

# Investor and Analyst Webcast

March 24, 2022



# Cautionary Note Regarding Forward-Looking Statements

This presentation contains forward-looking statements, including, without limitation, those related to our future growth; trends in the electronics manufacturing services (EMS) industry and our segments (and/or their constituent businesses), and their anticipated impact on our business; our anticipated financial and/or operational results; and our strategies, aspirations, goals, objectives and targets, including those on slides 9 - 15, 17, 21 – 24, 29, 30, 32, 34 and 36. Such forward-looking statements may, without limitation, be preceded by, followed by, or include words such as “believes,” “expects,” “anticipates,” “estimates,” “intends,” “plans,” “continues,” “project,” “target,” “potential,” “possible,” “contemplate,” “seek,” or similar expressions, or may employ such future or conditional verbs as “may,” “might,” “will,” “could,” “should,” or “would,” or may otherwise be indicated as forward-looking statements by grammatical construction, phrasing or context. For those statements, we claim the protection of the safe harbor for forward-looking statements contained in the U.S. Private Securities Litigation Reform Act of 1995 and for forward-looking information under applicable Canadian securities laws.

Forward-looking statements are provided to assist readers in understanding management’s current expectations and plans relating to the future. Readers are cautioned that such information may not be appropriate for other purposes. Forward-looking statements are not guarantees of future performance and are subject to risks that could cause actual results to differ materially from those expressed or implied in such forward-looking statements, including, among others, risks related to: customer and segment concentration; price, margin pressures, and other competitive factors and adverse market conditions affecting, and the highly competitive nature of, the EMS industry in general and our segments in particular (including the risk that anticipated market improvements do not materialize); delays in the delivery and availability of components, services and/or materials, as well as their costs and quality; challenges of replacing revenue from completed, lost or non-renewed programs or customer disengagements; our customers' ability to compete and succeed using our products and services; changes in our mix of customers and/or the types of products or services we provide, including negative impacts of higher concentrations of lower margin programs; managing changes in customer demand; rapidly evolving and changing technologies, and changes in our customers' business or outsourcing strategies; the cyclical and volatile nature of our semiconductor business; the expansion or consolidation of our operations; the inability to maintain adequate utilization of our workforce; defects or deficiencies in our products, services or designs; volatility in the commercial aerospace industry; integrating and achieving the anticipated benefits from acquisitions (including our acquisition of PCI Private Limited (PCI)) and "operate-in-place" arrangements; compliance with customer-driven policies and standards, and third-party certification requirements; challenges associated with new customers or programs, or the provision of new services; the impact of our restructuring actions, and/or productivity initiatives, including a failure to achieve anticipated benefits therefrom; negative impacts on our business resulting from newly-increased third-party indebtedness; the incurrence of future restructuring charges, impairment charges, other write-downs of assets or operating losses; managing our business during uncertain market, political and economic conditions, including among others, geopolitical and other risks associated with our international operations, including military actions, protectionism and reactive countermeasures, economic or other sanctions or trade barriers, including in relation to the evolving Ukraine/Russia conflict; disruptions to our operations, or those of our customers, component suppliers and/or logistics partners, including as a result of events outside of our control, including, among others: U.S. policies or legislation, U.S. and/or global tax reform, the potential impact of significant tariffs on items imported into the U.S. and related countermeasures, and/or the impact of (in addition to coronavirus disease 2019 and related mutations (COVID-19)) other widespread illness or disease; the scope, duration and impact of the COVID-19 pandemic; changes to our operating model; changing commodity, materials and component costs as well as labor costs and conditions; execution and/or quality issues (including our ability to successfully resolve these challenges); non-performance by counterparties; maintaining sufficient financial resources to fund currently anticipated financial actions and obligations and to pursue desirable business opportunities; negative impacts on our business resulting from any significant uses of cash (including for the acquisition of PCI), securities issuances, and/or additional increases in third-party indebtedness (including as a result of an inability to sell desired amounts under our uncommitted accounts receivable sales program); operational impacts that may affect PCI's ability to achieve anticipated financial results; foreign currency volatility; our global operations and supply chain; competitive bid selection processes; customer relationships with emerging companies; recruiting or retaining skilled talent; our dependence on industries affected by rapid technological change; our ability to adequately protect intellectual property and confidential information; increasing taxes, tax audits, and challenges of defending our tax positions; obtaining, renewing or meeting the conditions of tax incentives and credits; the management of our information technology systems, and the fact that while we have not been materially impacted by computer viruses, malware, ransomware, hacking attempts or outages, we have been (and may continue to be) the target of such events; the inability to prevent or detect all errors or fraud; the variability of revenue and operating results; unanticipated disruptions to our cash flows; compliance with applicable laws and regulations; our pension and other benefit plan obligations; changes in accounting judgments, estimates and assumptions; our ability to maintain compliance with applicable credit facility covenants; interest rate fluctuations and the discontinuation of LIBOR; our ability to refinance our indebtedness from time to time; deterioration in financial markets or the macro-economic environment; our credit rating; the interest of our controlling shareholder; current or future litigation, governmental actions, and/or changes in legislation or accounting standards; negative publicity; that we will not be permitted to, or do not, repurchase subordinate voting shares (SVS) under any normal course issuer bid (NCIB); the impact of climate change; and our ability to achieve our environmental, social and governance (ESG) initiative goals, including with respect to diversity and inclusion and climate change. The foregoing and other material risks and uncertainties are discussed in our public filings at [www.sedar.com](http://www.sedar.com) and [www.sec.gov](http://www.sec.gov), including in our most recent MD&A, our most recent Annual Report on Form 20-F filed with, and subsequent reports on Form 6-K furnished to, the U.S. Securities and Exchange Commission, and as applicable, the Canadian Securities Administrators.



## Cautionary Note Regarding Forward-Looking Statements (*continued*)

The forward-looking statements contained herein are based on various assumptions, many of which involve factors that are beyond our control. Our material assumptions include those set forth on slide 39, as well as those related to the following: the scope and duration of materials constraints and the COVID-19 pandemic, and their impact on our sites, customers and our suppliers; fluctuation of production schedules from our customers in terms of volume and mix of products or services; the timing and execution of, and investments associated with, ramping new business; the success of our customers' products; our ability to retain programs and customers; the stability of general economic and market conditions, and currency exchange rates; supplier performance and quality, pricing and terms; compliance by third parties with their contractual obligations; the costs and availability of components, materials, services, equipment, labor, energy and transportation; that our customers will retain liability for product/component tariffs and countermeasures; global tax legislation changes; our ability to keep pace with rapidly changing technological developments; the timing, execution and effect of restructuring actions; the successful resolution of quality issues that arise from time to time; the components of our leverage ratio (as defined in our credit facility); our ability to successfully diversify our customer base and develop new capabilities; the availability of cash resources for, and the permissibility under our credit facility of, repurchases of outstanding SVS under NCIBs, and compliance with applicable laws and regulations pertaining to NCIBs; compliance with applicable credit facility covenants; anticipated demand strength in certain of our businesses; anticipated demand weakness in, and/or the impact of anticipated adverse market conditions on, certain of our businesses; and that: anticipated financial results by PCI will be achieved; we are able to successfully integrate PCI, further develop our ATS segment business, and achieve the other expected synergies and benefits from the acquisition; all financial information provided by PCI is accurate and complete, and all forecasts of PCI's operating results are reasonable and were provided to Celestica in good faith; and we will continue to have sufficient financial resources to fund currently anticipated financial actions and obligations and to pursue desirable business opportunities. Although management believes its assumptions to be reasonable under the current circumstances, they may prove to be inaccurate, which could cause actual results to differ materially (and adversely) from those that would have been achieved had such assumptions been accurate. Forward-looking statements speak only as of the date on which they are made, and we disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law.

All forward-looking statements attributable to us are expressly qualified by these cautionary statements.

## Non-IFRS Financial Measures

In addition, this presentation refers to non-International Financial Reporting Standards (IFRS) financial measures (including ratios). Non-IFRS financial measures do not have any standardized meaning prescribed by IFRS and may not be comparable to similar measures presented by other public companies that use IFRS, or who report under U.S. GAAP and use non-GAAP financial measures to describe similar operating metrics. Non-IFRS financial measures are not measures of performance under IFRS and should not be considered in isolation or as a substitute for any IFRS financial measure. We do not provide reconciliations for forward-looking non-IFRS financial measures, as we are unable to provide a meaningful or accurate calculation or estimation of reconciling items and the information is not available without unreasonable effort. This is due to the inherent difficulty of forecasting the timing or amount of various events that have not yet occurred, are out of our control and/or cannot be reasonably predicted, and that would impact the most directly-comparable forward-looking IFRS financial measure. For these same reasons, we are unable to address the probable significance of the unavailable information. Forward-looking non-IFRS financial measures may vary materially from the corresponding IFRS financial measures.

## Selected Market Information

This presentation includes information from specified external reports, publications and filings (including on slides 11 - 15, 30 and 32). We have not independently analyzed or verified any of the data from such third-party sources, or their underlying definitions, studies, surveys or assumptions. Market and economic data is subject to variations and cannot be verified by us due to limits on the availability and reliability of data inputs, the voluntary nature of the data gathering process and other limitations and uncertainties inherent in such documents.

