



PRIMO
WATER™

PRIMO WATER
1st QUARTER 2024 RESULTS
May 9, 2024



**LIFE NEEDS WATER.
MAKE IT PRIMO WATER.™**

Safe Harbor Statement: This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, Section 21E of the Securities Exchange Act of 1934 and applicable Canadian securities laws conveying management's expectations as to the future based on plans, estimates and projections at the time the Company makes the statements. Forward-looking statements involve inherent risks and uncertainties and the Company cautions you that a number of important factors could cause actual results to differ materially from those contained in any such forward-looking statements. The forward-looking statements in this presentation include but are not limited to statements regarding execution of the Company's strategic priorities, the Company's outlook for Q2 2024 and the full year 2024, and related matters. The forward-looking statements are based on assumptions regarding management's current plans and estimates. Factors that could cause actual results to differ materially from those described in this presentation include, among others: risks relating to any unforeseen changes to or effects on liabilities, future capital expenditures, revenues, expenses, earnings, synergies, indebtedness, financial condition, losses and future prospects; and the effect of economic, competitive, legal, governmental and technological factors on the Company's business. The foregoing list of factors is not exhaustive. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. Readers are urged to carefully review and consider the various disclosures, including but not limited to risk factors contained in the Company's Annual Report in the Form 10-K and its quarterly reports on Form 10-Q, as well as other periodic reports filed with the securities commissions. The Company does not, except as expressly required by applicable law, undertake to update or revise any of these statements in light of new information or future events.

Non-GAAP Measures: To supplement its reporting of financial measures determined in accordance with GAAP, the Company utilizes certain non-GAAP financial measures. The Company excludes from GAAP revenue the impact of foreign exchange to separate its impact from the Company's results of operations, and utilizes combined revenues (revenues from continued and discontinued operations) for comparison purposes with previously communicated guidance. The Company utilizes organic revenue growth (which excludes the impact of acquisitions). The Company also utilizes Adjusted EBITDA and Adjusted EBITDA margin (from continuing operations, from discontinued operations and on a combined basis), to separate the impact of certain items from the underlying business and for comparison purposes with previously communicated guidance. The Company uses net leverage ratio in evaluating the Company's ability to service debt. Because the Company uses these adjusted financial results in the management of its business, management believes this supplemental information is useful to investors for their independent evaluation and understanding of the Company's underlying business performance and the performance of its management. Additionally, the Company supplements its reporting of net cash provided by (used in) operating activities by excluding additions to property, plant and equipment and additions to intangible assets to present free cash flow, and by excluding the items identified on the exhibits to the Company's earnings announcement to present adjusted free cash flow and adjusted free cash flow conversion (from continuing operations, from discontinued operations and on a combined basis), which management believes provides useful information to investors in assessing our performance, comparing the Company's performance against previously communicated guidance, comparing the Company's performance to the performance of the Company's peer group and assessing the Company's ability to service debt and finance strategic opportunities, which include investing in the Company's business, making strategic acquisitions, paying dividends, and strengthening the balance sheet. With respect to the Company's expectations of its performance, the Company's reconciliations of Q2 2024 Adjusted EBITDA and full year 2024 Adjusted EBITDA and 2024 Adjusted Free Cash Flow, and net leverage as of the end of 2024, are not available, as the Company is unable to quantify certain amounts to the degree of precision that would be required in the relevant GAAP measures without unreasonable efforts. These items include restructuring costs and restructuring-related impairment charges, acquisition/divestiture related costs, gains or losses on the sale of businesses or other assets, and the income tax effects of these items and/or other income tax-related events. These items could have a significant impact on the Company's future GAAP financial results. These items depend on highly variable factors and any such reconciliations would imply a degree of precision that would be confusing or misleading to investors. The Company expects the variability of these factors to have a significant, and potentially unpredictable, impact on the Company's future GAAP financial results. The non-GAAP financial measures described above are in addition to, and not meant to be considered superior to, or a substitute for, the Company's financial statements prepared in accordance with GAAP. In addition, the non-GAAP financial measures included in this presentation reflect management's judgment of particular items, and may be different from, and therefore may not be comparable to, similarly titled measures reported by other companies.

