Consolidated Condensed Interim Financial Statements
(In millions of Canadian dollars)

CCL INDUSTRIES INC.

Interim periods ended September 30, 2024 and 2023
Unaudited

CCL Industries Inc.

Consolidated condensed interim statements of financial position

Unaudited

In millions of Canadian dollars

	As at September 30 2024	As at December 31 2023
Assets		
Current assets		
Cash and cash equivalents	$ 759.6	$ 774.2
Trade and other receivables	1,312.8	1,089.3
Inventories	838.7	732.3
Prepaid expenses	72.5	50.6
Assets held for sale (note 10)	23.7	-
Income taxes recoverable	30.1	38.8
Derivative instruments	0.2	0.1
Total current assets	3,037.6	2,685.3
Non-current assets		
Property, plant and equipment	2,672.8	2,466.4
Right-of-use assets	215.9	213.7
Goodwill	2,505.2	2,293.6
Intangible assets	1,103.2	1,032.0
Deferred tax assets	104.0	105.0
Equity-accounted investments	62.7	85.0
Other assets	30.4	25.2
Derivative instruments	18.6	18.0
Total non-current assets	6,712.8	6,238.9
Total assets	**$ 9,750.4**	**$ 8,924.2**
Liabilities		
Current liabilities		
Trade and other payables	$ 1,474.1	$ 1,329.5
Current portion of long-term debt (note 8)	2.7	6.9
Lease liabilities	45.5	45.0
Income taxes payable	46.9	35.5
Total current liabilities	1,569.2	1,416.9
Non-current liabilities		
Long-term debt (note 8)	2,221.8	2,067.8
Lease liabilities	165.4	162.7
Deferred tax liabilities	359.0	346.2
Employee benefits	277.9	282.5
Provisions and other long-term liabilities	21.5	13.9
Derivative instruments	14.4	11.0
Total non-current liabilities	3,060.0	2,884.1
Total liabilities	4,629.2	4,301.0
Equity		
Share capital	610.5	520.5
Contributed surplus	92.4	157.9
Retained earnings	4,444.8	4,056.2
Accumulated other comprehensive loss (note 5)	(26.5)	(111.4)
Total equity attributable to shareholders of the Company	5,121.2	4,623.2
Acquisitions (note 3)		
Subsequent event (note 11)		
Total liabilities and equity	**$ 9,750.4**	**$ 8,924.2**

See accompanying selected explanatory notes to the consolidated condensed interim financial statements.

CCL Industries Inc.

Consolidated condensed interim income statements

Unaudited

In millions of Canadian dollars, except per share information

	Three Months Ended September 30		Nine Months Ended September 30	
	2024	**2023**	**2024**	**2023**
Sales	$ 1,849.7	$ 1,690.5	$ 5,432.5	$ 4,987.1
Cost of sales	1,298.4	1,201.4	3,814.5	3,556.7
Gross profit	551.3	489.1	1,618.0	1,430.4
Selling, general and administrative expenses	279.4	249.7	803.2	732.5
Restructuring and other items (note 6)	2.2	1.9	4.3	5.6
Revaluation gain (note 3)	-	-	(78.1)	-
Earnings in equity-accounted investments	(2.7)	(5.2)	(16.0)	(13.3)
	272.4	**242.7**	**904.6**	**705.6**
Finance cost	20.6	22.5	60.0	62.7
Finance income	(3.5)	(4.1)	(10.6)	(9.2)
Interest on lease liabilities	2.2	1.9	6.5	5.4
Net finance cost	19.3	20.3	55.9	58.9
Earnings before income tax	**253.1**	**222.4**	**848.7**	**646.7**
Income tax expense	61.4	53.3	185.4	155.3
Net earnings for the period	**$ 191.7**	**$ 169.1**	**$ 663.3**	**$ 491.4**
Basic earnings per Class B share	**$ 1.08**	**$ 0.95**	**$ 3.72**	**$ 2.77**
Diluted earnings per Class B share	**$ 1.07**	**$ 0.94**	**$ 3.69**	**$ 2.75**

See accompanying selected explanatory notes to the consolidated condensed interim financial statements.

CCL Industries Inc.

Consolidated condensed interim statements of comprehensive income

Unaudited

In millions of Canadian dollars

	Three Months Ended September 30		Nine Months Ended September 30	
	2024	**2023**	**2024**	**2023**
Net earnings	**$ 191.7**	**$ 169.1**	**$ 663.3**	**$ 491.4**
Other comprehensive income (loss), net of tax:				
Items that may subsequently be reclassified to income:				
Foreign currency translation adjustment for foreign operations, net of tax expense of $5.3 and $6.1 for the three-month and nine-month periods ending September 30, 2024 (2023 – tax recovery of $1.9 and tax expense of $0.6)	52.2	38.1	122.1	(33.3)
Net losses on hedges of net investment in foreign operations, net of tax recovery of $3.5 and $5.7 for three-month and nine-month periods ending September 30, 2024 (2023 – tax recovery of $2.5 and $1.5)	(22.7)	(16.3)	(37.3)	(9.9)
Effective portion of changes in fair value of cash flow hedges, net of tax expense of nil for the three-month and nine-month periods ending September 30, 2024 (2023 – tax expense of nil and tax recovery of $0.1)	-	0.1	0.1	(0.2)
Net change in fair value of cash flow hedges transferred to the income statement, net of tax recovery of $0.1 and nil for the three-month and nine-month periods ending September 30, 2024 (2023 – tax recovery of $0.1 and $0.1)	0.2	0.2	-	0.3
Actuarial gains on defined benefit post-employment plans, net of tax expense of $0.1 and $4.6 for the three-month and nine-month periods ending September 30, 2024 (2023 – tax expense of $4.0 and $5.1)	1.1	10.9	15.1	14.4
Other comprehensive income (loss), net of tax	**$ 30.8**	**$ 33.0**	**$ 100.0**	**$ (28.7)**
Total comprehensive income	**$ 222.5**	**$ 202.1**	**$ 763.3**	**$ 462.7**

See accompanying selected explanatory notes to the consolidated condensed interim financial statements.

CCL Industries Inc.

Consolidated condensed interim statements of changes in equity

Unaudited

In millions of Canadian dollars

	Class A shares	Class B shares	Total share capital	Contributed surplus	Retained earnings	Accumulated other comprehensive loss	Total equity
Balances, January 1, 2023	$ 4.5	$ 463.9	$ 468.4	$ 132.0	$ 3,730.2	$ (65.4)	$ 4,265.2
Net earnings	-	-	-	-	491.4	-	491.4
Dividends declared							
Class A	-	-	-	-	(9.3)	-	(9.3)
Class B	-	-	-	-	(131.8)	-	(131.8)
Defined benefit plan actuarial gain, net of tax	-	-	-	-	14.4	-	14.4
Stock-based compensation plan	-	17.9	17.9	11.8	-	-	29.7
Stock options expense	-	-	-	0.1	-	-	0.1
Stock options exercised	-	24.1	24.1	(4.1)	-	-	20.0
Income tax effect related to stock-based compensation	-	-	-	0.1	-	-	0.1
Other comprehensive loss	-	-	-	-	-	(43.1)	(43.1)
Balances, September 30, 2023	$ 4.5	$ 505.9	$ 510.4	$ 139.9	$ 4,094.9	$ (108.5)	$ 4,636.7

	Class A shares	Class B shares	Total share capital	Contributed surplus	Retained earnings	Accumulated other comprehensive gain (loss)	Total equity
Balances, January 1, 2024	$ 4.5	$ 516.0	$ 520.5	$ 157.9	$ 4,056.2	$ (111.4)	$ 4,623.2
Net earnings	-	-	-	-	663.3	-	663.3
Dividends declared							
Class A	-	-	-	-	(10.1)	-	(10.1)
Class B	-	-	-	-	(145.0)	-	(145.0)
Defined benefit plan actuarial gain, net of tax	-	-	-	-	15.1	-	15.1
Stock-based compensation plan	-	89.1	89.1	(64.2)	-	-	24.9
Stock options exercised	-	7.6	7.6	(1.3)	-	-	6.3
Repurchase of shares, net of tax (note 9)	-	(6.7)	(6.7)	-	(134.7)	-	(141.4)
Other comprehensive gain	-	-	-	-	-	84.9	84.9
Balances, September 30, 2024	$ 4.5	$ 606.0	$ 610.5	$ 92.4	$ 4,444.8	$ (26.5)	$ 5,121.2

See accompanying selected explanatory notes to the consolidated condensed interim financial statements.

CCL Industries Inc.

Consolidated condensed interim statements of cash flows

Unaudited

In millions of Canadian dollars

	Three Months Ended September 30		Nine Months Ended September 30	
	2024	**2023**	**2024**	**2023**
Cash provided by (used for)				
Operating activities				
Net earnings	$ 191.7	$ 169.1	$ 663.3	$ 491.4
Adjustments for:				
Property, plant and equipment depreciation	76.0	71.9	226.0	208.3
Right-of-use assets depreciation	13.6	13.3	40.3	37.7
Intangibles amortization	19.2	17.1	54.4	51.5
Earnings in equity-accounted investments, net of dividends received	(2.7)	(5.2)	(16.0)	(5.9)
Net finance costs	19.3	20.3	55.9	58.9
Current income tax expense	80.3	56.5	201.9	173.0
Deferred income tax recovery	(18.9)	(3.2)	(16.5)	(17.7)
Equity-settled share-based payment transactions	5.9	8.7	24.9	29.9
Revaluation gain (note 3)	-	-	(78.1)	-
Gain on sale of property, plant and equipment	(1.7)	(1.7)	(3.0)	(5.0)
	382.7	346.8	1,153.1	1,022.1
Change in inventories	(40.1)	38.9	(96.3)	60.2
Change in trade and other receivables	(2.7)	(15.8)	(203.4)	(46.4)
Change in prepaid expenses	(11.0)	(8.8)	(21.2)	(11.0)
Change in trade and other payables	76.3	25.5	121.4	(152.5)
Change in income taxes receivable and payable	(5.5)	(4.0)	(8.8)	(3.6)
Change in employee benefits	4.9	2.5	15.1	6.8
Change in other assets and liabilities	(4.3)	(18.0)	6.8	(21.9)
	400.3	367.1	966.7	853.7
Net interest paid	(4.6)	(3.4)	(32.1)	(34.5)
Income taxes paid	(58.0)	(71.3)	(181.1)	(171.7)
Cash provided by operating activities	**337.7**	**292.4**	**753.5**	**647.5**
Financing activities				
Proceeds on issuance of long-term debt	97.8	309.3	209.8	330.8
Repayment of long-term debt	(78.7)	(139.2)	(103.1)	(196.9)
Repayment of lease liabilities	(12.8)	(12.4)	(37.6)	(35.0)
Proceeds from issuance of shares	-	-	6.3	20.0
Repurchase of shares (note 9)	(100.0)	-	(140.6)	-
Dividends paid	(51.5)	(47.1)	(155.1)	(141.1)
Cash provided by (used for) financing activities	**(145.2)**	**110.6**	**(220.3)**	**(22.2)**
Investing activities				
Additions to property, plant and equipment	(106.8)	(112.0)	(412.7)	(373.6)
Proceeds on disposal of property, plant and equipment	2.1	1.8	4.0	11.9
Business acquisitions (note 3)	-	(258.1)	(142.9)	(323.7)
Cash used for investing activities	**(104.7)**	**(368.3)**	**(551.6)**	**(685.4)**
Net increase (decrease) in cash and cash equivalents	87.8	34.7	(18.4)	(60.1)
Cash and cash equivalents at beginning of period	665.9	737.8	774.2	839.5
Translation adjustments on cash and cash equivalents	5.9	0.6	3.8	(6.3)
Cash and cash equivalents at end of period	**$ 759.6**	**$ 773.1**	**$ 759.6**	**$ 773.1**

See accompanying selected explanatory notes to the consolidated condensed interim financial statements.

