



PRIMO
WATER™

Annual and Special
Shareowners Virtual Meeting
– Tampa, Florida
(May 31, 2023)



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

Welcome to Primo Water's Annual and Special Meeting of Shareowners



Today's Speakers



Jerry Fowden

Chairman of the Board



Marni Poe

Chief Legal Officer



David Hass

Chief Financial Officer



Tom Harrington

Chief Executive Officer

AGENDA

- Order of Business
- Resolutions for Consideration
- CFO Financial Review
- CEO Remarks
- Q&A

Cautionary Statements



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, and the Company's financial targets for 2024. 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 utilizes 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. With respect to the Company's expectations of its performance, the Company's reconciliations of 2024 Adjusted EBITDA and Adjusted EBITDA margins, 2023 and 2024 net leverage, along with 2024 Adjusted 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 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.

Order of Business

- 💧 Notice of meeting
- 💧 Quorum
- 💧 Formalities
- 💧 Minutes of last meeting of shareowners
- 💧 Annual report and auditors report
- 💧 Introduction of resolutions
- 💧 CEO & CFO comments
- 💧 Q&A



Resolutions for Consideration

💧 Election of Directors



Britta Bomhard



Susan Cates



Eric Foss



Jerry Fowden



Tom Harrington



Derek Lewis



Lori Marcus



Billy Prim



Archana Singh



Steven Stanbrook

💧 Appointment of auditors

💧 Advisory vote on executive compensation

💧 Advisory vote on frequency of future executive compensation advisory votes

💧 Approval of second amended and restated by-laws

FY 2022 Highlights

Financial Performance

	2022	2021	Y/Y Change
(\$ in millions)			
Net Revenue	\$2,215.1	\$2,073.3	7%
Adjusted EBITDA	\$420.1	\$380.0	11%
Adjusted EBITDA Margin %	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



Our Capital Allocation Decisions Have Driven Value

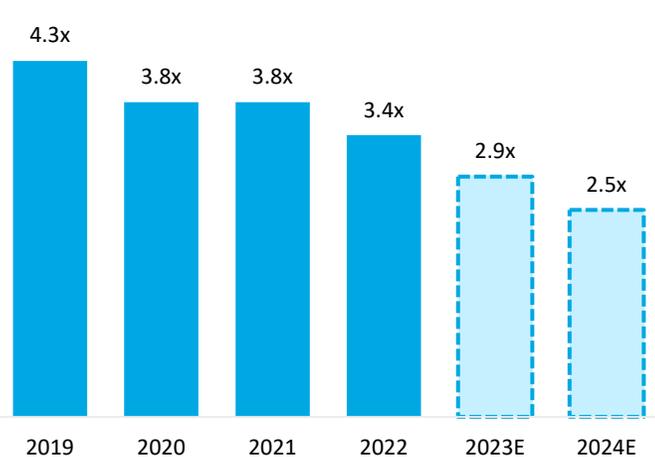


We have returned excess capital to shareowners and intend to further reduce capital used in the business

DELEVERAGING

- Organic EBITDA growth supports reduction in leverage ratio to approximately 2.5x by year-end 2024
- Senior Note debt maturity not until 2028 and 2029

Net Leverage ⁽¹⁾



INCREASING THE DIVIDEND

- Annual dividend increase of \$0.04 per share in each of 2022 and 2023, a 14% increase over last year's rate
- We anticipate a further increase in 2024, building to \$0.36 per share

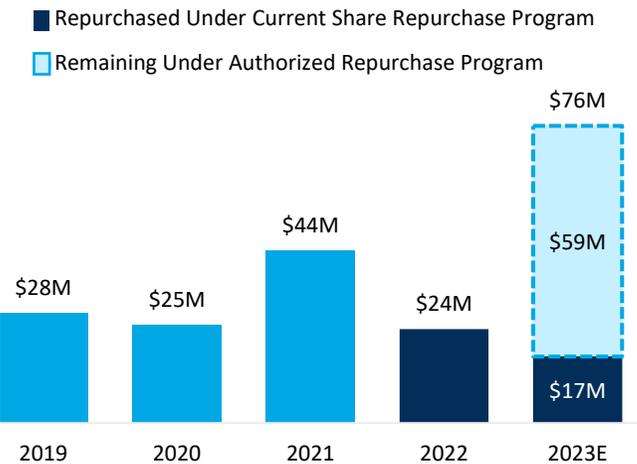
Annualized Dividend ⁽²⁾



OPPORTUNISTIC SHARE REPURCHASES

- \$41M repurchased under current \$100M opportunistic share repurchase program
- ~\$138M repurchased since 2019

Share Repurchases ⁽³⁾



Source: Primo Water Q1 2023 supplemental earnings presentation.

