

PRIMO
WATER™

PRIMO WATER
4th QUARTER 2022 RESULTS
(February 23, 2023)



LIFE NEEDS WATER.
MAKE IT PRIMO.

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 Q1 2023 and the full year 2023 and the Company's long-term financial snapshot. 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; the effect of economic, competitive, legal, governmental and technological factors on Primo's business; and the impact of national, regional and global events on our 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, Primo utilizes certain non-GAAP financial measures. Primo excludes from GAAP revenue the impact of foreign exchange and to separate its impact from Primo's results of operations. Primo utilizes adjusted net income (loss), adjusted net income (loss) per diluted share, Adjusted EBITDA and Adjusted EBITDA margin to separate the impact of certain items from the underlying business. Because Primo 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 Primo's underlying business performance and the performance of its management. Additionally, Primo supplements its reporting of net cash provided by (used in) operating activities from continuing operations determined in accordance with GAAP 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 Primo's earnings announcement to present adjusted free cash flow, which management believes provides useful information to investors in assessing our performance, comparing Primo'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 Primo'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 Q1 2023 and full year 2023 estimated Adjusted EBITDA, along with targeted 2024 Adjusted EBITDA, Adjusted EBITDA margin, net leverage, adjusted EPS, and ROIC 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 taxes, interest costs that would occur if the Company issued debt, and costs to acquire and or sell a business if the Company executed such transactions, which could significantly affect our 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. Primo 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, Primo's financial statements prepared in accordance with GAAP. In addition, the non-GAAP financial measures included in this presentation and in Primo's earnings announcement 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.

Q4 and FY 2022 Earnings Presentation

Today's Presenters



Tom Harrington
CHIEF EXECUTIVE
OFFICER



David Hass
CHIEF FINANCIAL
OFFICER

AGENDA

- 💧 Q4 and Fiscal Year Highlights and Results
- 💧 Financial Growth Trajectory
- 💧 Q&A



In 2022, We Delivered

- ◆ Normalized FX neutral revenue growth of 16%⁽¹⁾
- ◆ Adjusted EBITDA growth of 11%⁽²⁾
- ◆ Increased Adjusted EBITDA margin by 70 basis points to 19%⁽²⁾
- ◆ Sell-through of approximately 1 million⁽³⁾ water dispensers, the razor in our razor razorblade model
- ◆ And increased return of funds to shareholders through the higher dividend and the opportunistic share repurchase program

(1) Normalized revenue comparisons exclude the exited North America single-use bottled water retail business and exited Russia business
(2) Full year and segment results provided with Q4FY22 earnings press release
(3) Dispenser sell-through includes ecommerce and retail units sold to end consumers



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Leading Pure-Play Water Platform



Leading

brand portfolio
sold across 21⁽¹⁾
countries

Strong

consumer
tailwinds

Compelling

financial
profile

Recurring

razor/razorblade
business model creating
value and growth



(1) For country breakdown refer to Company's 10-K

Q4 and FY 2022 Highlights

Financial Performance

	Q4 2022	Q4 2021	Change	2022	2021	Y/Y Change
(\$ in millions)						
Net Revenue	\$533.0	\$518.0	3%	\$2,215.1	\$2,073.3	7%
Adjusted EBITDA	\$107.3	\$98.4	9%	\$420.1	\$380.0	11%
Adjusted EBITDA Margin %	20.1%	19.0%	110 bps	19.0%	18.3%	70 bps

Revenue Growth Through

- Resilient customer demand
- Increased dispenser sell-through enabling water connectivity
- Good volume growth in Water Direct and Exchange
- Strong revenue growth in Water Refill and Filtration
- Consistent growth of our premium water brand, Mountain Valley
- Execution of M&A tuck-in acquisitions
- Consistent customer retention

Source: Full year and segment results provided within Q4 FY22 earnings press release

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Driving Dispenser and Water Connectivity

Clarifying Dispenser Sell-In and Sell-Through⁽¹⁾

1 Dispenser Sell-In

- Primo sells units “into” the retail channel
- How Primo recognizes revenue

Retailer 2

- Retailer merchandises units in-store and online
- Sells dispenser units to consumers



4 Connectivity

- Activities to drive connectivity between dispenser unit sell-through and our water solutions

Dispenser Sell-Through 3

- Consumers purchase dispenser units
- Indicator of household penetration and future water demand

Dispenser Sell-Through

- Sell-through ~280,000 dispensers in Q4
- 50% INCREASE in sell-through vs. Q4 '21
- ~1M dispensers sold-through in FY 2022 (10% increase from prior year)
- Successful Black Friday promotional activities

Connectivity Tactics

- Inbox free water coupons
- Online awareness
- In-aisle signage
- In-store free water programs
- Dispenser rental and water customers
- Water only customer sign-ups

Category Revenue Performance

Strong Performance in all Categories



Water Direct / Exchange



13% Revenue Growth in Q4 2022⁽¹⁾

- Increased delivery frequencies
- Improved customer satisfaction
- Higher in-stock levels
- Consistent customer retention
- Strategic partnerships (Costco)