Q1 2024 Earnings Presentation

Today's Presenters



Robert Rietbroek

CHIEF EXECUTIVE
OFFICER



David Hass

CHIEF FINANCIAL
OFFICER

AGENDA

- Q1 2024 Financial Summary
- Must Win Priorities
- Q1 2024 Reported Results
- 2024 Financial Outlook
- Q&A

Q1 2024 Financial Summary

Financial Performance for Continuing Operations

(in millions)

Continuing Operations	Q1 2024	Q1 2023	Change
Revenue	\$452.0	\$412.5	9.6%
Adj. EBITDA ⁽¹⁾	\$93.9	\$75.6	24.2%
Adj. EBITDA Margin % ⁽¹⁾	20.8%	18.3%	250 bps

Q1 2024 Highlights

- 9.6% revenue growth of 5.1% volume and 4.5% price
- 8.3% organic growth
- Revenue and Adj. EBITDA exceeded high-end of guidance
- Increase in annual outlook



"Must Win" Priorities

Superior Customer Service

- Organic customer base growth
- Increase high impact customers
- Enhance customer touch points

Be the Partner of Choice

- Deepening relationship with top-tier retailers
- Increase presence, penetration, and volume
- Create connectivity

Operational Excellence and Empowering our Associates

- Ideal organization structure and operating system
- High quality products and services
- Business optimization



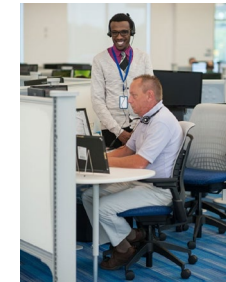
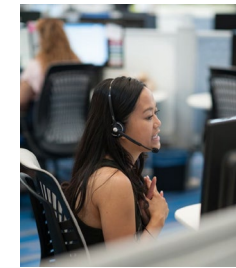
High Value Customer Focus

- Acquiring and maintaining high value customers
- Driving annual gallon growth
- Costco booth program



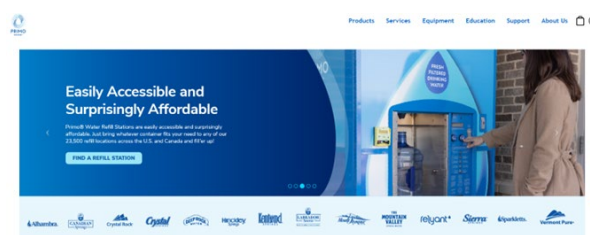
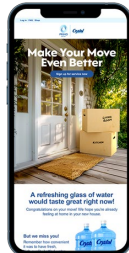
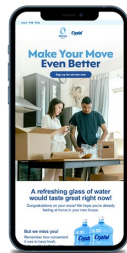
Customer Experience Center

- Increased support coverage
- Embedded voice, chat, and social capabilities
- Customer centric - omnichannel approach



Digital Redesign

- Created more than 180 branch pages for improved search optimization
- Upgraded the Mywater+ app with Spanish language capability



Mountain Valley

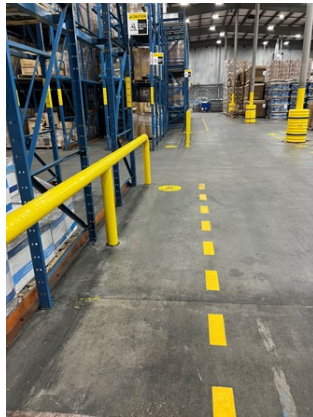
- Mountain Valley retail revenue increased 57%
- Increased glass production capacity
- Launched 9 pack single-serve aluminum bottles



Preferred Water Solutions Partner

Associates

- Focus on safety
- Workplace upgrades and improvements
- Positive shift in culture and engagement



Retail Partnerships

- Deepening relationship with retail partners
- Universal desire to drive more traffic to stores
- Gained more racks, refill stations and enterprise customers



Investors

- Participated in numerous investor events and presentations
- Focused on growth algorithm, Europe transaction, and capital allocation

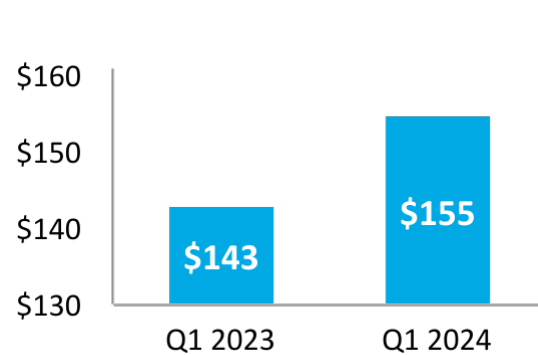
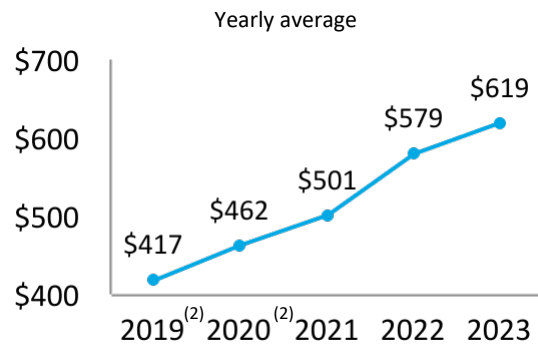