# Agenda

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## **The Celestica Journey**

Rob Mionis, President & CEO

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## **Financial Outlook**

Mandeep Chawla, CFO

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## **Hardware Platform Solutions**

Jason Phillips, President CCS

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## **Question and Answer**





# The Celestica Journey

**Rob Mionis**  
President & CEO



# Celestica is a global leader in innovative end-to-end product lifecycle solutions

- Focused on enabling the world's leading technology brands
- Tailoring customer-centric solutions for the markets we serve
- Operating a global network of sites with specialized Centers of Excellence

**\$5.6 billion** in 2021 revenue

**\$2.3 billion** in  
Advanced Technology  
Solutions (ATS)  
revenue

**\$3.3 billion** in  
Connectivity & Cloud  
Solutions (CCS)  
revenue



**23,000+**  
employees  
worldwide

**Over 100**  
customers  
across multiple  
markets



# A solid foundation for growth – Built to Win

## 2016 to 2021

### Transformation & Optimization



Diversified the  
portfolio



Invested in  
engineering  
offerings



Increased  
portfolio  
resiliency



Expanded  
profitability

# The transformational phase of our journey is complete



## Revitalized our value proposition

- Invested in differentiated capabilities across the product lifecycle
- Achieved record-level bookings in 2021, 50% of which were engineering-led



## Reshaped the business portfolio

- Exited \$1.25B of non-strategic EMS revenue
- Grew Hardware Platform Solutions (HPS) to over \$1B in revenue in 2021
- Acquired PCI, Impakt and Atrenne



## Reengineered our operating model

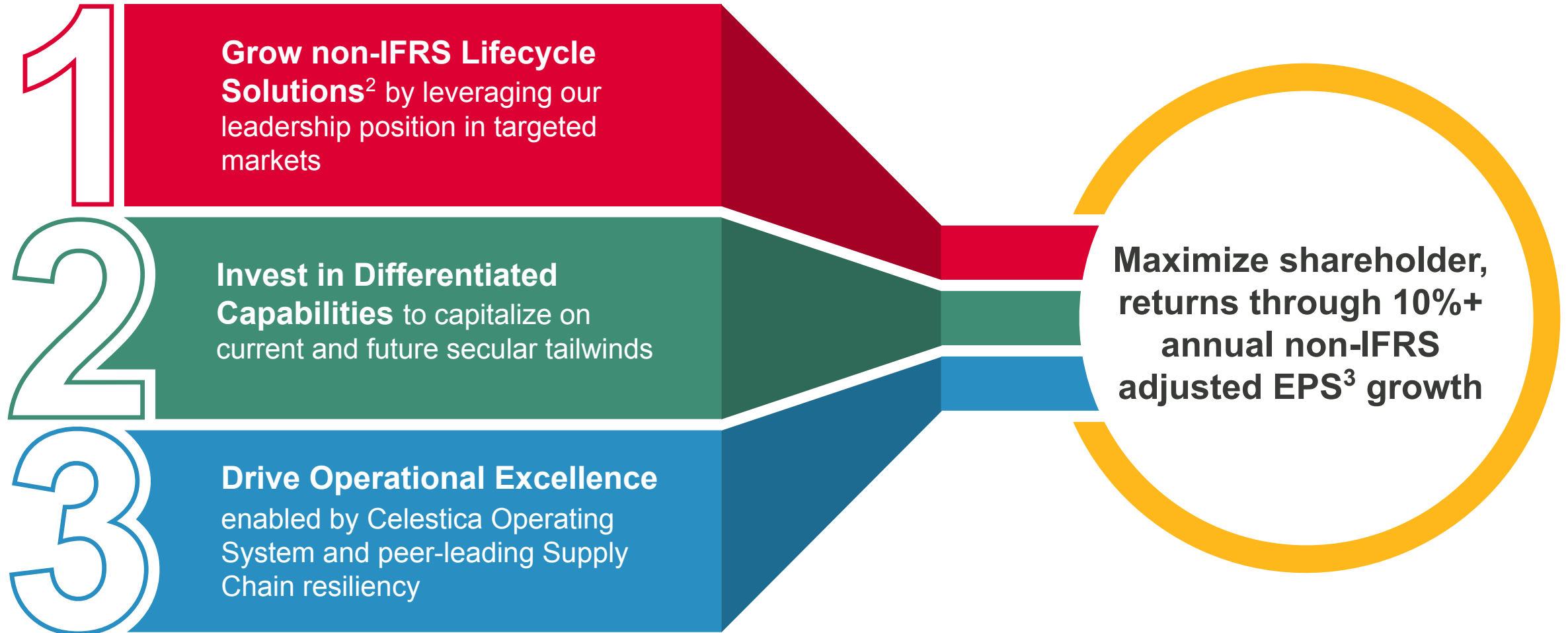
- Executed productivity initiatives across our network to drive consistency and standardization
- Deployed the Celestica Operating System to streamline and strengthen operations

IFRS earnings per share (EPS) and non-IFRS adjusted EPS<sup>1</sup> grew by 17% and 21%, respectively, over the last three years

<sup>1</sup>Non-IFRS adjusted EPS is a ratio based on adjusted net earnings, a non-IFRS financial measure. See the Appendix for, among other things, the uses, definition and components of non-IFRS adjusted net earnings and non-IFRS adjusted EPS. See “Non-IFRS Financial Measures” in our Management’s Discussion and Analysis of Financial Condition and Results of Operations (MD&A) for each of 2019 through 2021 (available at [www.sedar.com](http://www.sedar.com) and in Item 5 of our Annual Report on Form 20-F for each of 2019 through 2021 (available at [www.sec.gov](http://www.sec.gov))) for, among other things, reconciliations of non-IFRS adjusted net earnings to IFRS net earnings, and adjusted EPS to IFRS EPS for each such year, which reconciliations are incorporated herein by reference thereto.



Celestica aspires to become the undisputed industry leader in product and platform solutions across higher value markets by focusing on the following goals<sup>1</sup>:

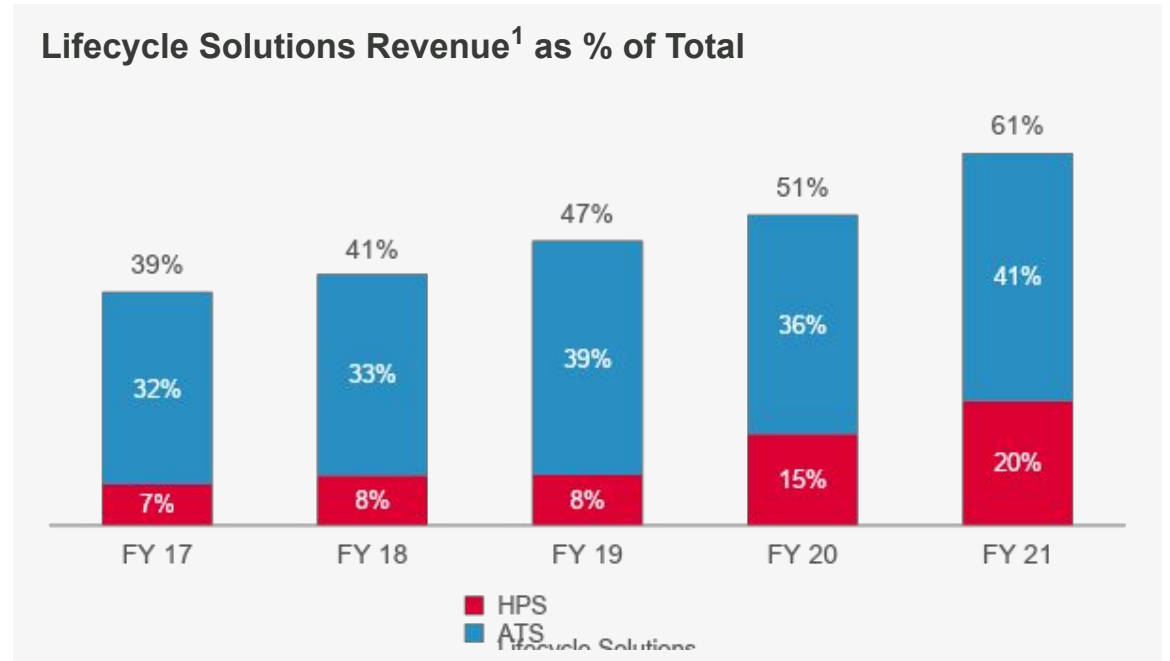
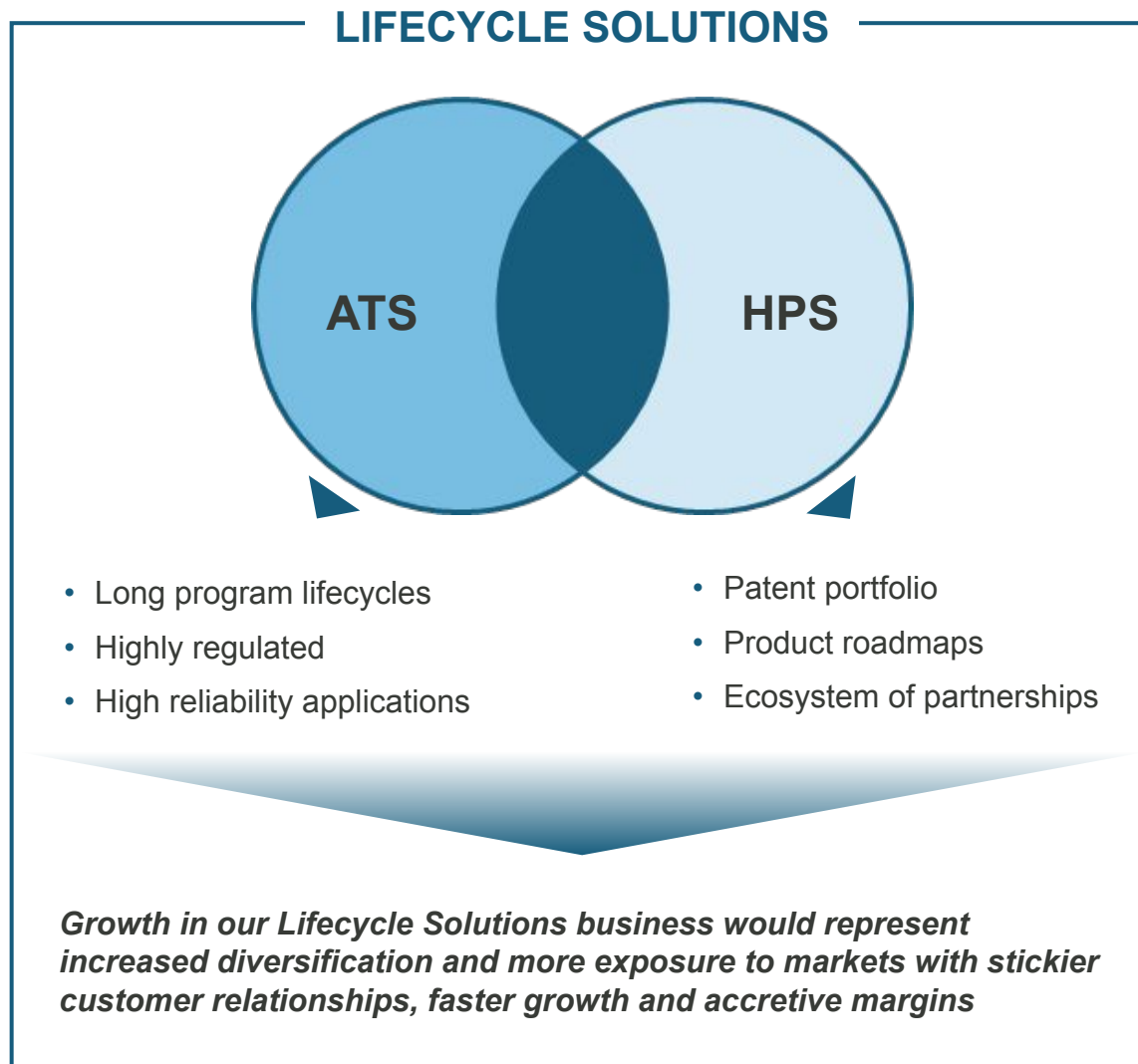


