

# **NEWS RELEASE**

# Winpak Reports 2025 First Quarter Results

**Winnipeg, Manitoba, April 24, 2025** - Winpak Ltd. (WPK) today reports consolidated results in US dollars for the first quarter of 2025, which ended on March 30, 2025.

	Quarter E	Ended
	March 30	March 31
	2025_	2024
(thousands of US dollars, except per share amounts)		
Revenue	284,802	276,783
Net income	34,445	35,775
Income tax expense	12,849	13,647
Net finance income	(2,760)	(6,174)
Depreciation and amortization	13,570	12,653
EBITDA (1)	58,104	55,901
Net income attributable to equity holders of the Company	34,576	35,522
Net (loss) income attributable to non-controlling interests	(131)	253
Net income	34,445	35,775
	01,110	30,170
Basic and diluted earnings per share (cents)	56	55

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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<sup>1</sup> 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 tariff rates; 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 first quarter of 2025 of \$34.6 million declined by \$0.9 million or 2.7 percent from the comparable 2024 quarter. The growth in sales volumes raised Earnings by \$0.9 million. Conversely, net finance income reduced Earnings by \$2.7 million. In total, all remaining items elevated Earnings by \$0.9 million.

#### 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.

#### <u>Revenue</u>

Revenue in the first quarter of 2025 was \$284.8 million, \$8.0 million or 2.9 percent above the first quarter of 2024. Volume growth of 2.5 percent was realized compared to the initial quarter of 2024. Within the flexible packaging operating segment, volume expansion of 5 percent was achieved. Volume growth of 7 percent was attained by the modified atmosphere packaging product group, reflecting healthy gains with meat applications. Biaxially oriented nylon product group volumes retreated by 8 percent as suboptimal machine operating performance negatively impacted available capacity. The rigid packaging and flexible lidding operating segment posted volume losses of 1 percent. For the lidding product group, volumes fell by 6 percent because of lower applesauce and specialty beverage activity. Rigid container volumes improved by 3 percent due to higher snack food container shipments. Building on the success achieved with pharmaceutical accounts in 2024, the specialized printed packaging product group's volumes surpassed the prior year by 6 percent. Packaging machinery volumes increased by 19 percent as an unusually low number of machines were delivered to customers in the first quarter of 2024. Selling price and mix changes had a modest positive effect on revenue of 1.1 percent. Foreign exchange had a minor negative influence on revenue.

## **Gross Profit Margins**

Gross profit margins in the current quarter of 31.1 percent of revenue were equivalent to the 2024 first quarter result. Higher selling prices, driven by the shift in product mix, combined with a decline in raw material costs, raised Earnings by \$5.6 million. In total, all remaining items lowered Earnings by \$5.5 million. The Company's cost structure was adversely affected by elevated production waste and inventory obsolescence expenses. In addition, during the second half of 2024, higher than normal quantities of semi-finished inventories were purchased from third parties to supplement ongoing capacity constraints. During the initial quarter of 2025, the majority of these inventories were converted to finished goods and sold to customers, thereby tempering gross profit margins.

In the first quarter of the year, the raw material purchase price index advanced by 2 percent compared to the fourth quarter of 2024. In the past 12 months, the index declined by 5 percent. During the first quarter, aluminum foil increased by 18 percent while polyethylene and nylon resins experienced decreases of 6 percent and 5 percent, respectively.

#### Expenses and Other

Operating expenses in the first quarter of 2025, adjusted for foreign exchange, decreased at a rate of 0.5 percent in comparison to the 2.5 percent growth in sales volumes, thereby having a favorable impact on Earnings of \$0.2 million. Despite the continued inflationary impact on personnel expenses, cost containment in most spending categories was achieved. Expenses pertaining to the enterprise resource planning (ERP) project were influential but were comparable to the first quarter of 2024. Foreign exchange had a modest negative effect on Earnings of \$0.2 million. The increase in unfavorable translation differences recorded on the revaluation of monetary assets and liabilities was nearly offset by the positive impact arising from the rate at which Canadian dollar transactions were converted to US dollars. The significant return of capital to shareholders over the past twelve months reduced the level of cash invested in short-term deposits and money market accounts. Consequently, net finance income lowered Earnings by \$2.7 million.

