

First Quarter 2024 Financial Results

April 25, 2024



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; and our anticipated financial and/or operational results and targets, including those on slides 10 – 13. 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,” “outlook,” “objective,” “goal,” “guidance,” “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, where applicable, 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. Forward-looking statements reflect our current estimates, beliefs and assumptions, which are based on management’s perception of historic trends, current conditions and expected future developments, as well as other factors it believes are appropriate in the circumstances, such as certain assumptions about the economy, our customers, our suppliers, our ability to achieve our strategic goals, as well as market, financial and operational assumptions. Readers are cautioned that such information may not be appropriate for other purposes. Readers should not place undue reliance on such forward-looking information.

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; reduction in customer revenue; erosion in customer market competitiveness; changing revenue mix and margins; uncertain market, political and economic conditions; operational challenges such as inventory management and materials and supply chain constraints; the cyclical nature and/or volatility of certain of our businesses; talent management and inefficient employee utilization; risks related to the expansion or consolidation of our operations; cash flow, revenue and operating results variability; technology and IT disruption; increasing legal, tax and regulatory complexity and uncertainty; integrating and achieving the anticipated benefits from acquisitions; and the potential adverse impacts of events outside of our control.

For more exhaustive information on the foregoing and other material risks, uncertainties and assumptions readers should refer to our public filings at www.sedarplus.ca and www.sec.gov, including in our most recent Management’s Discussion and Analysis of Financial Condition and Results of Operations, 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 the Canadian Securities Administrators, as applicable.

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 expressly required by applicable law.

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

Note Regarding 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 report under 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.

Currency

Unless otherwise specified, all references to dollars in this presentation are to U.S. dollars.

CEO Remarks



Q1 2024 Highlights

\$US	Q1 2024	Comments
Revenue	\$2.21B	Aggregate 20% YTY Increase; 3% YTY Decrease in ATS 38% YTY Increase in CCS
Non-IFRS Operating Margin ¹	6.2%	Up 100 bps YTY
Non-IFRS Adjusted EPS – diluted ¹	\$0.86	Up 39 cents YTY
IFRS financial measures <i>(Most directly comparable to non-IFRS financial measures above)</i>	Q1 2024	Comments
Earnings from Operations as a Percentage of Revenue	6.0%	Up 280 bps YTY
EPS - diluted	\$0.85	Up 65 cents YTY

¹ See “Note Regarding Non-IFRS Financial Measures”. Also see the Appendix for, among other things, the definition and uses of non-IFRS operating margin and non-IFRS adjusted EPS, and a reconciliation of these non-IFRS financial measures (in the case of these ratios, the non-IFRS financial measure used in calculating such ratio) to the most directly comparable IFRS financial measures. Commencing in Q2 2023, Accounting Costs (defined on slide 19) are included in Other Charges, which are excluded in the determination of these non-IFRS financial measures.

ATS¹ and CCS² Segment Revenue and Profitability

Q1 2023 Revenue ⁴



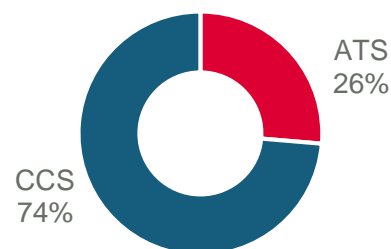
Q1 2024 Revenue ⁵



Q1 2023 % of Total Segment Income



Q1 2024 % of Total Segment Income



- **Non-IFRS Lifecycle Solutions** revenue⁷ accounted for 58% of total revenue in Q1 2024 (compared to 63% of total revenue in Q1 2023)

Q1 2024 Revenue \$	Sequential	Year over Year
ATS	Down 4%	Down 3%
CCS	Up 8%	Up 38%
<i>Communications</i>	<i>Up 6%</i>	<i>Up 17%</i>
<i>Enterprise³</i>	<i>Up 9%</i>	<i>Up 72%</i>

Segment Income ⁶ \$	Q1 2023	Q1 2024
ATS	34.6M	36.2M
CCS	60.8M	101.2M

Segment Margin ⁶	Q1 2023	Q1 2024
ATS	4.4%	4.7%
CCS	5.8%	7.0%

¹ Our ATS segment consists of our ATS end market, and is comprised of our Aerospace & Defense (A&D), Industrial, HealthTech, and Capital Equipment businesses.

² Our CCS segment consists of our Communications and Enterprise end markets.

³ Our Enterprise end market consists of our Servers and Storage businesses.

⁴ In Q1 2023, Communications represented 36% of total revenue and Enterprise represented 21% of total revenue.

⁵ In Q1 2024, Communications represented 34% of total revenue and Enterprise represented 31% of total revenue.

⁶ See footnote 1 on slide 18 for the definition of segment income and segment margin.

⁷ Non-IFRS Lifecycle Solutions revenue consists of combined ATS segment and HPS business revenues (our HPS business is part of our CCS segment). See "Note Regarding Non-IFRS Financial Measures". Also see the Appendix for, among other things, uses for this non-IFRS financial measure, and a reconciliation of this non-IFRS financial measure to IFRS revenue for Q1 2024 and Q1 2023.