Operational Updates

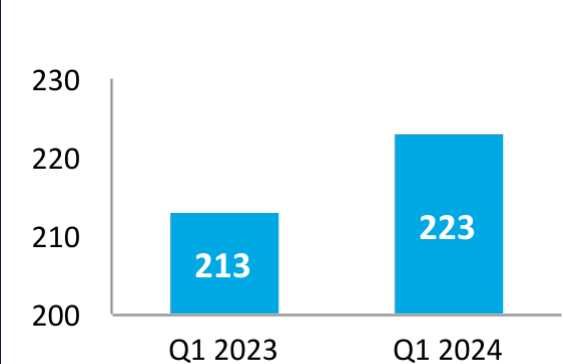
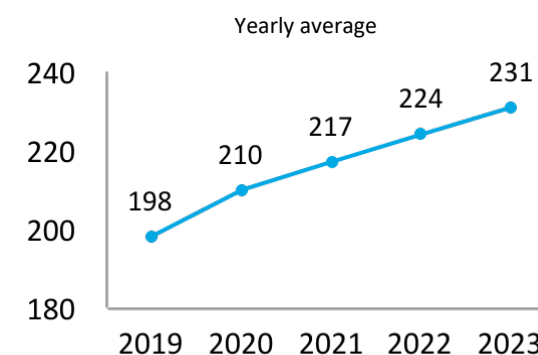
- Implementation of 6- and 7-day delivery schedules
- Automatic Route Optimization 2.0
- Continued installation of high-efficiency production lines



U.S. Water Direct & Exchange Revenue⁽¹⁾ / Route (000's)



U.S. Water Direct & Exchange Units / Route / Day



(1) Revenue related to route operations.

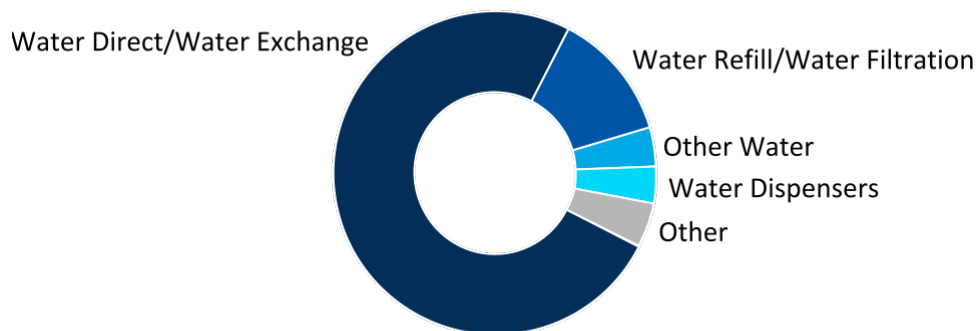
(2) Revenue for 2019 and 2020 adjusted to reflect Legacy Primo exchange pricing (attributable solely to Legacy Primo) Source: Company information

Q1 2024 Reported Results – Continuing Operations



(in millions of U.S. dollars)	For the Three Months Ended					
	March 30, 2024	April 1, 2023	\$ Change	% Change	% Volume ⁽¹⁾	% Price ⁽¹⁾
Revenue, net						
Water Direct/Water Exchange	\$339.4	\$312.4	\$27.0	8.6%	2.6%	6.0%
Water Refill/Water Filtration	58.0	52.2	5.8	11.1%	5.5%	5.6%
Other Water	17.7	11.3	6.4	56.6%	42.5%	14.1%
Water Dispensers	16.8	12.7	4.1	32.3%	56.7%	(24.4)%
Other	20.1	23.9	(3.8)	(15.9)%	(9.2)%	(6.7)%
Revenue, net as reported	\$452.0	\$412.5	\$39.5	9.6%	5.1%	4.5%