#### Capital Resources, Cash Flow and Liquidity

On March 24, 2025, the Toronto Stock Exchange (the "TSX") accepted a notice filed by Winpak of its intention to renew its 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 26, 2025 and ending no later than March 25, 2026, purchase through the facilities of the TSX and other alternative Canadian trading systems up to a maximum of 3,087,500 common shares in total, being 5.0 percent of the issued and outstanding shares of Winpak as of March 18, 2025. 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 13,761 common shares, other than block purchases. All shares purchased will be canceled. In connection with the NCIB, Winpak has entered into an 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. As at March 30, 2025, the Company had purchased 39,122 common shares under its current NCIB.

During the third quarter of 2024, the quarterly dividend was raised to 5 cents (Canadian dollars) per common share, a significant increase from the 3 cents (Canadian dollars) per common share that had been paid on a quarterly basis since 2007. In addition, the Company paid a special dividend of \$3.00 (Canadian dollars) per common share on January 10, 2025. Sufficient cash resources are available to fund both capital expenditures for organic growth and potential acquisition opportunities.

The Company's cash and cash equivalents balance ended the first quarter of 2025 at \$356.5 million, a decrease of \$140.8 million from the end of the prior year. Winpak continued to generate strong cash flow from operating activities before changes in working capital of \$58.4 million. Working capital consumed \$19.8 million in cash. In order to minimize the impact of tariffs that were scheduled to go into effect on April 2, 2025, various raw material and finished goods inventories were stockpiled, increasing overall inventories by \$10.2 million. Stemming from the timing of equipment purchases, trade payables and other liabilities declined by \$7.6 million. Cash was utilized for dividend payments of \$133.2 million, property, plant and equipment expenditures of \$19.4 million, income tax payments of \$15.0 million, common share repurchases of \$13.7 million and other items totaling \$0.7 million. Net finance income provided incremental cash of \$2.6 million.

#### Summary of Quarterly Results

	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023
Revenue Net income attributable to equity holders	284,802	285,143	285,473	283,496	276,783	275,637	273,790	287,464
of the Company	34,576	36,622	38,486	38,825	35,522	34,846	33,991	40,006
EPS	56	58	61	61	55	54	52	62



#### Looking Forward

The first quarter provided solid earnings and sales volume growth. Despite the challenges and uncertainties relating to the current trade environment, Winpak has the potential to set a new all-time high for net income attributable to equity holders for the full year 2025. Revisions to the currently enacted tariffs could have a significant impact on the Company's growth aspirations and manufacturing costs.

With the exception of foil-based products, the Company's entire product portfolio is presently exempt from tariffs under the United States-Mexico-Canada Agreement (USMCA). Similarly, nearly all raw materials sourced within North America are exempt from tariffs. Notwithstanding, several suppliers have recently levied price increases, citing the impact of tariffs on their overall supply chain. During the first quarter, the Company implemented various counter measures to minimize the impact of tariffs in both the short and long-term. In addition, the Company is constructing a strategic roadmap to enhance its resilience to a more protectionist trade environment. This includes enhancing manufacturing capabilities within each of the United States, Canada and Mexico.

Capitalizing on new business opportunities will be the key to growing the business in 2025. After successfully commercializing new extrusion capacity within the modified atmosphere packaging facility in the fourth quarter of 2024, sales to the dairy market should grow appreciably. In addition, the onboarding of new pet food and healthcare business will enhance volumes. Winpak expects sales volume growth for the remainder of 2025 to be in the range of 4 to 6 percent.

Over the past six months, raw material costs have been relatively stable. This trend is expected to continue for the balance of 2025. The Company is optimistic that the majority of the foil import tariffs and recent cost increases will be passed through to customers. Certain manufacturing inefficiencies that were prevalent in 2024 carried over into the first quarter of 2025. Going forward, these should decline significantly. Based on the preceding factors, gross profit margins for the rest of 2025 should be within the range of 31 to 32 percent.