1. Reporting entity

CCL Industries Inc. (the "Company") is a public company, listed on the Toronto Stock Exchange, and is incorporated and domiciled in Canada. These consolidated condensed interim financial statements of the Company as at and for the interim periods ended September 30, 2024 and 2023, comprise the results of the Company, its subsidiaries and its interests in joint ventures and associates. The Company has manufacturing facilities around the world and is primarily involved in the manufacture of labels, consumer printable media products, technology-driven label solutions, polymer banknote substrates and specialty films.

2. Basis of preparation and presentation

(a) Statement of compliance

These consolidated condensed interim financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting, as issued by the International Accounting Standards Board ("IASB").

These consolidated condensed interim financial statements should be read in conjunction with the Company's 2023 annual consolidated financial statements.

The accounting policies and methods of computation followed in the preparation of these consolidated condensed interim financial statements are consistent with those used in the preparation of the most recent annual report unless otherwise noted.

These consolidated condensed interim financial statements were authorized for issue by the Board of Directors on November 13, 2024.

(b) Basis of measurement

These consolidated condensed interim financial statements have been prepared on the historical cost basis except for the following items in the consolidated condensed interim statement of financial position:

- derivative financial instruments are measured at fair value
- financial instruments at fair value through profit or loss are measured at fair value
- assets related to the defined benefit plans are measured at fair value and liabilities related to the defined benefit plans are calculated by qualified actuaries using the projected unit credit method.

(c) Presentation currency

These consolidated condensed interim financial statements are presented in Canadian dollars, which is the Company's presentation currency. All financial information, except per share information, is presented in millions of Canadian dollars, unless otherwise noted.

(d) Recently issued new accounting standards, not yet effective

In April 2024, IFRS 18, Presentation and Disclosure in Financial Statements, was issued by the IASB introducing new requirements to help achieve comparability of the financial performance of similar entities. IFRS 18 focuses on the income statement requiring new subtotals and the classification of income and expenses into operating, investing and financing categories as well as disclosure of management performance measures and guidance on grouping information in the financial statements. IFRS 18 will replace IAS 1, Presentation of Financial Statements, retaining many of the general requirements of IAS 1. The new standard is effective for reporting periods beginning on January 1, 2027, applied retrospectively. The Company is currently assessing the impact of IFRS 18 on its consolidated financial statements.

3. Acquisitions

(a) Acquisitions in 2024

In June 2024, the Company completed the acquisition of the remaining 50% interest in its Pacman-CCL (“Pacman”) joint venture for cash consideration of approximately $142.9 million, net of cash acquired. Pacman, headquartered at its Dubai manufacturing facility in the United Arab Emirates, also operates label production facilities in Oman, Egypt, Saudi Arabia and Pakistan and has been added to the CCL Segment.

Applying the requirements under IFRS 3 – Business Combinations, the Company re-measured its previously held interest in Pacman to its fair value. The acquisition date fair value of the previously held interest was determined to be $111.1 million, net of cash acquired, resulting in a gain of $78.1 million reclassified to net earnings. The fair value of $111.1 million forms part of the total purchase consideration as reflected in the table below.

Cash consideration, net of cash acquired	$	142.9
Fair value of previously held 50% interest		111.1
	$	254.0
Trade and other receivables	$	19.9
Inventories		10.1
Prepaid expenses		0.6
Property, plant and equipment		15.8
Right-of-use assets		1.4
Goodwill		140.6
Intangible assets		95.0
Deferred tax assets		0.8
Trade and other payables		(5.0)
Current lease liabilities		(0.3)
Income taxes payable		(1.5)
Long-term lease liabilities		(1.5)
Deferred tax liabilities		(17.2)
Provisions and other long-term liabilities		(4.7)
Net assets acquired	$	254.0

In millions of Canadian dollars, unless otherwise noted

3. Acquisitions (continued)

(a) Acquisitions in 2024 (continued)

As a result of the inherent complexity associated with the valuation of net assets acquired, the determination of the fair value of assets and liabilities acquired for Pacman are based upon preliminary estimates and assumptions. The Company will continue to review information prior to finalizing the fair value of the assets acquired and liabilities assumed. The actual fair value of the assets acquired and liabilities assumed may differ from the amounts noted above.

Goodwill is comprised of the excess fair value of the consideration paid over the fair value of the net assets acquired. Factors that make up the amount of goodwill recognized include expected synergies, employee knowledge of operations and unrestricted access to the Middle East, India and Africa markets. The total amount of goodwill for Pacman is $140.6 million, which is not deductible for tax purposes.

The following table summarizes the combined sales and net earnings that the newly acquired Pacman has contributed to the Company since the date of acquisition.

		Nine Months Ended September 30
Sales	$	32.9
Net earnings	$	5.7

(b) Pro forma information

The pro forma consolidated financial information below has been prepared following the accounting policies of the Company as if the acquisition took place January 1, 2024.

The pro forma consolidated financial information has been presented for illustrative purposes only and is not necessarily indicative of results of operations and financial position that would have been achieved had the pro forma events taken place on the dates indicated, or the future consolidated results of operations or consolidated financial position of the Company. The pro forma consolidated financial information does not reflect any cost savings (or associated costs to achieve such savings) from operating efficiencies, synergies or other restructuring that could result from the acquisitions. Future results may vary significantly from the pro forma results presented.

The following table summarizes the sales and net earnings of the Company combined with Pacman as though the acquisition took place on January 1, 2024:

		Nine Months Ended September 30
Sales	$	5,473.6
Net earnings	$	670.2

(c) Acquisitions in 2023

In April 2023, the Company acquired privately owned eAgile Inc. (“eAgile”), based in Grand Rapids, Michigan, for approximately $52.2 million, net of cash acquired. eAgile is a start-up technology company with proprietary, patented hardware and software solutions for the healthcare industry alongside RFID inlays embedded into labels. This business is being integrated into the CCL Segment.

In April 2023, the Company acquired the intellectual property of Alert Systems ApS (“Alert”), based in Hoersholm, Denmark, for approximately $3.2 million. Alert’s patent protected anti-theft solutions were added to the Checkpoint Segment.

In April 2023, the Company acquired privately owned Data Management, Inc. (“DMI”), based in Farmington, Connecticut, for approximately $10.2 million, net of cash acquired. DMI’s tracking and identification badges business has been added to the Avery Segment.

In July 2023, the Company acquired privately owned Oomph Made Limited (“Oomph”), based in Liphook, United Kingdom, for approximately $6.6 million, net of cash acquired. Oomph is a designer and supplier of Radio Frequency Identification and Near-Field Communication access cards and wristbands and has been added to the Avery Segment.

In July 2023, the Company acquired Pouch Partners S.r.l., Italy (“Pouch”), a subsidiary of Swiss headquartered Capri-Sun Group, based in Milan, Italy, for approximately $39.6 million, net of cash acquired. This business is trading as CCL Specialty Pouches and has become an integral new product offering within the CCL Segment.

In July 2023, the Company acquired privately owned Creaprint S.L. (“Creaprint”), based in Alicante, Spain, for approximately $37.7 million, net of cash and debt acquired. Creaprint is a specialized producer of inmould labels and has been added to the CCL Segment.

In August 2023, the Company acquired all the intellectual property of Imprint Energy Inc. ("IEI”), based in Alameda, California, for $26.6 million. IEI is a start-up proprietary technology company with the know-how for ultrathin, non-hazardous and non-toxic printed batteries for devices, sensors and wearables. This product line has become part of the CCL Segment.

In millions of Canadian dollars, unless otherwise noted

3. Acquisitions (continued)

(c) Acquisitions in 2023 (continued)

The following table summarizes the allocation of the consideration to the fair value of the assets acquired and liabilities assumed for the eAgile, Alert, DMI, Oomph, Pouch, Creaprint and IEI acquisitions:

Cash consideration, net of cash acquired	$ 154.6
Deferred consideration	12.8
Assumed debt	8.7
	$ 176.1
Trade and other receivables	$ 17.9
Inventories	18.1
Prepaid expenses	0.2
Property, plant and equipment	34.6
Right-of-use assets	6.9
Goodwill	123.4
Intangible assets	13.6
Deferred tax assets	3.9
Trade and other payables	(31.0)
Current lease liabilities	(1.3)
Income taxes payable	(0.2)
Long-term lease liabilities	(5.5)
Deferred tax liabilities	(3.3)
Employee benefits	(1.0)
Provisions and other long-term liabilities	(0.2)
Net assets acquired	$ 176.1

Goodwill is comprised of the excess fair value of the consideration paid over the fair value of the net assets acquired. Factors that make up the amount of goodwill recognized include expected synergies and employee knowledge of operations. The total amount of goodwill for eAgile, Alert, DMI, Oomph, Pouch, Creaprint and IEI is $123.4 million, of which $33.7 million is deductible for tax purposes.

In July 2023, the Company acquired privately owned Faubel & Co. Nachfolger GmbH ("Faubel"), headquartered in Melsungen, Germany, for approximately $169.7 million, net of cash acquired. Faubel is a specialist in labels for pharmaceutical clinical trials globally and is being reported within the CCL Segment.

