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NEWS RELEASE

Winpak Reports 2024 Third Quarter Results

Winnipeg, Manitoba, October 24, 2024 - Winpak Ltd. (WPK) today reports consolidated results in US dollars for the third quarter of 2024, which ended on September 29, 2024.

	Quarter Ended		Year-To-Date Ended (1)	
	September 29 2024	October 1 2023	September 29 2024	October 1 2023
(thousands of US dollars, except per share amounts)				
Revenue	285,473	273,790	845,752	865,770
Net income	39,309	33,824	114,103	112,577
Income tax expense	14,659	11,970	43,287	38,956
Net finance income	(5,710)	(5,033)	(17,816)	(12,551)
Depreciation and amortization	13,338	11,866	39,038	35,912
EBITDA (2)	61,596	52,627	178,612	174,894
Net income attributable to equity holders of the Company	38,486	33,991	112,833	113,284
Net income (loss) attributable to non-controlling interests	823	(167)	1,270	(707)
Net income	39,309	33,824	114,103	112,577
Basic and diluted earnings per share (cents)	61	52	177	174

Winpak Ltd. manufactures and distributes high-quality packaging materials and related packaging machines. The Company's products are used primarily for the packaging of perishable foods, beverages and in healthcare applications.

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[1] The 2024 fiscal year comprises 52 weeks and the 2023 fiscal year comprised 53 weeks. Each quarter of 2024 and 2023 comprises 13 weeks with the exception of the first quarter of 2023, which comprised 14 weeks.

[2] EBITDA is not a recognized measure under IFRS Accounting Standards (IFRS). Management believes that in addition to net income, this measure provides useful supplemental information to investors including an indication of cash available for distribution prior to debt service, capital expenditures, payment of lease liabilities and income taxes. Investors should be cautioned, however, that this measure should not be construed as an alternative to net income, determined in accordance with IFRS, as an indicator of the Company's performance. The Company's method of calculating this measure may differ from other companies and, accordingly, the results may not be comparable.

Management's Discussion and Analysis (presented in US dollars)

Forward-looking statements: Certain statements made in the following Management's Discussion and Analysis contain forward-looking statements including, but not limited to, statements concerning possible or assumed future results of operations of the Company. Forward-looking statements represent the Company's intentions, plans, expectations and beliefs, and are not guarantees of future performance. Such forward-looking statements represent Winpak's current views based on information as at the date of this report. They involve risks, uncertainties and assumptions and the Company's actual results could differ, which in some cases may be material, from those anticipated in these forward-looking statements. Factors that could cause results to differ from those expected include, but are not limited to: the terms, availability and costs of acquiring raw materials and the ability to pass on price increases to customers; ability to negotiate contracts with new customers or renew existing customer contracts with less favorable terms; timely response to changes in customer product needs and market acceptance of our products; the potential loss of business or increased costs due to customer or vendor consolidation; competitive pressures, including new product development; industry capacity, and changes in competitors' pricing; ability to maintain or increase productivity levels; ability to contain or reduce costs; foreign currency exchange rate fluctuations; changes in governmental regulations, including environmental, health and safety; changes in Canadian and foreign income tax rates, income tax laws and regulations. Unless otherwise required by applicable securities law, Winpak disclaims any intention or obligation to publicly update or revise this information, whether as a result of new information, future events or otherwise. The Company cautions investors not to place undue reliance upon forward-looking statements.

Financial Performance

Net income attributable to equity holders of the Company (Earnings) for the third quarter of 2024 of $38.5 million advanced by $4.5 million or 13.2 percent from the comparable 2023 quarter. The growth in sales volumes raised Earnings by $1.7 million. Gross profit was highly influential, elevating Earnings by $5.4 million. Operating expenses reduced Earnings by $1.8 million. In total, all remaining items lowered Earnings by $0.8 million.

For the nine months ended September 29, 2024, Earnings declined narrowly by 0.4 percent to $112.8 million from the corresponding 2023 result of $113.3 million. The improvement in gross profit was a key factor, augmenting Earnings by $11.7 million. Higher operating expenses led to a contraction in Earnings of $8.4 million. In combination, all other factors reduced Earnings by $3.8 million.

The fiscal year of the Company ends on the last Sunday of the calendar year and is usually 52 weeks in duration. However, the 2023 fiscal year consisted of 53 weeks, with the first quarter comprising 14 weeks, one more week than the current year. The additional week included in the 2023 first quarter was essentially the last week of the 2022 calendar year which contained several statutory holidays. Consequently, it is estimated that this additional week contributed 2 percent to 2023 year-to-date sales volumes and net income results.

Operating Segments and Product Groups

The Company provides three distinct types of packaging technologies: a) flexible packaging, b) rigid packaging and flexible lidding and c) packaging machinery. Each is deemed to be a separate operating segment.

The flexible packaging segment includes the modified atmosphere packaging, specialty films and biaxially oriented nylon product groups. Modified atmosphere packaging extends the shelf life of perishable foods, while at the same time maintains or improves the quality of the product. The packaging is used for a wide range of markets and applications, including fresh and processed meats, poultry, cheese, medical device packaging, high performance pouch applications and high-barrier films for converting applications. Specialty films include a full line of barrier and non-barrier films which are ideal for converting applications such as printing, laminating and bag making, including shrink bags. Biaxially oriented nylon film is stretched by length and width to add stability for further conversion using printing, metalizing or laminating processes and is ideal for food packaging applications such as cheese, fluid and viscous liquids, and industrial applications such as book covers and balloons.

The rigid packaging and flexible lidding segment includes the rigid containers, lidding and specialized printed packaging product groups. Rigid containers include portion control and single-serve containers, as well as plastic sheet, custom and retort trays, which are used for applications such as food, pet food, beverage, dairy, industrial and healthcare. Lidding products are available in die-cut, daisy chain and rollstock formats and are used for applications such as food, dairy, beverage, pet food, industrial and healthcare. Specialized printed packaging provides packaging solutions to the pharmaceutical, healthcare, nutraceutical, cosmetic and personal care markets.

Packaging machinery includes a full line of horizontal fill/seal machines for preformed containers and vertical form/fill/seal pouch machines for pumpable liquid and semi-liquid products and certain dry products.

