not subjected to negative trade outcomes; the Company is able to sustain its level of sales and earnings margins; the Company is able to integrate acquired businesses; there is no new competition in the Company's markets that leads to reduced revenues and profitability; the Company can comply with existing regulations and will not become subject to more stringent regulations; no material product liability claims; importation of components or other innovative products does not increase and replace products manufactured in North America; the Company's management information systems upon which it depends are not impaired; the Company is not adversely impacted by disruptive technologies; an outbreak or escalation of a contagious disease, including the novel coronavirus, COVID-19 and any mutations thereof, will not materially adversely affect the business; and, the Company's insurance is sufficient to cover losses that may occur as a result of its operations.

The forward-looking information is subjects to risks, uncertainties and other factors that could cause actual results to differ materially from historical results or results anticipated by the forward-looking information. The factors which could cause results to differ from current expectations include, but are not limited to such risks and uncertainties described in the Company's publicly filed documents (available on SEDAR at [www.sedar.com](http://www.sedar.com)).

All forward-looking information in this press release are qualified in its entirety by this cautionary statement. These statements are made as of the date of this press release and, except as required by applicable law, the Company undertakes no obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise after the date hereof. Additionally, the Company undertakes no obligation to comment on analyses, expectations or statements made by third parties in respect of the Company, its financial or operating results or its securities.

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