The following table summarizes the allocation of the consideration to the fair value of the assets acquired and liabilities assumed for the Faubel acquisition:

Cash consideration, net of cash acquired	$ 169.7
Trade and other receivables	$ 10.2
Inventories	6.3
Prepaid expenses	0.1
Property, plant and equipment	39.3
Right-of-use assets	0.4
Goodwill	86.5
Intangible assets	66.8
Deferred tax assets	0.8
Trade and other payables	(6.4)
Current lease liabilities	(0.2)
Income taxes payable	(8.8)
Long-term lease liabilities	(0.3)
Deferred tax liabilities	(20.6)
Employee benefits	(0.4)
Provisions and other long-term liabilities	(4.0)
Net assets acquired	$ 169.7

Goodwill is comprised of the excess fair value of the consideration paid over the fair value of the net assets acquired. Factors that make up the amount of goodwill recognized include expected synergies and employee knowledge of operations. The total amount of goodwill for Faubel is $86.5 million, which is not deductible for tax purposes.

In millions of Canadian dollars, unless otherwise noted

4. Segment reporting and disaggregation of revenue

The Company has four reportable segments, as described below, which are the Company's main business units. The business units offer different products and services, and are managed separately as they require different technology and marketing strategies. For each of the business units, the Company's CEO, the chief operating decision maker, reviews internal management reports regularly.

The Company's reportable segments are the following:

- 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 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 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 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.

	Three Months Ended September 30				Nine Months Ended September 30			
	Sales		Operating income		Sales		Operating income	
	2024	2023	2024	2023	2024	2023	2024	2023
CCL	$ 1,152.5	$ 1,064.6	$ 179.2	$ 169.7	$ 3,386.4	$ 3,073.2	$ 547.6	$ 479.1
Avery	279.7	269.5	55.2	50.7	809.4	797.8	166.9	151.6
Checkpoint	240.5	210.1	36.7	28.8	709.5	631.0	110.4	87.7
Innovia	177.0	146.3	17.8	6.9	527.2	485.1	49.5	37.4
Total operations	$ 1,849.7	$ 1,690.5	$ 288.9	$ 256.1	$ 5,432.5	$ 4,987.1	$ 874.4	$ 755.8
Corporate expenses			(17.0)	(16.7)			(59.6)	(57.9)
Restructuring and other items			(2.2)	(1.9)			(4.3)	(5.6)
Revaluation gain			-	-			78.1	-
Earnings in equity-accounted investments			2.7	5.2			16.0	13.3
Finance cost			(20.6)	(22.5)			(60.0)	(62.7)
Finance income			3.5	4.1			10.6	9.2
Interest on lease liabilities			(2.2)	(1.9)			(6.5)	(5.4)
Income tax expense			(61.4)	(53.3)			(185.4)	(155.3)
Net earnings			$ 191.7	$ 169.1			$ 663.3	$ 491.4

	Total Assets		Total Liabilities		Depreciation and Amortization		Capital Expenditures	
	September 30	December 31	September 30	December 31	Nine Months Ended September 30		Nine Months Ended September 30	
	2024	2023	2024	2023	2024	2023	2024	2023
CCL	$ 5,376.8	$ 4,753.9	$ 1,297.2	$ 1,182.1	$ 216.0	$ 192.3	$ 281.9	$ 261.8
Avery	1,116.7	1,081.8	319.8	303.5	30.5	31.9	16.5	10.0
Checkpoint	1,220.3	1,106.7	458.7	426.4	38.0	35.5	54.3	34.8
Innovia	1,154.5	1,071.0	306.4	309.7	35.2	36.7	60.0	67.0
Equity-accounted investments	62.7	85.0	-	-	-	-	-	-
Corporate	819.4	825.8	2,247.1	2,079.3	1.0	1.1	-	-
Total	$ 9,750.4	$ 8,924.2	$ 4,629.2	$ 4,301.0	$ 320.7	$ 297.5	$ 412.7	$ 373.6

The quarterly financial results above are affected by the seasonality of the business Segments. The first and second quarters of a year are traditionally higher sales periods for the CCL and Innovia Segments as a result of the greater number of work days than the third and fourth quarters plus the seasonality of certain end markets. For Avery, the third quarter has historically been its strongest, as it benefits from the increased demand related to back-to-school activities in North America. For the Checkpoint Segment, in its recurring revenue streams, the second half of the calendar year is healthier as the business substantially follows the retail cycle of its customers, which traditionally experiences more consumer activity from March through the end of the year and prepares for the same in its supply chain from mid-year on.

All revenues are from products and services transferred at a point in time, except $19.3 million and $58.1 million for the three-month and nine-month periods ending September 30, 2024, respectively (September 30, 2023 - $18.8 million and $57.5 million), which are for installation and maintenance service arrangements within the Checkpoint Segment.

In millions of Canadian dollars, unless otherwise noted

5. Accumulated other comprehensive loss

	September 30 2024	December 31 2023
Unrealized foreign currency translation losses, net of tax recovery of $2.1 (2023 – tax recovery of $2.5)	$ (26.8)	$ (111.6)
Gains on derivatives designated as cash flow hedges, net of tax expense of nil (2023 – tax expense of nil)	0.3	0.2
	$ (26.5)	$ (111.4)

6. Restructuring and other items

	Three Months Ended September 30		Nine Months Ended September 30	
	2024	2023	2024	2023
Restructuring costs	$ 1.9	$ 1.8	$ 2.1	$ 5.2
Acquisition costs	0.3	0.1	2.2	0.4
Total restructuring and other items	$ 2.2	$ 1.9	$ 4.3	$ 5.6

For the nine months ended September 30, 2024, the Company recorded $4.3 million ($3.8 million, net of tax) for restructuring and other items, primarily severance charges for operational restructuring in the CCL Segment and transaction costs associated with the Pacman acquisition.

For the nine months ended September 30, 2023, the Company recorded $5.6 million ($4.4 million, net of tax) for restructuring and other items principally related to severance costs associated with the CCL and Checkpoint Segments as well as acquisition costs for the transactions completed so far that year.

7. Financial instruments

(a) Fair value hierarchy

The table below summarizes level of hierarchy for financial assets and liabilities. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying value is a reasonable approximation of fair value.

The different levels have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

September 30, 2024	Level 1	Level 2	Level 3	Total
Other assets	$ 22.0	$ -	$ -	$ 22.0
Derivative financial assets	-	18.8	-	18.8
Long-term debt	-	(2,138.5)	-	(2,138.5)
Derivative financial liabilities	-	(14.4)	-	(14.4)
	$ 22.0	$ (2,134.1)	$ -	$ (2,112.1)
December 31, 2023				
Other assets	$ 21.9	$ -	$ -	$ 21.9
Derivative financial assets	-	18.1	-	18.1
Long-term debt	-	(1,938.8)	-	(1,938.8)
Derivative financial liabilities	-	(11.0)	-	(11.0)
	$ 21.9	$ (1,931.7)	$ -	$ (1,909.8)

The methods and assumptions used to measure the fair value are as follows:

The fair value of derivative financial instruments generally reflects the estimated amounts that the Company would receive to sell favourable contracts, or pay to transfer unfavourable contracts, at the reporting date. The Company uses discounted cash flow analysis and market data such as interest rates, credit spreads and foreign exchange spot rates to estimate the fair value of forward agreements and interest-rate derivatives.

The fair value of long-term debt is estimated using public quotations, when available, or discounted cash flow analysis based on the current corresponding borrowing rate for similar types of borrowing arrangements.

(b) Fair values versus carrying amounts

The carrying values of cash and cash equivalents, trade and other receivables, and trade and other payables approximate fair values due to the short-term maturities of these financial instruments.

The fair value of financial liabilities together with carrying amounts shown in the consolidated condensed interim statements of financial position, are as follows:

	September 30, 2024		December 31, 2023	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Long-term debt	$ 2,224.5	$ 2,138.5	$ 2,074.7	$ 1,938.8

The interest rates used to discount estimated cash flows for the long-term debt are based on the government yield curve at the reporting date plus an adequate credit spread.

Fair value estimates are made at a specific point in time based on relevant market information and information about the financial instruments. The estimates are subjective in nature and involve uncertainties and matters of judgement.

In millions of Canadian dollars, unless otherwise noted

8. Long-term debt

The Company's debt structure at September 30, 2024, was primarily comprised of the 144A 3.05% private notes due June 2030 in the principal amount of US$600.0 million ($806.3 million), 144A 3.25% private notes due October 2026 in the principal amount of US$500.0 million ($674.4 million), the $300.0 million principal amount 3.864% Series 1 Notes due April 2028, and borrowings of $430.0 million on the Company's syndicated revolving credit facility. Outstanding contingent letters of credit totaled $1.1 million; accordingly, there was approximately US$0.9 billion of unused availability on the revolving credit facility at September 30, 2024.

The Company's debt structure at December 31, 2023, was primarily comprised of the 144A 3.05% private notes due June 2030 in the principal amount of US$600.0 million ($788.7 million), 144A 3.25% private notes due October 2026 in the principal amount of US$500.0 million ($659.6 million), the $300.0 million principal amount 3.864% Series 1 Notes due April 2028, and borrowings of $307.0 million on the Company's syndicated revolving credit facility. Outstanding contingent letters of credit totaled $1.1 million; accordingly, there was approximately US$1.0 billion of unused availability on the revolving credit facility at December 31, 2023.

9. Repurchase of shares

In May 2024, the Company renewed its share repurchase program under a normal course issuer bid to purchase up to 14.75 million Class B non-voting shares, approximately 9.93% of the public float of the Class B non-voting shares of the Company. During the first nine months of 2024, the Company spent $140.6 million for the purchase of 1,852,488 Class B non-voting shares for cancellation. The excess of the purchase price over the paid-up capital was charged to retained earnings.

10. Assets held for sale

Management has committed to a plan to sell its Belgian manufacturing facility and other plant assets within the Innovia Segment. As such, the assets being disposed of are presented as assets held for sale on the consolidated condensed interim statements of financial position. Efforts to sell the assets have started and a sale is expected by December 2024.

11. Subsequent event

The Board of Directors has declared a dividend of $0.290 per Class B non-voting share and $0.2875 per Class A voting share, which will be payable to shareholders of record at the close of business on December 16, 2024, to be paid on December 30, 2024.