Water Refill / Filtration



14% Revenue Growth in Q4 2022⁽¹⁾

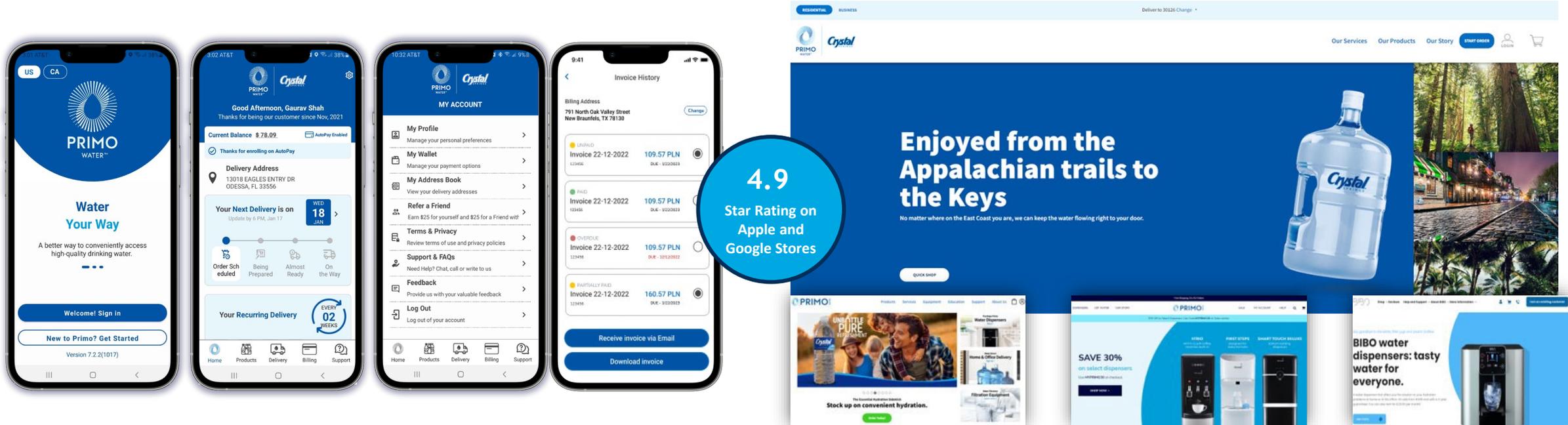
- Price increases in outdoor machines
- Improved machine reliability
- Improved service levels in filtration
- Improved signage and branding



(1) Source: Full year and segment results provided within Q4 FY22 earnings press release

Digital Investment for Our Customers

Continuous Improvement for Our Mobile App and Website Ecosystem



2023 Digital Focus

- 💧 New customer acquisition
- 💧 Water dispenser sales growth
- 💧 Connectivity of water solutions

- 💧 Investing in best-in-class digital solutions for our customers
- 💧 Re-platforming our digital / eCommerce websites
- 💧 Re-design of water.com website to enhance effectiveness

Automatic Route Optimization (ARO)

Sequences Routes for the Most Efficient Path Possible

Benefits of ARO

- ◆ Maximizes time RSRs spend with customers
- ◆ Enhances commission earnings on routes
- ◆ Unlocks route capacity to drive future organic growth
- ◆ Minimizes time spent behind the wheel