Capital expenditures for 2025 are forecast to be between \$110 and \$130 million. The extensive expansion of the Winnipeg, Manitoba modified atmosphere packaging facility will be completed by the end of 2025, facilitating significant volume growth from 2026 onwards. Winpak will continue to assess prospective acquisition opportunities that align strategically with the Company's core strengths. Based on the current share price, the Company's NCIB program will be fulfilled by the end of 2025.

#### 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.

#### (b) Amendments to the Classification and Measurement of Financial Instruments:

In May 2024, the IASB issued "Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)", that clarify the recognition date and derecognition date of certain financial assets and liabilities, clarify and add guidance to assess whether a financial asset meets the solely payments of principal and interest criteria. The amendments include additional disclosure requirements for certain instruments with contractual terms that could change cash flows and updates the disclosure requirements relating to equity instruments at fair value through other comprehensive income. The amendments are effective for annual reporting periods beginning on or after January 1, 2027 with early adoption permitted. The Company does not expect the amendments to have a significant impact on the consolidated financial statements when they are adopted in 2027.

#### 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 March 30, 2025 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 March 30, 2025 to provide reasonable assurance that the financial information being reported is materially accurate. During the first quarter ended March 30, 2025, 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.

**Interim Condensed Consolidated Financial Statements** 

First Quarter Ended: March 30, 2025

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



# **Condensed Consolidated Balance Sheets**

(thousands of US dollars) (unaudited)

	Note	March 30 2025	December 29 2024
	NOIG	2023	2024
Assets			
Current assets:			
Cash and cash equivalents		356,458	497,261
Trade and other receivables	13	219,147	220,201
Income taxes receivable		4,923	8,749
Inventories	7	260,565	250,383
Prepaid expenses		9,243	6,710
Derivative financial instruments		33	
		850,369	983,304
Non-current assets:			
Property, plant and equipment	8	628,535	622,666
Intangible assets and goodwill		29,628	29,709
Employee benefit plan assets		11,218	11,405
		669,381	663,780
Total assets		1,519,750	1,647,084
Equity and Liabilities			
Current liabilities:			
Trade payables and other liabilities		114,347	252,134
Contract liabilities		1,196	1,74
Income taxes payable		1,861	6,879
Derivative financial instruments		2,635	4,17
		120,039	264,935
Non-current liabilities:			
Employee benefit plan liabilities		5,107	4,774
Deferred income		19,498	19,72°
Provisions and other long-term liabilities		15,941	16,781
Deferred tax liabilities		55,948	56,999
		96,494	98,27
Total liabilities		216,533	363,210
Equity:			
Share capital	10	27,504	27,73
Reserves		(1,906)	(3,174
Retained earnings		1,242,534	1,224,09
Total equity attributable to equity holders of the Company		1,268,132	1,248,65
Non-controlling interests		35,085	35,21
Total equity		1,303,217	1,283,874
Total equity and liabilities		1,519,750	1,647,084



# **Condensed Consolidated Statements of Income**

(thousands of US dollars, except per share amounts) (unaudited)