MANAGEMENT'S DISCUSSION AND ANALYSIS
Third Quarters Ended September 30, 2024 and 2023

This Management's Discussion and Analysis of the financial condition and results of operations ("MD&A") of CCL Industries Inc. ("the Company") relates to the third quarters ended September 30, 2024 and 2023. The information in this interim MD&A is current to November 13, 2024, and should be read in conjunction with the Company's September 30, 2024, unaudited third quarter consolidated condensed interim financial statements ("interim financial statements") released on November 13, 2024, and the 2023 Annual MD&A and consolidated financial statements ("annual financial statements"), which form part of CCL Industries Inc.'s 2023 Annual Report, dated February 21, 2024.

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.

Basis of Presentation

The interim and annual financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting and IFRS Accounting Standards ("IFRS"), respectively, and unless otherwise noted, both the interim and annual financial statements and this interim MD&A are expressed in Canadian dollars as the presentation currency. The primary measurement currencies of the Company's operations are the Canadian dollar, U.S. dollar, euro, Argentine peso, Australian dollar, Bangladeshi taka, Brazilian real, Chilean peso, Chinese renminbi, Danish krone, Egyptian pound, Hong Kong dollar, Hungarian forint, Indian rupee, Israeli shekel, Japanese yen, Malaysian ringgit, Mexican peso, Moroccan dirham, New Zealand dollar, Omani rial, Philippine peso, Polish zloty, Russian ruble, Saudi riyal, Singaporean dollar, South African rand, South Korean won, Swiss franc, Thai baht, Turkish lira, United Arab Emirates dirham, U.K. pound sterling and Vietnamese dong. All per Class B non-voting share ("Class B share") amounts in this document are expressed on an undiluted basis, unless otherwise indicated. The Company's Audit Committee and its Board of Directors have reviewed this interim MD&A to ensure consistency with the approved strategy and the financial results of the Company.

Cautionary Statement Regarding Forward-Looking Statements

This MD&A 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 MD&A 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 including the availability of sufficient cash from operations and available credit capacity to fund the Company's future financial obligations for the next few years; the Company's effective tax rate; the Company's ongoing business strategy; the Company's planned restructuring expenditures; the Company's expectations regarding general business and economic conditions; the conflicts in the Ukraine and the Middle East on the Company's overall operations, customers, strategy and financial results and on the respective Segments of the Company, including in respect of the third quarter of 2024 and beyond.

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; the expectations that demand will remain strong for Radio Frequency Identification ("RFID") related products at Checkpoint; the assumption that regional organic sales and profitability growth will remain strong; the outlook that results in the Middle East will be strong and continue to meet management expectations; the expectation that Innovia will benefit from significantly improved demand in the materials industry; the expectation that Innovia will benefit from the closure of the Belgium operations and commence yielding the benefits in the fourth quarter of 2024; the expectation that new plant start-up costs will negatively impact the CCL Segment results; the expectation that Avery's results will be stable compared to the fourth quarter of 2023; the expectation that Checkpoints results will continue to progress in the fourth quarter of 2024; the expectation the CCL Segment will continue to demonstrate progress in the back-half of 2024 due to improved activity in consumer electronics and consumer packaged goods; the expectation that Avery's direct-to-consumer businesses will continue to grow; the assumption that Checkpoint will profitably fill the capacity of its new Mexico-based RFID facility; the expectation that Checkpoint will complete the construction of its new facilities in Vietnam and Turkey on time; the expectation that Innovia will add incremental sales volume throughout 2024 and 2025 at its proprietary EcoFloat line in Poland and that Innovia will complete construction of its new German thin-gauge film facility. Further details on key risks can be found throughout this report and particularly 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 MD&A 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.

1. Overview

The third quarter of 2024 was another strong period for the Company, compared to a lacklustre third quarter in 2023. All the Company's segments recorded sales gains contributing to the strong 6.9% consolidated organic growth rate for the 2024 third quarter. Operating income (a non-IFRS financial measure; refer to definition in Section 14 of this MD&A), increased 12.8% with gains in all Segments, but particularly robust at 158.0% for Innovia and 27.4% for Checkpoint. All-in, the Company recorded basic and adjusted basic earnings (a non-IFRS financial measure; refer to definition in Section 14 of this MD&A) per class B share of $1.08 and $1.09, respectively, compared to basic and adjusted basic earnings per Class B share of $0.95 for the 2023 third quarter.

2. Review of Consolidated Financial Results

The following acquisitions affected the financial comparisons to 2023, including those announced through to the end of the third quarter of 2024:

- In June 2024, the Company acquired the remaining 50% interest in its Middle East label joint venture, Pacman-CCL ("Pacman"), for approximately $142.9 million, net of cash acquired. The business commenced trading as CCL Label, with its results fully consolidated subsequent to the acquisition.

- In August 2023, the Company acquired all the intellectual property of Imprint Energy Inc. ("IEI"), based in Alameda, California, for $26.6 million. IEI is a start-up proprietary technology company with the know-how for ultrathin, non-hazardous and non-toxic printed batteries for devices, sensors and wearables. This product line has become part of CCL Design.

- In July 2023, the Company acquired privately owned Faubel & Co. Nachfolger GmbH ("Faubel"), headquartered in Melsungen, Germany, for approximately $169.7 million, net of cash acquired. Faubel is a specialist in labels for pharmaceutical clinical trials globally and is reported within CCL Label's Healthcare and Specialty business.

- In July 2023, the Company acquired privately owned Creaprint S.L. ("Creaprint") based in Alicante, Spain, for approximately $37.7 million, net of cash and debt acquired. Creaprint is a specialized producer of in mould labels and has been added to CCL Label's Food & Beverage business.

- In July 2023, the Company acquired Pouch Partners S.r.l., ("Pouch"), a subsidiary of Swiss headquartered Capri-Sun Group, based in Milan, Italy, for approximately $39.6 million, net of cash acquired. This business trades as CCL Specialty Pouches and has become an integral new product offering within CCL Label's Food & Beverage.

- In July 2023, the Company acquired privately owned Oomph Made Limited ("Oomph"), based in Liphook, United Kingdom, for approximately $6.6 million, net of cash acquired. Oomph is a designer and supplier of Radio Frequency Identification ("RFID") and Near-Field Communication ("NFC") access cards and wristbands and has been added to the Company's Avery Segment.

- In April 2023, the Company acquired privately owned eAgile Inc. ("eAgile"), based in Grand Rapids, Michigan, for approximately $52.2 million, net of cash acquired. eAgile is a start-up technology company with proprietary, patented hardware and software solutions for the healthcare industry alongside RFID inlays embedded into labels. This business has been integrated into CCL Label's Healthcare & Specialty business.

- In April 2023, the Company acquired the intellectual property of Alert Systems ApS ("Alert"), based in Hoersholm, Denmark, for $3.2 million.

Alert's patent protected anti-theft solutions are sold alongside Checkpoint's Merchandise Availability Solutions ("MAS") product lines.

- In April 2023, the Company acquired privately owned Data Management, Inc. ("DMI"), based in Farmington, Connecticut, for approximately $10.2 million, net of cash acquired. DMI's tracking and identification badges business has been added to the Avery Segment.

Sales for the third quarter of 2024 were $1,849.7 million, an increase of 9.4% compared to the $1,690.5 million recorded in the third quarter of 2023. The sales increase was attributable to organic growth of 6.9%, acquisition-related growth of 1.8% and the positive impact of currency translation of 0.7%. For the nine-month period ended September 30, 2024, sales were $5,432.5 million, an increase of 8.9% compared to $4,987.1 million for the same nine-month period a year ago. This increase in sales can be attributed to 5.8% organic growth, 2.6% acquisition-related growth and 0.5% positive impact from foreign currency translation.

Selling, general and administrative expenses ("SG&A") were $279.4 million and $803.2 million for the three-month and nine-month periods ended September 30, 2024, compared to $249.7 million and $732.5 million for the same periods in the prior year, respectively. The increase in SG&A for the comparative three-month periods and comparative nine-month periods is principally attributable to the additional SG&A expenses associated with the recent acquisitions and an increase in short-term variable compensation expense across the Company.

The Company recorded an expense for restructuring and other items of $2.2 million ($1.7 million after tax) and $4.3 million ($3.8 million after tax) for the three-month and nine-month periods ended September 30, 2024, compared to $1.9 million ($1.3 million after tax) and $5.6 million ($4.4 million after tax), for same periods in the prior year, respectively. For the three-month and nine-month periods of 2024, restructuring and other items largely relates to severance costs at CCL Label Healthcare and transaction costs associated with the Pacman acquisition.

Operating income (a non-IFRS financial measure; refer to definition in Section 14 of this MD&A) for the third quarter of 2024 increased 12.8% to $288.9 million, compared to $256.1 million for the third quarter of 2023, driven by improved results for all the Company's segments. Operating income improved 12.9%, excluding the impact of foreign currency translation, for the comparative quarters. For the nine months ended September 30, 2024, operating income improved 15.7%. The nine-month increase was due to improved results for all the Company's Segments compared to the same nine-month period in 2023. Foreign currency translation had a positive impact of 0.2% on operating income for the comparable nine-month period.

Earnings before net finance cost, taxes, depreciation and amortization, goodwill impairment loss, earnings in equity accounted investments, non-cash acquisition accounting adjustments to inventory, revaluation gain, restructuring and other items ("Adjusted EBITDA", a non-IFRS financial measure; refer to definition in Section 14 of this MD&A) increased 11.4% to $380.7 million for the third quarter of 2024, compared to $341.7 million for the third quarter of 2023. Excluding the positive impact of foreign currency translation, Adjusted EBITDA increased 11.2%. For the nine months ended September 30, 2024, Adjusted EBITDA was $1,135.5 million, an increase of 14.1% compared to $995.4 million in the comparable 2023 nine-month period. Foreign currency translation had a positive impact of 0.3% on Adjusted EBITDA for the comparable nine-month periods.

Net finance cost was $19.3 million and $55.9 million for the three-month and nine-month periods ended September 30, 2024, compared to $20.3 million and $58.9 million for the same periods in 2023. The decrease in net finance cost for the three-month and nine-month periods ended September 30, 2024 was attributable to a reduction in drawn debt and a decline in variable interest rates on the Company's syndicated revolving debt compared to the same periods in 2023.

The overall effective income tax rate was 24.5% for the 2024 third quarter equal to the tax rate for the prior year third quarter. For the nine-month period ended September 30, 2024, the effective tax rate was 22.3%, compared to 24.5% for the same nine-month period in 2023. The decline in the comparable nine-month effective tax rate was attributable to the $78.1 million non-taxable revaluation gain recorded in the second quarter of 2024. The effective tax rate may increase in future periods if a higher portion of the Company's taxable income is earned in higher tax jurisdictions.