⁽¹⁾ **13%**
productivity
improvement
from 2019 to
2022



Improved
operational
efficiencies



Increased
delivery
frequency



⁽²⁾ **24%**
increased
revenue per
stop in North
America from
2021

Water Direct & Exchange Units / Route / Day

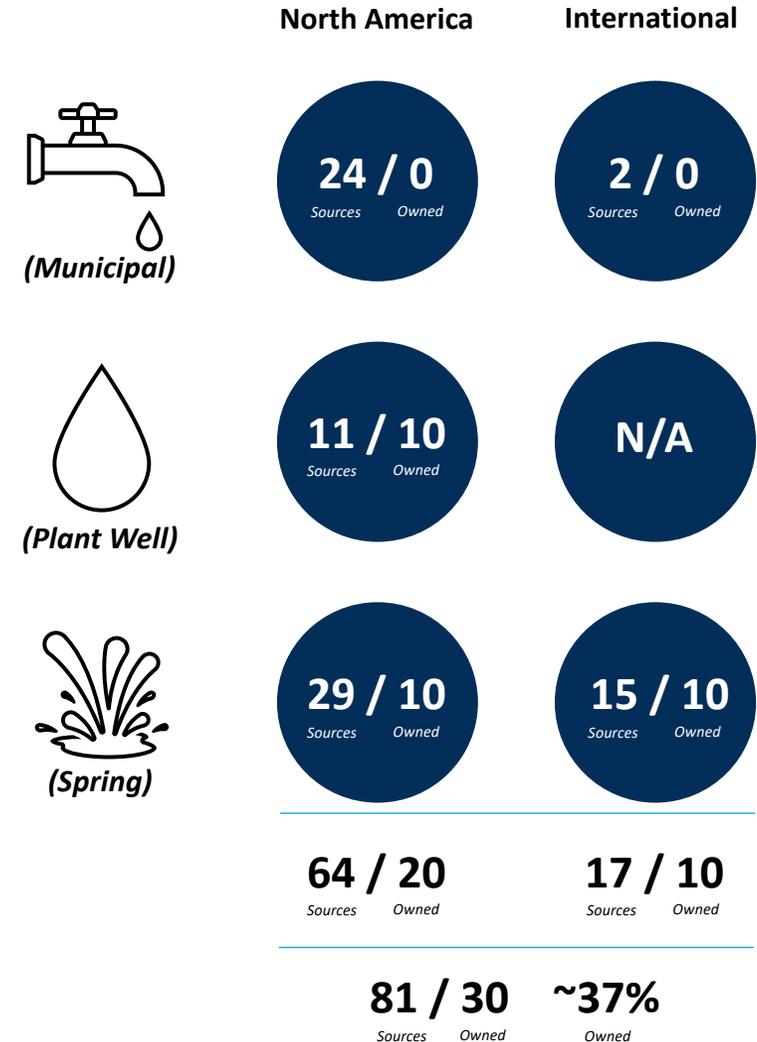


(1) Productivity defined as Water direct and exchange units per route, per day 2022 compared to 2019
(2) Water direct and exchange revenue divided by number of stops in North America
Source: Primo management estimates

ESG and Water Sources



- 💧 Provided investment-grade reporting detailing our ESG progress
- 💧 Published inaugural sustainability report
- 💧 2021 and 2022 sustainability reports expected mid year 2023
- 💧 20% reduction in carbon emissions
- 💧 Refreshed board, member diversity



Source: Primo management estimates

Primo Water Corporation Growth Outlook



<i>Financial Outlook</i>	Q1 2023E		FY 2023E	
<i>(\$ in millions)</i>	<i>Low</i>	<i>High</i>	<i>Low</i>	<i>High</i>
Revenue	\$520	\$540	\$2,300	\$2,350
Adjusted EBITDA	\$90	\$95	\$450	\$470
Cash Taxes			\$20	\$25
Interest			\$70	\$75
Cap-Ex			~\$200	

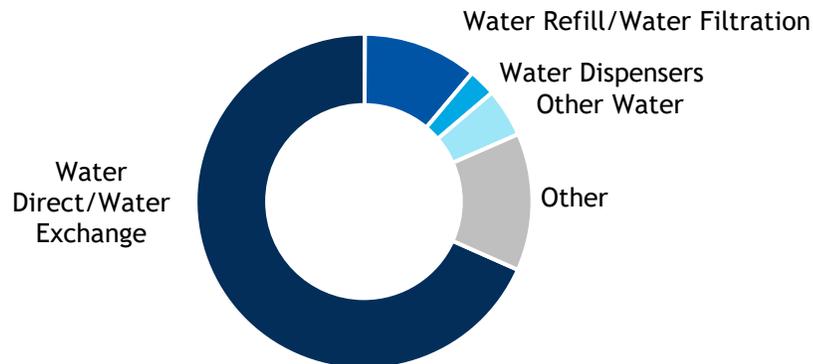
Source: Primo management estimates

Q4 2022 Results - Consolidated

For the Three Months Ended

<i>(in millions of U.S. dollars)</i>	2022 <small>(December 31, 2022)</small>	2021 <small>(January 1, 2022)</small>	Change	%Change
Revenue, net				
Water Direct/Water Exchange	\$ 364.7	\$ 321.7	\$ 43.0	13%
Water Refill/Water Filtration	58.7	51.7	7.0	14%
Other Water	24.9	56.6	(31.7)	-56%
Water Dispensers	14.1	16.7	(2.6)	-16%
Other	70.6	71.3	(0.7)	-1%
Revenue, net as reported	\$ 533.0	\$ 518.0	\$ 15.0	3%
Foreign exchange impact	18.7	-	18.7	n/a
Revenue excluding foreign exchange impact	\$ 551.7	\$ 518.0	\$ 33.7	7%