Q1 2024 Highlights¹

\$US Millions (Except for per share amounts and %)	Q1 2024	B/(W) QTQ (vs. Q4 2023)	B/(W) YTY (vs. Q1 2023)
Revenue	\$2,209	\$68	\$371
Non-IFRS Adjusted Gross Margin	10.2%	(0.2%)	0.8%
Non-IFRS Adjusted SG&A	\$70.1	\$6.6	(\$5.8)
Non-IFRS Operating Earnings (adjusted EBIAT) ²	\$137.4	\$9.7	\$42.0
Non-IFRS Operating Margin ²	6.2%	0.2%	1.0%
Non-IFRS Adjusted Effective Tax Rate ²	15%	5%	7%
Non-IFRS Adjusted Net Earnings ²	\$102.3	\$12.0	\$45.1
Non-IFRS Adjusted EPS – diluted ²	\$0.86	\$0.10	\$0.39
Non-IFRS Adjusted ROIC	24.8%	1.5%	6.9%
Most directly-comparable IFRS financial measures (to non-IFRS financial measures above)	Q1 2024	B/(W) QTQ (vs. Q4 2023)	B/(W) YTY (vs. Q1 2023)
Gross Margin	10.4%	Flat	1.5%
SG&A	\$65.2	\$10.5	\$12.7
Earnings from Operations	\$132.1	\$13.5	\$72.7
Earnings from Operations as a Percentage of Revenue	6.0%	0.5%	2.8%
Effective Tax Rate	12%	7%	22%
Net Earnings	\$101.7	\$17.5	\$77.0
EPS - diluted	\$0.85	\$0.15	\$0.65
IFRS ROIC	23.8%	2.2%	12.6%

¹ See “Note Regarding Non-IFRS Financial Measures”. Also see the Appendix for, among other things, definitions and uses of the non-IFRS financial measures (including ratios based on non-IFRS financial measures) set forth in the table, and a reconciliation of these non-IFRS financial measures (or, in the case of ratios, the non-IFRS financial measure used in calculating such ratio) to the most directly comparable IFRS financial measures.

² Commencing in Q2 2023, Accounting Costs (defined on slide 19) are included in Other Charges, which are excluded in the determination of these non-IFRS financial measures.

Working Capital

\$US Millions	Q1 2024	B/(W) QTQ (vs. Q4 2023)	B/(W) YTY (vs. Q1 2023)
Inventory Turns ¹	3.9x	0.4x	1.1x
Inventory	\$1,959	\$147	\$444
Customer Cash Deposits for Inventory ²	\$719	(\$185)	(\$91)

Cash Cycle Days

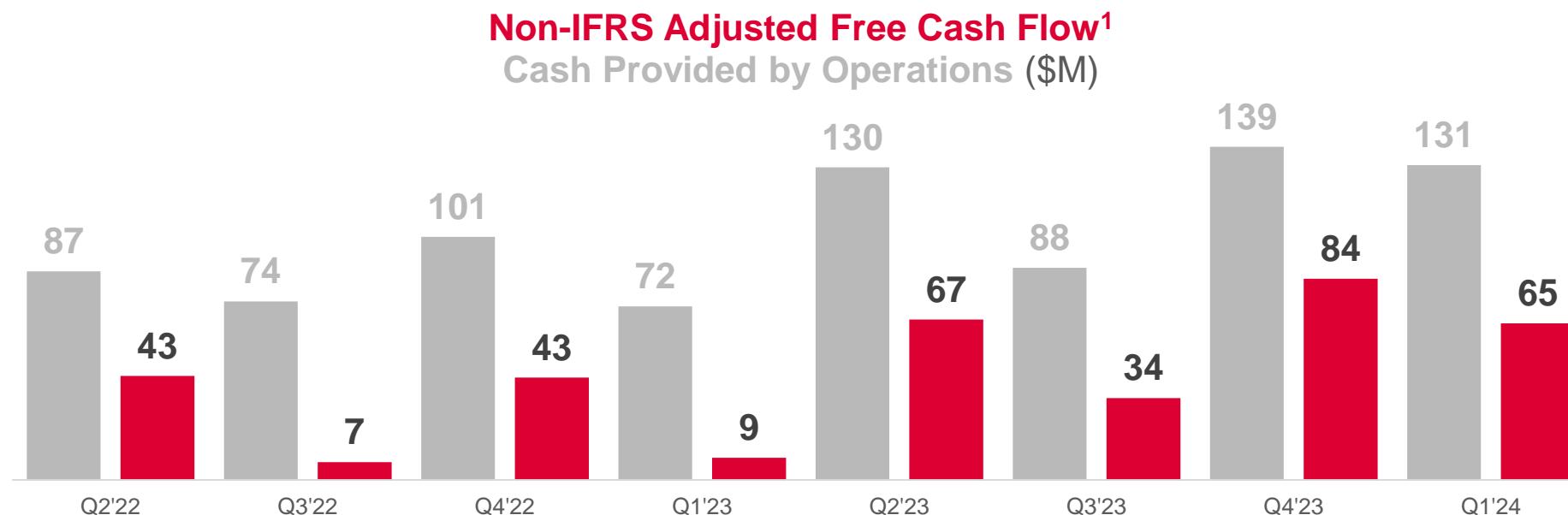
	Q1 2024	Q4 2023	Q1 2023
Days in A/R ³	75	72	66
Days in Inventory ³	94	104	130
Days in A/P ³	(62)	(62)	(76)
Days in Cash Deposits ^{2,3}	(38)	(42)	(45)
Cash Cycle Days	69	72	75

¹ Inventory turns are determined by dividing 365 by the number of days in inventory. Days in inventory are calculated by dividing the average inventory balance for the quarter by the average daily cost of sales.

² Celestica receives cash deposits from certain customers to help mitigate the impact of high inventory levels carried due to materials constraints, and to reduce risks related to excess and/or obsolete inventory.

