



Investor Update

1st Quarter 2024

(Unaudited)

May 9, 2024

Disclaimer

This presentation contains forward-looking information and forward-looking statements, as defined under applicable securities laws, (hereinafter collectively referred to as “forward-looking statements”) that involve a number of risks and uncertainties. Forward-looking statements include all statements that are predictive in nature or depend on future events or conditions. Forward-looking statements are typically identified by the words “believes,” “expects,” “anticipates,” “estimates,” “intends,” “plans” or similar expressions. Statements regarding the operations, business, financial condition, priorities, ongoing objectives, strategies and outlook of the Company, other than statements of historical fact, are forward-looking statements.

Specifically, this presentation contains forward-looking statements regarding the anticipated sales, income and profitability of the Company’s segments; the Company’s capital spending levels and planned capital expenditures in 2024; the adequacy of the Company’s financial liquidity; the Company’s ongoing business strategy; the Company’s expectations regarding general business and economic conditions; the Company’s expectation that capital expenditures for construction of the new plant in Turkey will commence in 2025; the Company’s expectation that the Vietnam plant will complete in 2024; the Company’s expectation that CCL Design results will accelerate in electronics with slower results in automotive and the Company’s expectation that the Innovia Belgium transition will complete in 2024.

Forward-looking statements are not guarantees of future performance. They involve known and unknown risks and uncertainties relating to future events and conditions including, but not limited to, the impact of competition; consumer confidence and spending preferences; general economic and geopolitical conditions; currency exchange rates; interest rates and credit availability; technological changes; changes in government regulations; risks associated with operating and product hazards; and the Company’s ability to attract and retain qualified employees. Do not unduly rely on forward-looking statements as the Company’s actual results could differ materially from those anticipated in these forward-looking statements. Forward-looking statements are also based on a number of assumptions, which may prove to be incorrect, including, but not limited to, assumptions about the following: consumer spending; customer demand for the Company’s products; market growth in specific sectors and entering into new markets; the Company’s ability to provide a wide range of products to multinational customers on a global basis; the benefits of the Company’s focused strategies and operational approach; the achievement of the Company’s plans for improved efficiency and lower costs, including stable aluminum and resin costs; managements optimism of economic activity across its business; the expectation that activity will increase for the consumer electronics and consumer packaged goods industries and the expectation the 2024 back-to-school season will be more challenging for Avery. Further details on key risks can be found in Section 4: “Risks and Uncertainties” of the 2023 Annual MD&A.

Except as otherwise indicated, forward-looking statements do not take into account the effect that transactions or non-recurring or other special items announced or occurring after the statements are made may have on the Company’s business. Such statements do not, unless otherwise specified by the Company, reflect the impact of dispositions, sales of assets, monetizations, mergers, acquisitions, other business combinations or transactions, asset write-downs or other charges announced or occurring after forward-looking statements are made. The financial impact of these transactions and non-recurring and other special items can be complex and depend on the facts particular to each of them and therefore cannot be described in a meaningful way in advance of knowing specific facts.

The forward-looking statements are provided as of the date of this presentation and the Company does not assume any obligation to update or revise the forward-looking statements to reflect new events or circumstances, except as required by law.

Additional information relating to the Company, including the Company’s Annual Information Form, is available on SEDAR+ at www.sedarplus.ca or on the Company’s website www.cclind.com.

Summary

Periods Ended March 31st
(millions of CDN \$)

Three Months Ended

2024

2023

Change (ex. FX)

Sales

\$ 1,737.2

\$ 1,652.1



+5%

Operating Income⁽¹⁾

\$ 282.0

\$ 257.7



+9%

Net Finance Costs

\$ (18.0)

\$ (19.4)



(7%)

Corporate Expenses

\$ (19.8)

\$ (19.9)



Net Earnings

\$ 192.1

\$ 166.4



+15%

EBITDA⁽¹⁾

\$ 368.1

\$ 334.4



+10%

Effective Tax Rate

24.7%

24.9%

Earnings Per Share

Periods Ended March 31st
(Per Class B share)