Channel Revenue Q1 2024 Mix



Diverse Brand Portfolio

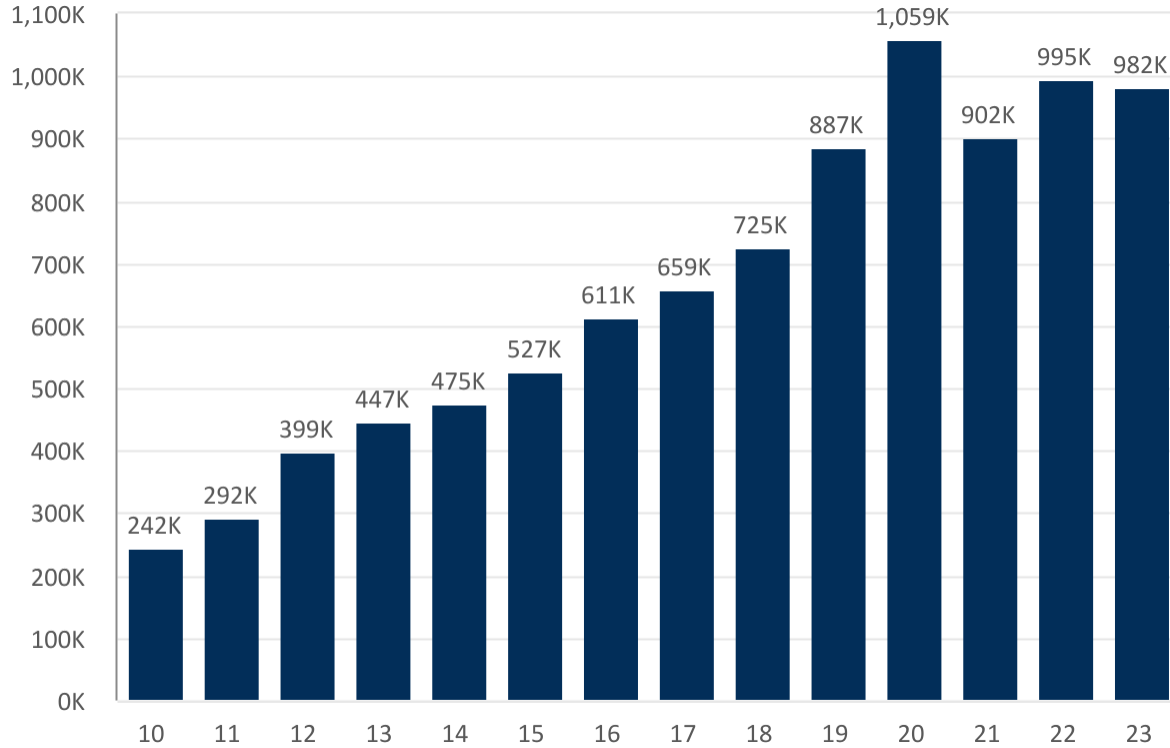


Dispenser Sell-Through - Continuing Operations

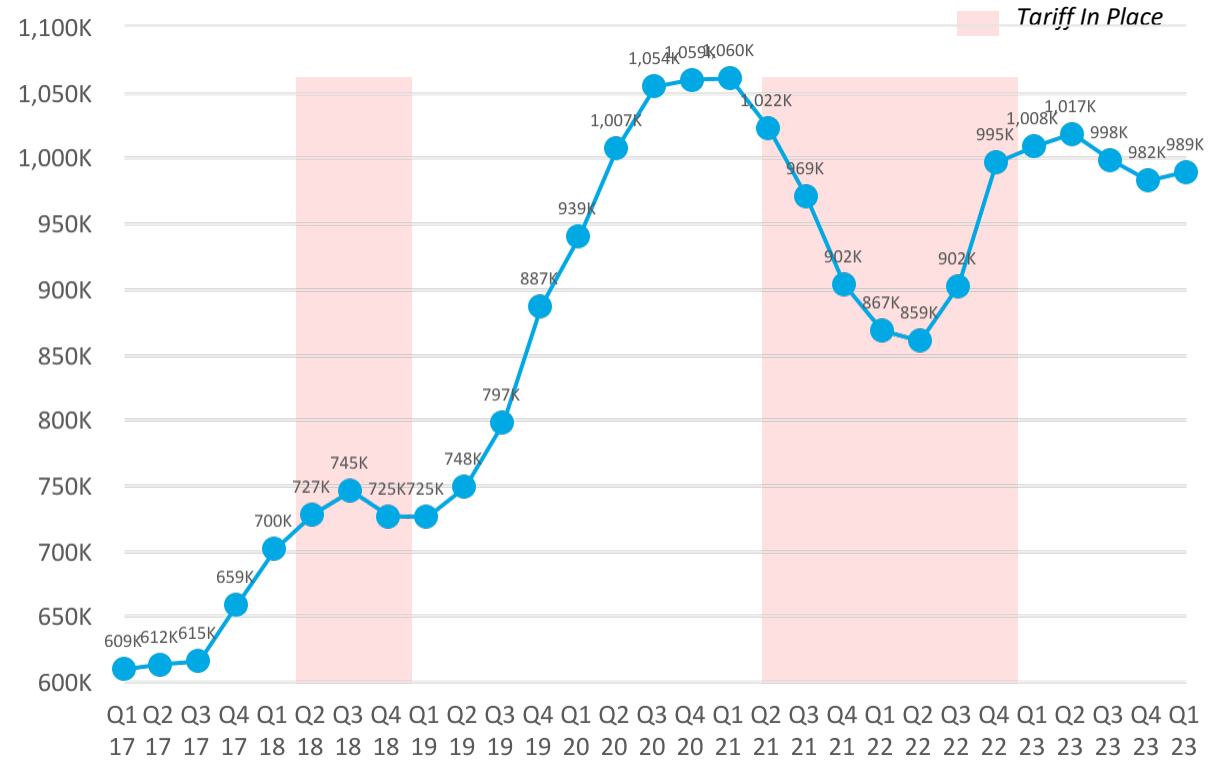


It All Starts with Dispenser Sell-Through

Annual Sell-Through ⁽¹⁾



Trailing Twelve Month Sell-Through ⁽¹⁾



- 💧 Sell-Through: The measurement of a dispenser sold to a customer (via retail or e-commerce)
- 💧 Dispensers are sold today in ~11,200 North America retail locations