fundusarius or oo dollars, except per share amounts) (unaddited)		Quarter En	
	_	March 30	March 31
	Note	2025	2024
Revenue	5	284,802	276,783
Cost of sales		(196,257)	(190,591)
Gross profit	_	88,545	86,192
Sales, marketing and distribution expenses		(24,323)	(24,649)
General and administrative expenses		(12,589)	(12,720)
Research and technical expenses		(5,578)	(5,296)
Pre-production expenses		(153)	-
Other expenses	6	(1,368)	(279)
Income from operations	_	44,534	43,248
Finance income		4,135	7,534
Finance expense		(1,375)	(1,360)
Income before income taxes	_	47,294	49,422
Income tax expense		(12,849)	(13,647)
Net income for the period	_	34,445	35,775
Attributable to:	_		
Equity holders of the Company		34,576	35,522
Non-controlling interests		(131)	253
Non-controlling interests	_	34,445	35,775
		07,770	00,110
	11 _	56	55
Condensed Consolidated Statements of Comprehensive Income	11 _	56	55
Basic and diluted earnings per share - cents  Condensed Consolidated Statements of Comprehensive Income (thousands of US dollars) (unaudited)	11 _	Quarter E	nded
Condensed Consolidated Statements of Comprehensive Income	-	Quarter E March 30	nded March 31
Condensed Consolidated Statements of Comprehensive Income	11 _ Note	Quarter E	nded
Condensed Consolidated Statements of Comprehensive Income (thousands of US dollars) (unaudited)	-	Quarter E March 30	nded March 31
Condensed Consolidated Statements of Comprehensive Income (thousands of US dollars) (unaudited)  Net income for the period	-	Quarter E March 30 2025	nded March 31 2024
Condensed Consolidated Statements of Comprehensive Income (thousands of US dollars) (unaudited)  Net income for the period Items that will not be reclassified to the statements of income:	-	Quarter E March 30 2025	nded March 31 2024
Condensed Consolidated Statements of Comprehensive Income (thousands of US dollars) (unaudited)  Net income for the period  Items that will not be reclassified to the statements of income: Cash flow hedge gains (losses) recognized	-	Quarter E March 30 2025 34,445	nded March 31 2024 35,775
Condensed Consolidated Statements of Comprehensive Income (thousands of US dollars) (unaudited)  Net income for the period Items that will not be reclassified to the statements of income: Cash flow hedge gains (losses) recognized	-	Quarter E March 30 2025 34,445	nded March 31 2024 35,775 (806)
Condensed Consolidated Statements of Comprehensive Income (thousands of US dollars) (unaudited)  Net income for the period  Items that will not be reclassified to the statements of income: Cash flow hedge gains (losses) recognized Cash flow hedge losses (gains) transferred to property, plant and equipment	-	Quarter E March 30 2025 34,445 57 378	nded March 31 2024 35,775 (806) (51)
Condensed Consolidated Statements of Comprehensive Income (thousands of US dollars) (unaudited)  Net income for the period  Items that will not be reclassified to the statements of income: Cash flow hedge gains (losses) recognized Cash flow hedge losses (gains) transferred to property, plant and equipment	-	Quarter E March 30 2025 34,445 57 378 435	nded  March 31 2024 35,775 (806) (51) (857)
Condensed Consolidated Statements of Comprehensive Income (thousands of US dollars) (unaudited)  Net income for the period  Items that will not be reclassified to the statements of income: Cash flow hedge gains (losses) recognized Cash flow hedge losses (gains) transferred to property, plant and equipment  Items that are or may be reclassified subsequently to the statements of income: Cash flow hedge gains (losses) recognized	Note	Quarter E March 30 2025 34,445 57 378 435	nded  March 31 2024 35,775 (806) (51) (857)
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Condensed Consolidated Statements of Comprehensive Income (thousands of US dollars) (unaudited)  Net income for the period  Items that will not be reclassified to the statements of income: Cash flow hedge gains (losses) recognized Cash flow hedge losses (gains) transferred to property, plant and equipment  Items that are or may be reclassified subsequently to the statements of income: Cash flow hedge gains (losses) recognized Cash flow hedge losses transferred to the statements of income Income tax effect	Note	Quarter E  March 30 2025 34,445  57 378 435  292 846 (305) 833	nded  March 31 2024 35,775  (806) (51) (857)  (1,055) 8 280 (767)