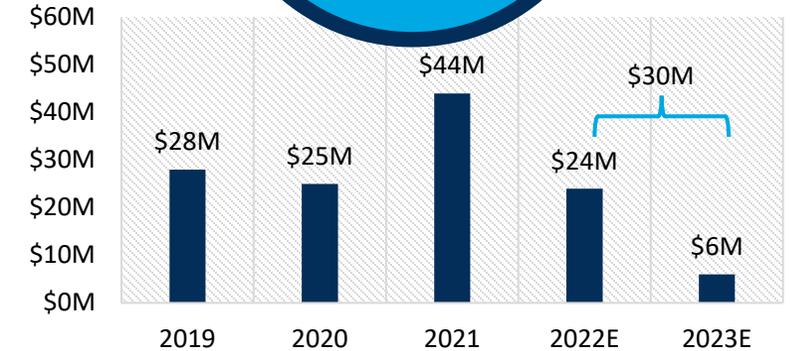
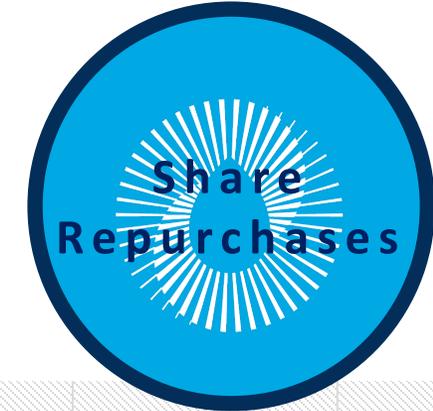
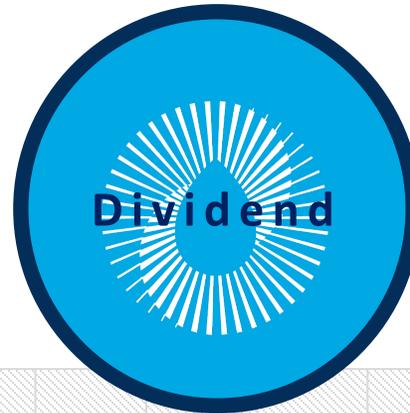
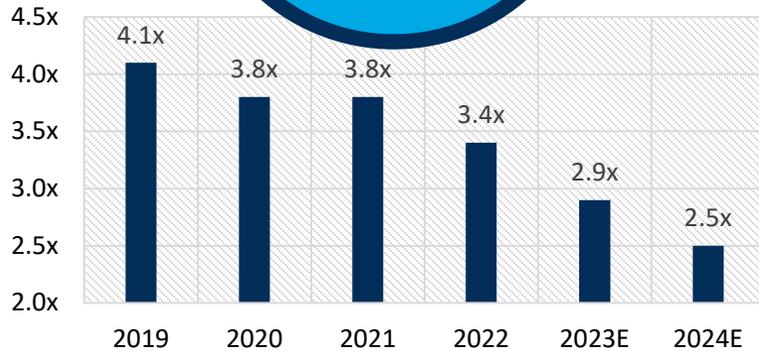
Category Revenue Q4 '22 Mix



Source: Full year and segment results provided within Q4 FY22 earnings press release

Architecture for Incremental Value Creation

Avenues to Drive Shareowner Value



Recent and Prospective Real Estate Sales Provide Additional Supporting Cash Proceeds

- Organic EBITDA growth supports reduction in net leverage ratio⁽¹⁾ to under 3.0x by year-end 2023
- Senior Note debt maturity not until 2028 and 2029
- Annual dividend increase of \$0.04 per share in each 2022, 2023 and 2024
- Dividend builds to \$0.36 per share (annualized)
- Board authorized \$100 million opportunistic share repurchase program in place
- ~\$30M repurchased to-date⁽²⁾

We Are Primo Water



Our Purpose: Inspiring Healthier Lives With Water Your Way

Long-Term Financial Snapshot

High-Single Digit

Organic Revenue Growth

Operating Leverage Drives Incremental

Adjusted EBITDA Margin &

Accelerates Free Cash Flow Generation

Investment Highlights

- Our future is bright, Primo is the only public pure-play consumable water platform with leading national and local brands
- Recession-resistant revenue base and a highly-variable cost structure
- Transformed the business to focus on our core competency in Water
- Organic growth supported by favorable tailwinds
- Geographic reach and scale with predictable recurring revenue base and attractive margins
- Compelling long-term financial outlook

Source: Primo management estimates



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Q&A



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APPENDIX



Revenue Base Clarification

Clarifying Primo's Revenue Base – Revenue of Businesses Exited in 2022 ⁽¹⁾

Revenue Base Changes

<i>(\$ in millions)</i>	Q1	Q2	Q3	Q4	2021	Q1	Q2	Q3	Q4	2022⁽¹⁾
Single-Use Retail	(\$36.9)	(\$36.5)	(\$37.3)	(\$31.4)	(\$142.1)	(\$26.6)	(\$14.4)	-	-	(\$41.0)
Russia	(\$3.0)	(\$3.5)	(\$3.5)	(\$3.6)	(\$13.6)	(\$2.8)	(\$3.7)	(\$0.9)	-	(\$7.4)
Total: No Longer in Primo's Revenue Base	(\$39.9)	(\$40.0)	(\$40.8)	(\$35.0)	(\$155.7)	(\$29.4)	(\$18.1)	(\$0.9)		(\$48.4)

◆ June 2022 was the last month with North American retail single-use business included in our financials

◆ July 2022 was the last month with Russia results included in our financials

⁽¹⁾ Source: Primo Financial Results

Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA)



Non-GAAP Reconciliation - Unaudited

(in millions of U.S. dollars)	For the Three Months Ended		For the Year Ended	
	2022	2021	2022	2021
	(December 31, 2022)	(January 1, 2022)	(December 31, 2022)	(January 1, 2022)
	Total	Total	Total	Total
Revenue, net as reported	\$ 533.0	\$ 518.0	\$ 2,215.1	\$ 2,073.3
Operating income	\$ 61.0	\$ 16.1	\$ 127.9	\$ 103.0
Other (income) expense, net	(25.8)	(1.6)	8.8	27.9
Depreciation and amortization	61.8	60.7	242.8	219.1
EBITDA	\$ 148.6	\$ 78.4	\$ 361.9	\$ 294.2
Acquisition and integration costs	2.8	4.5	15.3	10.8
Share-based compensation costs	6.5	7.5	17.2	17.5
COVID-19 costs	(0.6)	0.4	(0.6)	2.4
Impairment charges	-	-	29.1	-
Foreign exchange and other (gains) losses, net	(21.6)	4.1	15.1	8.7
Loss on disposal of property, plant and equipment, net	4.1	3.9	8.5	9.3
Loss on extinguishment of long-term debt	-	-	-	27.2
Gain on sale of business	(0.4)	(3.8)	(0.8)	(3.8)
Gain on sale of property	(38.8)	-	(38.8)	-
Other adjustments, net	6.7	3.4	13.2	13.7
Adjusted EBITDA	\$ 107.3	\$ 98.4	\$ 420.1	\$ 380.0
Adjusted EBITDA margin %	20.1%	19.0%	19.0%	18.3%