2024 Financial Outlook - Continuing Operations Only



Financial Outlook	Q2 2024 Range ⁽¹⁾		FY 2024 Range ⁽¹⁾	
	Low	High	Low	High
<i>(\$ in millions)</i>				
Revenue	\$472	\$482	\$1,855	\$1,885
Adj. EBITDA	\$103	\$111	\$410	\$430
Cash Taxes			\$30	\$40
Cash Interest, Net ⁽²⁾			\$30	\$50
CAPEX ⁽³⁾			~ 7% of Revenue + \$22.5M Strategic Investment	
Adj. Free Cash Flow			\$175	\$185

Items not included in 2024 guidance – Balance of year benefits from the previously announced business optimization program, targeting \$20M improvement on a run-rate basis by the end of 2024. Balance of year benefits from additional tariff refunds due to the uncertain timing of the government refund process. The sale of the discontinued operations, which will be reflected independently from our continuing operations.

Capital Allocation



- Stable & recurring cash flow generation platform
- Opportunities to fund growth via organic initiatives, acquisitions as well as capital projects to drive efficiencies
- Improve financial profile and returned excess capital to shareowners



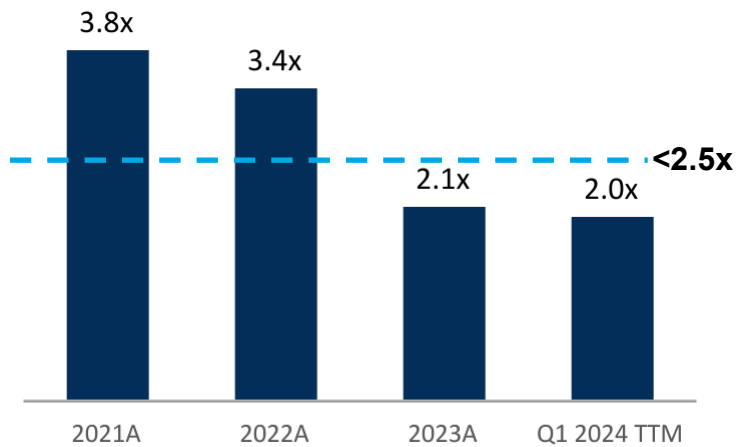
Organic Growth

Accretive M&A

Capital Projects

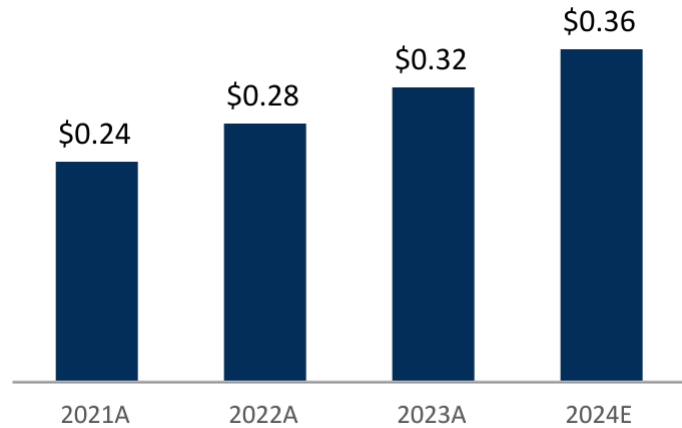
Deleverage Balance Sheet ⁽¹⁾

- Continued commitment to manage a leverage profile below 2.5x in 2024



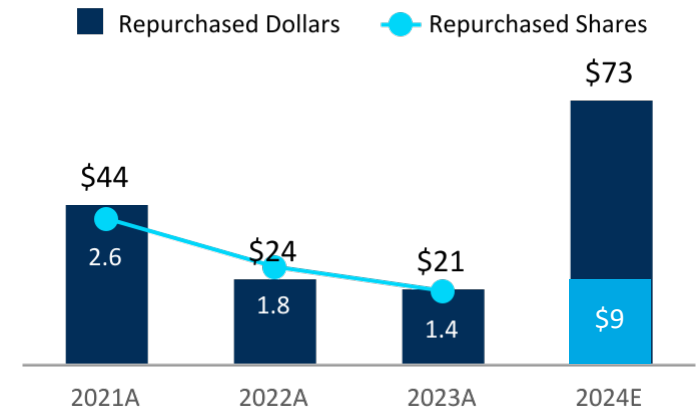
Dividend to Shareowners ⁽²⁾

- 2024 includes \$0.01 per share increase to \$0.09 per quarter or \$0.36 annualized
- 13% increase over prior year in annual per share dividends