Condensed Consolidated Statements of Comprehensive Income (thousands of US dollars) (unaudited)  Net income for the period  Items that will not be reclassified to the statements of income: Cash flow hedge gains (losses) recognized Cash flow hedge losses (gains) transferred to property, plant and equipment  Items that are or may be reclassified subsequently to the statements of income: Cash flow hedge gains (losses) recognized Cash flow hedge losses transferred to the statements of income Income tax effect  Other comprehensive income (loss) for the period - net of income tax	Note	Quarter E  March 30 2025  34,445  57 378 435  292 846 (305) 833 1,268	nded  March 31 2024 35,775 (806) (51) (857) (1,055) 8 280 (767) (1,624)
Condensed Consolidated Statements of Comprehensive Income (thousands of US dollars) (unaudited)  Net income for the period  Items that will not be reclassified to the statements of income: Cash flow hedge gains (losses) recognized Cash flow hedge losses (gains) transferred to property, plant and equipment  Items that are or may be reclassified subsequently to the statements of income: Cash flow hedge gains (losses) recognized Cash flow hedge losses transferred to the statements of income Income tax effect  Other comprehensive income (loss) for the period - net of income tax Comprehensive income for the period	Note	Quarter E  March 30 2025 34,445  57 378 435  292 846 (305) 833	nded  March 31 2024 35,775  (806) (51) (857)  (1,055) 8 280 (767)
Condensed Consolidated Statements of Comprehensive Income (thousands of US dollars) (unaudited)  Net income for the period  Items that will not be reclassified to the statements of income: Cash flow hedge gains (losses) recognized Cash flow hedge losses (gains) transferred to property, plant and equipment  Items that are or may be reclassified subsequently to the statements of income: Cash flow hedge gains (losses) recognized Cash flow hedge losses transferred to the statements of income Income tax effect  Other comprehensive income (loss) for the period - net of income tax Comprehensive income for the period  Attributable to:	Note	Quarter E  March 30 2025  34,445  57 378 435  292 846 (305) 833 1,268 35,713	nded  March 31 2024 35,775  (806) (51) (857)  (1,055) 8 280 (767) (1,624) 34,151
Condensed Consolidated Statements of Comprehensive Income (thousands of US dollars) (unaudited)  Net income for the period  Items that will not be reclassified to the statements of income: Cash flow hedge gains (losses) recognized Cash flow hedge losses (gains) transferred to property, plant and equipment  Items that are or may be reclassified subsequently to the statements of income: Cash flow hedge gains (losses) recognized Cash flow hedge losses transferred to the statements of income Income tax effect  Other comprehensive income (loss) for the period - net of income tax Comprehensive income for the period  Attributable to: Equity holders of the Company	Note	Quarter E  March 30 2025 34,445  57 378 435  292 846 (305) 833 1,268 35,713	nded  March 31 2024 35,775  (806) (51) (857)  (1,055) 8 280 (767) (1,624) 34,151  33,898
Condensed Consolidated Statements of Comprehensive Income (thousands of US dollars) (unaudited)  Net income for the period  Items that will not be reclassified to the statements of income: Cash flow hedge gains (losses) recognized Cash flow hedge losses (gains) transferred to property, plant and equipment  Items that are or may be reclassified subsequently to the statements of income: Cash flow hedge gains (losses) recognized Cash flow hedge losses transferred to the statements of income Income tax effect  Other comprehensive income (loss) for the period - net of income tax Comprehensive income for the period  Attributable to:	Note	Quarter E  March 30 2025  34,445  57 378 435  292 846 (305) 833 1,268 35,713	nded  March 31 2024 35,775  (806) (51) (857)  (1,055) 8 280 (767) (1,624) 34,151