EBITDA and Adjusted EBITDA by Reporting Segment⁽¹⁾



Non-GAAP Reconciliation - Unaudited

(in millions of U.S. dollars)

	For the Three Months Ended								
	2022 (December 31, 2022)				2021 (January 1, 2022)				
	North America	Europe	Other	Total	North America	Europe	Other	Eliminations	Total
Revenue, net as reported	\$ 405.0	\$ 59.7	\$ 68.3	\$ 533.0	\$ 387.4	\$ 60.5	\$ 70.1	\$ -	\$ 518.0
Operating income (loss)	\$ 74.5	\$ (0.8)	\$ (12.7)	\$ 61.0	\$ 31.2	\$ (6.8)	\$ (8.3)	\$ -	\$ 16.1
Other (income) loss, net	(1.3)	(16.6)	(7.9)	(25.8)	(2.0)	(1.8)	2.2	-	(1.6)
Depreciation and amortization	45.8	9.5	6.5	61.8	44.8	10.0	5.9	-	60.7
EBITDA	\$ 121.6	\$ 25.3	\$ 1.7	\$ 148.6	\$ 78.0	\$ 5.0	\$ (4.6)	\$ -	\$ 78.4
Acquisition and integration costs	2.5	0.2	0.1	2.8	2.3	1.2	1.0	-	4.5
Share-based compensation costs	1.2	(0.4)	5.7	6.5	1.6	0.6	5.3	-	7.5
COVID-19 costs	(0.6)	-	-	(0.6)	0.1	0.2	0.1	-	0.4
Impairment charges	-	-	-	-	-	-	-	-	-
Foreign exchange and other (gains) losses, net	(0.3)	(16.3)	(5.0)	(21.6)	0.1	1.8	2.2	-	4.1
Loss (gain) on disposal of property, plant and equipment, net	3.2	0.1	0.8	4.1	3.7	0.2	-	-	3.9
Loss on extinguishment of long-term debt	-	-	-	-	-	-	-	-	-
Gain on sale of business	-	(0.4)	-	(0.4)	-	(3.8)	-	-	(3.8)
Gain on sale of property	(38.8)	-	-	(38.8)	-	-	-	-	-
Other adjustments, net	7.3	1.7	(2.3)	6.7	(0.6)	2.5	1.5	-	3.4
Adjusted EBITDA	\$ 96.1	\$ 10.2	\$ 1.0	\$ 107.3	\$ 85.2	\$ 7.7	\$ 5.5	\$ -	\$ 98.4
Adjusted EBITDA margin %	23.7%	17.1%	1.5%	20.1%	22.0%	12.7%	7.8%	n/a	19.0%

(1) EBITDA by reporting segment is derived from operating income (loss) as operating income (loss) is the performance measure regularly reviewed by the chief operating decision maker when evaluating performance of our reportable segments.
Source: Primo financial results

EBITDA and Adjusted EBITDA by Reporting Segment⁽¹⁾



Non-GAAP Reconciliation - Unaudited

(in millions of U.S. dollars)	For the Year Ended								
	2022 (December 31, 2022)				2021 (January 1, 2022)				
	North America	Europe	Other	Total	North America	Europe	Other	Eliminations	Total
Revenue, net as reported	\$ 1,685.6	\$ 265.3	\$ 264.2	\$ 2,215.1	\$ 1,562.9	\$ 247.6	\$ 263.8	\$ (1.0)	\$2,073.3
Operating income (loss)	\$ 203.7	\$ (28.4)	\$ (47.4)	\$ 127.9	\$ 146.0	\$ (10.2)	\$ (32.8)	\$ -	\$ 103.0
Other (income) expense, net	(1.6)	12.6	(2.2)	8.8	(3.7)	0.9	30.7	-	27.9
Depreciation and amortization	179.6	38.9	24.3	242.8	156.9	39.4	22.8	-	219.1
EBITDA	\$ 384.9	\$ (2.1)	\$ (20.9)	\$ 361.9	\$ 306.6	\$ 28.3	\$ (40.7)	\$ -	\$ 294.2
Acquisition and integration costs	10.8	3.2	1.3	15.3	5.1	1.7	4.0	-	10.8
Share-based compensation costs	3.5	0.2	13.5	17.2	5.2	1.5	10.8	-	17.5
COVID-19 costs	(0.6)	-	-	(0.6)	1.9	0.4	0.1	-	2.4
Impairment charges	-	29.1	-	29.1	-	-	-	-	-
Foreign exchange and other losses, net	1.6	13.1	0.4	15.1	0.1	4.6	4.0	-	8.7
Loss (gain) on disposal of property, plant and equipment, net	6.9	0.2	1.4	8.5	9.1	0.4	(0.2)	-	9.3
Loss on extinguishment of long-term debt	-	-	-	-	-	-	27.2	-	27.2
Gain on sale of business	(0.4)	(0.4)	-	(0.8)	-	(3.8)	-	-	(3.8)
Gain on sale of property	(38.8)	-	-	(38.8)	-	-	-	-	-
Other adjustments, net	6.5	3.0	3.7	13.2	(1.4)	11.1	4.0	-	13.7
Adjusted EBITDA	\$ 374.4	\$ 46.3	\$ (0.6)	\$ 420.1	\$ 326.6	\$ 44.2	\$ 9.2	\$ -	\$ 380.0
Adjusted EBITDA margin %	22.2%	17.5%	-0.2%	19.0%	20.9%	17.9%	3.5%	n/a	18.3%