Net earnings for the third quarters of 2024 and 2023 were $191.7 million and $169.1 million, respectively. This resulted in basic and diluted earnings of $1.08 and $1.07 per Class B share, respectively, for the 2024 third quarter compared to basic and diluted earnings of $0.95 and $0.94 per Class B share, respectively, for the prior year third quarter. Changes in foreign currency exchange rates decreased earnings by $0.01 per Class B share compared to the third quarter of 2023.

Net earnings for the nine-month period of 2024 were $663.3 million, an increase of 35.0% compared to $491.4 million for the same period a year ago but included the previously mentioned $78.1 million revaluation gain. This resulted in basic and diluted earnings of $3.72 and $3.69 per Class B share, respectively, for the 2024 nine-month period compared to basic and diluted earnings of $2.77 and $2.75 per Class B share, respectively, for the prior year nine-month period. The weighted average number of shares (comprised of Class A voting shares and Class B non-voting shares) for the 2024 nine-month period were 178.6 million basic and 179.9 million diluted shares compared to 177.5 million basic and 178.6 million diluted shares for the comparable period of 2023. Diluted shares include weighted average in-the-money equity compensation arrangements totaling 1.4 million shares (2023 – 1.1 million shares).

Adjusted basic earnings per Class B share were $1.09 and $3.30 for the three-month and nine-month periods of 2024, respectively, compared to $0.95 and $2.79 for the same periods of 2023.

The following table is presented to provide context to the comparative change in the adjusted basic earnings per share.

(in Canadian dollars)	**Third Quarter**		**Year-To-Date**	
Adjusted Basic Earnings per Class B Share	**2024**	**2023**	**2024**	**2023**
Basic earnings per Class B share	$ 1.08	$ 0.95	$ 3.72	$ 2.77
Restructuring and other items	0.01	-	0.02	0.02
Revaluation gain	-	-	(0.44)	-
Adjusted basic earnings [(1)] per Class B share	$ 1.09	$ 0.95	$ 3.30	$ 2.79

[(1)] Adjusted Basic Earnings per Class B Share is a non-IFRS financial measure. Refer to definition in Section 14 of this MD&A.

The following is selected financial information for the eleven most recently completed quarters:

(In millions of Canadian dollars, except per share amounts)

	Qtr 1	**Qtr 2**	**Qtr 3**	**Qtr 4**	**Total**
Sales					
2024	$ 1,737.2	$ 1,845.6	$ 1,849.7	$ -	$ 5,432.5
2023	1,652.1	1,644.5	1,690.5	1,662.5	6,649.6
2022	1,521.7	1,615.2	1,658.1	1,587.2	6,382.2
Net earnings					
2024	192.1	279.5	191.7	-	663.3
2023	166.4	155.9	169.1	38.8	530.2
2022	150.2	163.4	163.9	145.2	622.7
Net earnings per Class B share					
Basic					
2024	1.08	1.56	1.08	-	3.72
2023	0.94	0.88	0.95	0.22	2.99
2022	0.84	0.91	0.93	0.82	3.50
Net earnings per Class B share					
Adjusted basic					
2024	1.08	1.13	1.09	-	3.30
2023	0.94	0.90	0.95	0.97	3.76
2022	0.85	0.94	0.95	0.83	3.57
Net earnings per Class B share					
Diluted					
2024	1.07	1.55	1.07	-	3.69
2023	0.93	0.88	0.94	0.20	2.95
2022	0.83	0.91	0.92	0.82	3.48

The quarterly financial results above are affected by the seasonality of the business Segments. The first and second quarters of a year are traditionally higher sales periods for the CCL and Innovia Segments as a result of the greater number of workdays than the third and fourth quarters plus the seasonality of certain end markets. For Avery, the third quarter has historically been its strongest, as it benefits from the increased demand related to back-to-school activities in North America. For the Checkpoint Segment, in its recurring revenue streams, the second half of the calendar year is healthier as the business substantially follows the retail cycle of its customers, which traditionally experiences more consumer activity from March through the end of the year and prepares for the same in its supply chain from mid-year on.

3. Business Segment Review

CCL Segment ("CCL")

($ millions)	Third Quarter 2024	Third Quarter 2023	+/-	Year-To-Date 2024	Year-To-Date 2023	+/-
Sales	$ 1,152.5	$ 1,064.6	8.3%	$ 3,386.4	$ 3,073.2	10.2%
Operating Income (1)	$ 179.2	$ 169.7	5.6%	$ 547.6	$ 479.1	14.3%
Return on Sales (1)	15.5%	15.9%		16.2%	15.6%	
Capital Spending	$ 58.3	$ 72.9	(20.0%)	$ 281.9	$ 261.8	7.7%
Depreciation and Amortization (2)	$ 66.5	$ 60.4	10.1%	$ 195.2	$ 172.9	12.9%

(1) Operating Income and Return on Sales are non-IFRS financial measures. Refer to definitions in Section 14.
(2) Depreciation and Amortization expense excludes depreciation of $7.1 million and $20.8 million, respectively, for right-of-use assets in the three-month and nine-month periods ended September 30, 2024 (2023 - $6.9 million and $19.4 million, respectively).

The CCL Segment has five customer sectors. The Company trades in three of them as CCL Label (and CCL Container or CCL Tube to recognize product differentiation where relevant) and one each as CCL Design and CCL Secure. The differentiated CCL sub-branding points to the nature of the application for the final product. The sectors have many common or overlapping customers, process technologies, information technology systems, raw material suppliers and operational infrastructures. CCL Label supplies innovative labels, aluminum aerosols and tube solutions to Home & Personal Care customers; decorative and functional labels for Food & Beverage companies to premiumize brands; and regulated, complex multi-layer labels for major pharmaceutical, consumer medicine, medical instrument and industrial or consumer chemical customers referred to as the Healthcare & Specialty business. CCL Design supplies long-life, high performance labels and other products to automotive, electronics and durable goods OEMs. CCL Secure supplies polymer banknote substrate, pressure sensitive stamps, passport components and other security products to government institutions and to corporations for brand protection.

Sales for CCL were $1,152.5 million for the third quarter of 2024 compared to $1,064.6 million for the same quarter last year. The components of the 8.3% increase in sales are 4.9% organic growth, 2.9% acquisition-related growth and 0.5% positive impact from foreign currency translation.

North American sales were up low single digit for the third quarter of 2024, excluding acquisitions and currency translation compared to the third quarter of 2023. Home & Personal Care sales and profitability increased on improved demand for labels and aluminum aerosols and bottles offsetting reduced results for tubes. Healthcare & Specialty results were mixed, with modestly improved Ag-Chem results especially in the consumer lawn and garden space more than offset by slower demand in Healthcare.

Food & Beverage results were also mixed with gains in pressure sensitive applications offset by reduced profitability in sleeves compared to a strong prior year period. CCL Design North America results improved on gains in automotive and electronics markets. CCL Secure sales and profitability decreased significantly compared to an extremely robust 2023 third quarter. Overall operating income and return on sales for the current quarter in North America declined compared to the third quarter of 2023.

Sales in **Europe** were up mid-single digit for the third quarter of 2024, excluding currency translation and acquisitions, compared to the third quarter of 2023. Home & Personal Care sales and profitability increased on improved demand and productivity gains compared to a weak prior period. Healthcare & Specialty profitability declined with reduced results in Healthcare offsetting significant gains at AgChem operations. Food & Beverage sales improved on particularly strong growth in Sleeve applications, but profitability declined on new plant start up costs compared to the 2023 third quarter. CCL Design was flat to the prior year period with reduced results in automotive and industrial markets offsetting improvements in European electronics demand. CCL Secure sales and profitability declined. Overall European profitability and return on sales declined.

For the third quarter of 2024, sales in **Latin America** were up high-single digit compared to the third quarter of 2023, excluding currency translation. Sales and profitability improved in all countries, except Argentina, despite significant currency devaluations. Operating income and return on sales improved compared to the third quarter of 2023.

Asia Pacific sales for the 2024 third quarter, excluding currency translation, increased double digit compared to the corresponding quarter in 2023. Results in China were driven by significant sales and profitability gains at CCL Design Electronics offsetting slower consumer and automotive markets. Results in ASEAN countries were also strong overall with especially robust profitability gains in Malaysia and Singapore driven by stronger electronics markets and new customer wins. In Australia, sales and profitability improved on solid demand for labels and improvements at CCL Secure. For the Asia Pacific region, operating income increased and return on sales improved compared to the third quarter of 2023.

Sales and profitability exceeded expectations for the **Middle East,** now including a full quarter of results following the acquisition and consolidation of Pacman in early June 2024.

Operating income for the third quarter of 2024 was $179.2 million, an improvement of 5.6%, compared to $169.7 million for the third quarter of 2023. Return on sales was 15.5% compared to 15.9% for the 2023 third quarter.

Sales backlog for the label business rarely exceeds one month of sales, making forecasts one quarter ahead difficult. Management continues to watch the global economic situation closely along with associated volatility in foreign exchange rates.

CCL invested $281.9 million in capital spending for the first nine months of 2024, compared to $261.8 million in the same period in 2023. Major expenditures for the nine-month period related to capacity additions to support the Home & Personal Care, Healthcare & Specialty and Food & Beverage businesses globally. Investments will continue in order to add capacity, broaden capabilities, expand geographically, and replace or upgrade existing plants and equipment. Depreciation and amortization was $195.2 million for the nine months ended September 30, 2024, compared to $172.9 million for the same period of 2023.

Avery Segment ("Avery")

	Third Quarter			Year-To-Date		
($ millions)	2024	2023	+/-	2024	2023	+/-
Sales	$ 279.7	$ 269.5	3.8%	$ 809.4	$ 797.8	1.5%
Operating Income [(1)]	$ 55.2	$ 50.7	8.9%	$ 166.9	$ 151.6	10.1%
Return on Sales [(1)]	19.7%	18.8%		20.6%	19.0%	
Capital Spending	$ 7.5	$ 3.1	141.9%	$ 16.5	$ 10.0	65.0%
Depreciation and Amortization [(2)]	$ 7.5	$ 8.1	(7.4%)	$ 22.7	$ 24.4	(7.0%)

(1) Operating Income and Return on Sales are non-IFRS financial measures. Refer to definitions in Section 14.

(2) Depreciation and Amortization expense excludes depreciation of $2.7 million and $7.8 million, respectively, for right-of-use assets in the three-month and nine-month periods ended September 30, 2024 (2023 - $2.5 million and $7.5 million, respectively).