Net earnings - basic

Net loss from restructuring
and other items

Adjusted basic earnings⁽¹⁾

Adjusted basic earnings variance
(after tax) due to:

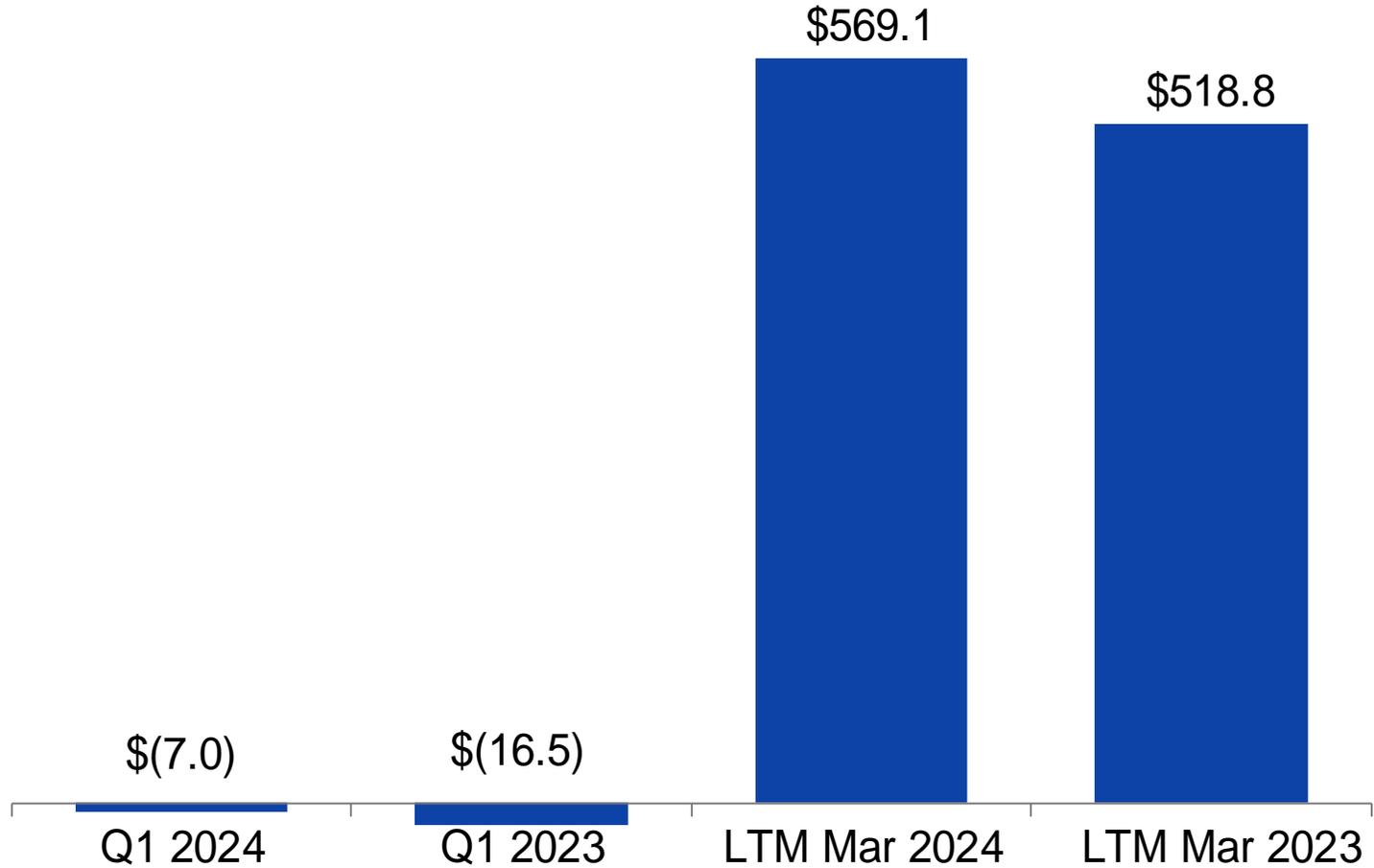
Three Months Ended

	2024	2023
Net earnings - basic	\$1.08	\$0.94
Net loss from restructuring and other items	-	-
Adjusted basic earnings ⁽¹⁾	<u>\$1.08</u>	<u>\$0.94</u>