(1) EBITDA by reporting segment is derived from operating income (loss) as operating income (loss) is the performance measure regularly reviewed by the chief operating decision maker when evaluating performance of our reportable segments.
Source: Primo financial results

Analysis of Change in Adjusted EBITDA by Reporting Segment



Non-GAAP Reconciliation - Unaudited

(in millions of U.S. dollars, except percentage amounts)

	For the Three Months Ended (December 31, 2022)			
	North America	Europe	Other	Total
Change in Adjusted EBITDA	\$ 10.9	\$ 2.5	\$ (4.5)	\$ 8.9
Impact of foreign exchange (a)	\$ 0.1	\$ 1.6	\$ 0.9	\$ 2.6
Change excluding foreign exchange	\$ 11.0	\$ 4.1	\$ (3.6)	\$ 11.5
Percentage change in Adjusted EBITDA	12.8%	32.5%	-81.8%	9.0%
Percentage change in Adjusted EBITDA excluding foreign exchange	12.9%	53.2%	-65.5%	11.7%

	For the Year Ended (December 31, 2022)			
	North America	Europe	Other	Total
Change in Adjusted EBITDA	\$ 47.8	\$ 2.1	\$ (9.8)	\$ 40.1
Impact of foreign exchange (a)	\$ 0.2	\$ 6.8	\$ 2.1	\$ 9.1
Change excluding foreign exchange	\$ 48.0	\$ 8.9	\$ (7.7)	\$ 49.2
Percentage change in Adjusted EBITDA	14.6%	4.8%	-106.5%	10.6%
Percentage change in Adjusted EBITDA excluding foreign exchange	14.7%	20.1%	-83.7%	12.9%

(a) Impact of foreign exchange is the difference between the current period Adjusted EBITDA translated utilizing the current period average foreign exchange rates less the current period Adjusted EBITDA translated utilizing the prior period average foreign exchange rates.
Source: Primo financial results

Interest Coverage Ratio and Net Leverage Ratio



Non-GAAP Reconciliation - Unaudited

(in millions of U.S. dollars except financial ratios)

	FY 2022
Adjusted EBITDA	\$ 420.1
Interest expense	\$ 69.8
Total debt (a)	\$ 1,527.8
Unrestricted cash (b)	\$ 118.0
Interest Coverage ratio (c)	6.0x
Net Leverage ratio (d)	3.4x

(a) Total debt as of December 31, 2022 of \$1,513.6 million adjusted to exclude \$14.2 million of unamortized debt costs.

(b) Unrestricted cash defined as cash and cash equivalents as of December 31, 2022 of \$122.6 million adjusted to exclude \$4.6 million of restricted cash held in escrow.

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

(d) Net Leverage ratio defined as net debt (total debt, as adjusted, minus unrestricted cash) divided by Adjusted EBITDA.

Source: Primo financial results

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FY2022 Supplemental Reporting Segment Realignment⁽¹⁾