1. Net Leverage ratio defined as net debt (total debt, as adjusted, minus unrestricted cash) divided by Adjusted EBITDA. See 4/12/2023 Investor presentation for full reconciliation. Net Leverage levels for FY 2023E and 2024E are based on management estimates.

2. Dividend for FY 2023E annualized based on \$0.08/share dividend announced in Primo Water's press release on May 4, 2023. 2024E dividend based on management estimates.

3. Share repurchases through April 1, 2023.



In 2022, We Delivered

- 💧 Sell-through of approximately 1 million⁽¹⁾ water dispensers, the razor in our razor razorblade model
- 💧 Provided over 1 Billion gallons of water
- 💧 Reported revenue growth of 7% vs prior year
- 💧 Increased Adjusted EBITDA margin to 19%⁽²⁾
- 💧 Released our inaugural 2020 ESG report
- 💧 Exited the North America single-use plastic business and our Russian operations
- 💧 Increased our quarterly dividend to 8 cents per common share

(1) Dispenser sell-through includes ecommerce and retail units sold to end consumers

(2) See slide 16 in appendix for reconciliations

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Long-Term Growth Framework

Key Considerations



Capital Allocation

Drive Accretive ROIC Decisions

Growth Activities

CAPEX

M&A

Deleverage Balance Sheet

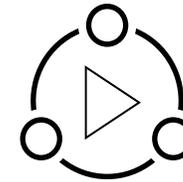
Dividend to Shareowners

Share Repurchases

Organic Growth

Inorganic

Incremental Value Creation



2024 Financial Targets

- High single-digit organic revenue growth
- Annualized Adjusted EBITDA approaching \$530M
- Adjusted EBITDA margin of approximately 21%
- Net leverage less than 2.5x ⁽¹⁾
- Adjusted ROIC of 12% ⁽²⁾
- Expected step up in dividend

Note: 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's common shares, general market and economic conditions, applicable law and other requirements, and other business considerations. Source: Company information and Management estimates.

(1) Net Leverage ratio defined as net debt (total debt, as adjusted, minus unrestricted cash) divided by Adjusted EBITDA. See 4/12/2023 Investor presentation for full reconciliation. Net Leverage levels for FY 2023E and 2024E are based on management estimates.

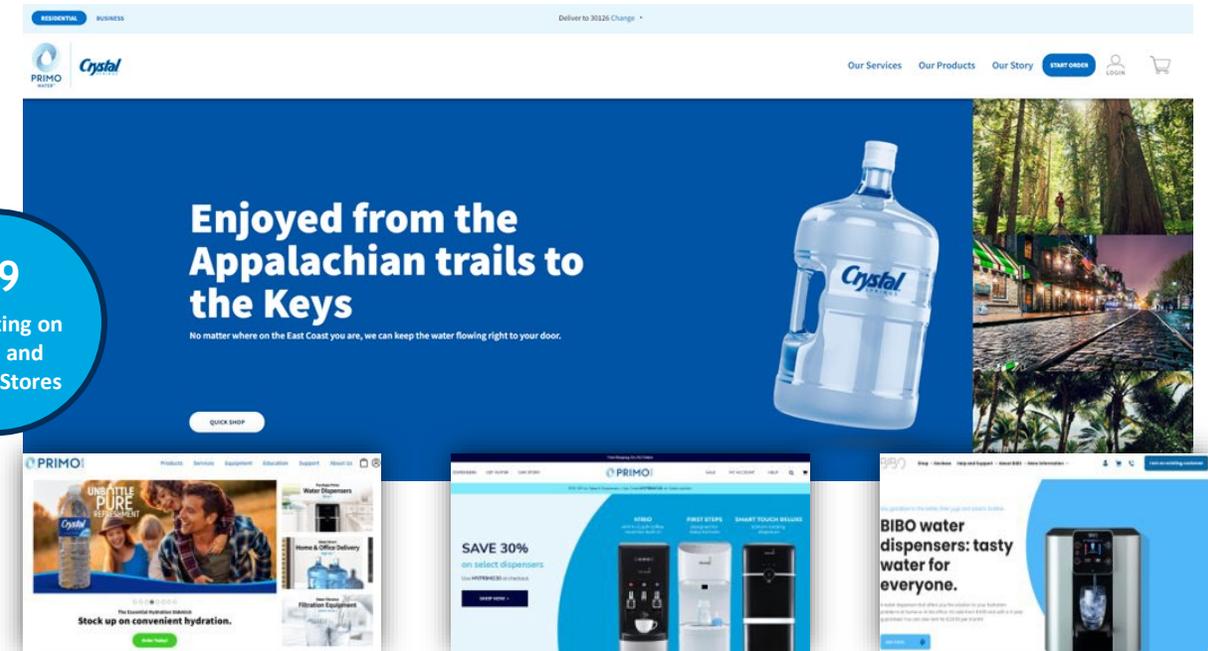
(2) As defined in exhibit 10.28 filed with Primo Water's FY 2020 Form 10-K on March 3, 2021.