	Operating Income +\$0.09
	JV +\$0.04
	Interest +\$0.01

Free Cash Flow From Operations⁽²⁾

Periods Ended March 31st
(millions of CDN \$)



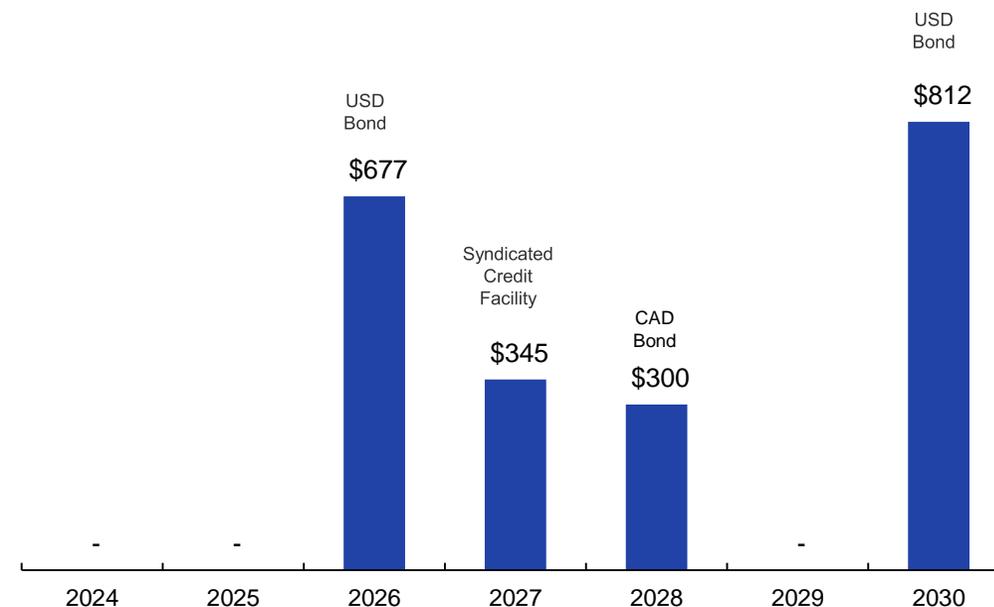
Cash & Debt Summary

(millions of CDN \$)

	March 2024	December 2023
Bonds (US\$600.0MM, US\$500.0MM, C\$300.0MM)	\$ 1,789.4	\$ 1,756.7
Syndicated credit facility (€220.5MM, C\$23.0MM)	345.1	308.6
Lease liabilities	213.0	207.7
Debt - all other, net of issuance costs	9.2	9.4
Total debt	\$ 2,356.7	\$ 2,282.4
Less: Cash and cash equivalents	(747.7)	(774.2)
Net debt	\$ 1,609.0	\$ 1,508.2