³ Days in A/R is defined as the average A/R for the quarter divided by the average daily revenue. Days in inventory, days in A/P and days in cash deposits are calculated by dividing the average balance for each item for the quarter by the average daily cost of sales. Cash cycle days is defined as the sum of days in A/R and days in inventory minus the days in A/P and days in cash deposits.

Non-IFRS Adjusted Free Cash Flow¹



(\$US)	Q1 2024	QTQ (vs. Q4 2023)	YTY (vs. Q1 2023)
Capex	\$40M	\$7M	\$7M
Capex as a % of revenue	1.8%	0.3%	Flat %

¹ See "Note Regarding Non-IFRS Financial Measures". Also see the Appendix for, among other things, the definition and use of this non-IFRS financial measure, and a reconciliation of historic non-IFRS adjusted free cash flow to IFRS cash provided by operations.

Balance Sheet

Balance Sheet (as of March 31, 2024)

Cash and cash equivalents	\$308M
Revolver (excluding L/Cs)	\$28M
Term Loans	\$604M
Net Debt	\$324M
Non-IFRS Adjusted TTM Debt Leverage Ratio ^{1,2}	1.0x
IFRS TTM Debt Leverage Ratio ¹	1.4x
Total Liquidity ³	~\$900M

¹ Non-IFRS adjusted TTM debt leverage ratio is defined as gross-debt (total borrowings under our credit facility, excluding ordinary course letters of credit) to non-IFRS adjusted trailing twelve month (TTM) EBITDA ratio, and IFRS TTM debt leverage ratio is defined as gross debt to TTM earnings from operations ratio, both as of March 31, 2024. See slide 23 for a description of how non-IFRS adjusted EBITDA and non-IFRS adjusted TTM EBITDA are calculated.

² See "Note Regarding Non-IFRS Financial Measures" on slide 2. Also see slides 19 and 23 for information on our definition and rationale for the use of non-IFRS adjusted TTM debt leverage ratio and a reconciliation of non-IFRS adjusted TTM debt leverage ratio to IFRS TTM debt leverage ratio for March 31, 2024.

³ Total liquidity is defined as cash and cash equivalents as of March 31, 2024, plus the total availability under Celestica's Revolver

Q2 2024 Guidance^{1,2}

\$US	
Revenue	\$2.175B - \$2.325B
Non-IFRS Operating Margin	6.1% at the mid-point of revenue and non-IFRS adjusted EPS guidance ranges
Non-IFRS Adjusted EPS – diluted	\$0.75 - \$0.85
Non-IFRS Adjusted SG&A	\$67M - \$69M

Q2 2024 Non-IFRS Tax Rate Estimate^{1,2}

Non-IFRS Adjusted Effective Tax Rate of approximately 20%²

¹ Our Q2 2024 guidance assumes: (i) accelerated applicability of Pillar Two global minimum tax legislation to reporting periods in 2024 instead of 2025; and (ii) anticipated operational adjustments, including tax efficiencies. Our Q2 guidance also assumes consummation in May 2024 of the anticipated acquisition of NCS Global Services LLC. Guidance is effective on the date provided and will only be updated through a public announcement. 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.

² Our Q2 2024 non-IFRS Adjusted Effective Tax Rate estimate: (i) does not account for the impact of taxable foreign exchange or unanticipated tax settlements and (ii) assumes that our income will be subject to Pillar Two global minimum tax, as legislation that has been introduced in Canada may become applicable before the end of Q2 2024 with retroactive impact to January 1, 2024. If this legislation is not substantively enacted in Q2 2024, we expect our Q2 2024 non-IFRS adjusted EPS guidance range to shift upwards by approximately \$0.05, and our non-IFRS adjusted effective tax rate for the quarter to be approximately 15%. However, the timing of global minimum tax legislation effectiveness and its impact on our tax expense cannot currently be estimated with certainty, and may differ materially from our expectations.

Q2 2024 End Market Revenue Outlook¹

Year-over-Year Revenue % Change	
ATS ²	Decrease high single-digits
Communications	Increase mid-forties
Enterprise ³	Increase low-twenties

¹ Outlook is effective on the date provided.

² ATS consists of A&D, Industrial, HealthTech, and Capital Equipment.

³ Enterprise consists of Servers and Storage.

2024 Annual Outlook¹

\$US	2024 Outlook	Previous 2024 Outlook
Revenue outlook	\$9.10B	\$8.50B or more
Non-IFRS operating margin	6.1%	5.5% to 6.0%
Non-IFRS Adjusted EPS ²	\$3.30	\$2.70 or more
Non-IFRS adjusted free cash flow	\$250M	\$200M or more

¹ Our 2024 outlook assumes: (i) accelerated applicability of Pillar Two global minimum tax legislation to reporting periods in 2024 instead of 2025; and (ii) anticipated operational adjustments, including tax efficiencies. However, the timing of global minimum tax legislation effectiveness and its impact on our tax expense cannot currently be estimated with certainty, and may differ materially from our expectations. Our 2024 annual outlook also assumes consummation in May 2024 of the anticipated acquisition of NCS Global Services LLC. 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. Our 2024 annual outlook as set forth above is effective on the date provided and will only be updated through a public announcement.

² Our 2024 non-IFRS adjusted EPS outlook assumes the enactment of Pillar Two global minimum tax legislation by the Canadian federal government prior to the end of the year, with all earnings for 2024 to be retroactively subject to the minimum tax rate following enactment. Our non-IFRS adjusted EPS outlook assumes a non-IFRS adjusted effective tax rate of 20% for Q2 2024 through Q4 2024 (not accounting for foreign exchange impacts or unanticipated tax settlements).