Revenue

Revenue in the third quarter of 2024 was $285.5 million, exceeding the prior year comparable level of $273.8 million by 4.3 percent. Volumes expanded by 4.6 percent. Within the flexible packaging operating segment, volume gains amounted to 7 percent. For the modified atmosphere packaging product group, healthy volume growth was achieved at several meat accounts by onboarding much needed new converting capacity. Biaxially oriented nylon product group volumes advanced by 29 percent as the order level in the third quarter of 2023 was severely constrained while several key customers managed excessive inventory levels. The rigid packaging and flexible lidding operating segment posted volume gains of 1 percent. Rigid container volumes decreased by 4 percent due to a moderate drop in specialty beverage and applesauce container shipments. For the lidding product group, volumes surpassed the prior year by 5 percent predominantly because of specialty beverage lidding volumes. Building on the success achieved with pharmaceutical and nutraceutical accounts in 2023, the specialized printed packaging product group's volumes surged by 16 percent. Fueled by much higher replacement parts sales, packaging machinery volumes vaulted by 34 percent. Selling price and mix changes lowered revenue by 0.3 percent.

For the first nine months of 2024, revenue decreased by $20.0 million from the $865.8 million recorded in the corresponding prior year period. Volumes receded by 0.4 percent. When normalizing for the additional week in the first quarter of 2023, volumes were 1.6 percent higher. The subsequent comments on operating segment and product group volumes are presented on an adjusted basis. The flexible packaging operating segment recorded an uptick in volumes of 4 percent. Modest volume growth for the modified atmosphere packaging product group reflected business gains pertaining to meat and cheese packaging, which was partially mitigated by the curtailment in demand for frozen food packaging. For the biaxially oriented nylon product group, volume growth of 26 percent was a reflection of the recovery from the sharp downturn in demand during the first three quarters of 2023. Specialty film volumes were virtually unchanged. Within the rigid packaging and flexible lidding operating segment, volumes dropped by 1 percent. The rigid container product group experienced a 3 percent decline in volumes stemming from lower specialty beverage and retort pet food container shipments. Lidding product group volumes were equal to the prior year. Packaging machinery volumes declined by 1 percent. Selling price and mix changes had a negative effect on revenue of $16.0 million.

Gross Profit Margins

Gross profit margins in the third quarter climbed by 2.8 percentage points to 32.0 percent of revenue from the 29.2 percent recorded in the same quarter of 2023. Despite the negative impact on selling prices of heightened competitive pressures and the pass-through of indexing adjustments, material costs declined to a greater extent, generating an increase in Earnings of $6.6 million. Other factors combined to reduce Earnings by $1.2 million. The most notable were greater personnel and depreciation expenses.

For the first nine months of 2024, gross profit margins were 31.9 percent of revenue, expanding by 2.5 percentage points from the 29.4 percent of revenue achieved during the 2023 year-to-date comparative period. Raw material cost reductions significantly outpaced the corresponding selling price decreases, which included the pass-through of indexing adjustments. This differential raised Earnings by $16.4 million. In total, all remaining items lowered Earnings by $4.7 million. The Company's cost structure was adversely affected by higher personnel and depreciation expenses. Due to inflationary pressures, wages increased at a rate well above the historical norm. Conversely, enhanced output levels lowered the effective cost of production.

The raw material purchase price index increased by 1 percent compared to the second quarter of 2024. In relation to a year earlier, the index has advanced by 5 percent. During the third quarter, polyethylene resin realized modest appreciation of 5 percent while the prices for other key inputs were relatively unchanged.

Expenses and Other

Operating expenses in the third quarter of 2024, adjusted for foreign exchange, advanced at a rate of 11.0 percent in comparison to the 4.6 percent growth in sales volumes, thereby having an unfavorable impact on Earnings of $1.8 million. Expenses pertaining to the enterprise resource planning (ERP) project were the main driver. Furthermore, as a consequence of the inflationary environment, personnel and freight costs expanded markedly. The effective income tax rate edged higher because of permanent differences associated with foreign exchange, contracting Earnings by $0.5 million. Lastly, the level of net income attributable to non-controlling interests lessened Earnings by $1.0 million.

On a year-to-date basis, operating expenses, exclusive of foreign exchange, progressed at a rate of 9.4 percent whereas sales volumes fell by 0.4 percent, resulting in a reduction in Earnings of $8.4 million. The main contributing factors were personnel expenses and costs associated with implementing the upgraded ERP system. Foreign exchange had a negative effect on Earnings of $2.4 million due to the unfavorable translation differences recorded on the revaluation of monetary assets and liabilities in comparison to the favorable translation differences recorded in the first nine months of 2023. Net finance income added $3.4 million to Earnings as the magnitude of cash invested in short-term deposits and money market accounts, on average, was much higher than a year earlier. Permanent differences elevated the effective income tax rate by 1.8 percentage points, lowering Earnings by $2.3 million. The proportion of earnings attributable to non-controlling interests dampened Earnings by $2.0 million.

Capital Resources, Cash Flow and Liquidity

On February 29, 2024, the Toronto Stock Exchange (the "TSX") accepted a notice filed by Winpak of its intention to make a normal course issuer bid (the "NCIB") with respect to its outstanding common shares. The notice provided that Winpak may, during the 12-month period commencing March 4, 2024 and ending no later than March 3, 2025, purchase through the facilities of the TSX and other alternative Canadian trading systems up to a maximum of 1,950,000 common shares in total, being 3.0 percent of the issued and outstanding shares of Winpak as of February 21, 2024, which was fulfilled on May 13, 2024. On October 17, 2024, the TSX accepted a notice filed by Winpak to amend the NCIB to a maximum of 3,250,000 common shares. The price which Winpak will pay for any common shares will be the market price at the time of acquisition. Daily purchases under the NCIB will be generally limited to 11,644 common shares, other than block purchases. All shares purchased will be canceled. In connection with the NCIB, Winpak has entered into an automatic share purchase plan ("ASPP") with CIBC World Markets Inc. to facilitate the purchase of common shares under the NCIB, including at times when Winpak would ordinarily not be permitted to purchase its common shares due to regulatory restrictions or self-imposed blackout periods.

During the third quarter of 2024, dividends in Canadian dollars of 5 cents per common share were declared, a significant increase from the 3 cents per common share that had been paid on a quarterly basis since 2007. The Board of Directors is committed to sustainable growth in the quarterly dividend, targeting the achievement of a payout ratio of approximately 10 percent of net earnings attributable to equity holders of the Company within the next five years.