Debt Maturity

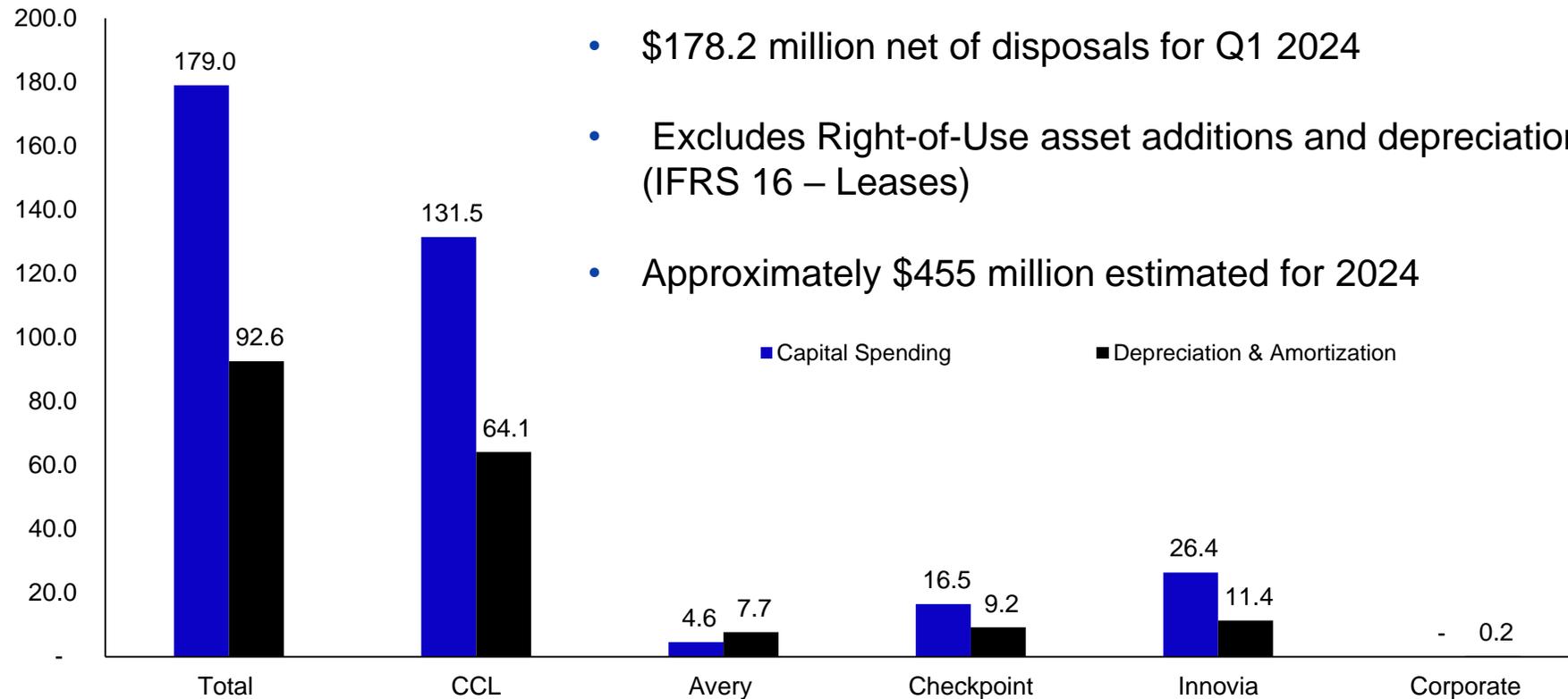
(millions of CDN \$)



- Leverage ratio⁽¹⁾ of 1.18x EBITDA
- Available capacity within the syndicated revolving facility is US\$0.94 billion
- Strong liquidity position

Capital Spending

Periods Ended March 31st
(millions of CDN \$)



- \$178.2 million net of disposals for Q1 2024
- Excludes Right-of-Use asset additions and depreciation (IFRS 16 – Leases)
- Approximately \$455 million estimated for 2024

■ Capital Spending ■ Depreciation & Amortization

Investment Highlights

- **Turkey:** Acquired land in 2023 to build a large new campus for Checkpoint and CCL Label outside Istanbul, 2025 capex for construction
- **Vietnam:** Construction underway on a new Checkpoint ALS plant in Vietnam, should complete in 2024
- **Singapore:** Opened a new pharmaceutical grade label & insert business to capture demand in this important region, trading commenced in Q1 2024

CCL

Periods Ended March 31st
(millions of CDN \$)

Three Months Ended

2024 **2023**

Change (ex. FX)

Sales

\$1,094.1 \$1,013.1



+8%

Operating Income⁽¹⁾

\$177.6 \$165.4



+6%

% Sales

16.2%

16.3%

EBITDA⁽¹⁾

\$248.5 \$227.3



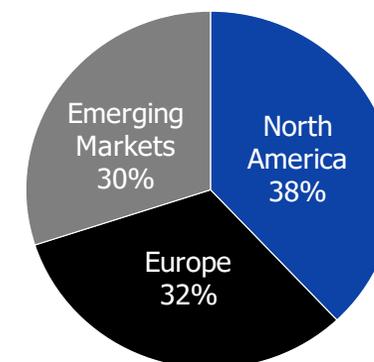
+9%

% Sales

22.7%

22.4%

- Organic growth: high single digit in Asia Pacific, mid single digit in LATAM, low single digit in North America and almost flat in Europe
- Strong results in HPC and F&B, modestly down at Healthcare & Specialty and slower at CCL Secure
- CCL Design posted strong gains in electronics markets, part offset by a decline in automotive