Business Outlook

Advanced Technology Solutions

Anticipate 2024 revenues to be flat compared to 2023. Anticipate YTY decline in 1H 2024, with growth resuming in 2H 2024.

Industrial & HealthTech

Macro headwinds anticipated to result in near-term softness. YTY growth expected to resume in Q4 2024.

Capital Equipment

Expect accelerating demand in 2H 2024, driven by new wins & market recovery.

Aerospace & Defense

Demand strength in commercial aerospace and defense, plus new program ramps, expected to drive YTY growth in 2024 compared to 2023.

Connectivity & Cloud Solutions

Mid-twenties percentage growth anticipated in 2024 compared to 2023.

Enterprise

Continued strong growth expected in 2024, driven by AI/ML Compute demand from Hyperscalers.

Communications

Sustained growth anticipated through 2024, driven by Networking demand from Hyperscalers, including new program ramps.

Hardware Platform Solutions (HPS)

Strong YTY growth resumed in Q1 2024, and is expected to continue for full year. Growth expected to be supported by returning 400G demand and new 800G ramps.

Concluding Remarks



Q&A



First Quarter 2024 Financial Results

April 25, 2024



Appendix



Segment Income and Margin¹

Revenue by segment:

	Three months ended March 31			
	2023		2024	
		% of total		% of total
ATS	\$ 792.2	43%	\$ 767.9	35%
CCS.....	1,045.6	57%	1,441.0	65%
Communications end market revenue as a % of total revenue.....		36 %		34 %
Enterprise end market revenue as a % of total revenue.....		21 %		31 %
Total.....	<u>\$ 1,837.8</u>		<u>\$ 2,208.9</u>	

Segment income, segment margin, and reconciliation of segment income to IFRS earnings before income taxes:

	Note*	Three months ended March 31			
		2023		2024	
			Segment Margin		Segment Margin
ATS segment income and margin.....		\$ 34.6	4.4%	\$ 36.2	4.7%
CCS segment income and margin		60.8	5.8%	101.2	7.0%
Total segment income		<u>95.4</u>		<u>137.4</u>	
Reconciling items:					
Finance costs.....	6	21.7		16.5	
Employee stock-based compensation (SBC) expense.....		22.0		22.7	
Total return swap (TRS) fair value adjustments: losses (gains).....	7&10	0.2		(31.5)	
Amortization of intangible assets (excluding computer software).....		9.2		9.3	
Other charges, net of recoveries	8	4.6		4.8	
IFRS earnings before income taxes		<u>\$ 37.7</u>		<u>\$ 115.6</u>	

*Refers to notes to our March 31, 2024 unaudited interim condensed consolidated financial statements (Q1 2024 Interim Financial Statements)

¹ Segment income is defined as a segment's net revenue less its cost of sales and its allocable portion of selling, general and administrative expenses and research and development expenses (collectively, Segment Costs). Identifiable Segment Costs are allocated directly to the applicable segment while other Segment Costs, including indirect costs and certain corporate charges, are allocated to our segments based on an analysis of the relative usage or benefit derived by each segment from such costs. Segment income excludes Finance Costs (defined below), employee SBC expense, fair value adjustments (TRS FVAs) under our total return swap agreement (TRS Agreement), amortization of intangible assets (excluding computer software), and Other Charges (Recoveries) (defined on slide 19), as these costs and charges/recoveries are managed and reviewed by our CEO at the company level. Finance Costs consist of interest expense and fees related to our credit facility (including any debt issuance and related amortization costs), our interest rate swap agreements, our TRS Agreement, our accounts receivable sales program and our customers' supplier financing programs, and interest expense on our lease obligations, net of interest income earned. See note 8 to our Q1 2024 Interim Financial Statements for separate quantification and discussion of the components of Other Charges (Recoveries) for the periods set forth in the table above. Segment margin is segment income as a percentage of segment revenue.

Non-IFRS Supplementary Information

In addition to disclosing detailed operating results in accordance with International Financial Reporting Standards (IFRS), Celestica provides supplementary non-IFRS financial measures (including ratios based on non-IFRS financial measures) 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, adjusted gross profit, adjusted gross margin (adjusted gross profit as a percentage of revenue), adjusted selling, general and administrative expenses (SG&A), adjusted SG&A as a percentage of revenue, non-IFRS operating earnings (or adjusted EBIAT), adjusted EBITDA, TTM adjusted EBITDA, non-IFRS operating margin (non-IFRS operating earnings or adjusted EBIAT as a percentage of revenue), adjusted EBITDA as a percentage of revenue, adjusted net earnings, adjusted EPS, adjusted return on invested capital (adjusted ROIC), adjusted free cash flow, adjusted tax expense, adjusted effective tax rate and non-IFRS adjusted debt leverage ratio.

Since non-IFRS adjusted ROIC is based on non-IFRS operating earnings, in comparing this measure to the most directly-comparable financial measure determined under IFRS (which we refer to as IFRS ROIC), commencing in Q3 2022, our calculation of IFRS ROIC is based on IFRS earnings from operations (instead of IFRS earnings before income taxes). The foregoing modifications did not impact the resultant non-IFRS financial measures. Prior period reconciliations and calculations herein reflect the current presentation.