The Company's cash and cash equivalents balance ended the third quarter of 2024 at $516.0 million, an increase of $25.6 million from the end of the second quarter. Winpak continued to generate strong cash flows from operating activities before changes in working capital of $60.0 million. The net investment in working capital increased by $2.0 million. Trade and other receivables advanced by $6.9 million, reflecting the timing of customer payments and the higher revenue level relative to the preceding quarter. The $5.5 million growth in inventories was caused by the seasonal buildup of both raw materials and work-in-process inventories. Stemming from the timing of equipment and inventory purchases, trade payables and other liabilities expanded by $9.6 million. Cash was used for property, plant and equipment additions of $26.8 million, income tax payments of $9.5 million and other items totaling $1.9 million. Net finance income provided cash of $5.8 million.

For the first nine months of 2024, the cash and cash equivalents balance decreased by $25.9 million. Cash flows generated from operating activities before changes in working capital were solid at $177.4 million. Investments in working capital amounted to $5.8 million. Trade and other receivables grew by $14.0 million largely due to the higher level of revenue in the current quarter compared to the final quarter of 2023. In addition, inventories climbed by $12.8 million. The planned accumulation of manufactured inventories was partially offset by the continued reversal of aluminum foil inventories that had amassed during 2022. Influenced by the timing of supplier payments relating to inventory, equipment and building additions, trade payables and other liabilities increased by $20.6 million. Cash outflows included: property, plant and equipment expenditures of $101.2 million, common share repurchases of $62.9 million, income tax payments of $44.1 million and other items amounting to $6.8 million. Net finance income produced incremental cash of $17.5 million.

Summary of Quarterly Results

	Thousands of US dollars, except per share amounts (US cents)							
	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
Revenue	285,473	283,496	276,783	275,637	273,790	287,464	304,516	292,365
Net income attributable to equity holders of the Company	38,486	38,825	35,522	34,846	33,991	40,006	39,287	31,235
EPS	61	61	55	54	52	62	60	48

Looking Forward

Leveraging the business opportunity pipeline and building upon the solid volume growth achieved in the most recent quarter, Winpak is optimistic about the balance of 2024 as well as the upcoming year. In addition, central banks have initiated the cycle of significant projected interest rate cuts, which should have a positive impact on North American economic growth.

New pet food, healthcare and In-Mold-Label (IML) business will have a positive impact on sales volumes going forward. Furthermore, the strategic addition of new extrusion and converting capacity within the modified atmosphere packaging facility will provide the foundation for volume growth. Based on the preceding factors, the Company is projecting sales volume growth in the range of 5 to 7 percent for the final quarter of 2024 and 4 to 6 percent for 2025.

Over the next twelve months, market expectations are for overall resin prices to decline moderately. Effective October 15, 2024, the Canadian federal government implemented a 25 percent tariff on aluminum foil imported from China. As a result, the Company has expedited the realignment of its sourcing in order to minimize the financial impact. Two significant collective bargaining agreements will expire by mid-2025, adding some uncertainty to the Company's future cost structure. Forecasted sales volume growth will positively influence equipment utilization rates, lowering the overall per unit cost of production. Overall, gross profit margins in the fourth quarter of 2024 should be comparable to the immediately preceding quarter and for 2025, should be within the range of 31 to 32 percent.

Capital expenditures are forecast to be $130 million for 2024. During the third quarter of 2024, the Company continued to dedicate significant resources to the multi-year expansion project at the Winnipeg, Manitoba modified atmosphere packaging facility. It will establish a footprint for sizeable volume growth from 2026 onwards. A new cast co-extrusion line at the same facility was recently commercialized, targeting additional growth in the dairy market. Winpak will continue to assess prospective acquisition opportunities that align strategically with the Company's core strengths. Based on the success of the current NCIB program, the Company is evaluating its renewal, effective March 2025.

Accounting Changes - Accounting Standards Implemented in 2024

(a) Lease Liability in a Sale and Leaseback:
In September 2022, the IASB issued "Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)", that requires a seller-lessee to subsequently measure lease liabilities arising from a leaseback in a way that it does not recognize any amount of the gain or loss that relates to the right of use it retains. The amendments were implemented with retrospective application, effective January 1, 2024. The amendments had no impact on the Company's unaudited interim condensed consolidated financial statements.

Accounting Changes - Future Changes to Accounting Standards

(a) Presentation and Disclosure of Financial Statements:
In April 2024, the IASB issued IFRS 18 "Presentation and Disclosure in Financial Statements" to improve reporting of financial performance. IFRS 18 replaces IAS 1 "Presentation of Financial Statements". It carries forward many requirements from IAS 1 unchanged. IFRS 18 applies for annual reporting periods beginning on or after January 1, 2027 with early adoption permitted. The Company is currently assessing the impact of this new standard and does not intend to early adopt IFRS 18 in its consolidated financial statements.

Controls and Procedures

Disclosure Controls

Management is responsible for establishing and maintaining disclosure controls and procedures in order to provide reasonable assurance that material information relating to the Company is made known to them in a timely manner and that information required to be disclosed is reported within time periods prescribed by applicable securities legislation. There are inherent limitations to the effectiveness of any system of disclosure controls and procedures, including the possibility of human error and the circumvention or overriding of the controls and procedures. Accordingly, even effective disclosure controls and procedures can only provide reasonable assurance of achieving their control objectives. Based on management's evaluation of the design of the Company's disclosure controls and procedures, the Company's Chief Executive Officer and Chief Financial Officer have concluded that these controls and procedures are designed as of September 29, 2024 to provide reasonable assurance that the information being disclosed is recorded, summarized and reported as required.

Internal Controls Over Financial Reporting

Management is responsible for establishing and maintaining adequate internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. Internal control systems, no matter how well designed, have inherent limitations and therefore can only provide reasonable assurance as to the effectiveness of internal controls over financial reporting, including the possibility of human error and the circumvention or overriding of the controls and procedures. Management used the Internal Control – Integrated Framework published by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") as the control framework in designing its internal controls over financial reporting. Based on management's design of the Company's internal controls over financial reporting, the Company's Chief Executive Officer and Chief Financial Officer have concluded that these controls and procedures are designed as of September 29, 2024 to provide reasonable assurance that the financial information being reported is materially accurate. During the third quarter ended September 29, 2024, there have been no changes to the design of the Company's internal controls over financial reporting that have materially affected, or are reasonably likely to materially affect, its internal controls over financial reporting.