Net Revenue and Adjusted EBITDA - Non-GAAP Reconciliation - Unaudited

	North America					Europe					Other					Total				
	Q1	Q2	Q3	Q4	FY2022	Q1	Q2	Q3	Q4	FY2022	Q1	Q2	Q3	Q4	FY2022	Q1	Q2	Q3	Q4	FY2022
Revenue, net	\$ 397.1	\$ 436.7	\$ 446.8	\$ 405.0	\$ 1,685.6	\$ 64.3	\$ 69.9	\$ 71.4	\$ 59.7	\$ 265.3	\$ 64.7	\$ 64.8	\$ 66.4	\$ 68.3	\$ 264.2	\$ 526.1	\$ 571.4	\$ 584.6	\$ 533.0	\$ 2,215.1
Operating income (loss)	\$ 28.3	\$ 48.3	\$ 52.6	\$ 74.5	\$ 203.7	\$ (3.6)	\$ (29.1)	\$ 5.1	\$ (0.8)	\$ (28.4)	\$ (9.4)	\$ (12.6)	\$ (12.7)	\$ (12.7)	\$ (47.4)	\$ 15.3	\$ 6.6	\$ 45.0	\$ 61.0	\$ 127.9
Other (income) expense, net	(1.8)	0.1	1.4	(1.3)	(1.6)	3.8	9.7	15.7	(16.6)	12.6	0.7	0.9	4.1	(7.9)	(2.2)	2.7	10.7	21.2	(25.8)	8.8
Depreciation and amortization	45.3	44.3	44.2	45.8	179.6	9.8	10.1	9.5	9.5	38.9	6.1	5.8	5.9	6.5	24.3	61.2	60.2	59.6	61.8	242.8
	75.4	92.5	95.4	121.6	384.9	2.4	(28.7)	(1.1)	25.3	(2.1)	(4.0)	(7.7)	(10.9)	1.7	(20.9)	73.8	56.1	83.4	148.6	361.9
Acquisition and integration costs	2.5	3.3	2.5	2.5	10.8	1.2	1.0	0.8	0.2	3.2	0.6	0.6	-	0.1	1.3	4.3	4.9	3.3	2.8	15.3
Share-based compensation costs	0.8	0.8	0.7	1.2	3.5	0.3	-	0.3	(0.4)	0.2	2.2	3.4	2.2	5.7	13.5	3.3	4.2	3.2	6.5	17.2
COVID-19 costs	-	-	-	(0.6)	(0.6)	-	-	-	-	-	-	-	-	-	-	-	-	-	(0.6)	(0.6)
Goodwill and intangible asset impairment charges	-	-	-	-	-	-	29.1	-	-	29.1	-	-	-	-	-	-	29.1	-	-	29.1
Foreign exchange and other (gains) losses, net	(0.5)	0.7	1.7	(0.3)	1.6	3.8	9.9	15.7	(16.3)	13.1	0.6	0.9	3.9	(5.0)	0.4	3.9	11.5	21.3	(21.6)	15.1
Loss (gain) on disposal of property, plant and equipment, net	1.4	0.2	2.1	3.2	6.9	-	(0.1)	0.2	0.1	0.2	0.3	-	0.3	0.8	1.4	1.7	0.1	2.6	4.1	8.5
Loss on extinguishment of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gain on sale of business	(0.4)	-	-	-	(0.4)	-	-	-	(0.4)	(0.4)	-	-	-	-	-	(0.4)	-	-	(0.4)	(0.8)
Gain on sale of property	-	-	-	(38.8)	(38.8)	-	-	-	-	-	-	-	-	-	-	-	-	-	(38.8)	(38.8)
Other adjustments, net	(0.4)	(0.2)	(0.2)	7.3	6.5	1.0	0.7	(0.4)	1.7	3.0	0.7	1.6	3.7	(2.3)	3.7	1.3	2.1	3.1	6.7	13.2
Adjusted EBITDA	\$ 78.8	\$ 97.3	\$ 102.2	\$ 96.1	\$ 374.4	\$ 8.7	\$ 11.9	\$ 15.5	\$ 10.2	\$ 46.3	\$ 0.4	\$ (1.2)	\$ (0.8)	\$ 1.0	\$ (0.6)	\$ 87.9	\$ 108.0	\$ 116.9	\$ 107.3	\$ 420.1
Adjusted EBITDA margin %	19.8%	22.3%	22.9%	23.7%	22.2%	13.5%	17.0%	21.7%	17.1%	17.5%	0.6%	-1.9%	-1.2%	1.5%	-0.2%	16.7%	18.9%	20.0%	20.1%	19.0%

(1) During the second quarter of 2022, we reviewed and realigned our reporting segments to reflect how the business will be managed and results will be reviewed by the Chief Executive Officer, who is the Company's chief operating decision maker. Following such review, certain of our businesses previously included in the Rest of World segment were realigned between the Europe reporting segment and the Other category. Our two reporting segments are as follows: North America (which includes our DS Services of America, Inc. ("DSS"), Aquaterra Corporation ("Aquaterra"), Mountain Valley Spring Company ("Mountain Valley") and Legacy Primo businesses) and Europe (which includes our Europe portion of Eden Springs Netherlands B.V. ("Eden Europe"), Decantae Mineral Water Limited ("Decantae") and Fonthill Waters Ltd ("Fonthill") businesses). The Other category includes our Israel portion of Eden Springs Netherlands B.V. ("Israel"), Aimia Foods Limited ("Aimia") and John Farrer & Company Limited ("Farrers") businesses, as well as our corporate oversight function and other miscellaneous expenses. Segment reporting results have been recast to reflect these changes for all periods presented.