CCL Sales by Geography

Joint Ventures

Periods Ended March 31st

Results at 100%
(millions of CDN \$)

	Three Months Ended	
	2024	2023
Sales	\$ 51.3	\$ 44.5
Net Income	\$16.6	\$ 6.2
EBITDA⁽¹⁾	\$ 21.3	\$ 10.3
% Sales	41.5%	23.1%
Label ventures equity share*	\$ 8.3	\$ 3.1



Avery

Periods Ended March 31st
(millions of CDN \$)

Three Months Ended

2024 **2023**

\$252.8 **\$260.3**

\$51.0 **\$50.6**

20.2% 19.4%

\$61.2 **\$61.1**

24.2% 23.5%

Change (ex. FX)

(3%)

+1%

-

Sales

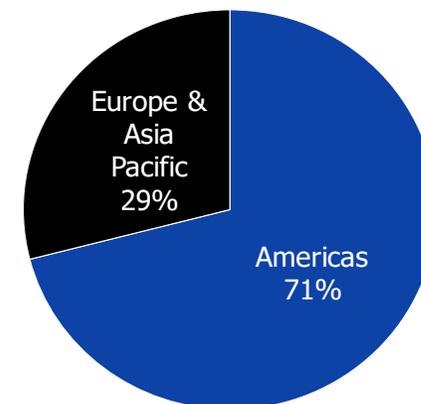
Operating Income⁽¹⁾

% Sales

EBITDA⁽¹⁾

% Sales

- Direct-to-consumer growth in the U.S. and Europe offset slower performance in the distribution based product lines but compared to a strong prior year
- Latin America and Australia soft
- Strong recovery in Horticultural markets in the U.S. and Europe



Avery Sales by Geography

Checkpoint

Periods Ended March 31st
(millions of CDN \$)

Sales

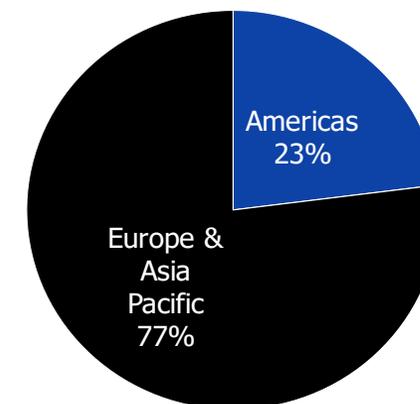
Operating Income⁽¹⁾
% Sales

EBITDA⁽¹⁾
% Sales

Three Months Ended

2024	2023		Change (ex. FX)
\$224.7	\$210.4	↑	+ 9%
\$37.0 16.5%	\$30.8 14.6%	↑	+22%
\$49.3 21.9%	\$42.1 20.0%	↑	+20%

- Merchandise Availability (“MAS”) results solid on a strong quarter in Asia Pacific more than offsetting slower results in Europe & North America
- Apparel Label (“ALS”) results substantially improved aided by >25% organic growth driven by RFID, plus signs of European retailers forward ordering to avoid Red Sea supply disruption



Innovia

Periods Ended March 31st
(millions of CDN \$)