Winpak Ltd.
Interim Condensed Consolidated Financial Statements
Third Quarter Ended: September 29, 2024

These interim condensed consolidated financial statements have not been audited or reviewed by the Company's independent external auditors, KPMG LLP.

Winpak Ltd.
Condensed Consolidated Balance Sheets
(thousands of US dollars) (unaudited)

	Note	September 29 2024	December 31 2023
Assets			
Current assets:			
Cash and cash equivalents		515,959	541,870
Trade and other receivables	15	222,263	207,355
Income taxes receivable		6,352	4,565
Inventories	8	232,551	219,763
Prepaid expenses		8,144	8,942
Derivative financial instruments		268	1,542
		985,537	984,037
Non-current assets:			
Property, plant and equipment	9	606,562	543,387
Intangible assets and goodwill		30,635	31,833
Employee benefit plan assets	10	11,062	12,209
		648,259	587,429
Total assets		1,633,796	1,571,466
Equity and Liabilities			
Current liabilities:			
Trade payables and other liabilities		111,639	89,359
Contract liabilities		1,048	1,478
Provisions		600	-
Income taxes payable		5,252	3,109
		118,539	93,946
Non-current liabilities:			
Employee benefit plan liabilities	10	6,243	6,362
Deferred income		17,818	18,062
Provisions and other long-term liabilities		11,162	12,685
Deferred tax liabilities		52,731	56,762
		87,954	93,871
Total liabilities		206,493	187,817
Equity:			
Share capital	12	28,319	29,195
Reserves		189	1,361
Retained earnings		1,363,923	1,319,491
Total equity attributable to equity holders of the Company		1,392,431	1,350,047
Non-controlling interests		34,872	33,602
Total equity		1,427,303	1,383,649
Total equity and liabilities		1,633,796	1,571,466

See accompanying notes to condensed consolidated financial statements.

Winpak Ltd.
Condensed Consolidated Statements of Income
(thousands of US dollars, except per share amounts) (unaudited)

	Note	Quarter Ended September 29 2024	Quarter Ended October 1 2023	Year-To-Date Ended (Note 2) September 29 2024	Year-To-Date Ended (Note 2) October 1 2023
Revenue	6	285,473	273,790	845,752	865,770
Cost of sales		(194,121)	(193,781)	(576,143)	(611,010)
Gross profit		91,352	80,009	269,609	254,760
Sales, marketing and distribution expenses		(25,240)	(22,564)	(74,307)	(70,517)
General and administrative expenses		(11,632)	(10,647)	(36,766)	(30,758)
Research and technical expenses		(5,221)	(4,980)	(15,952)	(14,738)
Other (expenses) income	7	(1,001)	(1,057)	(3,010)	235
Income from operations		48,258	40,761	139,574	138,982
Finance income		6,833	6,697	21,461	17,150
Finance expense		(1,123)	(1,664)	(3,645)	(4,599)
Income before income taxes		53,968	45,794	157,390	151,533
Income tax expense		(14,659)	(11,970)	(43,287)	(38,956)
Net income for the period		39,309	33,824	114,103	112,577
Attributable to:					
Equity holders of the Company		38,486	33,991	112,833	113,284
Non-controlling interests		823	(167)	1,270	(707)
		39,309	33,824	114,103	112,577
Basic and diluted earnings per share - cents	13	61	52	177	174

Condensed Consolidated Statements of Comprehensive Income
(thousands of US dollars) (unaudited)

	Note	Quarter Ended September 29 2024	Quarter Ended October 1 2023	Year-To-Date Ended (Note 2) September 29 2024	Year-To-Date Ended (Note 2) October 1 2023
Net income for the period		39,309	33,824	114,103	112,577
Items that will not be reclassified to the statements of income:					
Cash flow hedge gains (losses) recognized		241	(633)	(919)	133
Cash flow hedge (gains) losses transferred to property, plant and equipment		(35)	(42)	29	(59)
		206	(675)	(890)	74
Items that are or may be reclassified subsequently to the statements of income:					
Cash flow hedge gains (losses) recognized		684	(863)	(879)	91
Cash flow hedge losses transferred to the statements of income	7	142	37	494	955
Income tax effect		(221)	222	103	(280)
		605	(604)	(282)	766
Other comprehensive income (loss) for the period - net of income tax		811	(1,279)	(1,172)	840
Comprehensive income for the period		40,120	32,545	112,931	113,417
Attributable to:					
Equity holders of the Company		39,297	32,712	111,661	114,124
Non-controlling interests		823	(167)	1,270	(707)
		40,120	32,545	112,931	113,417

See accompanying notes to condensed consolidated financial statements.

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Winpak Ltd.
Condensed Consolidated Statements of Changes in Equity
(thousands of US dollars) (unaudited)

	Note	Share capital	Reserves	Retained earnings	Total	Non-controlling interests	Total equity
		Attributable to equity holders of the Company					
Balance at December 26, 2022		29,195	(972)	1,174,551	1,202,774	36,001	1,238,775
Comprehensive income (loss) for the period							
Cash flow hedge gains, net of tax		-	199	-	199	-	199
Cash flow hedge losses transferred to the statements of income, net of tax		-	700	-	700	-	700
Cash flow hedge gains transferred to property, plant and equipment		-	(59)	-	(59)	-	(59)
Other comprehensive income		-	840	-	840	-	840
Net income (loss) for the period		-	-	113,284	113,284	(707)	112,577
Comprehensive income (loss) for the period		-	840	113,284	114,124	(707)	113,417
Dividends	12	-	-	(4,351)	(4,351)	-	(4,351)
Balance at October 1, 2023		29,195	(132)	1,283,484	1,312,547	35,294	1,347,841
Balance at January 1, 2024		29,195	1,361	1,319,491	1,350,047	33,602	1,383,649
Comprehensive (loss) income for the period							
Cash flow hedge losses, net of tax		-	(1,563)	-	(1,563)	-	(1,563)
Cash flow hedge losses transferred to the statements of income, net of tax		-	362	-	362	-	362
Cash flow hedge losses transferred to property, plant and equipment		-	29	-	29	-	29
Other comprehensive loss		-	(1,172)	-	(1,172)	-	(1,172)
Net income for the period		-	-	112,833	112,833	1,270	114,103
Comprehensive (loss) income for the period		-	(1,172)	112,833	111,661	1,270	112,931
Dividends	12	-	-	(5,151)	(5,151)	-	(5,151)
Repurchase of common shares	12	(876)	-	(63,250)	(64,126)	-	(64,126)
Balance at September 29, 2024		28,319	189	1,363,923	1,392,431	34,872	1,427,303

See accompanying notes to condensed consolidated financial statements.