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

# Attributable to equity holders of the Company

Balance at January 1, 2024  Comprehensive (loss) income for the period Cash flow hedge losses transferred to the statements of income, net of tax Cash flow hedge gains transferred to property, plant and	33,602	Total equity 1,383,649 (1,579)
Comprehensive (loss) income for the period  Cash flow hedge losses, net of tax  Cash flow hedge losses transferred to the statements of income, net of tax  - (1,579) - (1,579) - (1,579)	79) -	
Cash flow hedge losses, net of tax - (1,579) - (1,579) Cash flow hedge losses transferred to the statements of income, net of tax - 6 -	,	(1,579)
of income, net of tax - 6 -	6 -	
		6
Other comprehensive loss - (1,624) - (1,624)	,	(51) (1,624)
Net income for the period         -         -         35,522         35,522         35,522         35,522         33,89           Comprehensive (loss) income for the period         -         (1,624)         35,522         33,89		35,775 34,151
Dividends       10       -       -       (1,436)       (1,436)         Repurchase of common shares       10       (315)       -       (20,762)       (21,0762)	,	(1,436) (21,077)
Balance at March 31, 2024 28,880 (263) 1,332,815 1,361,43	33,855	1,395,287
Balance at December 30, 2024 27,735 (3,174) 1,224,097 1,248,65	58 35,216	1,283,874
Comprehensive income (loss) for the period  Cash flow hedge losses, net of tax - 270 - 27  Cash flow hedge losses transferred to the statements	70 -	270
of income, net of tax - 620 - 62  Cash flow hedge losses transferred to property, plant and	20 -	620
equipment 378 - 37		378
Other comprehensive income - 1,268 - 1,268		1,268
Net income (loss) for the period - 34,576 34,576	, ,	
Comprehensive income (loss) for the period - 1,268 34,576 35,84	14 (131)	35,713
Dividends       10       -       -       (2,155)       (2,155)         Repurchase of common shares       10       (231)       -       (13,984)       (14,21)	,	(2,155) (14,215)
Balance at March 30, 2025 27,504 (1,906) 1,242,534 1,268,13	35,085	1,303,217



# **Condensed Consolidated Statements of Cash Flows**

(thousands of US dollars) (unaudited)

(incustance of the definition) (and defined)		Quarter End March 30	
	_		
	Note	2025	2024
Cash provided by (used in):			
Operating activities:			
Net income for the period		34,445	35,775
Items not involving cash:			
Depreciation		13,686	12,680
Amortization - deferred income		(466)	(418)
Amortization - intangible assets		350	391
Employee defined benefit plan expenses		681	659
Net finance income		(2,760)	(6,174)
Income tax expense		12,849	13,647
Other		(362)	(365)
Cash flow from operating activities before the following	_	58,423	56,195
Change in working capital:		00,120	00,100
Trade and other receivables		1,054	5,378
Inventories		(10,182)	2,631
Prepaid expenses		(2,533)	(1,595)
		, ,	12,175
Trade payables and other liabilities		(7,583)	
Contract liabilities		(551)	(919)
Employee defined benefit plan contributions		(18)	(1,155)
Income tax paid		(14,979)	(10,795)
Interest received		3,806	7,392
Interest paid		(1,231)	(1,266)
Net cash from operating activities	_	26,206	68,041
Investing activities:			
Acquisition of property, plant and equipment - net		(19,397)	(47,343)
Acquisition of intangible assets		(268)	(23)
	_	(19,665)	(47,366)
	_	(10,000)	(,555)
Financing activities:			
Payment of lease liabilities		(402)	(397)
Dividends paid	10	(133,244)	(1,471)
Repurchase of common shares	10 _	(13,698)	(6,311)
	_	(147,344)	(8,179)
Change in cash and cash equivalents		(140,803)	12,496
Cash and cash equivalents, beginning of period	_	497,261	541,870
Cash and cash equivalents, end of period	_	356,458	554,366



For the periods ended March 30, 2025 and March 31, 2024 (thousands of US dollars, unless otherwise indicated) (Unaudited)

#### 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 29, 2024, which are included in the Company's 2024 Annual Report.

The unaudited interim condensed consolidated financial statements were approved by the Audit Committee on behalf of the Board of Directors on April 24, 2025.

#### 3. 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.

#### (b) Amendments to the classification and measurement of financial instruments:

In May 2024, the IASB issued "Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)", that clarify the recognition date and derecognition date of certain financial assets and liabilities, clarify and add guidance to assess whether a financial asset meets the solely payments of principal and interest criteria. The amendments include additional disclosure requirements for certain instruments with contractual terms that could change cash flows and updates the disclosure requirements relating to equity instruments at fair value through other comprehensive income. The amendments are effective for annual reporting periods beginning on or after January 1, 2027 with early adoption permitted. The Company does not expect the amendments to have a significant impact on the consolidated financial statements when they are adopted in 2027.

#### 4. 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.

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.