In Q4 2022, we entered into the TRS Agreement. Similar to employee SBC expense, quarterly TRS FVAs are classified in cost of sales and SG&A, and commencing in Q1 2023, are excluded in our determination of the same non-IFRS financial measures that exclude employee SBC expense (as shown in the following reconciliation tables) for the reasons described below. TRS FVAs also impact the determination of our non-IFRS adjusted tax expense and non-IFRS adjusted effective tax rate.

Other Charges (Recoveries) consist of, when applicable: restructuring charges, net of recoveries; impairment charges, net of recoveries; acquisition-related consulting, transaction and integration costs, 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; legal settlements (recoveries); Transition Costs (Recoveries) (defined below); specified credit facility-related charges; post-employment benefit plan losses; during Q2 2022, offsetting charges (recoveries) recorded in connection with write-downs of inventory, equipment and a building in connection with a 2022 fire at our Batam facility in Indonesia; in Q2 2023 and Q3 2023, costs associated with Onex Corporation's conversion and sale of our shares (Secondary Offering Costs) and, commencing in Q2 2023, related costs pertaining to certain accounting considerations (Accounting Costs).

Transition Costs (which are a component of Other Charges) consist of costs recorded in connection with: (i) the transfer of manufacturing lines from closed sites to other sites within our global network; (ii) the sale of real properties unrelated to restructuring actions (Property Dispositions); and (iii) and when applicable, and consistent with our prior treatment of duplicate costs related to our 2019 Toronto real property sale, the excess of rental expense attributable to subleased space over anticipated sublease rental recoveries under a 10-year lease for our then-anticipated corporate headquarters (Property Lease) executed in connection with such sale (\$3.9 million charge in Q3 2023), as we extended (on a long-term basis) the lease on our current corporate headquarters in November 2022 due to several Property Lease commencement delays.

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. Management further believes that the use of a non-IFRS adjusted tax expense and a non-IFRS adjusted effective tax rate provide improved insight into the tax effects of our core operations, and are useful to management and investors for historical comparisons and forecasting. 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 financial measures determined under IFRS.

In calculating the following non-IFRS financial measures: adjusted gross profit, adjusted gross margin, adjusted SG&A, adjusted SG&A as a percentage of revenue, non-IFRS operating earnings, non-IFRS operating margin, adjusted net earnings, adjusted EPS, and adjusted tax expense, management excludes the following items (where indicated): employee SBC expense, TRS FVAs, amortization of intangible assets (excluding computer software), and Other Charges (Recoveries) all net of the associated tax adjustments, and any non-core tax impacts (tax adjustments related to acquisitions, and certain other tax costs or recoveries related to restructuring actions or restructured sites), quantified on slide 24. In addition, in calculating adjusted net earnings and adjusted EPS, management intends to exclude any one-time prior period portion of cumulative retroactive and deferred tax adjustments related to Pillar Two legislation when such legislation is substantively enacted in Canada, as such prior period adjustments will not be attributable to our operations for the period when such legislation first becomes applicable or for subsequent periods. The determination of: (i) our adjusted free cash flow and adjusted ROIC are described on slide 23; (ii) our non-IFRS adjusted effective tax rate is described on slide 24.

Non-IFRS Supplementary Information...continued

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.

TRS FVAs represent mark-to-market adjustments to our TRS, as the TRS is recorded at fair value at each quarter end. We exclude the impact of these non-cash fair value adjustments (both positive and negative), as they reflect fluctuations in the market price of our subordinate voting shares from period to period, and not our ongoing operating performance. In addition, we believe that excluding these non-cash adjustments permits a better comparison of our core operating results to those of our competitors.

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 (Recoveries) (defined on slide 19), are excluded 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 or recoveries. Our competitors may record similar charges, net of recoveries, 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 each period shown in the tables below for separate quantification of the components of Other Charges (Recoveries).

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.