Winpak Ltd.
Condensed Consolidated Statements of Cash Flows
(thousands of US dollars) (unaudited)

		Quarter Ended		Year-To-Date Ended (Note 2)	
	Note	September 29 2024	October 1 2023	September 29 2024	October 1 2023
Cash provided by (used in):					
Operating activities:					
Net income for the period		39,309	33,824	114,103	112,577
Items not involving cash:					
Depreciation		13,313	11,930	39,079	35,969
Amortization - deferred income		(432)	(461)	(1,276)	(1,300)
Amortization - intangible assets		457	397	1,235	1,243
Employee defined benefit plan expenses		756	623	2,112	2,446
Net finance income		(5,710)	(5,033)	(17,816)	(12,551)
Income tax expense		14,659	11,970	43,287	38,956
Other		(2,351)	76	(3,368)	(2,178)
Cash flow from operating activities before the following		60,001	53,326	177,356	175,162
Change in working capital:					
Trade and other receivables		(6,866)	8,970	(13,997)	14,664
Inventories		(5,468)	26,003	(12,788)	46,368
Prepaid expenses		639	(1,530)	798	(5,273)
Trade payables and other liabilities		9,618	3,009	20,613	(18,003)
Contract liabilities		98	(29)	(430)	(1,864)
Employee defined benefit plan contributions		(18)	(1,523)	(1,192)	(2,308)
Income tax paid		(9,546)	(10,407)	(44,144)	(56,780)
Interest received		6,787	6,700	20,865	16,782
Interest paid		(1,037)	(1,547)	(3,365)	(4,509)
Net cash from operating activities		54,208	82,972	143,716	164,239
Investing activities:					
Acquisition of property, plant and equipment - net		(26,785)	(22,921)	(101,214)	(44,506)
Acquisition of intangible assets		(6)	(70)	(38)	(356)
		(26,791)	(22,991)	(101,252)	(44,862)
Financing activities:					
Payment of lease liabilities		(409)	(234)	(1,208)	(680)
Dividends paid	12	(1,382)	(1,472)	(4,289)	(4,349)
Repurchase of common shares	12	-	-	(62,878)	-
		(1,791)	(1,706)	(68,375)	(5,029)
Change in cash and cash equivalents		25,626	58,275	(25,911)	114,348
Cash and cash equivalents, beginning of period		490,333	454,746	541,870	398,673
Cash and cash equivalents, end of period		515,959	513,021	515,959	513,021

See accompanying notes to condensed consolidated financial statements.

1. General

Winpak Ltd. (the "Company" or "Winpak") is incorporated under the Canada Business Corporations Act. The Company manufactures and distributes high-quality packaging materials and related packaging machines. The Company's products are used primarily for the packaging of perishable foods, beverages and in healthcare applications. The address of the Company's registered office is 100 Saulteaux Crescent, Winnipeg, Manitoba, Canada R3J 3T3.

2. Basis of Presentation

Statement of compliance
The unaudited interim condensed consolidated financial statements were prepared in accordance with IFRS Accounting Standards (IFRS). The unaudited interim condensed consolidated financial statements are in compliance with IAS 34. Accordingly, certain information and note disclosures normally included in annual consolidated financial statements prepared in accordance with IFRS as issued by the International Accounting Standards Board (IASB) have been omitted or condensed. These unaudited interim condensed consolidated financial statements should be read in conjunction with the Company's consolidated financial statements for the year ended December 31, 2023, which are included in the Company's 2023 Annual Report.

The fiscal year of the Company ends on the last Sunday of the calendar year. As a result, the Company's fiscal year is usually 52 weeks in duration, but includes a 53rd week every five to six years. The 2024 fiscal year comprises 52 weeks and the 2023 fiscal year comprised 53 weeks. Each quarter of 2024 and 2023 comprises 13 weeks with the exception of the first quarter of 2023, which comprised 14 weeks.

The unaudited interim condensed consolidated financial statements were approved by the Audit Committee on behalf of the Board of Directors on October 24, 2024.

3. Accounting Standards Implemented in 2024

The following accounting standards came into effect commencing in the Company's 2024 fiscal year:

(a) Lease Liability in a Sale and Leaseback:
In September 2022, the IASB issued "Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)", that requires a seller-lessee to subsequently measure lease liabilities arising from a leaseback in a way that it does not recognize any amount of the gain or loss that relates to the right of use it retains. The amendments were implemented with retrospective application, effective January 1, 2024. The amendments had no impact on the Company's unaudited interim condensed consolidated financial statements.

4. Future Accounting Standards

(a) Presentation and Disclosure of Financial Statements:
In April 2024, the IASB issued IFRS 18 "Presentation and Disclosure in Financial Statements" to improve reporting of financial performance. IFRS 18 replaces IAS 1 "Presentation of Financial Statements". It carries forward many requirements from IAS 1 unchanged. IFRS 18 applies for annual reporting periods beginning on or after January 1, 2027 with early adoption permitted. The Company is currently assessing the impact of this new standard and does not intend to early adopt IFRS 18 in its consolidated financial statements.

5. Segment Reporting

Operating segments and product groups
The Company provides three distinct types of packaging technologies: a) flexible packaging, b) rigid packaging and flexible lidding and c) packaging machinery. Each is deemed to be a separate operating segment.

The flexible packaging segment includes the modified atmosphere packaging, specialty films and biaxially oriented nylon product groups. Modified atmosphere packaging extends the shelf life of perishable foods, while at the same time maintains or improves the quality of the product. The packaging is used for a wide range of markets and applications, including fresh and processed meats, poultry, cheese, medical device packaging, high performance pouch applications and high-barrier films for converting applications. Specialty films include a full line of barrier and non-barrier films which are ideal for converting applications such as printing, laminating and bag making, including shrink bags. Biaxially oriented nylon film is stretched by length and width to add stability for further conversion using printing, metalizing or laminating processes and is ideal for food packaging applications such as cheese, fluid and viscous liquids, and industrial applications such as book covers and balloons.