Share Repurchase ⁽³⁾

- \$9 million in shares repurchased in 2024
- Remain committed to executing on the remainder of the \$75 million repurchase plan in 2024



(1) FY 2021 and 2022 net debt and leverage calculated based on 10-K filed on February 22nd 2023 and February 23rd 2022, respectively. (2) The declaration and payment of future dividends on our common shares is subject to, among other things, the best interests of our shareowners, our results of operations, cash balances and future cash requirements, financial condition, statutory regulations and covenants and other restrictions on payment set forth in the instruments governing our indebtedness in effect from time to time. (3) The actual timing, manner, number, and value of shares repurchased under the program will be determined by management at its discretion and will depend on a number of factors, including the market price of Primo Water's common shares, general market and economic conditions, applicable law and other requirements, and other business considerations.



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Q&A



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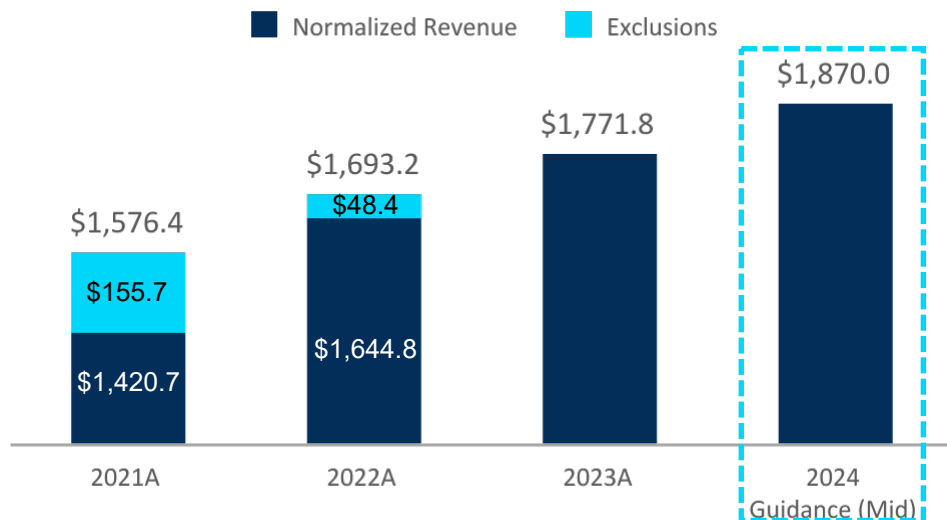
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APPENDIX

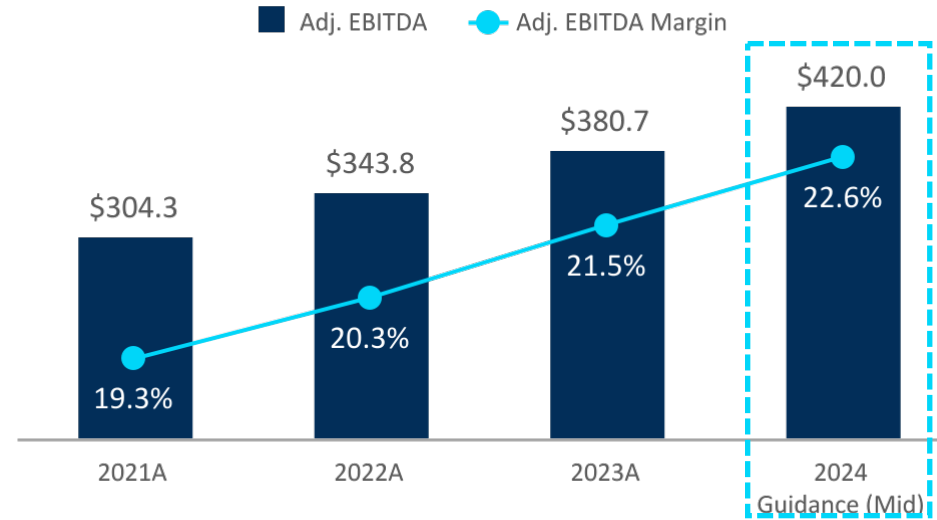
Continuing Operations Historical and Forecasted Financials