For the periods ended March 30, 2025 and March 31, 2024 (thousands of US dollars, unless otherwise indicated) (Unaudited)

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 4 percent of total Company revenue and assets.

The Company operates principally in Canada and the United States. See note 5 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:

	March 30	December 29
	2025	2024
United States	275,708	274,630
Canada	365,335	360,499
Mexico	17,120_	17,246
	658,163	652,375

#### 5. 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 E	nded
	March 30	March 31
	2025	2024
Operating segment		
Flexible packaging	153,420	147,297
Rigid packaging and flexible lidding	122,742	122,200
Packaging machinery	8,640	7,286
	284,802	276,783
Geographic segment		
United States	227,696	219,914
Canada	34,664	37,521
Mexico and other	22,442	19,348
	284,802	276,783

The Company's products are primarily used for the packaging of perishable foods and beverages. Other markets include medical, pharmaceutical, nutraceutical, personal care, industrial and other consumer goods.

#### 6. Other expenses

	Quart	Quarter Ended	
	March 30	March 31	
Amounts shown on a net basis	2025	2024	
Foreign exchange losses Cash flow hedge losses transferred from other	(522)	(271)	
comprehensive income	<u>(846)</u> (1,368)	(8)	



20,402

260,565

20,055

250,383

For the periods ended March 30, 2025 and March 31, 2024 (thousands of US dollars, unless otherwise indicated) (Unaudited)

/. Inventories		
	March 30	December 29
	2025	2024
Raw materials	84,254	79,142
Work-in-process	53,293	54,297
Finished goods	102,616	96,889

During the first quarter of 2025, the Company recorded, within cost of sales, inventory write-downs for slow-moving and obsolete inventory of \$4,392 (2024 - \$2,919) and reversals of previously written-down items of \$2,149 (2024 - \$2,249).

#### 8. Property, plant and equipment

At March 30, 2025, the Company has commitments to purchase property, plant and equipment of \$56,373 (December 29, 2024 - \$41,777). No impairment losses or impairment reversals were recognized in the first quarter of 2025 or 2024.

#### 9. Leases

Spare parts

#### 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 March 30, 2025, potential future lease payments not included in lease liabilities totalled \$4,503 on a discounted basis.

## 10. Share capital

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

	Quarter Ended	
	March 30	March 31
	2025	2024
Number of common shares		
Issued and outstanding, beginning of period	62,145,874	65,000,000
Repurchase of common shares	(434,996)	(208,504)
Issued and outstanding, end of period	61,710,878	64,791,496
Share capital amount		
Beginning of period	27,735	29,195
Repurchase of common shares	(231)	(315)
End of period	27,504	28,880

Repurchase of common shares during the first quarter of 2025 does not include the shares that may be repurchased subsequent to the end of the quarter under the automatic share purchase plan ("ASPP"), which is described below. However, the ending share capital balance reflects a reduction of \$214 related to the ASPP.

#### **Dividends**

During the first quarter of 2025, dividends in Canadian dollars of 5 cents per common share were declared (2024 - 3 cents). In addition, on December 12, 2024, the Company declared a special dividend in Canadian dollars of \$3.00 per common share, paid on January 10, 2025.



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#### Share redemptions

On March 24, 2025, the Toronto Stock Exchange (the "TSX") accepted a notice filed by Winpak of its intention to renew its 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 26, 2025 and ending no later than March 25, 2026, purchase through the facilities of the TSX and other alternative Canadian trading systems up to a maximum of 3,087,500 common shares in total, being 5.0 percent of the issued and outstanding shares of Winpak as of March 18, 2025. 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 13,761 common shares, other than block purchases. All shares purchased will be canceled. In connection with the NCIB, Winpak has entered into an 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. As at March 30, 2025, the Company had purchased 39,122 common shares under its current NCIB.