The rigid packaging and flexible lidding segment includes the rigid containers, lidding and specialized printed packaging product groups. Rigid containers include portion control and single-serve containers, as well as plastic sheet, custom and retort trays, which are used for applications such as food, pet food, beverage, dairy, industrial and healthcare. Lidding products are available in die-cut, daisy chain and rollstock formats and are used for applications such as food, dairy, beverage, pet food, industrial and healthcare. Specialized printed packaging provides packaging solutions to the pharmaceutical, healthcare, nutraceutical, cosmetic and personal care markets.

(thousands of US dollars, unless otherwise indicated) (Unaudited)

Packaging machinery includes a full line of horizontal fill/seal machines for preformed containers and vertical form/fill/seal pouch machines for pumpable liquid and semi-liquid products and certain dry products.

Due to similar economic characteristics, including long-term sales volume growth and long-term average gross profit margins, and having similar products, production processes, types of customers and distribution methods, the flexible packaging and rigid packaging and flexible lidding operating segments have been aggregated as one reportable segment. In addition, the packaging machinery operating segment has been aggregated with these two segments as the segment's revenue and assets represents less than 3 percent of total Company revenue and assets.

The Company operates principally in Canada and the United States. See note 6 for a breakdown of revenue by operating and geographic segment. The following summary presents property, plant and equipment, intangible assets and goodwill information by geographic segment:

	September 29 2024	December 31 2023
United States	273,921	256,065
Canada	346,025	301,261
Mexico	17,251	17,894
	637,197	575,220

6. Revenue

Most of the Company's contracts have a single performance obligation as the promise to transfer the individual goods. Revenue for each of the three operating segments is recognized at a point in time when the customer obtains control of a product, which typically takes place when legal title and physical possession of the product is transferred to the customer. These conditions are usually fulfilled upon shipment, however, in some instances, upon delivery. Invoices are generated when control has transferred and are usually payable within 30 to 60 days.

Disaggregation of Revenue

	Quarter Ended		Year-To-Date Ended	
	September 29 2024	October 1 2023	September 29 2024	October 1 2023
Operating segment				
Flexible packaging	151,220	146,251	447,172	461,418
Rigid packaging and flexible lidding	125,539	121,034	374,610	380,242
Packaging machinery	8,714	6,505	23,970	24,110
	285,473	273,790	845,752	865,770
Geographic segment				
United States	226,581	215,886	672,937	686,548
Canada	37,491	37,734	111,394	116,748
Mexico and other	21,401	20,170	61,421	62,474
	285,473	273,790	845,752	865,770

The Company's products are primarily used for the packaging of perishable foods and beverages, which accounted for more than 90 percent of sales during the year-to-date periods ended September 29, 2024 and October 1, 2023. Other markets include medical, pharmaceutical, nutraceutical, personal care, industrial and other consumer goods.

7. Other (Expenses) Income

	Quarter Ended		Year-To-Date Ended	
Amounts shown on a net basis	September 29 2024	October 1 2023	September 29 2024	October 1 2023
Foreign exchange (losses) gains	(859)	(1,020)	(2,516)	1,484
Cash flow hedge losses transferred from other comprehensive income	(142)	(37)	(494)	(955)
	(1,001)	(1,057)	(3,010)	529
Employee benefit plan settlement expense (Note 10)	-	-	-	(294)
	(1,001)	(1,057)	(3,010)	235

(thousands of US dollars, unless otherwise indicated) (Unaudited)

8. Inventories

	September 29 2024	December 31 2023
Raw materials	72,196	84,710
Work-in-process	50,618	39,891
Finished goods	90,372	76,825
Spare parts	19,365	18,337
	232,551	219,763

During the third quarter of 2024, the Company recorded, within cost of sales, inventory write-downs for slow-moving and obsolete inventory of $3,050 (2023 - $3,323) and reversals of previously written-down items of $1,019 (2023 - $497). On a year-to-date basis, the Company recorded, within cost of sales, inventory write-downs for slow-moving and obsolete inventory of $8,335 (2023 - $7,993) and reversals of previously written-down items of $4,878 (2023 - $3,584).

9. Property, Plant and Equipment

At September 29, 2024, the Company has commitments to purchase property, plant and equipment of $60,274 (December 31, 2023 - $123,083). No impairment losses or impairment reversals were recognized during the year-to-date periods ended September 29, 2024 and October 1, 2023.

10. Employee Benefit Plans

On April 25, 2023, the Company entered into a contract to purchase annuities totaling $12,794 with respect to certain retired members of the US defined benefit pension plan. The corresponding benefit obligation relating to these plan members was $12,500, resulting in a loss on settlement of $294 which was recorded in other (expenses) income.

11. Leases

Extension Options

Some leases of office and manufacturing facilities contain extension options exercisable by the Company up to one year before the end of the non-cancellable contract period. Where practicable, the Company seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Company and not by the lessors. The Company assesses at lease commencement whether it is reasonably certain to exercise the extension options. The Company reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant change in circumstances within its control. At September 29, 2024, potential future lease payments not included in lease liabilities totalled $5,064 on a discounted basis.

12. Share Capital

The following table presents changes in the Company's share capital:

	Number of Common Shares	Amount
Opening balance, January 1, 2024	65,000,000	29,195
Repurchase of common shares	(1,950,000)	(876)
Closing balance, September 29, 2024	63,050,000	28,319

Dividends

During the third quarter of 2024, dividends in Canadian dollars of 5 cents per common share were declared (2023 - 3 cents) and on a year-to-date basis, 11 cents per common share were declared (2023 - 9 cents).

Share Redemptions

On February 29, 2024, the Toronto Stock Exchange (the "TSX") accepted a notice filed by Winpak of its intention to make a normal course issuer bid (the "NCIB") with respect to its outstanding common shares. The notice provided that Winpak may, during the 12-month period commencing March 4, 2024 and ending no later than March 3, 2025, purchase through the facilities of the TSX and other alternative Canadian trading systems up to a maximum of 1,950,000 common shares in total, being 3.0 percent of the issued and outstanding shares of Winpak as of February 21, 2024. On October 17, 2024, the TSX accepted a notice filed by Winpak to amend the NCIB to a maximum of 3,250,000 common shares. The price which Winpak will pay for any common shares will be the market price at the time of acquisition. Daily purchases under the NCIB will be generally limited to 11,644 common shares, other than block purchases. All shares purchased will be canceled. In connection with the NCIB, Winpak has entered into an automatic share purchase plan ("ASPP") with CIBC World Markets Inc. to facilitate the purchase of common shares under the NCIB, including at times when Winpak would ordinarily not be permitted to purchase its common shares due to regulatory restrictions or self-imposed blackout periods.