Avery is one of the world's largest suppliers 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 ("PMG"): including address labels, product identification labels and name badges/cards supported by customized software solutions where applicable; (2) Organization Products ("OPG"): including binders, indexes, sheet protectors and writing instruments; (3) Direct-to-Consumer ("DTC"): 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.

Avery sales were $279.7 million for the third quarter of 2024, an improvement of 3.8% compared to $269.5 million for the same quarter last year. This increase in sales is attributed to 3.0% organic growth and 0.8% positive impact from foreign currency translation.

Sales in **North America** for the third quarter of 2024 were up single digit excluding currency translation compared to the third quarter of 2023. Sales and profitability for PMG product lines increased, more than offsetting the declines in OPG categories compared to the third quarter of 2023 on an early end to the back-to-school season. Sales and profitability improvement in DTC name badge, event badge and wristband categories outpaced gains for labels compared to the third quarter of 2023. The Horticultural business entered its seasonally slow period, but improved results compared to the 2023 third quarter.

International represented approximately 35.2% of Avery sales for the third quarter of 2024. Excluding currency translation, sales increased compared to the third quarter of 2023. Profitability growth in DTC offset declines in traditional product categories and Horticultural operations. All-in operating income decreased internationally.

Operating income for the third quarter of 2024 increased 8.9% to $55.2 million compared to $50.7 million for the third quarter of 2023. Return on sales improved to 19.7% for the 2024 third quarter compared to 18.8% recorded for the same quarter in 2023.

Avery invested $16.5 million in capital spending in the first nine months of 2024 compared to $10.0 million in the same period a year ago. The majority of the expenditures were for the PMG business in North America. Depreciation and amortization was $22.7 million for the 2024 nine-month period compared to $24.4 million for the 2023 nine-month period.

Checkpoint Segment ("Checkpoint")

	Third Quarter			Year-To-Date		
($ millions)	2024	2023	+/-	2024	2023	+/-
Sales	$ 240.5	$ 210.1	14.5%	$ 709.5	$ 631.0	12.4%
Operating Income [(1)]	$ 36.7	$ 28.8	27.4%	$ 110.4	$ 87.7	25.9%
Return on Sales [(1)]	15.3%	13.7%		15.6%	13.9%	
Capital Spending	$ 18.9	$ 6.3	200.0%	$ 54.3	$ 34.8	56.0%
Depreciation and Amortization [(2)]	$ 9.8	$ 8.9	10.1%	$ 28.5	$ 27.2	4.8%

(1) Operating Income and Return on Sales are non-IFRS financial measures. Refer to definitions in Section 14.

(2) Depreciation and Amortization expense excludes depreciation of $3.2 million and $9.5 million, respectively, for right-of-use assets in the three-month and nine-month periods ended September 30, 2024 (2023 - $3.1 million and $8.3 million, respectively).

Checkpoint is a leading 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: 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.

Checkpoint sales were $240.5 million for the third quarter of 2024, an increase of 14.5% compared to $210.1 million for the third quarter of 2023 driven entirely by organic growth. MAS sales gains derived principally from the Americas (despite currency related declines in Latin America) and Europe with Asia up modestly; profitability improved markedly. ALS sales and profitability increased very significantly on market share gains in traditional product categories along with continued high demand for RFID-related products compared to a solid third quarter in 2023. ALS organic growth breached 30% as retailers continue to rebuild inventory and manage supply chain challenges through the Red Sea. Demand for RFID-related products remains strong. Meto operations posted an increase in sales and profitability compared the prior year third quarter.

Overall operating income was $36.7 million for the third quarter of 2024, compared to $28.8 million for the third quarter of 2023. Return on sales was 15.3% compared to 13.7% for the comparable quarter in 2023.

Checkpoint invested $54.3 million in capital spending for the first nine months of 2024 compared to $34.8 million for the same period of 2023. Expenditures were mainly for RFID inlay capacity in Mexico and China and plant expansions in Turkey, Bangladesh and Vietnam. Depreciation and amortization was $28.5 million for the nine-month period of 2024, compared to $27.2 million for the nine-month period of 2023.

Innovia Segment ("Innovia")

	Third Quarter			Year-To-Date		
($ millions)	2024	2023	+/-	2024	2023	+/-
Sales	$ 177.0	$ 146.3	21.0%	$ 527.2	$ 485.1	8.7%
Operating Income (1)	$ 17.8	$ 6.9	158.0%	$ 49.5	$ 37.4	32.4%
Return on Sales (1)	10.1%	4.7%		9.4%	7.7%	
Capital Spending	$ 22.1	$ 29.7	(25.6%)	$ 60.0	$ 67.0	(10.4%)
Depreciation and Amortization (2)	$ 11.3	$ 11.6	(2.6%)	$ 33.6	$ 34.8	(3.4%)

(1) Operating Income and Return on Sales are non-IFRS financial measures. Refer to definitions in Section 14.

(2) Depreciation and Amortization expense excludes depreciation of $0.4 million and $1.6 million, respectively, for right-of-use assets in the three-month and nine-month periods ended September 30, 2024 (2023 - $0.6 million and $1.9 million, respectively).

Innovia supplies specialty, high-performance, multi-layer, surface engineered Biaxially Oriented Polypropylene ("BOPP") films from facilities in Australia, Mexico, Poland and the U.K 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 the U.S., produce almost their entire output for CCL Label. In 2022, Innovia announced a significant investment in new films manufacturing capacity in Germany. This new multi-layer co-extrusion film line will produce highly engineered thin gauge pressure sensitive label film to support growing sustainability-driven lower resin content materials. Construction of this new facility started in 2023 and completion remains on track for mid-2025.

Innovia's sales were $177.0 million for the third quarter of 2024, an improvement of 21.0% compared to $146.3 million for the very weak prior year quarter. This increase in sales is attributed to 18.0% organic growth and 3.0% positive impact from foreign currency translation. The sales growth was primarily driven by demand recovery in the label materials industry globally and share gain in North America, driving profitability improvement compared to the prior year period. Sales volume for the new EcoFloat film manufactured in Poland continues to grow driving profitability improvement compared to the third quarter of 2023. Over the summer we completed the transition of volume from our Belgian plant to the UK and Australia. Operating income improved 158.0% to $17.8 million, driving a 540 bps improvement in return on sales to 10.1% for the 2024 third quarter compared to operating income of $6.9 million and return on sales of 4.7% for the 2023 third quarter.

Innovia invested $60.0 million in capital spending for the first nine months of 2024, compared to $67.0 million for the 2023 nine-month period. The majority of the spending was for the new thin gauge, environmentally friendly label films facility in Germany. Depreciation and amortization was $33.6 million for the nine-month period of 2024 compared to $34.8 million for the same period of 2023.

Joint Ventures

	Third Quarter			Year-To-Date		
(in millions of Canadian dollars)	**2024**	**2023**	**+/-**	**2024**	**2023**	**+/-**
Sales (at 100%)						
CCL joint ventures	$ 25.6	$ 49.7	(48.5%)	$ 119.0	$ 142.7	(16.6%)
Earnings in equity accounted investments						
CCL joint ventures	$ 2.7	$ 5.2	(48.1%)	$ 16.0	$ 13.3	20.3%

Results from the joint ventures, including CCL-Kontur, Russia, and, up until the date of its acquisition by the Company in June 2024, Pacman-CCL, Middle East, are not proportionately consolidated into a Segment but instead are accounted for as equity investments. The Company's share of the joint ventures' net earnings is disclosed in "Earnings in Equity-Accounted Investments" in the consolidated condensed interim income statements. Earnings in equity accounted investments amounted to $2.7 million for the third quarter of 2024 compared to $5.2 million for the third quarter of 2023.

4. Currency Transaction Hedging and Currency Translation

Approximately 98% of sales made in the third quarter of 2024 to end-use customers were denominated in foreign currencies leaving the Company exposed to potentially significant translation variances when reporting results publicly in Canadian dollars. The Company does not hedge or manage such translation movements but does actively manage transaction exposures. Where possible, the Company contracts its business in local currencies with both customers and suppliers of raw materials.

The results of the third quarter of 2024 were positively impacted by the depreciation of the Canadian dollar against the U.S. dollar, euro, U.K. pound, Australian dollar, Chinese renminbi and Thai baht by 1.7%, 2.7%, 4.5%, 4.1%, 2.8% and 2.9%, respectively, compared to the rates in the same period in 2023. This positive impact was partially offset by the appreciation of the Canadian dollar relative to the Brazilian real and Mexican peso of 10.4% and 8.3%, respectively, when comparing the rates in the third quarters of 2024 and 2023. For the three-month and nine-month periods of 2024, foreign currency translation had a $0.01 negative impact, respectively on earnings per Class B share compared to the 2023 three-month and nine-month periods.

5. Liquidity and Capital Resources

The Company's capital structure is as follows:

(in millions of Canadian dollars)

		September 30, 2024		December 31, 2023
Current portion of long-term debt	$	2.7	$	6.9
Current lease liabilities		45.5		45.0
Long-term debt		2,221.8		2,067.8
Long-term lease liabilities		165.4		162.7
Total debt		2,435.4		2,282.4
Cash and cash equivalents		(759.6)		(774.2)
Net debt [1]	$	1,675.8	$	1,508.2
Adjusted EBITDA[1][2]	$	1,472.2	$	1,332.1
Net debt to Adjusted EBITDA [1]		1.14		1.13

(1) Net debt, Adjusted EBITDA and net debt to Adjusted EBITDA are non-IFRS financial measures. Refer to definitions in Section 14 of this MD&A.

(2) Adjusted EBITDA is calculated on a trailing twelve-month basis. Refer to definitions in Section 14 of this MD&A.

During the first nine months of 2024, net debt drawdowns on the Company's credit facilities totaled $106.7 million to help fund share repurchase programs, dividends, business acquisition and capital expenditures.

The Company's debt structure at September 30, 2024, was primarily comprised of the 144A 3.05% private notes due June 2030 in the principal amount of US$600.0 million ($806.3 million), 144A 3.25% private notes due October 2026 in the principal amount of US$500.0 million ($674.4 million), $300.0 million principal amount 3.864% Series 1 Notes due April 2028, and borrowings of $430.0 million on the Company's syndicated revolving credit facility. Outstanding contingent letters of credit totaled $1.1 million; accordingly, there was approximately US$880.4 million of unused availability on the revolving credit facility at September 30, 2024.