<sup>1</sup> The items on this slide constitute our objectives and goals, and are not intended to be projections or forecasts of future performance. Our future performance is subject to risks, uncertainties and other factors that could cause actual outcomes and results to differ materially from such goals.

<sup>2</sup> Lifecycle Solutions revenue consists of combined ATS segment and HPS business revenues (our HPS business is part of our CCS segment). See the Appendix for, among other things, for the uses and components of this non-IFRS financial measure.

<sup>3</sup> See the Appendix for, among other things, for the definition, uses and components of non-IFRS adjusted EPS, as well as assumptions underlying this goal.

# Growing Lifecycle Solutions revenue<sup>1</sup> concentration will enable long-term profitable growth



**Lifecycle Solutions comprises 61% of Celestica's Consolidated Revenue**

- \$3.5B in Lifecycle Solutions revenue in 2021
- 10% growth CAGR<sup>2</sup> since 2017
- **10%+ annual revenue growth objective through 2025<sup>3</sup>**

<sup>1</sup> Lifecycle Solutions revenue consists of combined ATS segment and HPS business revenues (our HPS business is part of our CCS segment). See the Appendix for, among other things, uses and components of this financial measure, and reconciliations of non-IFRS Lifecycle Solutions revenue to IFRS revenue for 2017 through 2021.

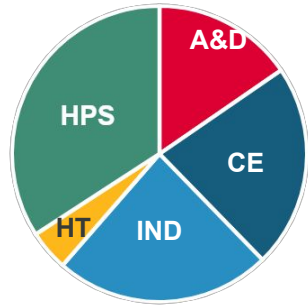
<sup>2</sup> CAGR (compound annual growth rate) is calculated using the formula:  $(\text{Ending Value} / \text{Beginning Value})^{(1/\text{number of years})} - 1$

<sup>3</sup> See the Appendix for, among other things, the assumptions underlying projected non-IFRS Lifecycle Solutions revenue growth.



# Aerospace & Defense – a leading A&D electronics manufacturing services provider with capabilities to deliver end-to-end solutions

**Markets served:** Commercial Aerospace, Defense, Space and Unmanned Aerial Vehicles (UAV)



**2021 revenue:** ~\$520M

**Projected market growth:** 9.6%<sup>1</sup>

## HOW WE INTEND TO GROW

### Path to growth:

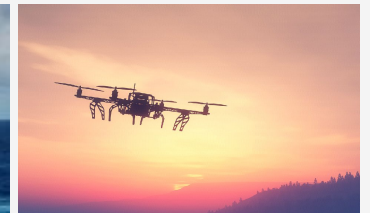
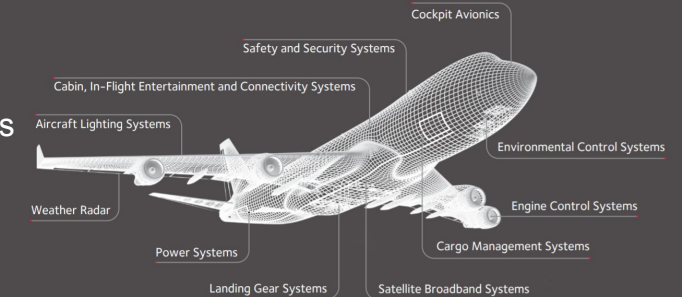
- Commercial air traffic increasing
- New wins and logos anticipated in Defense, Space and UAV markets

### Key capabilities:

- Design and engineering services accelerating prototyping to production
- Proven customizable product platforms and reference designs
- Microelectronics
- Certified AS9100-J (space) manufacturing

## WHAT WE DO

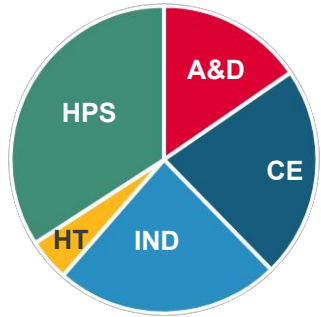
Celestica designs and produces components, subsystems and systems used in virtually all commercial aircraft in service today



<sup>1</sup> Anticipated 2021 to 2024 CAGR. Source: Technavio (Global C4ISR Market; Global Commercial and Military aircraft Market; Global Satellite Manufacturing And Launch market), BusinessWire (Global UAV Drones Market), Global NewsWire (Military Sensors Market market)

# Capital Equipment – a leading Tier 1 capital equipment player, providing highly specialized and vertically integrated solutions

**Markets served:** Semiconductor Capital Equipment, Display and Robotics



**2021 revenue:** ~\$750M

**Projected market growth:** 9.8%<sup>1</sup>

## HOW WE INTEND TO GROW

### Path to growth:

- Anticipated market share gains in semiconductor capital equipment
- Anticipated future display growth
- Capitalizing on regionalization trends

### Key capabilities:

- Tailor-made network in high-demand geographies
- Vertically integrated, one-stop shopping
- Investments in robotics warehouse automation service offering

## WHAT WE DO

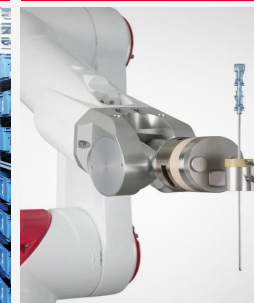
Celestica conducts high level assembly of large wafer fab equipment leveraging NPI, vertical capabilities and established, in-region supply base



WAREHOUSE  
AUTOMATION



ROBOTICS



AUTOMATED  
VENDING



DISPLAY

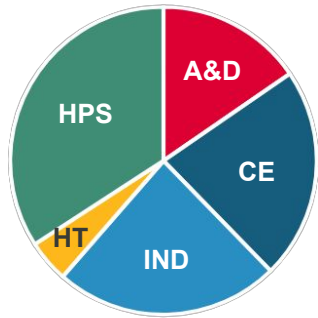


<sup>1</sup> Anticipated 2021 to 2024 CAGR. Source: UBS Research (Global Semiconductors and Semi Equipment)



# Industrial – Expertise in high volume automated manufacturing and complex product enablement

**Markets served:** Electrification, Energy Storage/Generation, Industrial Automation, Smart Home



**2021 revenue:** ~\$1,050M<sup>1</sup>

**Projected market growth:** 13.6%<sup>2</sup>

## HOW WE INTEND TO GROW

### Path to growth:

- Strongly positioned with six leading EV charger OEMs and expanding into energy storage applications
- Leveraging PCI capabilities and cross-sell opportunities

### Key capabilities:

- High power electronics, HMI, RF and IoT design expertise
- Design-led commercial processes
- Renewable energy lifecycle management

## WHAT WE DO

EV CHARGING



MOBILITY POWER



ENERGY GENERATION



ENERGY STORAGE



TELEMATICS



BUILDING AUTOMATION

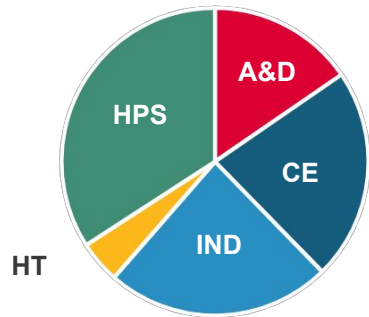


<sup>1</sup> Inclusive of \$300M in PCI revenue in 2021

<sup>2</sup> Anticipated 2021 to 2024 CAGR. Source: Frost & Sullivan (Global Renewable Energy Inverters market), Allied Market Research (EV Charger Market), Zion Market Research (Stationary Battery Storage Market), Technavio (Global Wind Turbine Monitoring Systems market)

