Winpak Ltd.
Interim Condensed Consolidated Financial Statements
First Quarter Ended: March 29, 2026

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	March 29 2026	December 28 2025
Assets			
Current assets:			
Cash and cash equivalents		353,307	375,621
Trade and other receivables	14	237,080	217,099
Income taxes receivable		6,172	8,948
Inventories	8	248,271	252,402
Prepaid expenses		11,727	8,711
Derivative financial instruments		7	721
		856,564	863,502
Non-current assets:			
Property, plant and equipment	9	654,475	657,638
Intangible assets and goodwill		29,088	29,270
Employee benefit plan assets		12,129	12,595
		695,692	699,503
Total assets		1,552,256	1,563,005
Equity and Liabilities			
Current liabilities:			
Trade payables and other liabilities		96,645	135,551
Contract liabilities		220	466
Income taxes payable		-	48
Derivative financial instruments		873	47
		97,738	136,112
Non-current liabilities:			
Employee benefit plan liabilities		2,942	2,637
Deferred income		23,123	23,710
Provisions and other long-term liabilities		14,163	14,551
Deferred tax liabilities		64,323	63,238
		104,551	104,136
Total liabilities		202,289	240,248
Equity:			
Share capital	11	26,348	26,348
Reserves		(634)	494
Retained earnings		1,289,190	1,260,856
Total equity attributable to equity holders of the Company		1,314,904	1,287,698
Non-controlling interests		35,063	35,059
Total equity		1,349,967	1,322,757
Total equity and liabilities		1,552,256	1,563,005

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 March 29 2026	Quarter Ended March 30 2025
Revenue	6	280,034	284,802
Cost of sales		(197,177)	(196,257)
Gross profit		82,857	88,545
Sales, marketing and distribution expenses		(24,547)	(24,323)
General and administrative expenses		(13,192)	(12,589)
Research and technical expenses		(5,610)	(5,578)
Pre-production expenses		(4)	(153)
Other income (expenses)	7	196	(1,368)
Income from operations		39,700	44,534
Finance income		3,569	4,135
Finance expense		(557)	(1,375)
Income before income taxes		42,712	47,294
Income tax expense		(11,739)	(12,849)
Net income for the period		30,973	34,445
Attributable to:			
Equity holders of the Company		30,969	34,576
Non-controlling interests		4	(131)
		30,973	34,445
Basic and diluted earnings per share - cents	12	53	56

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

	Note	Quarter Ended March 29 2026	Quarter Ended March 30 2025
Net income for the period		30,973	34,445
<u>Items that will not be reclassified to the statements of income:</u>			
Cash flow hedge gains recognized		-	57
Cash flow hedge losses transferred to property, plant and equipment		-	378
		-	435
<u>Items that are or may be reclassified subsequently to the statements of income:</u>			
Cash flow hedge (losses) gains recognized		(1,189)	292
Cash flow hedge (gains) losses transferred to the statements of income	7	(351)	846
Income tax effect		412	(305)
		(1,128)	833
Other comprehensive (loss) income for the period - net of income tax		(1,128)	1,268
Comprehensive income for the period		29,845	35,713
Attributable to:			
Equity holders of the Company		29,841	35,844
Non-controlling interests		4	(131)
		29,845	35,713

See accompanying notes to condensed consolidated financial statements.

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 30, 2024		27,735	(3,174)	1,224,097	1,248,658	35,216	1,283,874
Comprehensive income (loss) for the period							
Cash flow hedge gains, net of tax		-	270	-	270	-	270
Cash flow hedge losses transferred to the statements of income, net of tax		-	620	-	620	-	620
Cash flow hedge losses transferred to property, plant and equipment		-	378	-	378	-	378
Other comprehensive income		-	1,268	-	1,268	-	1,268
Net income (loss) for the period		-	-	34,576	34,576	(131)	34,445
Comprehensive income (loss) for the period		-	1,268	34,576	35,844	(131)	35,713
Dividends	11	-	-	(2,155)	(2,155)	-	(2,155)
Repurchase of common shares	11	(231)	-	(13,984)	(14,215)	-	(14,215)
Balance at March 30, 2025		27,504	(1,906)	1,242,534	1,268,132	35,085	1,303,217
Balance at December 29, 2025		26,348	494	1,260,856	1,287,698	35,059	1,322,757
Comprehensive (loss) income for the period							
Cash flow hedge losses, net of tax		-	(871)	-	(871)	-	(871)
Cash flow hedge gains transferred to the statements of income, net of tax		-	(257)	-	(257)	-	(257)
Other comprehensive loss		-	(1,128)	-	(1,128)	-	(1,128)
Net income for the period		-	-	30,969	30,969	4	30,973
Comprehensive (loss) income for the period		-	(1,128)	30,969	29,841	4	29,845
Dividends	11	-	-	(2,111)	(2,111)	-	(2,111)
Repurchase of common shares	11	-	-	(524)	(524)	-	(524)
Balance at March 29, 2026		26,348	(634)	1,289,190	1,314,904	35,063	1,349,967