The Company's debt structure as at December 31, 2023, was primarily comprised of the 144A 3.05% private notes due June 2030 in the principal amount of US$600.0 million ($788.7 million), 144A 3.25% private notes due October 2026 in the principal amount of US$500.0 million ($659.6 million), the $300.0 million principal amount 3.864% Series 1 Notes due April 2028, and borrowings of $307.0 million on the Company's syndicated revolving credit facility. Outstanding contingent letters of credit totaled $1.1 million; accordingly, there was approximately US$966.1 million of unused availability on the revolving credit facility at December 31, 2023.

Net debt was $1,675.8 million at September 30, 2024, $167.6 million more than the net debt of $1,508.2 million at December 31, 2023. The increase in net debt is principally a result of drawdowns on the Company's syndicated revolving credit facility and a reduction of cash-on-hand at September 30, 2024, compared to December 31, 2023.

Net debt to Adjusted EBITDA at September 30, 2024, increased to 1.14 times, compared to 1.13 times at December 31, 2023, reflecting the aforementioned increase in net debt almost entirely mitigated by an increase in Adjusted EBITDA.

The Company's overall average finance rate, excluding lease liabilities was 2.8% as at September 30, 2024, same as at December 31, 2023.

The Company's leverage remains low and its liquidity very strong. The Company is in compliance with all its debt covenants and believes that it has sufficient cash on hand, unused credit lines and the ability to generate cash flow from operations to fund its expected financial obligations for the foreseeable future.

6. Cash Flow

(in millions of Canadian dollars)	Third Quarter		Year-To-Date	
Summary of Cash Flows	**2024**	**2023**	**2024**	**2023**
Cash provided by operating activities	$ 337.7	$ 292.4	$ 753.5	$ 647.5
Cash provided by (used for) financing activities	(145.2)	110.6	(220.3)	(22.2)
Cash used for investing activities	(104.7)	(368.3)	(551.6)	(685.4)
Translation adjustments on cash and cash equivalents	5.9	0.6	3.8	(6.3)
Increase (decrease) in cash and cash equivalents	$ 93.7	$ 35.3	$ (14.6)	$ (66.4)
Cash and cash equivalents – end of period	$ 759.6	$ 773.1	$ 759.6	$ 773.1
Free cash flow from operations [1]	$ 233.0	$ 182.2	$ 344.8	$ 285.8

[1] Free cash flow from operations is a non-IFRS financial measure. Refer to definition in Section 14.

During the third quarters of 2024 and 2023, the Company generated cash from operating activities of $337.7 million and $292.4 million, respectively. Free cash flow from operations was an inflow of $344.8 million for the 2024 nine-month period compared to an inflow of $285.8 million for the nine-month period in 2023. An improvement in net earnings more than offset an increase in net capital expenditures, resulting in an improvement in free cash flow from operations for the nine-month period of 2024 compared to the same nine-month period in 2023.

Capital spending in the third quarter of 2024 amounted to $106.8 million compared to $112.0 million in the 2023 third quarter. Total depreciation and amortization for the third quarter of 2024 was $108.8 million, compared to $102.3 million for the third quarter of 2023. Expected net capital spending for 2024 is estimated to be approximately $465.0 million. The Company is continuing to seek investment opportunities to expand its business geographically, add capacity in its facilities and improve its competitiveness.

Dividends paid in the third quarters of 2024 and 2023 were $51.5 million and $47.1 million, respectively. The total number of shares issued and outstanding as at September 30, 2024 and 2023, were 177.6 million and 177.7 million, respectively. The Board of Directors has approved a dividend of $0.2875 per Class A voting share and $0.29 per Class B non-voting share to shareholders of record as of December 16, 2024, and payable December 30, 2024. The annualized dividend rate is $1.15 per Class A share and $1.16 per Class B share.

In May of 2024, the Company renewed its share repurchase program under a normal course issuer bid to purchase up to 14.75 million Class B non-voting shares, approximately 9.93% of the public float of the Class B non-voting shares of the Company. During the first nine months of 2024, the Company spent $140.6 million for the purchase of 1,852,488 Class B shares for cancellation. The excess of the purchase price over the paid-up capital was charged to retained earnings.

7. Interest rate and Foreign Exchange Management

The Company is a global business with a significant asset base in the U.S. and Europe; consequently, a majority of the Company's debt is drawn in U.S. dollars. The Company continues to evaluate the appropriate levels of fixed versus floating interest rate debt and underlying currency of its drawn debt.

As at September 30, 2024, the Company had approximately US$1.1 billion and EUR 214.6 million drawn under the 144A private bonds and syndicated bank revolving credit facility, respectively, which are hedging a portion of its U.S. dollar-based and euro-based investments and cash flows, inclusive of U.S. dollar debt swapped to euros.

As at September 30, 2024, the Company utilized cross-currency interest rate swap agreements ("CCIRSAs") to hedge its euro-based assets and cash flows, effectively converting notional US$264.7 million 3.25% fixed rate debt into 1.23% fixed rate euro debt, US$111.5 million 3.25% fixed rate debt into 1.16% fixed rate euro debt, US$204.6 million 3.05% fixed rate debt into 2.06% fixed rate euro debt and US$203.9 million 3.05% fixed rate debt into 2.0% fixed rate euro debt. The effect of the CCIRSAs has been to reduce finance cost by $12.5 million for the nine months ended September 30, 2024.

8. Subsequent Events

The Board of Directors has declared a dividend of $0.29 per Class B non-voting share and $0.2875 per Class A voting share, which will be payable to shareholders of record at the close of business on December 16, 2024, to be paid on December 30, 2024.

9. Accounting Policies

A) Critical Accounting Estimates

The preparation of the Company's interim financial statements in accordance with IFRS requires management to make estimates and assumptions that impact the reported amounts of assets and liabilities at the date of the interim financial statements, and the reported amounts of revenue and expenses during the reporting period. The Company evaluates these estimates and assumptions on a regular basis, based upon historical experience and other relevant factors. Actual results could differ materially from these estimates and assumptions. The critical accounting policies are impacted by judgments, assumptions and estimates used in the preparation of the interim financial statements. The material impact on reported results and the potential impact and any associated risk related to these estimates are discussed throughout this MD&A and in the notes to the consolidated condensed interim financial statements.

The 2023 annual audited consolidated financial statements and notes thereto, as well as the 2023 annual MD&A, have identified the accounting policies and estimates that are critical to the understanding of the Company's business operations and results of operations. For the nine months ended September 30, 2024, there are no changes to the critical accounting policies and estimates from those described in the 2023 annual MD&A.

B) Inter-Company and Related Party Transactions

A summary of the Company's related party transactions is set out in note 27 of the annual consolidated financial statements for the year ended December 31, 2023. There have been no changes to the nature of, or parties to, the transactions for the nine months ended September 30, 2024.

C) Recently Issued New Accounting Standards, Not Yet Effective

In April 2024, IFRS 18, Presentation and Disclosure in Financial Statements ("IFRS 18"), was issued by the IASB introducing new requirements to help achieve comparability of the financial performance of similar entities. IFRS 18 focuses on the income statement requiring new subtotals and the classification of income and expenses into operating, investing and financing categories as well as disclosure of management performance measures and guidance on grouping information in the financial statements. IFRS 18 will replace IAS 1, Presentation of Financial Statements ("IAS 1"), retaining many of the general requirements of IAS 1. The new standard is effective for reporting periods beginning on January 1, 2027, applied retrospectively. The Company is currently assessing the impact of IFRS 18 on its consolidated financial statements.

10. Commitments and Contingencies

The Company has no material “off-balance sheet” financing obligations, surety bonds and loan guarantees. The nature of the Company’s commitments are described in note 26 and note 27 to the annual consolidated financial statements for the year ended December 31, 2023. There are no defined benefit plans funded with CCL Industries Inc. stock.

11. Controls and Procedures

In accordance with the provisions of National Instrument 52-109 – Certification of Disclosure in Issuers’ Annual and Interim Filings, management, including the CEO and CFO, have limited the scope of their design of the Company’s disclosure controls and procedures and internal control over financial reporting to exclude controls, policies and procedures of Pacman. This company was acquired in June 2024, for total purchase consideration of approximately $142.9 million.

The scope of the limitation is primarily based on the time required to assess the acquired business’ disclosure controls and procedures and internal control over financial reporting in a manner consistent with the Company’s other operations. Further details related to the summary financial information of this acquisition is disclosed in note 3 of the Company’s consolidated condensed interim financial statements for the periods ended September 30, 2024 and 2023.

Except for the preceding change, there were no other material changes in internal control over financial reporting in the nine-month period ended September 30, 2024.

12. Risks and Strategies

The 2023 Annual MD&A detailed risks to the Company’s business and the strategies planned for 2024 and beyond. There have been no material changes to those risks and strategies during the first nine months of 2024.

13. Outlook

The third quarter of 2024 was strong with a 14.7% increase in adjusted basic earnings per class B share, due to improved operating income from all the Company’s segments. The acquisition of Pacman performed better than expected for its first fully consolidated quarter. The Company continues to pursue its expansion plans investing over $400 million year-to-date in capital equipment and real estate globally. Management remains cautiously optimistic about economic activity across its businesses for the final quarter of this year, but many new plant start-up costs in the CCL Segment along with much tougher comparatives make the coming period more challenging. Avery should be stable; Checkpoint should progress but at a slower comparative pace and Innovia should continue to benefit from improved demand in the materials industry and the onset of cost savings from the closure of the Belgian plant. Geopolitical uncertainty, U.S. election results, the swing to lower interest rates globally and dull Chinese consumer demand remain on the watch list for their impact on economic activity and results.

For the 2024 third quarter, the CCL Segment recorded solid operating income improvement driven primarily by 4.9% organic sales growth. Significant new capacity investments continue including Raleigh, North Carolina; Alicante, Spain & Turin, Italy; Lumberton, New Jersey; and Guanajuato, Mexico, for Healthcare, Food & Beverage, CCL Tube and CCL Container, respectively. To support growth and technological advancement, the Company has also invested in an additional facility in Montreal for Healthcare and new capabilities in solvent adhesive and top coating for CCL Design in China. CCL Secure is expected to improve in the 2024 fourth quarter compared to the third quarter of this year. Given the start up costs from these and other new investments plus the much stronger fourth quarter 2023 comparatives, matching prior year Segment profitability could be challenging.

For Avery, Direct-to-Consumer businesses are still expected to outpace growth in legacy categories for the 2024 fourth quarter and beyond. Avery is still pursuing complementary tuck-in acquisitions within its digital print technology suite.