# HealthTech – Partnering with leading healthcare companies to bring critical medical devices to market

**Markets served:** Surgical Instruments, Monitoring, Imaging, Diagnostics, Dialysis, Neurostimulation, Dental Radiology



**2021 revenue:** ~\$250M

**Projected market growth:** 7.3%<sup>1</sup>

## HOW WE INTEND TO GROW

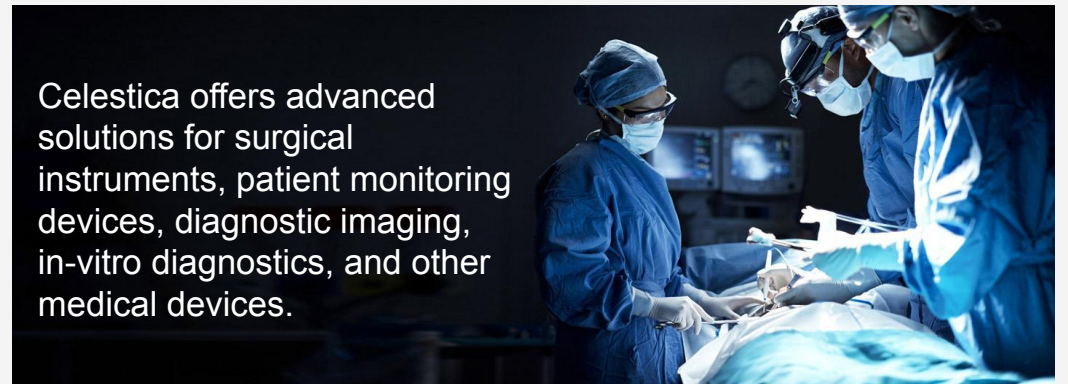
### Path to growth:

- Recent record wins
- Expansion into high growth markets of Renal Dialysis, Neurostimulation and Dental Radiology
- Long-standing relationships with large Medtech customers

### Key capabilities:

- Automation expertise drives market leading efficiency and quality
- FDA-registered and ISO 13485 certified manufacturing sites

## WHAT WE DO



Celestica offers advanced solutions for surgical instruments, patient monitoring devices, diagnostic imaging, in-vitro diagnostics, and other medical devices.

### New Markets

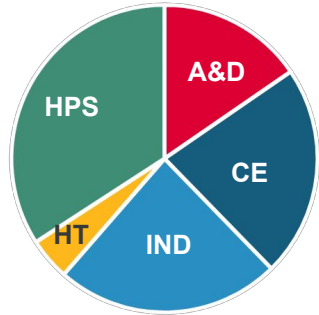


<sup>1</sup> Anticipated 2021 to 2024 CAGR. Source: Technavio (Medical Imaging Market; Global Neurostimulation devices Market; Global In-vitro Diagnostics Market)



# HPS – A leading hardware platform solutions provider for datacenter and network infrastructure markets

**Markets served:** Cloud, Networking, Storage, Edge and Application-specific Computing, ITAD services



**2021 revenue:** ~\$1,150M

**Projected market growth:** 6%<sup>1, 2</sup>

## HOW WE INTEND TO GROW

### Path to growth:

- Anticipated data center CAGR of 24% over 4 years<sup>2</sup>
- Anticipated data center refresh
- Expanding further into storage, edge computing and IT Asset Disposition (ITAD)

### Key capabilities:

- Tailor-made network in high-demand geographies
- Robust design process - 500+ engineers and 280+ patents
- Leading-edge, customizable hardware portfolio

## WHAT WE DO

Work with our technology ecosystem partners to deliver customized solutions for networking, storage and compute, helping bring emerging technologies to market faster



High performance, competitive **networking** roadmap in 100G/400G/800G platforms

Comprehensive **storage** roadmap featuring Flash and NVMeoF platforms

High availability **compute** roadmap supporting NVMe/SAS/SATA drives

<sup>1</sup> Hyperscalers only

<sup>2</sup> Anticipated 2021 to 2024 CAGR. Sources: Forecast: Communications Service Provider Operational Technology, Worldwide, 2019-2024, 2AQ21 Update; Forecast: Enterprise Network Equipment by Market Segment, Worldwide, 2019-2025, 2Q21 Update; Forecast: Unified Communications, Worldwide, 2018-2025, 2Q21; Gartner Market Databook, 2Q21 Update; Forecast: External Storage Systems, Worldwide, All Countries, 2019-2025, 2Q21 Update; Forecast: Communications Services,

# Strategic network tailored to serve customer requirements across the globe



NORTH AMERICA (~25% of capacity)	EUROPE (~5% of capacity)	CHINA (20% of capacity)	SE ASIA (~50% of capacity)
<ul style="list-style-type: none"> <li>• Complex highly regulated product manufacturing</li> <li>• Silicon Valley Customer Experience Center</li> <li>• ITAR for defense production</li> <li>• ISO 13485 for Medical</li> <li>• Design and Engineering</li> </ul>	<ul style="list-style-type: none"> <li>• Complex highly regulated product manufacturing</li> <li>• Automated manufacturing</li> <li>• ITAR for defense production</li> <li>• FDA and ISO 13485 for Medical</li> <li>• Design &amp; Engineering for ATS markets</li> </ul>	<ul style="list-style-type: none"> <li>• Automated Manufacturing</li> <li>• FDA and ISO 13485 for Medical</li> <li>• Optical capability</li> <li>• Hardware Platform Solutions Centre</li> <li>• Design and Engineering</li> </ul>	

# Our operations are underpinned by the Celestica Operating System

100% of our strategic customers rated us a #1 or #2 provider on customer scorecards

## “OUR BEST, EVERYDAY”

Since deploying the Celestica Operating System (COS), our already leading, cost, quality and delivery metrics improved

### PURPOSE

The Celestica Operating System advances us toward our ambition to be the industry leader in Operational Excellence and will improve the employee experience across the organization.

### PROCESSES

Global Standard Processes that touch all critical aspects of our operations, including quality, supply & operations planning, new product introduction, daily visual performance management, and continuous improvement through the “Plan Do Check Adjust” cycle

### PEOPLE

#### Working as One

Deliver universal consistency and predictable results



#### Empowered and Accountable

Employees have greater control at the point of action



#### Culture of Continuous Improvement


Sets a global standard to cultivate better practices







# ESG is at the center of how we operate – we are a leader in sustainability<sup>1</sup>

Celestica is committed to distinguishing our company as a leader in ESG. By partnering with our employees, customers and suppliers, and the communities in which we operate, ESG is ingrained into all aspects of business at Celestica.

 **14.4%** year over year decrease in Scope 1 & 2  
**GREENHOUSE GAS EMISSIONS**  
 from 2019 not including Energy Attributable Certificates (EACs)

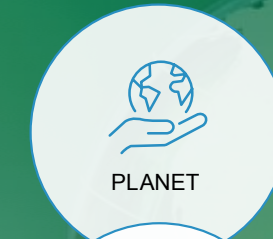
 **92.5%**  
**WASTE DIVERSION RATE**  
 in 2020

 **18,800+** working hours  
**VOLUNTEERED IN LOCAL COMMUNITIES**  
 in 2020

 **10,000** MT of CO<sub>2</sub>e  
 averted through  
**RENEWABLE ENERGY PROJECTS**  
 in 2020

 **18,300+** employees  
 have successfully completed the  
**SUSTAINABLE WORKSPACE PLEDGE**  
 and are taking action to live more sustainably

## ELEMENTS OF SUSTAINABILITY



We are the first of our peers to have our goals approved by the Science-Based Targets Initiative



Diversity and Inclusion

Established Employee Resource Groups organized around a shared identity



Top 1% rating from EcoVadis, a global universal sustainability ratings provider

<sup>1</sup> All figures listed are estimates.



# Financial Outlook

Mandeep Chawla  
CFO



## As we transformed our business we stabilized our financial performance

<b>Revenue Growth</b>	<ul style="list-style-type: none"><li>• <b>Returned to top line growth</b> in the fourth quarter of 2021 (4Q 2021) after disengaging from \$1.25B of non-strategic revenue</li></ul>
<b>Revenue / Profit Diversification</b>	<ul style="list-style-type: none"><li>• Improved consistency of results by <b>growing our Lifecycle Solutions revenue<sup>1</sup> concentration to 61% of overall revenue</b> in 2021</li></ul>
<b>Earnings Expansion</b>	<ul style="list-style-type: none"><li>• <b>Record non-IFRS operating margin<sup>1</sup> of 4.9% in Q4 2021</b>, capping 8 consecutive quarters of non-IFRS operating margin growth</li><li>• Earnings before income taxes (EBIT) as a percentage of revenue was 2.8% in Q4 2021</li></ul>
<b>Cash Generation</b>	<ul style="list-style-type: none"><li>• <b>Focused on driving \$100M+ of non-IFRS free cash flow (FCF)<sup>1</sup> annually</b><ul style="list-style-type: none"><li>- Generated ~\$480M of non-IFRS FCF over the last 5 years</li><li>- Generated ~\$970M in Cash Provided by Operations over the last 5 years</li></ul></li></ul>

<sup>1</sup> See the Appendix for information on our definition and rationale for the use of these non-IFRS financial measures and ratios, and a reconciliation of Lifecycle Solutions revenue to IFRS revenue for recent periods. See “Non-IFRS Financial Measures” in (i) our MD&A for each of the first three quarters of each of 2020 and 2021 (available at [www.sedar.com](http://www.sedar.com) and on Form 6-K at [www.sec.gov](http://www.sec.gov)) and (ii) our MD&A for 2020 and 2021 (available at [www.sedar.com](http://www.sedar.com) and in Item 5 of each of our 2020 and 2021 Annual Report on Form 20-F (available at [www.sec.gov](http://www.sec.gov))) for, among other things, reconciliations of non-IFRS operating earnings and non-IFRS operating margin to EBIT and EBIT as a percentage of revenue (EBIT%), respectively, for each quarter of 2020 and 2021, and the full year 2020 and 2021, which reconciliations are incorporated herein by reference. See “Non-IFRS Financial Measures” in our MD&A for each of 2017 through 2021 (available at [www.sedar.com](http://www.sedar.com) and in Item 5 of our Annual Report on Form 20-F for each of 2017 through 2021 (available at [www.sec.gov](http://www.sec.gov))) for, among other things, reconciliations of non-IFRS FCF to cash provided by operations for each such year, which reconciliations are incorporated herein by reference.