See accompanying notes to condensed consolidated financial statements.

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

		Quarter Ended	
	Note	March 29 2026	March 30 2025
Cash provided by (used in):			
Operating activities:			
Net income for the period		30,973	34,445
Items not involving cash:			
Depreciation		14,242	13,686
Amortization - deferred income		(512)	(466)
Amortization - intangible assets		329	350
Employee defined benefit plan expenses		693	681
Net finance income		(3,012)	(2,760)
Income tax expense		11,739	12,849
Other		(229)	(362)
Cash flow from operating activities before the following		54,223	58,423
Change in working capital:			
Trade and other receivables		(19,981)	1,054
Inventories		4,131	(10,182)
Prepaid expenses		(3,016)	(2,533)
Trade payables and other liabilities		(12,021)	(7,583)
Contract liabilities		(246)	(551)
Employee defined benefit plan contributions		(22)	(18)
Income tax paid		(7,134)	(14,979)
Interest received		3,776	3,806
Interest paid		(433)	(1,231)
Net cash from operating activities		19,277	26,206
Investing activities:			
Acquisition of property, plant and equipment - net		(11,181)	(19,397)
Acquisition of intangible assets		(148)	(268)
Net cash used in investing activities		(11,329)	(19,665)
Financing activities:			
Payment of lease liabilities		(482)	(402)
Dividends paid	11	(2,174)	(133,244)
Repurchase of common shares	11	(27,606)	(13,698)
Net cash used in financing activities		(30,262)	(147,344)
Change in cash and cash equivalents		(22,314)	(140,803)
Cash and cash equivalents, beginning of period		375,621	497,261
Cash and cash equivalents, end of period		353,307	356,458

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 28, 2025, which are included in the Company's 2025 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 2026 and 2025 fiscal years are both comprised of 52 weeks and each quarter of 2026 and 2025 are comprised of 13 weeks.

The unaudited interim condensed consolidated financial statements were approved by the Audit Committee on behalf of the Board of Directors on April 29, 2026.

3. Accounting standards implemented in 2026

(a) 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 were implemented effective January 1, 2026. 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. The Company is currently assessing the impact of this new standard to 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:

	March 29 2026	December 28 2025
United States	272,395	272,139
Canada	392,254	395,637
Mexico	18,914	19,132
	683,563	686,908

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	
	March 29 2026	March 30 2025
Operating segment		
Flexible packaging	142,515	153,420
Rigid packaging and flexible lidding	130,802	122,742
Packaging machinery	6,717	8,640
	280,034	284,802
Geographic segment		
United States	227,364	227,696
Canada	31,314	34,664
Mexico and other	21,356	22,442
	280,034	284,802

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.

7. Other income (expenses)

	Quarter Ended	
Amounts shown on a net basis	March 29 2026	March 30 2025
Foreign exchange losses	(155)	(522)
Cash flow hedge gains (losses) transferred from other comprehensive income	351	(846)
	196	(1,368)

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

8. Inventories

	March 29 2026	December 28 2025
Raw materials	87,092	77,018
Work-in-process	51,440	65,979
Finished goods	86,504	87,635
Spare parts	23,235	21,770
	248,271	252,402

During the first quarter of 2026, the Company recorded, within cost of sales, inventory write-downs for slow-moving and obsolete inventory of $4,303 (2025 - $4,392) and reversals of previously written-down items of $2,085 (2025 - $2,149).

9. Property, plant and equipment

At March 29, 2026, the Company has commitments to purchase property, plant and equipment of $17,295 (December 28, 2025 - $18,967). No impairment losses or impairment reversals were recognized in the first quarter of 2026 or 2025.