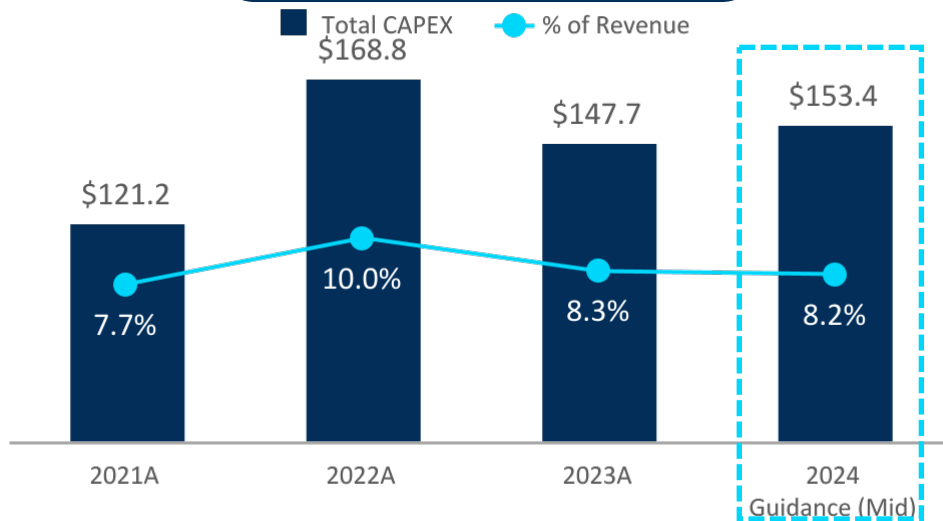
Revenue (1)



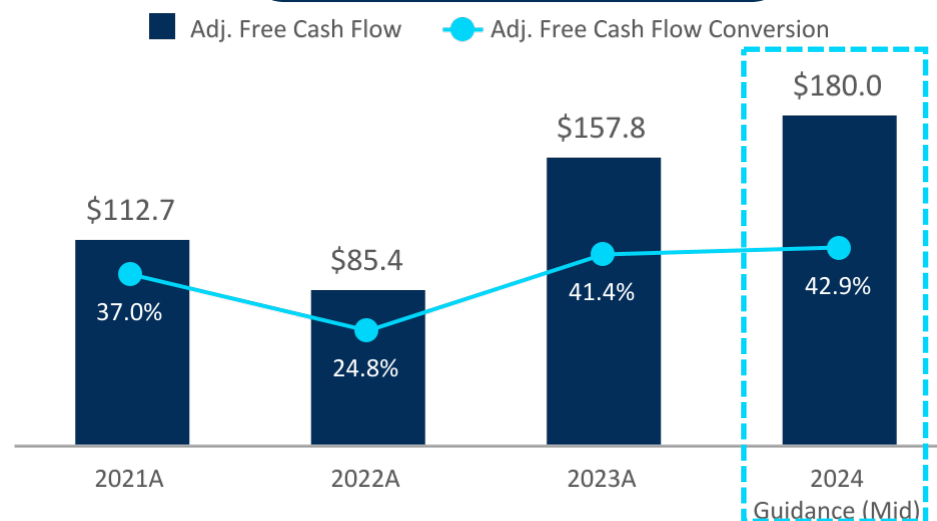
Adj. EBITDA (2)



CAPEX



Adj. Free Cash Flow (3)



2023 EBITDA by Quarter - Continuing Operations



Non-GAAP Reconciliation - Unaudited

(in millions of U.S. dollars)

For the Fiscal Year Ended December 30, 2023

	First Quarter ¹	Second Quarter ¹	Third Quarter ¹	Fourth Quarter ²	Total ²
Revenue, net	\$ 412.5	\$ 450.6	\$ 470.0	\$ 438.7	\$ 1,771.8
Net income	\$ 3.2	\$ 13.6	\$ 33.7	\$ 13.3	\$ 63.8
Interest expense, net	18.2	18.8	17.8	16.6	71.4
Income tax expense	0.3	8.4	12.3	6.0	27.0
Depreciation and amortization	47.1	47.2	49.3	49.7	193.3
EBITDA	\$ 68.8	\$ 88.0	\$ 113.1	\$ 85.6	\$ 355.5
Acquisition and integration costs	1.7	1.9	2.4	3.5	9.5
Share-based compensation costs	2.0	2.7	1.4	8.0	14.1
Foreign exchange and other (gains) losses, net	(0.2)	0.3	(0.2)	5.8	5.7
Loss on disposal of property, plant and equipment, net	1.3	0.9	1.6	5.3	9.1
Gain on sale of property	—	—	(5.3)	(15.7)	(21.0)
Other adjustments, net	2.0	4.5	(1.1)	2.4	7.8
Adjusted EBITDA	\$ 75.6	\$ 98.3	\$ 111.9	\$ 94.9	\$ 380.7
Adjusted EBITDA margin %	18.3 %	21.8 %	23.8 %	21.6 %	21.5 %

Q1 EBITDA and Adjusted EBITDA - Combined



Non-GAAP Reconciliation - Unaudited

(in millions of U.S. dollars)