Sales

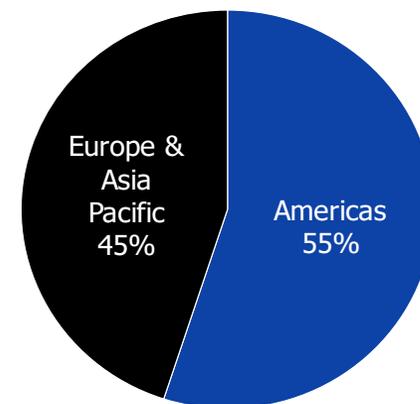
Operating Income⁽¹⁾
% Sales

EBITDA⁽¹⁾
% Sales

Three Months Ended

2024	2023	Change (ex. FX)	
\$165.6	\$168.3	↓	(3%)
\$16.4 9.9%	\$10.9 6.5%	↑	+51%
\$28.5 17.2%	\$23.3 13.8%	↑	+22%

- Sales declined on lower Belgian shipments post closure and associated mix impact, overall volume increased slightly
- Label industry volume improved significantly as a long period of destocking came to an end in both the U.S. and Europe
- Early benefits from the transition out of Belgium improved profitability



Innovia Sales by Geography

Outlook Commentary

- Consumer products industry showing early signs of a return to volume growth, but Healthcare is slower (GLP-1 aside)
- CCL Design recovery should accelerate in electronics with automotive slower
- CCL Secure Q2 comps easy, passport components business still strong
- Avery has tough Q2 comps and usual timing uncertainty for back-to-school; horticultural strengthening an offset
- Checkpoint growth continues driven by RFID, apparel inventory low, but signs of pre-orders from European retailers on Red Sea supply chain disruption concerns
- Innovia will see Belgium transition complete and label industry volume continue to strengthen
- FX a modest tailwind at current exchange rates

Questions



Appendix: Definitions

(1) Non-IFRS measure; see MD&A dated March 31, 2024 for definition.

(2) Free Cash Flow from Operations (non-IFRS measure) = cash from operating activities less capital expenditures, net of proceeds from sale of property, plant and equipment.

Appendix: Segment Reporting

CCL Segment (“CCL”) CCL is a converter of pressure sensitive and extruded film materials for a wide range of decorative, instructional, security and functional applications for government institutions and large global customers in the consumer packaging, healthcare, chemicals, consumer durables, electronic device and automotive markets. Extruded and labeled plastic tubes, aluminum aerosols and specialty bottles, folded instructional leaflets, specialty folded cartons, precision engineered and die cut components, electronic displays, polymer banknote substrate and other complementary products and services are sold in parallel to specific end-use markets.

Avery Segment (“Avery”) Avery is a supplier of labels, specialty converted media and software solutions to enable short-run digital printing in businesses and homes alongside complementary products sold through distributors and mass market retailers and pressure sensitive tapes in Brazil. The products are split into five primary lines: (1) Printable Media: including address labels, product identification labels and name badges/cards supported by customized software solutions where applicable; (2) Organization Products: including binders, indexes, sheet protectors and writing instruments; (3) Direct-to-Consumer: digitally imaged labels, name and event badges, RFID enabled key cards and wristbands, planners and kids-oriented identification labels supported by unique web-enabled e-commerce URLs; (4) Pressure Sensitive Tapes; and (5) Horticultural labels & tags.

Checkpoint Segment (“Checkpoint”) Checkpoint is a manufacturer of technology-driven loss-prevention, inventory-management and labeling solutions, including radio frequency and radio frequency identification (“RFID”) solutions, to the retail and apparel industry. The Segment has three primary product lines: Merchandise Availability Solutions (“MAS”), Apparel Labeling Solutions (“ALS”) and “Meto”. The MAS line focuses on electronic-article-surveillance (“EAS”) systems; hardware, software, labels and tags for loss prevention and inventory control systems including RFID solutions. ALS products are apparel labels and tags, some of which are RFID capable. Meto supplies hand-held pricing tools and labels and promotional in-store displays.

Innovia Segment (“Innovia”) Innovia supplies specialty, high-performance, multi-layer, surface engineered biaxially oriented polypropylene (“BOPP”) films from facilities in Australia, Mexico, Poland and the United Kingdom to customers in the pressure sensitive label materials, flexible packaging and consumer packaged goods industries worldwide. Additionally a small percentage of the total volume is sold internally to the CCL Segment and more so to CCL Secure. Two smaller non-BOPP facilities, in Germany and U.S., produce almost their entire output for CCL Label.