During the third quarter of 2024, no common shares were repurchased under the NCIB program. On a year-to-date basis, 1,950,000 common shares were repurchased under the NCIB program for cancelation at a weighted average price of CDN $43.81 for aggregate consideration of CDN $85,436 (US $62,878) of which $876 was recorded to share capital and the remaining $62,002 was recorded to retained earnings.

At September 29, 2024, the Company recorded an obligation totaling $1,248 for a two percent Canadian federal tax on the net value of equity repurchased during the year. The liability was recognized within 'Trade payables and other liabilities' and the corresponding amount was recorded to retained earnings.

13. Earnings Per Share

	Quarter Ended		Year-To-Date Ended	
	September 29 2024	October 1 2023	September 29 2024	October 1 2023
Net income attributable to equity holders of the Company	38,486	33,991	112,833	113,284
Weighted average shares outstanding (000's)	63,050	65,000	63,913	65,000
Basic and diluted earnings per share - cents	61	52	177	174

14. Financial Instruments

The Company measures assets and liabilities under the following fair value hierarchy in accordance with IFRS. The inputs used for fair value measurements, including their classification within the required three levels of the fair value hierarchy that prioritizes the inputs used for fair value measurement, are as follows:

Level 1 - unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2 - inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
Level 3 - inputs that are not based on observable market data.

The fair value of cash and cash equivalents, trade and other receivables, including trade and other receivables subject to factoring arrangements and classified as measured at fair value through other comprehensive income (FVOCI), trade payables and other liabilities approximate their carrying value because of the short-term maturity of these instruments. The fair value of foreign currency forward contracts, designated as cash flow hedges, has been determined by valuing those contracts to market against prevailing forward foreign exchange rates as at the reporting date.

The following table presents the classification of financial instruments within the fair value hierarchy:

Financial Assets (Liabilities)	Level 1	Level 2	Level 3	Total
At September 29, 2024				
Foreign currency forward contracts - net	-	268	-	268
At December 31, 2023				
Foreign currency forward contracts - net	-	1,542	-	1,542

When the Company has a legally enforceable right to set off supplier rebates accounts receivable against supplier trade payables and intends to settle the amount on a net basis or simultaneously, the balance is presented as an offset within 'Trade payables and other liabilities' on the consolidated balance sheet. At September 29, 2024, the supplier rebate receivable balance that was offset was $5,628 (December 31, 2023 - $8,769).

15. Financial Risk Management

In the normal course of business, the Company has risk exposures consisting primarily of foreign exchange risk, interest rate risk, commodity price risk, liquidity risk, and credit risk. The Company manages its risks and risk exposures through a combination of derivative financial instruments, insurance, a system of internal and disclosure controls and sound business practices. The Company does not purchase any derivative financial instruments for speculative purposes.

Financial risk management is primarily the responsibility of the Company's corporate finance function. Significant risks are regularly monitored and actions are taken, when appropriate, according to the Company's approved policies, established for that purpose. In addition, as required, these risks are reviewed with the Company's Board of Directors.

Foreign Exchange Risk
Translation differences arise when foreign currency monetary assets and liabilities are translated at foreign exchange rates that change over time. These foreign exchange gains and losses are recorded in other (expenses) income. As a result of the Company's CDN dollar net asset monetary position as at September 29, 2024, a one-cent change in the period-end foreign exchange rate from 0.7400 to 0.7300 (CDN to US dollars) would have decreased net income by $145 for the third quarter of 2024. Conversely, a one-cent change in the period-end foreign exchange rate from 0.7400 to 0.7500 (CDN to US dollars) would have increased net income by $145 for the third quarter of 2024.

The Company's Foreign Exchange Policy requires that between 50 and 80 percent of the Company's net requirement of CDN dollars for the ensuing 9 to 15 months will be hedged at all times with a combination of cash and cash equivalents and forward or zero-cost option foreign currency contracts. The Company may also enter into foreign currency forward contracts when equipment purchases, share repurchases and special dividend payments will be settled in foreign currencies. Transactions are only conducted with certain approved 'AA' rated or higher Schedule 1 CDN financial institutions. All foreign currency contracts are designated as cash flow hedges of the highly probable CDN dollar expenditures. These derivatives meet the hedge effectiveness criteria as a result of the following factors:

a) An economic relationship exists between the hedged item and the hedging instrument as notional amounts match and both the hedged item and hedging instrument fair values move in response to the same risk - foreign exchange rates. There are no significant reasons or causes for the designated hedged item and hedging instrument to be mismatched since the hedging instrument matures during the same month as the expected hedged expenditures are incurred. The correlation between the foreign exchange rate of the hedged item and the hedging instrument should be highly correlated and closely aligned as the maturity and the notional amount are the same.

b) The hedge ratio is one to one for this hedging relationship as the hedged item is foreign currency risk that is hedged with a foreign currency hedging instrument.

c) Credit risk is not material in the fair value of the hedging instrument.

The Company has identified two sources of potential ineffectiveness: a) the timing of cash flow differences between the expenditure and the related derivative and b) the inclusion of credit risk in the fair value of the derivative not replicated in the hedged item. The Company expects the impact of these sources of hedge ineffectiveness to be minimal. The timing of hedge settlements and incurred expenditures are closely aligned as they are expected to occur within 30 days of each other. Credit risk is not a material component of the fair value of the Company's hedging instruments as all counterparties are 'AA' rated or higher Schedule 1 CDN financial institutions.

Certain foreign currency forward contracts matured during the third quarter of 2024 and the Company realized pre-tax foreign exchange losses of $107 (year-to-date losses - $720). Of these foreign exchange differences, losses of $142 were recorded in other (expenses) income (year-to-date losses - $494), gains of $35 were recorded in property, plant and equipment (year-to-date losses - $29), and losses of $0 were recorded directly to equity (year-to-date losses - $197). During the third quarter of 2023, the Company realized pre-tax foreign exchange gains of $5 (year-to-date losses - $896). Of these foreign exchange differences, losses of $37 were recorded in other (expenses) income (year-to-date losses - $955) and gains of $42 were recorded in property, plant and equipment (year-to-date gains - $59).