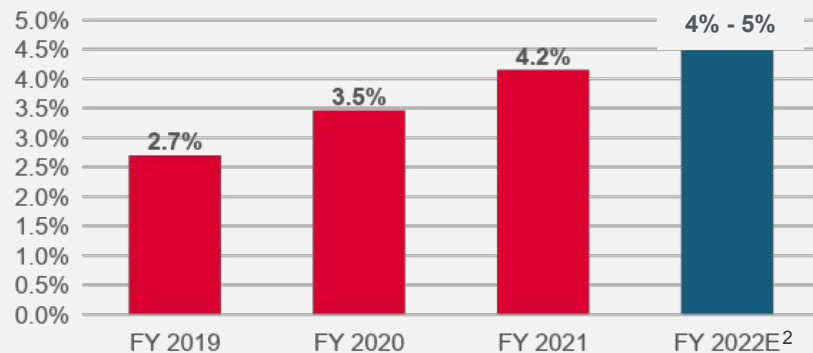
# Celestica is focused on growth and non-IFRS operating margin<sup>1</sup> expansion going into 2022

**Revenue**  
(\$B)

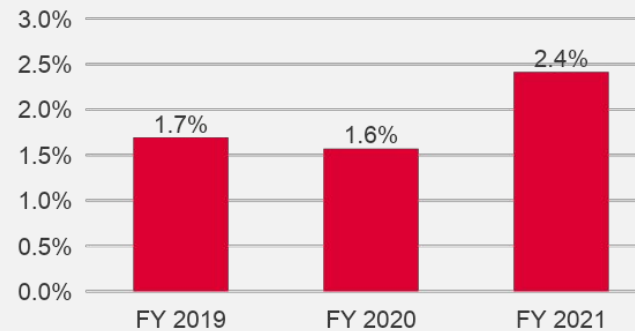


- Portfolio shaping complete
- Returned to top line growth in Q4 2021
- Anticipate 10% or more growth in 2022 in Lifecycle Solutions

**Non-IFRS Operating Margin<sup>1</sup>**



**IFRS EBIT as a Percentage of Revenue**



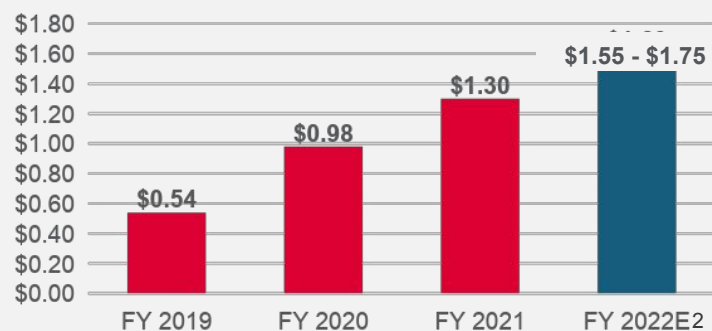
- Record non-IFRS operating margin<sup>1</sup> in Q4 2021
- Well positioned for strong non-IFRS operating margin<sup>1</sup> in 2022 and beyond

<sup>1</sup> See the Appendix for information on our definition and rationale for the use of this non-IFRS financial ratio. See "Non-IFRS Financial Measures" in our MD&A for each of 2019 through 2021 (available at [www.sedar.com](http://www.sedar.com) and in Item 5 of our Annual Report on Form 20-F for each of 2019 through 2021 (available at [www.sec.gov](http://www.sec.gov))) for, among other things, reconciliations of non-IFRS operating earnings and non-IFRS operating margin to EBIT and EBIT%, respectively, for each such year, which reconciliations are incorporated herein by reference.

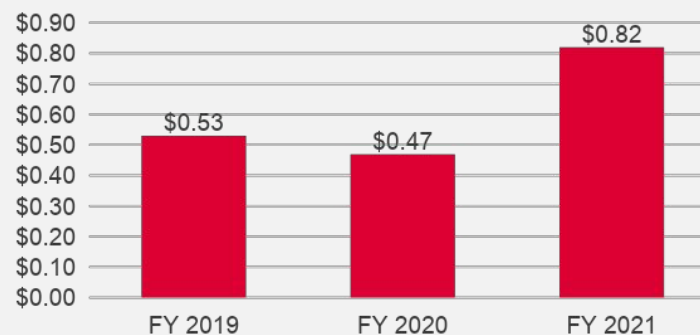
<sup>2</sup> Assuming the severity of supply chain constraints experienced in Q4 2021 do not significantly worsen, we anticipate 2022 non-IFRS operating margin to be in the range of 4.0% - 5.0%. We do not provide reconciliations for forward-looking non-IFRS financial measures as we are unable to provide a meaningful or accurate calculation or estimation of reconciling items and the information is not available without unreasonable effort. See Non-IFRS Financial Measures on slide 3. Forward-looking non-IFRS financial measures may vary materially from the corresponding IFRS financial measures. See the Appendix for assumptions underlying these estimates.

# Celestica continues to focus on earnings growth with strong non-IFRS FCF<sup>1</sup> generation

## Non-IFRS Adjusted EPS<sup>1</sup>



## IFRS EPS – Diluted

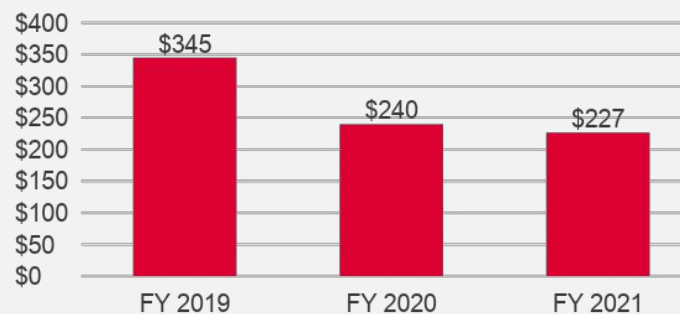


- Nearly set a non-IFRS adjusted EPS<sup>1</sup> record in Q4 2021 and targeting 20% to 35% non-IFRS adjusted EPS<sup>1</sup> growth in 2022

## Non-IFRS FCF<sup>1</sup> (\$M)



## IFRS Cash Provided by Operations (\$M)<sup>4</sup>



- Targeting \$100M or more in non-IFRS FCF<sup>1</sup> in 2022, while navigating the dynamic supply chain environment

<sup>1</sup> See the Appendix for information on our definition and rationale for the use of these non-IFRS financial measures and ratios. See “Non-IFRS Financial Measures” in our MD&A for each of 2019 through 2021 (available at [www.sedar.com](http://www.sedar.com) and in Item 5 of our Annual Report on Form 20-F for each of 2019 through 2021 (available at [www.sec.gov](http://www.sec.gov))) for, among other things, reconciliations of non-IFRS FCF to cash provided by operations, non-IFRS adjusted net earnings to IFRS net earnings, and non-IFRS adjusted EPS to IFRS EPS for each such year, which reconciliations are incorporated herein by reference. These targets constitute our objectives and goals, and are not intended to be projections or forecasts of future performance. Our future performance is subject to risks, uncertainties and other factors that could cause actual outcomes and results to differ materially from such goals. See the Appendix for assumptions underlying these targets.

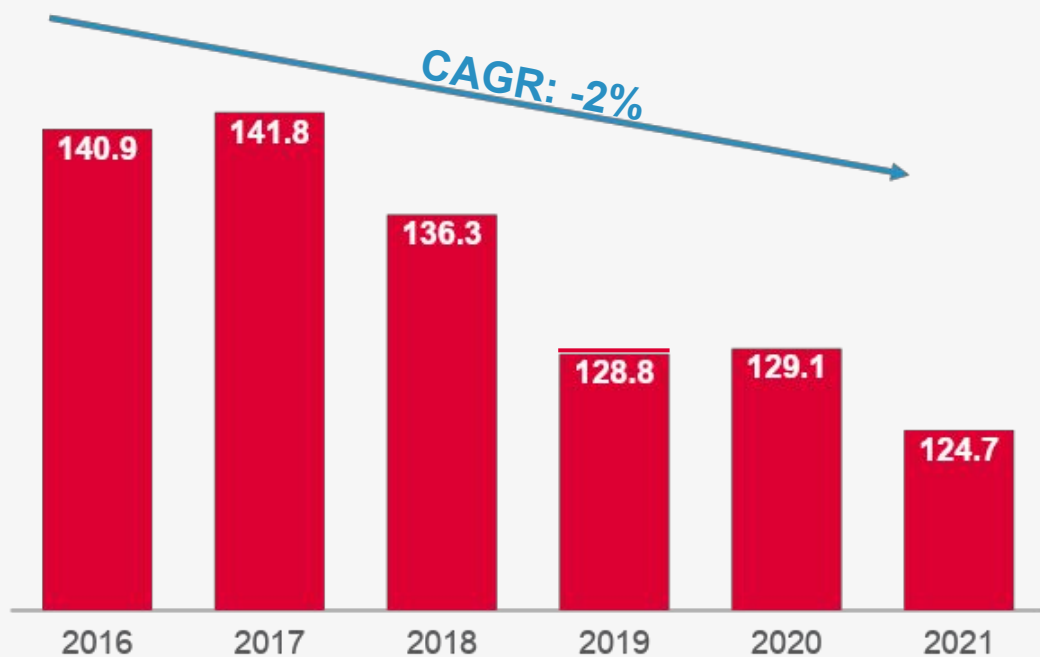
<sup>2</sup> We do not provide reconciliations for forward-looking non-IFRS financial measures as we are unable to provide a meaningful or accurate calculation or estimation of reconciling items and the information is not available without unreasonable effort. See Non-IFRS Financial Measures on slide 3. Forward-looking non-IFRS financial measures may vary materially from the corresponding IFRS financial measures