Checkpoint completed the construction of its Mexico-based RFID inlay facility mid-second quarter 2024, focus will now be given to filling this incremental capacity predominantly with non-apparel RFID opportunities. Checkpoint also completed the expansion of Bangladesh-based ALS facility. Construction of Checkpoint's new ALS facility in Vietnam is expected to be completed by the end of 2024. In Turkey, land was purchased in 2023 with permitting underway and construction expected to start in 2025 in a campus to be shared with CCL Label. The core MAS and ALS retail and apparel product categories are expected to grow and improve profitability, fueled by strength in RFID but prior year comparatives are higher hurdles to overcome.

Innovia's results for the third quarter of 2024 increased on improved demand in the labels materials industry, gains for the new EcoFloat film and strong performance in the Americas. In the coming quarter we expect to see the start of the cost savings from the closure of the Belgium facility. Sales volumes to the label materials industry are expected to continue improving compared to the fourth quarter of 2023. Additionally, incremental sales volume throughout 2024 and 2025 is expected for its new proprietary EcoFloat shrink film. Finally, construction of the new thin-gauge film line in Germany remains on track to complete by mid-2025.

The Company finished the third quarter of 2024 with $759.6 million cash-on-hand and additional unused capacity of US$0.9 billion within its syndicated revolving credit facility. Net debt to Adjusted EBITDA is at 1.14 turns. The Company's liquidity position remains robust and positioned for incremental acquisition growth and further repurchases of its Class B non-voting shares. The Company expects net capital expenditures for 2024 to be approximately $465.0 million, supporting organic growth and new greenfield opportunities globally. Fourth quarter orders so far have been steady, albeit comparisons to the 2023 fourth quarter are significantly more demanding, except for Innovia.

Foreign currency translation would be a modest tailwind at current exchange rates for the fourth quarter of 2024 compared to the same quarter in 2023, if sustained.

14. Key Performance Indicators and Non-IFRS Financial Measures

The Company measures the success of the business using a number of key performance indicators, many of which are in accordance with IFRS as described throughout this report. The following performance indicators are not measurements in accordance with IFRS and should not be considered as an alternative to or replacement of net earnings or any other measure of performance under IFRS. These non-IFRS measures do not have any standardized meaning and may not be comparable to similar measures presented by other issuers. These additional measures are used to provide added insight into the Company's results and are concepts often seen in external analysts' research reports, financial covenants in banking agreements and note agreements, purchase and sales contracts on acquisitions and divestitures of the business, and in discussions and reports to and from the Company's shareholders and the investment community. These non-IFRS measures will be found throughout this report and are referenced alphabetically in the definition section below.

Adjusted Basic Earnings per Class B Share – An important non-IFRS measure to assist in understanding the ongoing earnings performance of the Company excluding items of a one-time or non-recurring nature. It is not considered a substitute for basic net earnings per Class B share, but it does provide additional insight into the ongoing financial results of the Company. This non-IFRS measure is defined as basic net earnings per Class B share excluding gains on business dispositions, goodwill impairment loss, non-cash acquisition accounting adjustments to inventory, revaluation gain, restructuring and other items and tax adjustments.

Adjusted EBITDA - A critical financial measure used extensively in the packaging industry and other industries to assist in understanding and measuring operating results. It is also considered as a proxy for cash flow and a facilitator for business valuations. This non-IFRS measure is defined as earnings before net finance cost, taxes, depreciation and amortization, goodwill impairment loss, non-cash acquisition accounting adjustments to inventory, earnings in equity-accounted investments, revaluation gain, and restructuring and other items. The Company believes that Adjusted EBITDA is an important measure as it allows the assessment of the ongoing business without the impact of net finance cost, depreciation and amortization and income tax expenses, as well as non-operating factors and one-time items. As a proxy for cash flow, it is intended to indicate the Company's ability to incur or service debt and to invest in property, plant and equipment, and it allows comparison of the business to that of its peers and competitors who may have different capital or organizational structures. Adjusted EBITDA is a measure tracked by financial analysts and investors to evaluate financial performance and is a key metric in business valuations. Adjusted EBITDA is considered an important measure by lenders to the Company and is included in the financial covenants for the Company's bank lines of credit.

The following table reconciles Adjusted EBITDA measures to IFRS financial measures reported in the consolidated condensed interim income statements for the periods ended as indicated.

(in millions of Canadian dollars)	**Third Quarter**		**Year-To-Date**	
Adjusted EBITDA	**2024**	**2023**	**2024**	**2023**
Net earnings	$ 191.7	$ 169.1	$ 663.3	$ 491.4
Corporate expense	17.0	16.7	59.6	57.9
Earnings in equity accounted investments	(2.7)	(5.2)	(16.0)	(13.3)
Net finance cost	19.3	20.3	55.9	58.9
Restructuring and other items	2.2	1.9	4.3	5.6
Revaluation gain	-	-	(78.1)	-
Income taxes	61.4	53.3	185.4	155.3
Operating income (a non-IFRS measure)	$ 288.9	$ 256.1	$ 874.4	$ 755.8
Less: Corporate expense	(17.0)	(16.7)	(59.6)	(57.9)
Add: Depreciation and amortization	108.8	102.3	320.7	297.5
Adjusted EBITDA (a non-IFRS measure)	$ 380.7	$ 341.7	$ 1,135.5	$ 995.4
Adjusted EBITDA for 12 months ended December 31, 2023 and 2022, respectively			$ 1,332.1	$ 1,231.4
less: Adjusted EBITDA for nine months ended September 30, 2023 and 2022, respectively			(995.4)	(942.4)
add: Adjusted EBITDA for nine months ended September 30, 2024 and 2023, respectively			1,135.5	995.4
Adjusted EBITDA for 12 months ended September 30			$ 1,472.2	$ 1,284.4

Free Cash Flow from Operations – A measure indicating the relative amount of cash generated by the Company during the period and available to fund dividends, debt repayments, share buy-backs and acquisitions. It is calculated as cash flow from operations less capital expenditures, net of proceeds from the sale of property, plant and equipment.

The following table reconciles the free cash flow from operations measure to IFRS measures reported in the consolidated condensed interim statements of cash flows for the periods ended as indicated.

(in millions of Canadian dollars)	**Third Quarter**		**Year-To-Date**	
Free Cash Flow from Operations	**2024**	**2023**	**2024**	**2023**
Cash provided by operating activities	$ 337.7	$ 292.4	$ 753.5	$ 647.5
Less: Additions to property, plant and equipment	(106.8)	(112.0)	(412.7)	(373.6)
Add: Proceeds on disposal of property, plant and equipment	2.1	1.8	4.0	11.9
Free Cash Flow from Operations	$ 233.0	$ 182.2	$ 344.8	$ 285.8

Net Debt – A measure indicating the financial indebtedness of the Company assuming that all cash on hand is used to repay a portion of the outstanding debt. It is defined as current debt, which includes bank advances, plus long-term debt and lease liabilities, less cash and cash equivalents.

Net Debt to Adjusted EBITDA (or leverage ratio) – A measure that indicates the Company's ability to service its existing debt. Net Debt to Adjusted EBITDA is calculated as net debt divided by Adjusted EBITDA.

Operating Income – A measure indicating the profitability of the Company's business units defined as income before corporate expenses, net finance cost, goodwill impairment loss, earnings in equity-accounted investments, revaluation gain, restructuring and other items and tax.

See Adjusted EBITDA definition above for a reconciliation of Operating Income measures to IFRS financial measures reported in the consolidated condensed interim income statements for the periods ended as indicated.

Restructuring and Other Items per share – A measure of significant non-recurring items that are included in net earnings. The impact of restructuring and other items on a per share basis is measured by dividing the after-tax effect of the restructuring and other items by the weighted average number of shares outstanding in the relevant period. Management will continue to disclose the impact of these items on the Company's results because the timing and extent of such items do not reflect or relate to the Company's ongoing operating performance. Management evaluates the operating income of its segments before the effect of these items.

Return on Sales – A measure indicating relative profitability of sales to customers. It is defined as Operating Income (see definition above) divided by sales, expressed as a percentage.

The following table reconciles the Return on Sales measure to IFRS financial measures reported in the consolidated condensed interim income statements in the industry segment information as per note 4 of the Company's consolidated condensed interim financial statements for the periods ended as indicated.

(in millions of Canadian dollars)

Return on Sales

	Sales Third Quarter		**Operating Income Third Quarter**		**Return on Sales Third Quarter**	
	2024	**2023**	**2024**	**2023**	**2024**	**2023**
CCL	$ 1,152.5	$ 1,064.6	$ 179.2	$ 169.7	15.5%	15.9%
Avery	279.7	269.5	55.2	50.7	19.7%	18.8%
Checkpoint	240.5	210.1	36.7	28.8	15.3%	13.7%
Innovia	177.0	146.3	17.8	6.9	10.1%	4.7%
Total Operations	$ 1,849.7	$ 1,690.5	$ 288.9	$ 256.1	15.6%	15.1%

Supplemental Financial Information

Sales Change Analysis
Revenue Growth Rates (%)

	Three Months Ended September 30, 2024				Nine Months Ended September 30, 2024			
	Organic Growth	Acquisition Growth	FX Translation	Total	Organic Growth	Acquisition Growth	FX Translation	Total
CCL	4.9%	2.9%	0.5%	8.3%	5.6%	4.0%	0.6%	10.2%
Avery	3.0%	-	0.8%	3.8%	(0.1%)	0.9%	0.7%	1.5%
Checkpoint	14.5%	-	-	14.5%	13.7%	-	(1.3%)	12.4%
Innovia	18.0%	-	3.0%	21.0%	6.6%	-	2.1%	8.7%
Total	6.9%	1.8%	0.7%	9.4%	5.8%	2.6%	0.5%	8.9%

15. Outstanding Share Data

As of November 13, 2024, there were 11,746,323 Class A voting shares and 165,837,306 Class B non-voting shares (“Class B Shares”) outstanding. In addition, there were 496,269 restricted stock units to issue 496,269 Class B Shares under the Restricted Stock Unit Plan; 64,928 restricted stock units to issue 64,928 Class B Shares under the 2017- 2025 Long Term Retention Plan; 97,005 restricted stock units to issue 97,005 Class B Shares under the 2019-2027 Long Term Retention Plan (collectively the “RSUs”) and 282,833 deferred share units (“DSU”) to issue 282,833 Class B Shares.

During the quarter the Company’s Board of Directors approved a new Long Term Incentive Plan for the years 2024 to 2026 (“2024-2026 LTIP”). Under the 2024-2026 LTIP, 1.4 million Class B non-voting shares could be awarded to participants at the end of the three-year cycle provided the financial performance criteria have been achieved and the participants are still employed by the Company.