IFRS to non-IFRS Reconciliation*

IFRS		Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	FY 2023
		\$	\$	\$	\$	\$	\$	\$	\$	\$
	Revenue	1,717.2	1,923.3	2,042.6	1,837.8	1,939.4	2,043.3	2,140.5	2,208.9	7,961.0
	Net earnings	35.6	45.7	42.4	24.7	55.5	80.2	84.2	101.7	244.6
	Earnings per share - diluted	0.29	0.37	0.35	0.20	0.46	0.67	0.70	0.85	2.03
	W.A. # of shares (in millions), on a diluted basis, used to determine IFRS earnings (loss) per share and non-IFRS adjusted EPS	124.0	123.2	122.4	121.6	120.3	119.6	119.5	119.3	120.3
	Actual # of shares o/s (in millions) as of period end	123.2	122.6	121.6	120.7	119.3	119.4	119.0	118.8	119.0
Non-IFRS adjusted gross profit	IFRS gross profit	149.9	167.7	186.2	164.0	184.6	206.7	223.2	228.8	778.5
	As a percentage of revenue	8.7%	8.7%	9.1%	8.9%	9.5%	10.1%	10.4%	10.4%	9.8%
	Employee SBC expense	5.3	3.8	5.6	8.5	4.8	5.1	4.2	8.9	22.6
	TRS FVAs	-	-	-	0.1	(2.1)	(11.8)	(4.8)	(12.8)	(18.6)
Non-IFRS adjusted gross profit	As a percentage of revenue	9.0%	8.9%	9.4%	9.4%	9.7%	9.8%	10.4%	10.2%	9.8%
Non-IFRS SG&A	IFRS SG&A	71.0	66.1	77.1	77.9	69.1	56.9	75.7	65.2	279.6
	As a percentage of revenue	4.1%	3.4%	3.8%	4.2%	3.6%	2.8%	3.5%	3.0%	3.5%
	Employee SBC expense	(7.9)	(5.2)	(8.6)	(13.5)	(6.1)	(7.8)	(5.6)	(13.8)	(33.0)
	TRS FVAs	-	-	-	(0.1)	2.9	17.6	6.6	18.7	27.0
	Non-IFRS SG&A	63.1	60.9	68.5	64.3	65.9	66.7	76.7	70.1	273.6
	As a percentage of revenue	3.7%	3.2%	3.4%	3.5%	3.4%	3.3%	3.6%	3.2%	3.4%
Non-IFRS operating earnings (adjusted EBIAT)⁽¹⁾ and non-IFRS adjusted EBITDA⁽²⁾	IFRS Earnings from operations	62.7	78.4	81.6	59.4	87.8	117.4	118.6	132.1	383.2
	As a percentage of revenue	3.7%	4.1%	4.0%	3.2%	4.5%	5.7%	5.5%	6.0%	4.8%
	Other Charges (Recoveries)	(2.5)	1.6	2.8	4.6	3.5	5.6	1.5	4.8	15.2
	Employee SBC expense	13.2	9.0	14.2	22.0	10.9	12.9	9.8	22.7	55.6
	TRS FVAs	-	-	-	0.2	(5.0)	(29.4)	(11.4)	(31.5)	(45.6)
	Amortization of intangible assets (excluding computer software)	9.3	9.2	9.2	9.2	9.2	9.2	9.2	9.3	36.8
	Non-IFRS adjusted EBIAT	82.7	98.2	107.8	95.4	106.4	115.7	127.7	137.4	445.2
	As a percentage of revenue	4.8%	5.1%	5.3%	5.2%	5.5%	5.7%	6.0%	6.2%	5.6%
	Depreciation expense under IFRS16	8.9	8.9	9.2	9.1	9.5	9.2	9.2	9.7	37.0
	Depreciation expense (Property, plant, equipment and computer software)	17.6	17.5	19.1	20.0	20.7	20.9	24.9	24.1	86.5
Non-IFRS adjusted EBITDA	109.2	124.6	136.1	124.5	136.6	145.8	161.8	171.2	568.7	
	As a percentage of revenue	6.4%	6.5%	6.7%	6.8%	7.0%	7.1%	7.6%	7.8%	7.1%
Non-IFRS Adjusted TTM Debt Leverage Ratio Reconciliation	Borrowings under the Revolver**	-	-	-	-	-	-	-	28.0	
	Borrowings under the Term Loans	622.6	618.0	613.4	608.9	604.3	608.9	604.3	604.3	
	Gross Debt	622.6	618.0	613.4	608.9	604.3	608.9	604.3	604.3	
	TTM earnings from operations ⁽³⁾	282.1	307.2	346.2	383.2	455.9	455.9	455.9	455.9	
	Gross debt to TTM earnings from operations (IFRS TTM debt leverage ratio)	2.2x	2.0x	1.8x	1.6x	1.4x	1.4x	1.4x	1.4x	
	Non-IFRS adjusted TTM EBITDA ⁽³⁾	494.4	521.8	543.0	568.7	615.4	615.4	615.4	615.4	
Gross debt to non-IFRS adjusted TTM EBITDA (non-IFRS adjusted TTM debt leverage ratio)	1.3x	1.2x	1.1x	1.1x	1.0x	1.0x	1.0x	1.0x		