10. 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 March 29, 2026, potential future lease payments not included in lease liabilities totalled $4,897 on a discounted basis.

11. Share capital

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

	Quarter Ended	
	March 29 2026	March 30 2025
Number of common shares		
Issued and outstanding, beginning of period	59,501,953	62,145,874
Repurchase of common shares	(839,453)	(434,996)
Issued and outstanding, end of period	58,662,500	61,710,878
Share capital amount		
Beginning of period	26,348	27,735
Reversal of prior period automatic share purchase plan ("ASPP") obligation	377	178
Repurchase of common shares	(377)	(195)
Current period ASPP obligation	-	(214)
End of period	26,348	27,504

Dividends
During the first quarter of 2026, dividends in Canadian dollars of 5 cents per common share were declared (2025 - 5 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.

Share redemptions
On March 24, 2026, the Toronto Stock Exchange (the "TSX") accepted a notice filed by Winpak 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, 2026 and ending no later than March 25, 2027, purchase through the facilities of the TSX and other alternative Canadian trading systems up to a maximum of 2,933,125 common shares in total, being 5.0 percent of the issued and outstanding shares of Winpak as of March 13, 2026. 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 13,836 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 29, 2026, the Company had not repurchased any common shares under its current NCIB.

The following table presents the Company's NCIB activities for the periods ended:

	Quarter Ended	
	March 29 2026	March 30 2025
Common shares repurchased under the NCIB for cancelation	839,453	434,996
Weighted average price of common shares repurchased under NCIB (CDN)	$45.00	$45.36
Reduction in share capital	377	195
Premium charged to retained earnings	27,229	13,503
Aggregate consideration	27,606	13,698
Aggregate consideration (CDN)	37,772	19,732
ASPP obligation at the end of the period:		
Reduction in share capital	-	214
Premium charged to retained earnings	-	13,756
Trade payables and other liabilities	-	13,970

12. Earnings per share

	Quarter Ended	
	March 29 2026	March 30 2025
Net income attributable to equity holders of the Company	30,969	34,576
Weighted average shares outstanding (000's)	58,856	61,792
Basic and diluted earnings per share - cents	53	56

13. 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 March 29, 2026				
Foreign currency forward contracts - net	-	(866)	-	(866)
At December 28, 2025				
Foreign currency forward contracts - net	-	674	-	674

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 29, 2026, the supplier rebate receivable balance that was offset was $6,913 (December 28, 2025 - $4,546).

14. 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 income (expenses). As a result of the Company's CDN dollar net asset monetary position as at March 29, 2026, a one-cent change in the period-end foreign exchange rate from 0.7197 to 0.7097 (CDN to US dollars) would have decreased net income by $173 for the first quarter of 2026. Conversely, a one-cent change in the period-end foreign exchange rate from 0.7197 to 0.7297 (CDN to US dollars) would have increased net income by $173 for the first quarter of 2026.

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 2026 and the Company realized pre-tax foreign exchange gains of $351 which were recorded in other income (expenses). During the first quarter of 2025, the Company realized pre-tax foreign exchange losses of $1,224. Of these foreign exchange differences, losses of $846 were recorded in other income (expenses) and losses of $378 were recorded in property, plant and equipment.

As at March 29, 2026, the Company had US to CDN dollar foreign currency forward contracts outstanding with a notional amount of $72.0 million at an average exchange rate of 1.3617 maturing between April 2026 and April 2027. The fair value of these financial instruments was negative $866 and the corresponding unrealized loss has been recorded in other comprehensive income.

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 29, 2026 cash and cash equivalents balance of $353.3 million, a 1.0 percent increase/decrease in interest rate fluctuations would increase/decrease income before income taxes by $3,533 annually.

(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 29, 2026, 74 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 $353.3 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 29 2026	December 28 2025
Cash and cash equivalents	353,307	375,621
Trade and other receivables	237,080	217,099
Foreign currency forward contracts	7	721
	590,394	593,441

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 29, 2026, 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) 21 percent of the trade and other receivables balance is insured against credit losses.

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 29 2026	December 28 2025
Current (not past due)	214,957	198,086
1 - 30 days past due	18,897	16,707
31 - 60 days past due	1,915	1,498
More than 60 days past due	3,207	2,619
	238,976	218,910
Less: Allowance for expected credit losses	(1,896)	(1,811)
Total trade and other receivables, net	237,080	217,099

15. 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.