	For the Three Months Ended					
	March 30, 2024			April 1, 2023		
	Continuing Operations ¹	Discontinued Operations ²	Combined	Continuing Operations ¹	Discontinued Operations ²	Combined
Revenue, net	\$ 452.0	\$ 79.1	\$ 531.1	\$ 412.5	\$ 134.0	\$ 546.5
Net income	\$ 18.7	\$ 6.3	\$ 25.0	\$ 3.2	\$ 2.6	\$ 5.8
Interest expense, net	10.0	0.6	10.6	18.2	0.6	18.8
Income tax expense	9.5	1.6	11.1	0.3	2.9	3.2
Depreciation and amortization	48.2	—	48.2	47.1	15.3	62.4
EBITDA	\$ 86.4	\$ 8.5	\$ 94.9	\$ 68.8	\$ 21.4	\$ 90.2
Acquisition and integration costs	5.3	—	5.3	1.7	0.3	2.0
Share-based compensation costs	3.0	0.1	3.1	2.0	0.3	2.3
Foreign exchange and other gains, net	(1.9)	—	(1.9)	(0.2)	(5.7)	(5.9)
Loss on disposal of property, plant and equipment, net	1.5	0.1	1.6	1.3	—	1.3
Gain on sale of property	(0.5)	—	(0.5)	—	—	—
Loss on sale of discontinued operations	—	0.5	0.5	—	—	—
Other adjustments, net	0.1	(0.8)	(0.7)	2.0	3.0	5.0
Adjusted EBITDA	\$ 93.9	\$ 8.4	\$ 102.3	\$ 75.6	\$ 19.3	\$ 94.9
Adjusted EBITDA margin %	20.8 %	10.6 %	19.3 %	18.3 %	14.4 %	17.4 %

Organic Growth - Continuing Operations



Non-GAAP Reconciliation - Unaudited

(in millions of U.S. dollars)

	For the Three Months Ended	
	March 30, 2024	
Revenue growth ¹	\$ 39.5	9.6 %
Less: Impact of acquisitions ²	5.5	1.3 %
Organic growth	\$ 34.0	8.3 %

Q1 Free Cash Flow and Adjusted Free Cash Flow - Combined



Non-GAAP Reconciliation - Unaudited

(in millions of U.S. dollars)

	For the Three Months Ended					
	March 30, 2024			April 1, 2023		
	Continuing Operations ¹	Discontinued Operations ²	Combined	Continuing Operations ¹	Discontinued Operations ²	Combined
Net cash provided by operating activities	\$ 63.4	\$ 0.8	\$ 64.2	\$ 30.3	\$ 4.0	\$ 34.3
Less: Additions to property, plant, and equipment	(37.6)	(5.1)	(42.7)	(42.2)	(11.5)	(53.7)
Less: Additions to intangible assets	(2.3)	(0.5)	(2.8)	(2.0)	(0.7)	(2.7)
Free Cash Flow	\$ 23.5	\$ (4.8)	\$ 18.7	\$ (13.9)	\$ (8.2)	\$ (22.1)
Acquisition and integration cash costs	2.4	—	2.4	2.5	0.1	2.6
Transaction cash costs paid in conjunction with sale	—	6.0	6.0	—	—	—
Cash costs related to additions to property, plant and equipment for integration of acquired entities	0.4	—	0.4	—	0.1	0.1
Tariffs refunds related to property, plant, and equipment	2.1	—	2.1	0.4	—	0.4
Adjusted Free Cash Flow	\$ 28.4	\$ 1.2	\$ 29.6	\$ (11.0)	\$ (8.0)	\$ (19.0)
Cash paid for interest	\$ 0.9	\$ 0.6	\$ 1.5	\$ 4.7	\$ 0.6	\$ 5.3
Cash received for interest	\$ 4.7	\$ —	\$ 4.7	\$ —	\$ —	\$ —
Cash paid for taxes	\$ 0.1	\$ 0.5	\$ 0.6	\$ 0.2	\$ 1.0	\$ 1.2

Interest Coverage Ratio and Net Leverage Ratio from Continuing Operations



Continuing Operations - Non-GAAP Reconciliation - Unaudited

(in millions of U.S. dollars, except financial ratios)	FY 2023	(-) Q1 2023 YTD	(+) Q1 2024 YTD	Q1 2024 LTM
Adjusted EBITDA	\$ 380.7	\$ (75.60)	\$ 93.9	399.0
Interest Expense, net	\$ 71.4	\$ (18.2)	\$ 10.0	63.2
Total debt (a)			\$	1,280.7
Unrestricted cash (b)			\$	498.3
Interest Coverage Ratio (c)				6.3x
Net Leverage ratio (d)				2.0x

(a) Total debt as of March 30, 2024 of \$1,269.3 million adjusted to exclude \$11.4 million of unamortized debt costs.

(b) Unrestricted cash defined as cash and cash equivalents as of March 30, 2024 of \$498.3 million

(c) Interest Coverage ratio defined as Adjusted EBITDA divided by interest expense.

(d) Net Leverage ratio defined as total debt, excluding unamortized debt costs, less unrestricted cash divided by Adjusted EBITDA.