As at September 29, 2024, the Company had US to CDN dollar foreign currency forward contracts outstanding with a notional amount of US $80.5 million at an average exchange rate of 1.3502 maturing between October 2024 and September 2025. The fair value of these financial instruments was $268 US and the corresponding unrealized gain has been recorded in other comprehensive income. The Company did not recognize any ineffectiveness on the hedging instruments for the year-to-date periods ended September 29, 2024 and October 1, 2023.

Interest Rate Risk
The Company's interest rate risk arises from interest rate fluctuations on the finance income that it earns on its cash invested in money market accounts and short-term deposits. The Company developed and implemented an investment policy, which was approved by the Company's Board of Directors, with the primary objective to preserve capital, minimize risk and provide liquidity. Regarding the September 29, 2024 cash and cash equivalents balance of $516.0 million, a 1.0 percent increase/decrease in interest rate fluctuations would increase/decrease income before income taxes by $5,160 annually.

Commodity Price Risk
The Company's manufacturing costs are affected by the price of raw materials, namely petroleum-based and natural gas-based plastic resins and aluminum. In order to manage its risk, the Company has entered into selling price-indexing programs with certain customers. Changes in raw material prices for these customers are reflected in selling price adjustments but there is a slight time lag. For the year-to-date period ended September 29, 2024, 75 percent of revenue was generated from customers with selling price-indexing programs. For all other customers, the Company's preferred practice is to match raw material cost changes with selling price adjustments, albeit with a slight time lag. This matching is not always possible, as customers react to selling price pressures related to raw material cost fluctuations according to conditions pertaining to their markets.

(thousands of US dollars, unless otherwise indicated) (Unaudited)

Liquidity Risk

Liquidity risk is the risk that the Company would not be able to meet its financial obligations as they come due. Management believes that the liquidity risk is low due to the strong financial condition of the Company. This risk assessment is based on the following: (a) cash and cash equivalents amounts of $516.0 million, (b) no outstanding bank loans, (c) unused credit facilities comprised of unsecured operating lines of $38 million, (d) the ability to obtain term-loan financing to fund an acquisition, if needed, (e) an informal investment grade credit rating and (f) the Company's ability to generate positive cash flows from ongoing operations. Management believes that the Company's cash flows are more than sufficient to cover its operating costs, working capital requirements, capital expenditures, payment of lease liabilities, share repurchases and dividend payments in the next twelve months. The Company's trade payables and other liabilities and derivative financial instrument liabilities are all due within twelve months.

Credit Risk

The Company is exposed to credit risk from its cash and cash equivalents held with banks and financial institutions, derivative financial instruments (foreign currency forward contracts), as well as credit exposure to customers, including outstanding trade and other receivable balances.

The following table details the maximum exposure to the Company's counterparty credit risk which represents the carrying value of the financial asset:

	September 29 2024	December 31 2023
Cash and cash equivalents	515,959	541,870
Trade and other receivables	222,263	207,355
Foreign currency forward contracts	268	1,542
	738,490	750,767

Credit risk on cash and cash equivalents and other financial instruments arises in the event of non-performance by the counterparties when the Company is entitled to receive payment from the counterparty who fails to perform. The Company has established an investment policy to manage its cash. The policy requires that the Company manage its risk by investing its excess cash on hand on a short-term basis, up to a maximum of six months, with several financial institutions and/or governmental bodies that must be rated 'AA' or higher for CDN financial institutions and 'A-1' or higher for US financial institutions by recognized international credit rating agencies or insured 100 percent by the US government or a 'AAA' rated CDN federal or provincial government. The Company manages its counterparty risk on its financial instruments by only dealing with 'AA' rated or higher Schedule 1 CDN financial institutions.

In the normal course of business, the Company is exposed to credit risk on its trade and other receivables from customers. To mitigate such risk, the Company performs ongoing customer credit evaluations and assesses their credit quality by taking into account their financial position, past experience and other pertinent factors. Management regularly monitors customer credit limits, performs credit reviews and, in certain cases insures trade and other receivables against credit losses.

During the third quarter of 2024, the Company incurred costs on the sale of trade receivables of $999 (2023 - $1,554). Of these costs, $904 was recorded in finance expense (2023 - $1,452) and $95 was recorded in general and administrative expenses (2023 - $102). On a year-to-date basis, the Company incurred costs on the sale of trade receivables of $3,245 (2023 - $4,482). Of these costs, $2,953 was recorded in finance expense (2023 - $4,179) and $292 was recorded in general and administrative expenses (2023 - $303).

As at September 29, 2024, the Company believes that the credit risk for trade and other receivables is mitigated due to the following: a) a broad customer base which is dispersed across varying market sectors and geographic locations, b) 97 percent of the gross trade and other receivables balance is within 30 days of the agreed upon payment terms with customers, c) the sale of certain extended term trade receivables without recourse to a third party and d) 25 percent of the trade and other receivables balance is insured against credit losses. The Company's exposure to the ten largest customer balances, on aggregate, accounted for 46 percent of the total trade and other receivables balance.

The carrying amount of trade and other receivables is reduced through the use of an allowance for expected credit losses and the amount of the loss is recognized in the statement of income within general and administrative expenses. When a receivable balance is considered uncollectible, it is written off against the allowance for expected credit losses. Subsequent recoveries of amounts previously written off are credited against general and administrative expenses in the statement of income. During the third quarter of 2024, the Company recorded impairment recoveries on trade and other receivables of $10 (2023 - $97 impairment losses). On a year-to-date basis, the Company recorded impairment losses on trade and other receivables of $909 (2023 - $206).

(thousands of US dollars, unless otherwise indicated) (Unaudited)

The following table sets out the aging details of the Company's trade and other receivables balances outstanding based on when the receivable was due and payable and related allowance for expected credit losses:

	September 29 2024	December 31 2023
Current (not past due)	196,826	183,819
1 - 30 days past due	22,247	18,639
31 - 60 days past due	2,708	3,970
More than 60 days past due	2,931	3,087
	224,712	209,515
Less: Allowance for expected credit losses	(2,449)	(2,160)
Total trade and other receivables, net	222,263	207,355

16. Seasonality

The Company experiences seasonal variation in revenue, with revenue typically being the highest in the second and fourth quarters, and lowest in the first quarter.