During the first quarter of 2025, 434,996 common shares (2024 - 208,504) were repurchased under the NCIB for cancelation at a weighted average price of CDN \$45.36 (2024 - CDN \$40.87) for aggregate consideration of CDN \$19,732 (US \$13,698) (2024 - CDN \$8,521 (US \$6,311)) of which \$195 (2024 - \$94) was recorded to share capital and the remaining \$13,503 (2024 - \$6,217) was recorded to retained earnings.

At March 30, 2025, the Company recorded an obligation to repurchase common shares of \$13,970 under the ASPP in trade payables and other liabilities of which \$214 was recorded to share capital and the remaining \$13,756 was recorded to retained earnings. Subsequent to the quarter ended March 30, 2025, the Company repurchased an additional 196,527 common shares for cancelation as at the close of trading on April 23, 2025. The transactions were completed at a weighted average price of CDN \$39.87 for aggregate consideration of CDN \$7,836 (US \$5,473).

At March 30, 2025, the Company recorded an obligation totaling \$274 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.

#### 11. Earnings per share

	Quarter Ended	
	March 30	March 31
	2025	2024
Net income attributable to equity holders of the Company	34,576	35,522
Weighted average shares outstanding (000's)	61,792	64,963
Basic and diluted earnings per share - cents	56	55

#### 12. 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 guoted 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 March 30, 2025 Foreign currency forward contracts - net	-	(2,602)	-	(2,602)
At December 29, 2024 Foreign currency forward contracts - net	-	(4,175)	-	(4,175)

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 March 30, 2025, the supplier rebate receivable balance that was offset was \$7,591 (December 29, 2024 - \$7,327).



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#### 13. 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. As a result of the Company's CDN dollar net asset monetary position as at March 30, 2025, a one-cent change in the period-end foreign exchange rate from 0.6985 to 0.6885 (CDN to US dollars) would have decreased net income by \$314 for the first quarter of 2025. Conversely, a one-cent change in the period-end foreign exchange rate from 0.6985 to 0.7085 (CDN to US dollars) would have increased net income by \$314 for the first quarter of 2025.

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 first quarter of 2025 and the Company realized pre-tax foreign exchange losses of \$1,224. Of these foreign exchange differences, losses of \$846 were recorded in other expenses and losses of \$378 were recorded in property, plant and equipment. During the first quarter of 2024, the Company realized pre-tax foreign exchange gains of \$43. Of these foreign exchange differences, losses of \$8 were recorded in other expenses and gains of \$51 were recorded in property, plant and equipment.

As at March 30, 2025, the Company had US to CDN dollar foreign currency forward contracts outstanding with a notional amount of US \$73.2 million at an average exchange rate of 1.3700 maturing between April 2025 and February 2026. The fair value of these financial instruments was negative \$2,602 US and the corresponding unrealized loss has been recorded in other comprehensive income. The Company did not recognize any ineffectiveness on the hedging instruments in the first quarter of 2025 or 2024.

#### 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 March 30, 2025 cash and cash equivalents balance of \$356.5 million, a 1.0 percent increase/decrease in interest rate fluctuations would increase/decrease income before income taxes by \$3,565 annually.



For the periods ended March 30, 2025 and March 31, 2024 (thousands of US dollars, unless otherwise indicated) (Unaudited)

#### 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 quarter ended March 30, 2025, 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.

#### 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 \$356.5 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:

	March 30	December 29 2024
	2025	
Cash and cash equivalents	356,458	497,261
Trade and other receivables	219,147	220,201
Foreign currency forward contracts	33	
	575,638	717,462

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.

As at March 30, 2025, 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) 98 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) 26 percent of the trade and other receivables balance is insured against credit losses.

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 first quarter of 2025, the Company recorded impairment losses on trade and other receivables of \$37 (2024 - \$498 impairment losses).



For the periods ended March 30, 2025 and March 31, 2024 (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:

	March 30 2025	December 29 2024
Current (not past due)	197,461	192,326
1 - 30 days past due	20,036	23,295
31 - 60 days past due	1,574	3,265
More than 60 days past due	3,157	3,552
	222,228	222,438
Less: Allowance for expected credit losses	(3,081)	(2,237)
Total trade and other receivables, net	219,147	220,201

#### 14. 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.