* The footnotes to this reconciliation table are set forth on slide 23

** Excluding ordinary course letters of credit.

IFRS to non-IFRS Reconciliation...continued*

		Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	FY 2023
Non-IFRS adjusted net earnings⁽⁴⁾ and non-IFRS adjusted EPS	IFRS Net earnings	\$ 35.6	\$ 45.7	\$ 42.4	\$ 24.7	\$ 55.5	\$ 80.2	\$ 84.2	\$ 101.7	\$ 244.6
	As a percentage of revenue	2.1%	2.4%	2.1%	1.3%	2.9%	3.9%	3.9%	4.6%	3.1%
	Employee SBC expense	13.2	9.0	14.2	22.0	10.9	12.9	9.8	22.7	55.6
	Amortization of intangible assets (excluding computer software)	9.3	9.2	9.2	9.2	9.2	9.2	9.2	9.3	36.8
	Other Charges (Recoveries)	(2.5)	1.6	2.8	4.6	3.5	5.6	1.5	4.8	15.2
	TRS FVAs	-	-	-	0.2	(5.0)	(29.4)	(11.4)	(31.5)	(45.6)
	Income tax effects of above and non-core tax impacts ⁽⁴⁾	(1.4)	(1.9)	(0.2)	(3.5)	(7.5)	(0.3)	(3.0)	(4.7)	(14.3)
	Non-IFRS adjusted net earnings	\$ 54.2	\$ 63.6	\$ 68.4	\$ 57.2	\$ 66.6	\$ 78.2	\$ 90.3	\$ 102.3	\$ 292.3
	As a percentage of revenue	3.2%	3.3%	3.3%	3.1%	3.4%	3.8%	4.2%	4.6%	3.7%
	Non-IFRS adjusted earnings per share - diluted	\$ 0.44	\$ 0.52	\$ 0.56	\$ 0.47	\$ 0.55	\$ 0.65	\$ 0.76	\$ 0.86	\$ 2.43
Non-IFRS adjusted ROIC⁽⁵⁾	IFRS Earnings from operations	\$ 62.7	\$ 78.4	\$ 81.6	\$ 59.4	\$ 87.8	\$ 117.4	\$ 118.6	\$ 132.1	\$ 383.2
	Multiplier to annualize earnings	4	4	4	4	4	4	4	4	1
	Annualized IFRS earnings from operations	\$ 250.8	\$ 313.6	\$ 326.4	\$ 237.6	\$ 351.2	\$ 469.6	\$ 474.4	\$ 528.4	\$ 383.2
	Average Net Invested Capital for the period	\$ 2,036.8	\$ 2,044.2	\$ 2,085.4	\$ 2,127.1	\$ 2,132.6	\$ 2,155.9	\$ 2,193.7	\$ 2,217.4	\$ 2,152.8
	IFRS ROIC %	12.3%	15.3%	15.7%	11.2%	16.5%	21.8%	21.6%	23.8%	17.8%
	Non-IFRS adjusted EBIAT	\$ 82.7	\$ 98.2	\$ 107.8	\$ 95.4	\$ 106.4	\$ 115.7	\$ 127.7	\$ 137.4	\$ 445.2
	Multiplier to annualize earnings	4	4	4	4	4	4	4	4	1
	Annualized non-IFRS adjusted EBIAT	\$ 330.8	\$ 392.8	\$ 431.2	\$ 381.6	\$ 425.6	\$ 462.8	\$ 510.8	\$ 549.6	\$ 445.2
	Average Net Invested Capital for the period	\$ 2,036.8	\$ 2,044.2	\$ 2,085.4	\$ 2,127.1	\$ 2,132.6	\$ 2,155.9	\$ 2,193.7	\$ 2,217.4	\$ 2,152.8
	Non-IFRS adjusted ROIC %	16.2%	19.2%	20.7%	17.9%	20.0%	21.5%	23.3%	24.8%	20.7%
	Net invested capital consists of:									
	Total assets	\$ 5,140.5	\$ 5,347.9	\$ 5,628.0	\$ 5,468.1	\$ 5,500.5	\$ 5,745.3	\$ 5,890.7	\$ 5,717.1	\$ 5,890.7
	Less: cash	365.5	363.3	374.5	318.7	360.7	353.1	370.4	308.1	370.4
Less: ROU assets	133.6	128.0	138.8	133.1	146.5	157.8	154.0	180.1	154.0	
Less: accounts payable, accrued and other liabilities, provisions and income tax payable	2,612.1	2,797.5	3,003.0	2,873.9	2,870.6	3,045.4	3,167.9	2,992.6	3,167.9	
Net invested capital at period end	\$ 2,029.3	\$ 2,059.1	\$ 2,111.7	\$ 2,142.4	\$ 2,122.7	\$ 2,189.0	\$ 2,198.4	\$ 2,236.3	\$ 2,198.4	
Non-IFRS adjusted free cash flow⁽⁶⁾	IFRS cash provided by operations	\$ 86.9	\$ 74.4	\$ 101.3	\$ 72.3	\$ 130.2	\$ 88.4	\$ 138.8	\$ 131.1	\$ 429.7
	Purchase of property, plant and equipment, net of sales proceeds	(21.5)	(38.7)	(32.3)	(33.1)	(31.2)	(26.2)	(31.9)	(40.4)	(122.4)
	Lease payments	(11.9)	(13.0)	(9.9)	(11.3)	(12.8)	(12.8)	(11.4)	(11.7)	(48.3)
	Finance costs paid (excluding debt issuance costs paid)	(10.2)	(15.3)	(16.5)	(18.7)	(19.4)	(15.3)	(11.7)	(13.8)	(65.1)
	Non-IFRS adjusted free cash flow	\$ 43.3	\$ 7.4	\$ 42.6	\$ 9.2	\$ 66.8	\$ 34.1	\$ 83.8	\$ 65.2	\$ 193.9