<sup>3</sup> Excludes \$113M Toronto facility sale proceeds

<sup>4</sup> Including ~\$100M of Capex

# Celestica's capital allocation priorities are focused on generating strong non-IFRS FCF, returning cash to shareholders, and investing in the business

## Share Count



- Reduced shares outstanding by 11% since 2017
- Deployed over \$300M to share repurchases since 2016

## Acquisitions

- Celestica deploys a stringent M&A filter focused on capability-backed acquisitions intended to enhance our presence in high-value markets
- Acquisitions aligned to our strategic roadmaps and outweigh alternative uses of cash
- All acquisitions are targeted to be non-IFRS adjusted EPS accretive in Year 1 and the IRR<sup>1</sup> should exceed cost of capital by Year 2

## Capex

- Target to spend between 1.5% and 2.0% of revenue on capex investments
- Investments in line with strategic roadmaps and focused on building new, or bolstering existing, capabilities

<sup>1</sup> IRR is a non-IFRS financial measure, and is defined as (non-IFRS operating earnings minus income tax expense)/acquisition price. See the Appendix for the definition of non-IFRS operating earnings and Analyst Webcast | March 24, 2022 | Celestica



# We are targeting to deliver \$2.00 or more of non-IFRS adjusted EPS<sup>1</sup> in 2025<sup>2</sup>

## Non-IFRS Adjusted EPS<sup>1</sup> Outlook



## Key objectives to enable non-IFRS adjusted EPS outlook<sup>2</sup>

- Annual Lifecycle Solutions<sup>1</sup> revenue growth of 10% or more
- Long term non-IFRS operating margin<sup>1</sup> above 4%
- Annual non-IFRS adjusted EPS<sup>1</sup> growth of 10%+

<sup>1</sup> See the Appendix for information on our definition and rationale for the use of these non-IFRS financial measures and ratios, and for the assumptions underlying the objectives and goals presented on this slide. See “Non-IFRS Financial Measures” in our MD&A for each of 2016 through 2021 (available at [www.sedar.com](http://www.sedar.com) and in Item 5 of our Annual Report on Form 20-F for each of 2016 through 2021 (available at [www.sec.gov](http://www.sec.gov))) for, among other things, reconciliations of non-IFRS adjusted net earnings to IFRS net earnings, and adjusted EPS to IFRS EPS for each such year, which reconciliations are incorporated herein by reference thereto.

<sup>2</sup> The forward-looking items on this slide constitute our objectives and goals, and are not intended to be projections or forecasts of future performance. Our future performance is subject to risks, uncertainties and other factors that could cause actual outcomes and results to differ materially from such goals. We do not provide reconciliations for forward-looking non-IFRS financial measures as we are unable to provide a meaningful or accurate calculation or estimation of reconciling items and the information is not available without unreasonable effort. See Non-IFRS Financial Measures on slide 3.

# HPS

Jason Phillips, President CCS





# The Evolution of Hardware Platform Solutions

Our customers now see us as a hardware innovator and our supplier ecosystem views us as demand generators



## Joint Design & Manufacturing (JDM)

- Portfolio reference designs
- Customer specifications
- Customer-funded

## Integration Solutions

- Celestica innovation, investment and platform designs
- Complete rack solutions
- Software/silicon ecosystem

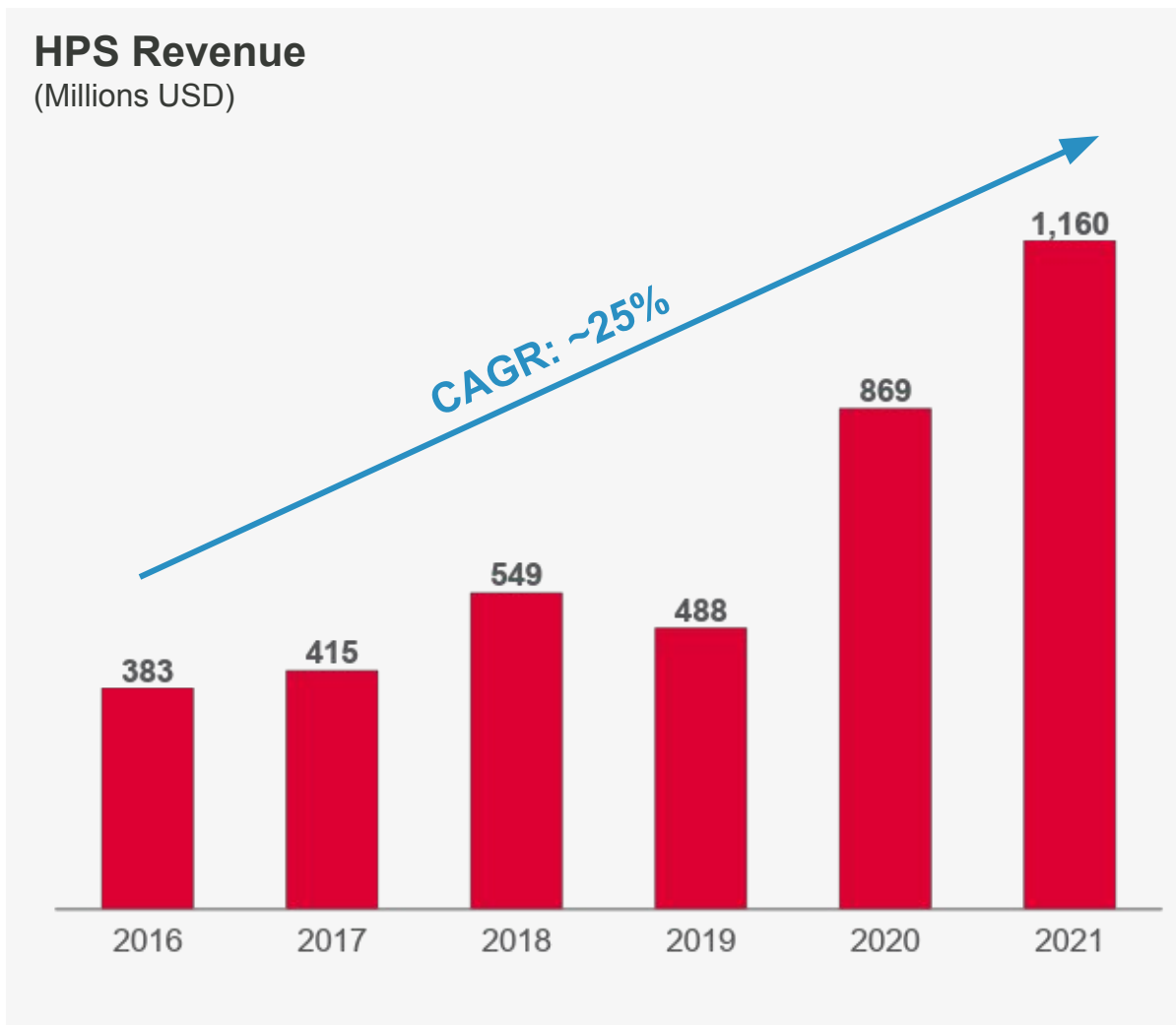


## Technology Company

- Integrated hardware solutions and open source software leaders
- Stand alone technology innovation augmented with ecosystem co-development
- End-to-end product lifecycle management



# Built on our 20-year legacy, R&D investments significantly accelerated growth in our HPS business



<b>Engineers</b> 500+	<b>Patents</b> 280+	<b>Shipped Volume</b> 3M+
<b>Products Launched</b> 160+	<b>Enterprise Customers</b> 50	<b>Hyperscaler Customers</b> 27

# HPS has differentiated itself from its ODM and EMS competitors

## Diversified Portfolio

- Leverage portfolio of Celestica-designed platforms and services across all core data center technologies
  - Focus on high-complexity systems and technologies
- 

## Diversified Global Network

- Design and manufacturing teams based in US, Europe, Mexico, Southeast Asia, India (software) and China providing customers geographic diversification and redundancy within the Celestica network
- 