Digital Investment for Our Customers

Continuous Improvement for Our Mobile App and Website Ecosystem



4.9
Star Rating on
Apple and
Google Stores



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

We Have Embraced Sustainability as a Core Strategic Pillar



TOPIC

KEY ACHIEVEMENTS TO DATE

LONG-TERM PRIORITIES

	TOPIC	KEY ACHIEVEMENTS TO DATE	LONG-TERM PRIORITIES
Protecting Our Planet	Climate Change/ Emissions	<ul style="list-style-type: none"> Achieved carbon neutrality across our operations Continue to reduce emissions by converting to propane power across our fleet 	<ul style="list-style-type: none"> Maintain carbon neutrality Reduce GHG emissions by 20% by 2030
	Water Stewardship	<ul style="list-style-type: none"> Received full Alliance for Water Stewardship (AWS) certification for four owned sites Achieved a water efficiency ratio above the IBWA average in 32 (52%) of our locations with our ongoing efficiency program 	<ul style="list-style-type: none"> Achieve global enterprise-level water stewardship certification Improve water efficiency by 20% by 2030
	Packaging and Waste Management	<ul style="list-style-type: none"> Exited North American single-use bottled water retail business Reduced by over 50% the plastic used for our 0.5L PET bottles over the last 10 years 	<ul style="list-style-type: none"> Achieve zero waste at 50% of our plants by 2030 Achieve 50% rPET for single-use bottles globally by 2030
Serving Our People & Community	Health & Safety	<ul style="list-style-type: none"> Reduced recordable injury frequency rate in North America by 11% since 2018 	<ul style="list-style-type: none"> Continue to reduce vehicle accidents and overall injuries
	Diversity, Equity & Inclusion	<ul style="list-style-type: none"> Formed internal DEI Committee and appointed our first Chief DEI Officer Began regular training initiatives to generate awareness of core DEI policies and principles 	<ul style="list-style-type: none"> Maintain at least 30% gender diversity on the Board Embed DEI methodologies across our talent ecosystem
	Human Capital Development	<ul style="list-style-type: none"> Improved Voice of the Associate results Expanded our associate learning and development program 	<ul style="list-style-type: none"> Implement leadership development programs to upskill critical competencies by 2025

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 Water 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

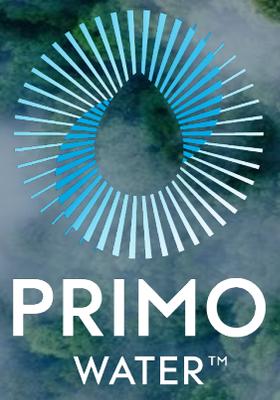


PRIMO
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Q&A



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APPENDIX



Revenue Base Clarification



Clarifying Primo Water's Revenue Base – Revenue of Businesses Exited in 2022

Revenue Base Changes

(\$ in millions)	Q1	Q2	Q3	Q4	2021	Q1	Q2	Q3	Q4	2022
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

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



Non-GAAP Reconciliation - Unaudited

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

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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