* The footnotes to this reconciliation table are set forth on slide 23

IFRS to non-IFRS Reconciliation...continued*

- (1) Management uses non-IFRS operating earnings (adjusted EBIAT) as a measure to assess performance related to our core operations. Non-IFRS operating earnings (adjusted EBIAT) is defined as earnings from operations before Other Charges (Recoveries) (defined on slide 19), employee (SBC) expense, TRS FVAs, and amortization of intangible assets (excluding computer software). Non-IFRS operating margin is defined as non-IFRS operating earnings as a percentage of revenue.
- (2) Non-IFRS adjusted EBITDA is defined as earnings from operations before Other Charges (Recoveries) (defined on slide 19), employee SBC expense, TRS FVAs, amortization of intangible assets (excluding computer software), and depreciation expense (under IFRS 16 and in relation to PP&E and computer software).
- (3) TTM earnings from operations as of any quarter-end is defined as the sum of earnings from operations as of such quarter-end plus earnings from operations as of the end of each of the preceding three fiscal quarters. Non-IFRS adjusted TTM EBITDA as of any quarter-end is defined as the sum of non-IFRS adjusted EBITDA as of such quarter-end plus non-IFRS adjusted EBITDA as of the end of each of the preceding three fiscal quarters.
- (4) Non-IFRS adjusted net earnings is defined as net earnings before: employee SBC expense; TRS FVAs, amortization of intangible assets (excluding computer software); Other Charges (Recoveries) (defined on slide 19); the income tax effect of the foregoing adjustments; and any non-core tax impacts (tax adjustments related to acquisitions, and certain other tax costs or recoveries related to restructuring actions or restructured sites). See slide 24 for quantification of the components of tax adjustments and any non-core tax impacts for each such period shown.
- (5) Management uses non-IFRS adjusted ROIC as a measure to assess the effectiveness of the invested capital we use to build products or provide services to our customers, by quantifying how well we generate earnings relative to the capital we have invested in our business. Non-IFRS adjusted ROIC is calculated by dividing annualized non-IFRS adjusted EBIAT by average net invested capital for the period. Net invested capital is derived from IFRS measures, and is defined as total assets less: cash, right-of-use (ROU) assets, accounts payable, accrued and other current liabilities, provisions, and income taxes payable. We use a two-point average to calculate average net invested capital for the quarter, and a five-point average to calculate average net invested capital for the year. For example, average net invested capital for Q1 2024 is the average of net invested capital as at December 31, 2023 and March 31, 2024, and average net invested capital for the full year 2023 is the average of net invested capital as at December 31, 2022, March 31, 2023, June 30, 2023, September 30, 2023 and December 31, 2023. A comparable financial measure to non-IFRS adjusted ROIC determined using IFRS measures would be calculated by dividing annualized IFRS earnings from operations by average net invested capital for the period.
- (6) Management uses non-IFRS adjusted free cash flow as a measure, in addition to IFRS cash provided by (used in) operations, to assess our operational cash flow performance. We believe non-IFRS adjusted free cash flow provides another level of transparency to our liquidity. Non-IFRS adjusted free cash flow 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, when applicable), lease payments, and Finance Costs (defined on slide 18) paid (excluding any debt issuance costs paid and when applicable, waiver fees related to our credit facility paid). We do not consider debt issuance costs paid (nil in Q1 2024 and Q4 2023, \$0.4 million paid in Q3 2023, and nil in Q2 2023, Q1 2023, Q4 2022, Q3 2022, and Q2 2022) 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 adjusted free cash flow. Note, however, that non-IFRS adjusted free cash flow does not represent residual cash flow available to Celestica for discretionary expenditures.

* Reconciliation tables on slides 21 and 22

Non-IFRS Supplementary Information...continued

The following table sets forth a reconciliation of our non-IFRS adjusted tax expense and our non-IFRS adjusted effective tax rate to our IFRS tax expense and IFRS effective tax rate for the periods indicated, in each case determined by excluding the tax benefits or costs associated with the listed items (in millions, except percentages) from our IFRS tax expense for such periods:

\$US millions	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	FY2023
IFRS tax expense	\$ 14.0	\$ 15.2	\$ 19.9	\$ 13.0	\$ 10.2	\$ 18.9	\$ 19.9	\$ 13.9	\$ 62.0
Employee SBC expense	1.5	0.5	(1.0)	2.3	6.4	(0.5)	2.4	3.6	10.6
TRS FVAs	-	-	-	-	-	(0.6)	-	-	(0.6)
Amortization of intangible assets (excluding computer software)	0.7	0.8	0.7	0.8	0.7	0.7	0.8	0.8	3.0
Other Charges (recoveries)	(0.8)	0.6	0.5	0.4	0.4	0.7	(0.2)	0.3	1.3
Non-IFRS adjusted tax expense	\$ 15.4	\$ 17.1	\$ 20.1	\$ 16.5	\$ 17.7	\$ 19.2	\$ 22.9	\$ 18.6	\$ 76.3
IFRS tax expense	\$ 14.0	\$ 15.2	\$ 19.9	\$ 13.0	\$ 10.2	\$ 18.9	\$ 19.9	\$ 13.9	\$ 62.0
Earnings from operations	62.7	78.4	81.6	59.4	87.8	117.4	118.6	132.1	383.2
Finance Costs	(13.1)	(17.5)	(19.3)	(21.7)	(22.1)	(18.3)	(14.5)	(16.5)	(76.6)
	\$ 49.6	\$ 60.9	\$ 62.3	\$ 37.7	\$ 65.7	\$ 99.1	\$ 104.1	\$ 115.6	\$ 306.6
IFRS effective tax rate ¹	28%	25%	32%	34%	16%	19%	19%	12%	20%
Non-IFRS adjusted tax expense	\$ 15.4	\$ 17.1	\$ 20.1	\$ 16.5	\$ 17.7	\$ 19.2	\$ 22.9	\$ 18.6	\$ 76.3
Non-IFRS operating earnings	82.7	98.2	107.8	95.4	106.4	115.7	127.7	137.4	445.2
Finance Costs	(13.1)	(17.5)	(19.3)	(21.7)	(22.1)	(18.3)	(14.5)	(16.5)	(76.6)
	\$ 69.6	\$ 80.7	\$ 88.5	\$ 73.7	\$ 84.3	\$ 97.4	\$ 113.2	\$ 120.9	\$ 368.6
Non-IFRS adjusted effective tax rate ²	22%	21%	23%	22%	21%	20%	20%	15%	21%

Non-IFRS 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 non-IFRS Lifecycle Solutions revenue to IFRS revenue for the periods indicated:

\$US millions	Q1 2023	Q1 2024
Revenue	\$ 1,838	\$ 2,209
HPS Revenue	371	519
% of revenue	20%	23%
ATS Segment Revenue	792	768
% of revenue	43%	35%
Lifecycle Solution Revenue	\$ 1,163	\$ 1,287
% of revenue	63%	58%

¹ Our IFRS effective tax rate is determined by dividing (i) tax expense by (ii) earnings from operations minus Finance Costs (defined on slide 18)

² Our non-IFRS adjusted effective tax rate is determined by dividing (i) non-IFRS adjusted tax expense by (ii) non-IFRS operating earnings minus Finance Costs

First Quarter 2024 Financial Results

April 25, 2024