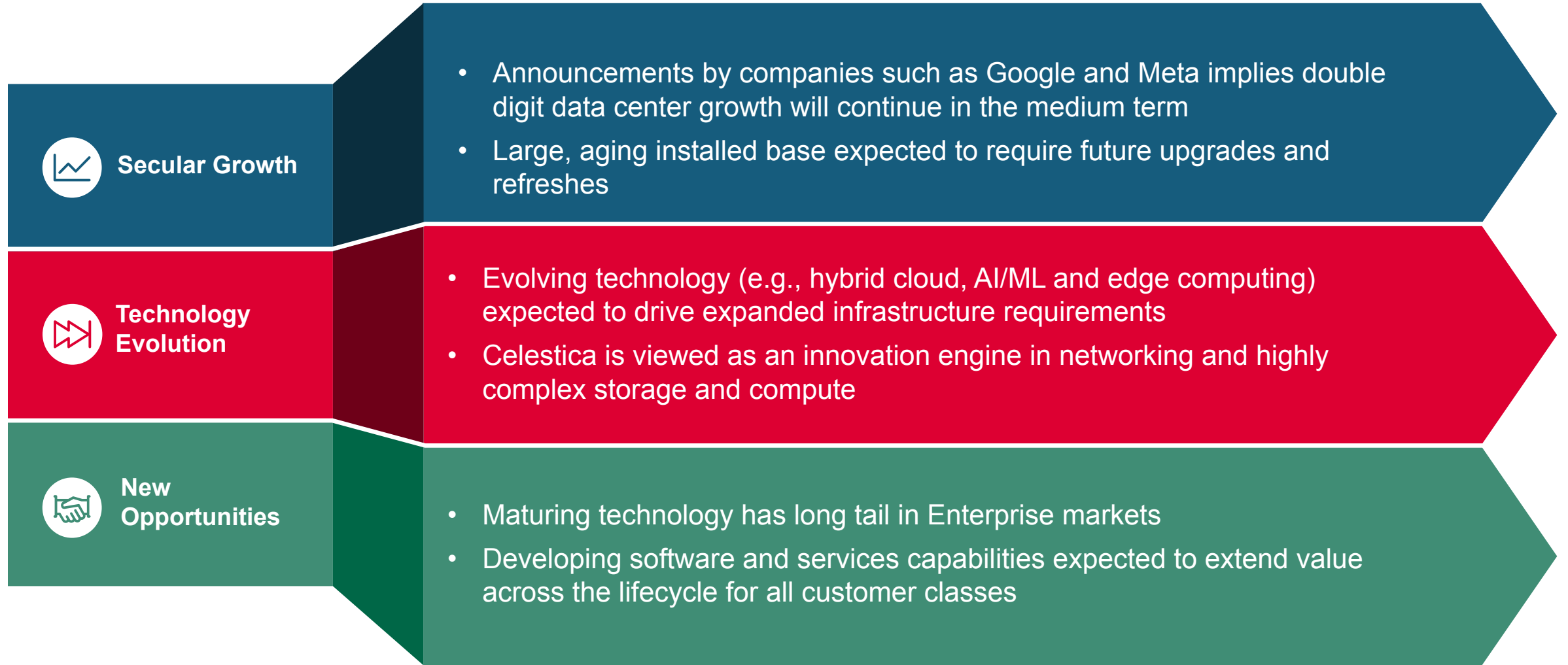
## Customer Engagement

- Incumbency advantage cultivated by unique pre-sales process
  - Collaboration with customers' engineering teams, differentiated application engineering support and industry ecosystem partners
- 

## Supplier Ecosystem

- HPS is a demand generator for its tailor-made supply network resulting in mutually beneficial supply relationships

# Anticipated HPS growth is buttressed by encouraging market growth expectations, technology advancements as well as business model expansion



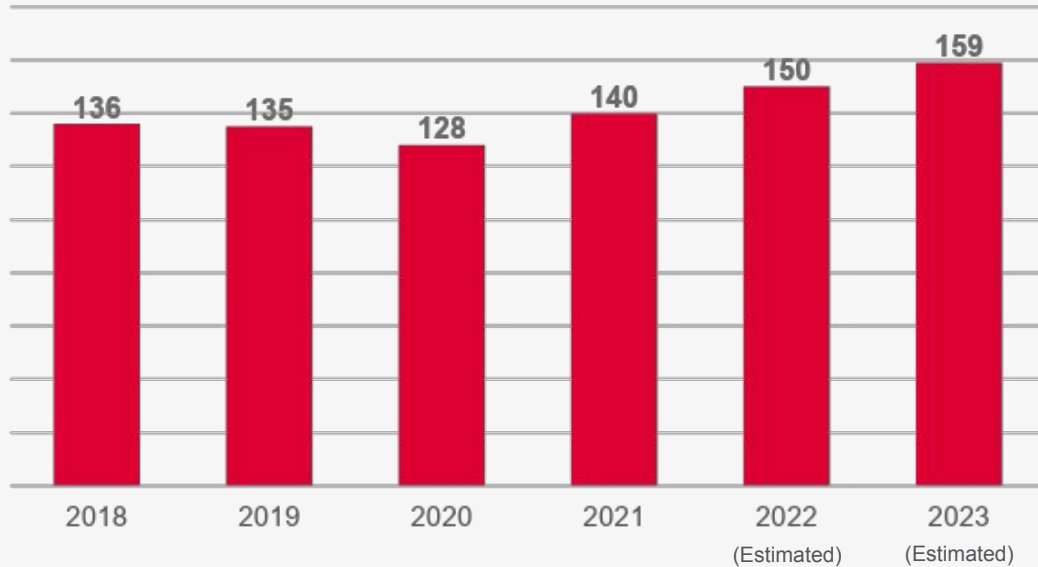




# Secular growth expected to continue while new demands on data centers further bolster growth

## Hyperscaler Data Center Spend

(Billions USD)<sup>1</sup>



CAGR:

Category	CAGR
Storage	15%
Networking	22%
Compute	8%
Total Market	6%

## Growth Drivers

- **Hyperscalers announce significant data center capex** as streaming, cloud hosting, remote working, gaming, augmented reality, telecom upgrade cycles and e-commerce require continued data center buildout
- **Aging data centers beginning refresh cycles**
- **AI and machine learning changing data center architecture requirements** as hyperscalers require software-defined and disaggregated storage and edge computing
- **Increased investment in modular datacenter and connectivity** to help quickly establish infrastructure for 5G, smart cities and edge-computing needs

HPS EXPERTISE



Celestica has a leadership position in networking, with extensive expertise in niche, high-value storage and compute

<sup>1</sup> Comprised of hyperscale compute, networking and other infrastructure. Source IDC



## Data center technology is rapidly evolving and Celestica's reputation for designing leading edge technology positions us well to partner with customers



**Hyperscalers – 100G-800G Ethernet Switching**



**Telecom – 5G Mobile Any Haul**



**Enterprise – Campus Switching Access**



**Data Centre & Enterprise Open-Source Operating Systems**



**Storage – Mid & High End**



**Artificial Intelligence, Machine Learning and Acceleration Applications**

### Growth Drivers

- Celestica has established a reputation for innovation and leading-edge design
- Celestica's technology roadmaps are ahead of the curve
- HPS has long-standing customer relationships providing an incumbency advantage



# HPS can leverage today's innovative technology in tomorrow's enterprise customers' data centers

## HYPERSCALERS:

Celestica partners with hyperscalers to drive innovation in data center technology

## ENTERPRISE CUSTOMERS:

Celestica partners with enterprise customers to relevant technologies for their requirements

Hyperscaler Data Center Network Architecture TAM: **\$4B<sup>1</sup>**

Enterprise Data Center Network Architecture TAM : **\$18B<sup>2</sup>**

Innovators

Early Adopters

Early Majority

Late Majority

Mature

Current Focus

Future Opportunity

<sup>1</sup> Planned Hyperscaler data center spend in 2022. Source IDC

<sup>2</sup> Planned Non-hyperscaler/traditional data center spend in 2022 Source IDC





# Closing Remarks


Rob Mionis, President & CEO

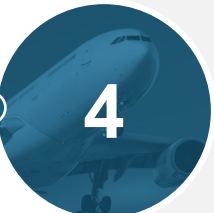


# Celestica is well positioned for future success

- 

**We have invested in new capabilities across the product lifecycle**  
Celestica has differentiated itself from its peers which has been demonstrated through market share gains and record bookings
- 

**We are growing in targeted and defensible Lifecycle Solutions markets**  
Lifecycle Solutions, a diversified portfolio with high barriers to entry and long-standing customer relationships, now accounts for over 61% of our revenue and is growing
- 

**We have a strong balance sheet and disciplined capital deployment strategy**  
Celestica's balance sheet allows for optionality to pursue high-return investments and opportunistic repurchases of shares through normal course issuer bid program
- 

**The Celestica Operating System is intended to ensure we remain a leader in operations**  
We have instilled a culture of continuous improvement so we can remain a leader in operational consistency and supply chain management

# Question & Answer





# Built to Win

OUR  
GOAL:

To be the undisputed industry leader in end-to-end product lifecycle solutions across higher value markets

## Celestica has:

- Revitalized our value proposition
- Reshaped our business portfolio
- Reengineered our operating model

**We are ready to win the future**



# IX Non-IFRS Supplementary Information

In addition to disclosing detailed operating results in accordance with IFRS, Celestica provides supplementary non-IFRS financial measures (including ratios) to consider in evaluating the company's operating performance. Management uses adjusted net earnings and other non-IFRS financial measures to assess operating performance and the effective use and allocation of resources; to provide more meaningful period-to-period comparisons of operating results; to enhance investors' understanding of the core operating results of Celestica's business; and to set management incentive targets. We believe investors use both IFRS and non-IFRS financial measures to assess management's past, current and future decisions associated with our priorities and our allocation of capital, as well as to analyze how our business operates in, or responds to, swings in economic cycles or to other events that impact our core operations.

The non-IFRS financial measures included in this presentation are: Lifecycle Solutions revenue, operating margin (operating earnings or adjusted EBIAT as a percentage of revenue), adjusted EPS, and free cash flow. In calculating our non-IFRS financial measures, management excludes the following items where indicated in the definitions below: employee stock-based compensation (SBC) expense, amortization of intangible assets (excluding computer software), Other Charges, net of recoveries (defined below), Finance Costs (defined below), and acquisition inventory fair value adjustments, all net of the associated tax adjustments and non-core tax impacts (tax adjustments related to acquisitions, and certain other tax costs or recoveries related to restructuring actions or restructured sites).