Source: Primo financial results

FY2021 Supplemental Reporting Segment Realignment⁽¹⁾



Net Revenue and Adjusted EBITDA - Non-GAAP Reconciliation - Unaudited

	North America					Europe					Other					Total				
	Q1	Q2	Q3	Q4	2021	Q1	Q2	Q3	Q4	2021	Q1	Q2	Q3	Q4	2021	Q1	Q2	Q3	Q4	2021
Revenue, net	\$ 365.5	\$ 396.7	\$ 413.3	\$ 387.4	\$ 1,562.9	\$ 55.6	\$ 64.3	\$ 67.2	\$ 60.5	\$ 247.6	\$ 57.9	\$ 65.4	\$ 70.4	\$ 70.1	\$ 263.8	\$ 478.4	\$ 526.1	\$ 550.8	\$ 518.0	\$ 2,073.3
Operating income (loss) (a)	\$ 26.1	\$ 40.1	\$ 48.6	\$ 31.2	\$ 146.0	\$ (3.4)	\$ (1.6)	\$ 1.6	\$ (6.8)	\$ (10.2)	\$ (9.6)	\$ (6.9)	\$ (8.0)	\$ (8.3)	\$ (32.8)	\$ 13.1	\$ 31.6	\$ 42.2	\$ 16.1	\$ 103.0
Other (income) expense, net	(0.7)	(0.6)	(0.4)	(2.0)	(3.7)	(0.2)	(1.2)	4.1	(1.8)	0.9	0.5	27.4	0.6	2.2	30.7	(0.4)	25.6	4.3	(1.6)	27.9
Depreciation and amortization	37.8	36.5	37.8	44.8	156.9	9.7	9.9	9.8	10.0	39.4	5.6	5.6	5.7	5.9	22.8	53.1	52.0	53.3	60.7	219.1
EBITDA	64.6	77.2	86.8	78.0	306.6	6.5	9.5	7.3	5.0	28.3	(4.5)	(28.7)	(2.9)	(4.6)	(40.7)	66.6	58.0	91.2	78.4	294.2
Acquisition and integration costs	0.7	1.3	0.8	2.3	5.1	0.1	(0.1)	0.5	1.2	1.7	0.5	1.2	1.3	1.0	4.0	1.3	2.4	2.6	4.5	10.8
Share-based compensation costs	1.2	1.3	1.1	1.6	5.2	0.3	0.4	0.2	0.6	1.5	0.9	2.1	2.5	5.3	10.8	2.4	3.8	3.8	7.5	17.5
COVID-19 costs	0.7	0.4	0.7	0.1	1.9	-	0.1	0.1	0.2	0.4	-	-	-	0.1	0.1	0.7	0.5	0.8	0.4	2.4
Goodwill and intangible asset impairment charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Foreign exchange and other (gains) losses, net	(0.4)	(0.2)	0.6	0.1	0.1	(0.2)	(1.1)	4.1	1.8	4.6	0.5	0.3	1.0	2.2	4.0	(0.1)	(1.0)	5.7	4.1	8.7
Loss on disposal of property, plant and equipment, net	1.9	3.6	(0.1)	3.7	9.1	0.1	-	0.1	0.2	0.4	0.1	(0.3)	-	-	(0.2)	2.1	3.3	-	3.9	9.3
Loss on extinguishment of long-term debt	-	-	-	-	-	-	-	-	-	-	-	27.2	-	-	27.2	-	27.2	-	-	27.2
Gain on sale of business	-	-	-	-	-	-	-	-	(3.8)	(3.8)	-	-	-	-	-	-	-	-	(3.8)	(3.8)
Other adjustments, net	(0.3)	1.1	(1.6)	(0.6)	(1.4)	2.4	4.1	2.1	2.5	11.1	1.1	0.1	1.3	1.5	4.0	3.2	5.3	1.8	3.4	13.7
Adjusted EBITDA	\$ 68.4	\$ 84.7	\$ 88.3	\$ 85.2	\$ 326.6	\$ 9.2	\$ 12.9	\$ 14.4	\$ 7.7	\$ 44.2	\$ (1.4)	\$ 1.9	\$ 3.2	\$ 5.5	\$ 9.2	\$ 76.2	\$ 99.5	\$ 105.9	\$ 98.4	\$ 380.0
Adjusted EBITDA margin %	18.7%	21.4%	21.4%	22.0%	20.9%	16.5%	20.1%	21.4%	12.7%	17.9%	-2.4%	2.9%	4.5%	7.8%	3.5%	15.9%	18.9%	19.2%	19.0%	18.3%

(1) During the second quarter of 2022, we reviewed and realigned our reporting segments to reflect how the business will be managed and results will be reviewed by the Chief Executive Officer, who is the Company's chief operating decision maker. Following such review, certain of our businesses previously included in the Rest of World segment were realigned between the Europe reporting segment and the Other category. Our two reporting segments are as follows: North America (which includes our DS Services of America, Inc. ("DSS"), Aquaterra Corporation ("Aquaterra"), Mountain Valley Spring Company ("Mountain Valley") and Legacy Primo businesses) and Europe (which includes our Europe portion of Eden Springs Netherlands B.V. ("Eden Europe"), Decantae Mineral Water Limited ("Decantae") and Fonthill Waters Ltd ("Fonthill") businesses). The Other category includes our Israel portion of Eden Springs Netherlands B.V. ("Israel"), Aimia Foods Limited ("Aimia") and John Farrer & Company Limited ("Farrers") businesses, as well as our corporate oversight function and other miscellaneous expenses. Segment reporting results have been recast to reflect these changes for all periods presented.

(a) Other includes \$1.0 million of intercompany revenue eliminated upon consolidation. Quarterly cadence as follows: Q1 \$0.6 million, Q2 \$0.3 million, Q3 \$0.1 million, and Q4 \$0.0 million.

Source: Primo financial results