We believe the non-IFRS financial measures we present herein are useful to investors, as they enable investors to evaluate and compare our results from operations in a more consistent manner (by excluding specific items that we do not consider to be reflective of our core operations), to evaluate cash resources that we generate from our business each period, and to provide an analysis of operating results using the same measures our chief operating decision makers use to measure performance. These non-IFRS financial measures result largely from management's determination that the facts and circumstances surrounding the excluded charges or recoveries are not indicative of our core operations.

Non-IFRS financial measures do not have any standardized meaning prescribed by IFRS and therefore may not be comparable to similar measures presented by other companies that report under IFRS, or who report under U.S. GAAP and use non-GAAP financial measures to describe similar financial metrics. Non-IFRS financial measures are not measures of performance under IFRS and should not be considered in isolation or as a substitute for any IFRS financial measure.

The most significant limitation to management's use of non-IFRS financial measures is that the charges or credits excluded from the non-IFRS financial measures are nonetheless recognized under IFRS and have an economic impact on us. Management compensates for these limitations primarily by issuing IFRS results to show a complete picture of our performance, and reconciling non-IFRS financial measures back to the most directly comparable IFRS financial measures.

Lifecycle Solutions portfolio revenue consists of our combined ATS segment and HPS business revenues. We disclose the combined revenue of these businesses as they share several key characteristics and commercial strategy focus, including robust long-term growth prospects, higher-value added solutions throughout the product lifecycle, and higher margins than our traditional CCS segment businesses. See below for a reconciliation of Lifecycle Solutions revenue to IFRS revenue:

\$US millions	FY 2017		FY 2018		FY 2019		FY 2020		FY 2021	
Revenue	\$ 6,143		\$ 6,633		\$ 5,888		\$ 5,748		\$ 5,635	
HPS Revenue	413		542		479		862		1,152	
<i>% of revenue</i>		7%		8%		8%		15%		20%
ATS Segment Revenue	1,959		2,209		2,286		2,086		2,315	
<i>% of revenue</i>		32%		33%		39%		36%		41%
Lifecycle Solution Revenue	\$ 2,372		\$ 2,751		\$ 2,765		\$ 2,948		\$ 3,467	
<i>% of revenue</i>		39%		41%		47%		51%		61%

The economic substance of the exclusions described above (where applicable to the periods presented) and management's rationale for excluding them from non-IFRS financial measures is provided below:

Employee SBC expense, which represents the estimated fair value of stock options, restricted share units and performance share units granted to employees, is excluded because grant activities vary significantly from quarter-to-quarter in both quantity and fair value. In addition, excluding this expense allows us to better compare core operating results with those of our competitors who also generally exclude employee SBC expense in assessing operating performance, who may have different granting patterns and types of equity awards, and who may use different valuation assumptions than we do.

Amortization charges (excluding computer software) consist of non-cash charges against intangible assets that are impacted by the timing and magnitude of acquired businesses. Amortization of intangible assets varies among our competitors, and we believe that excluding these charges permits a better comparison of core operating results with those of our competitors who also generally exclude amortization charges in assessing operating performance.

Other Charges, net of recoveries, consist of, when applicable: Restructuring Charges, net of recoveries (defined below); Transition Costs (defined below); net Impairment charges (defined below); consulting, transaction and integration costs related to potential and completed acquisitions, and charges or releases related to the subsequent re-measurement of indemnification assets or the release of indemnification or other liabilities recorded in connection with acquisitions, when applicable; legal settlements (recoveries); specified credit facility-related charges; and post-employment benefit plan losses. We exclude these charges, net of recoveries, because we believe that they are not directly related to ongoing operating results and do not reflect expected future operating expenses after completion of these activities or incurrence of the relevant costs. Our competitors may record similar charges at different times, and we believe these exclusions permit a better comparison of our core operating results with those of our competitors who also generally exclude these types of charges, net of recoveries, in assessing operating performance. See our quarterly earnings releases and MD&A for separate quantification of the components of Other charges (recoveries) for relevant periods.

Restructuring Charges, net of recoveries, consist of costs relating to: employee severance, lease terminations, site closings and consolidations; write-downs of owned property and equipment which are no longer used and are available for sale; and reductions in infrastructure.

Transition Costs consist of: (i) costs recorded in connection with the relocation of our Toronto manufacturing operations, and the move of our corporate headquarters into and out of a temporary location during, and upon completion, of the construction of space in a new office building at our former location (all in connection with the 2019 sale of our Toronto real property) and (ii) costs recorded in connection with the transfer of manufacturing lines from closed sites to other sites within our global network. Transition Costs consist of direct relocation and duplicate costs (such as rent expense, utility costs, depreciation charges, and personnel costs) incurred during the transition periods, as well as cease-use costs incurred in connection with idle or vacated portions of the relevant premises that we would not have incurred but for these relocations and transfers. We believe that excluding these costs permits a better comparison of our core operating results from period-to-period, as these costs will not reflect our ongoing operations once these relocations and manufacturing line transfers are complete.

Impairment charges, which consist of non-cash charges against goodwill, intangible assets, property, plant and equipment, and right-of-use (ROU) assets, result primarily when the carrying value of these assets exceeds their recoverable amount.

Finance Costs consist of interest expense and fees related to our credit facility (including debt issuance and related amortization costs), our interest rate swap agreements, our accounts receivable sales program and customers' supplier financing programs, and interest expense on our lease obligations, net of interest income earned. We believe that excluding these costs provides useful insight for assessing the performance of our core operations.

Acquisition inventory fair value adjustments relate to the write-up of the inventory acquired in connection with our acquisitions, when applicable, representing the difference between the cost and fair value of such inventory. We exclude the impact of the recognition of these adjustments, when incurred, because we believe such exclusion permits a better comparison of our core operating results from period-to-period, as their impact is not indicative of our ongoing operating performance.

Non-core tax impacts are excluded, as we believe that these costs or recoveries do not reflect core operating performance and vary significantly among those of our competitors who also generally exclude these costs or recoveries in assessing operating performance.

### Non-IFRS Measure Definitions

**Non-IFRS operating margin** is defined as non-IFRS operating earnings as a percentage of revenue. **Non-IFRS operating earnings (adjusted EBIAT)** is defined as earnings (loss) before income taxes, Other Charges (recoveries) (defined above), Finance Costs (defined above), employee SBC expense, and amortization of intangible assets (excluding computer software). Management uses non-IFRS operating earnings (adjusted EBIAT) as a measure to assess performance related to our core operations.

**Non-IFRS adjusted EPS** is defined as non-IFRS adjusted net earnings divided by the number of diluted weighted average shares outstanding. **Non-IFRS adjusted net earnings** is defined as net earnings (loss) before: employee SBC expense; amortization of intangible assets (excluding computer software); Other Charges (recoveries) (defined above); the income tax effect of the foregoing adjustments; and non-core tax impacts (tax adjustments related to acquisitions, and certain other tax costs or recoveries related to restructuring actions or restructured sites). See our quarterly earnings releases and MD&A for separate quantification of such income tax effects and non-core tax impacts for relevant periods.

**Non-IFRS FCF** is defined as cash provided by (used in) operations after the purchase of property, plant and equipment (net of proceeds from the sale of certain surplus equipment and property), lease payments, and Finance Costs paid (excluding any debt issuance costs and when applicable, waiver fees related to our credit facility paid). We do not consider debt issuance costs or such waiver fees (when applicable) to be part of our ongoing financing expenses. As a result, these costs are excluded from total Finance Costs paid in our determination of non-IFRS FCF. Management uses non-IFRS FCF as a measure, in addition to IFRS cash provided by (used in) operations, to assess our operational cash flow performance. We believe non-IFRS FCF provides another level of transparency to our liquidity. Note, however, that non-IFRS FCF does not represent residual cash flow available to Celestica for discretionary expenditures.



## Assumptions Underlying Projections, Goals and Targets

**In estimating certain projections, goals and targets, including: (1) non-IFRS adjusted EPS (slides 9, 22 and 24); (2) Lifecycle Solutions revenue growth (slides 10, 21 and 24); (iii) 2022 revenue (slide 21); (iv) non-IFRS FCF (slides 20 and 22); and (vi) non-IFRS operating margin (slides 21 and 24), the following assumptions apply:**

Continued growth (and recovery from adverse COVID-19 impacts) in the broader economy, supporting the expected growth outlook in Celestica's end markets; the relative stability of general economic and market conditions, and currency exchange rates; continued growth in the trend of manufacturing outsourcing from customers in diversified end markets, supporting the expected long-term growth of Celestica's ATS segment; no further material impact (other than that which is already anticipated) on revenues and costs as a result of COVID-19-related issues, including but not limited to, measures from governments to curb the spread of the virus and potential mutations, negative impacts on global supply chains, and no significant negative impacts to Celestica's operations which would adversely affect revenues, gross margins or non-IFRS operating margin; normal customer retention rates and the impact of expected new program wins, transfers, losses or disengagements; no unforeseen changes in our mix of customers and/or the types of products or services we provide; no unforeseen adverse impacts from the potential impact of the pace of technological changes, customer outsourcing, program transfers, and the global economic environment; no undue negative impact on our customers' ability to compete and succeed using our products and services from unforeseen developments in the broader economy, or in those customers' industries; no unforeseen material price, margin pressures, or other competitive factors or adverse market conditions affecting the EMS industry in general or our segments in particular; and that matters set forth in the Risk Factors section of our 2021 Annual Report on Form 20-F do not occur.