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# PRIMO WATER 2<sup>nd</sup> QUARTER 2022 RESULTS

August 11, 2022



# 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, the Company's outlook for Q3 2022 and the full year 2022, the Company's long-term growth outlook. 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, including the COVID-19 outbreak. 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 the impact of the small-format single-use retail bottled water business in North America to separate the impact of these items 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 Q3 2022 and full year 2022 estimated Adjusted EBITDA, along with targeted 2024 Adjusted EBITDA, Adjusted EBITDA margin, net leverage, 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.

# AGENDA

- ◆ Q2 Highlights
- ◆ Q2 2022 Consolidated Results
- ◆ Category Performance
- ◆ Channel Overview
- ◆ Dispenser Overview
- ◆ Bottled Water Industry Resilience
- ◆ ESG Update
- ◆ Revenue Bridges
- ◆ Q3 and Full Year 2022 Outlook
- ◆ Growth Drivers
- ◆ Long-Term Growth Outlook



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## Q2 Highlights

16% revenue growth<sup>1</sup>  
through:

- 💧 Strong customer demand
- 💧 Pricing actions
- 💧 Increased dispenser revenue via strategic partnerships
- 💧 Mountain Valley growth
- 💧 Customer experience improvements

<sup>1</sup> Excludes exit of traditional retail and effect of foreign exchange



# Q2 Consolidated Results

For the Three Months Ended

(\$ in millions)

	July 2, 2022	July 3, 2021	Y/Y Change
Net Revenue	\$571.4	\$526.1	9%
Net Revenue, ex-traditional retail	\$557.0	\$489.6	14%
Net Revenue, ex-traditional retail, FX neutral	\$570.2	\$489.6	16%
Adjusted EBITDA*	\$108.0	\$99.5	9%
Adjusted EBITDA Margin %	18.9%	18.9%	0bps



Source: Primo Management  
 \*See appendix for non-GAAP reconciliations

# Primo Water Category Revenue Performance

Strong performance in all categories

## Water Direct/Exchange



20% revenue growth

- Customer growth to 2.3M, up 3.3% vs last year
- +75,000 customers vs Q2 2021
- Expanding key accounts

## Other Water<sup>1</sup>



6% revenue growth

- Mountain Valley Premium
- Acquired additional Mountain Valley distributor in Atlanta area

## Water Refill/Filtration



6% revenue growth

- Improved machine reliability
- New points of distribution

## Water Dispensers



5% revenue growth

- Effective strategic partnerships
- Target 1M+ units sold-thru

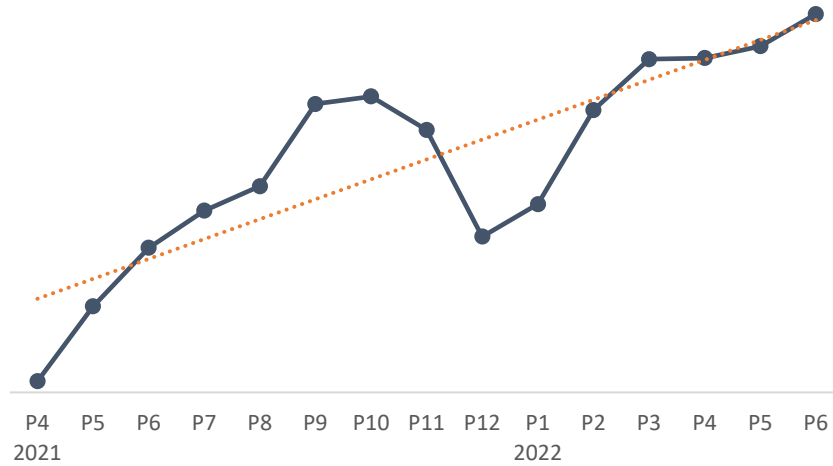
Source: consolidated revenue

<sup>1</sup> Excludes exit of traditional retail

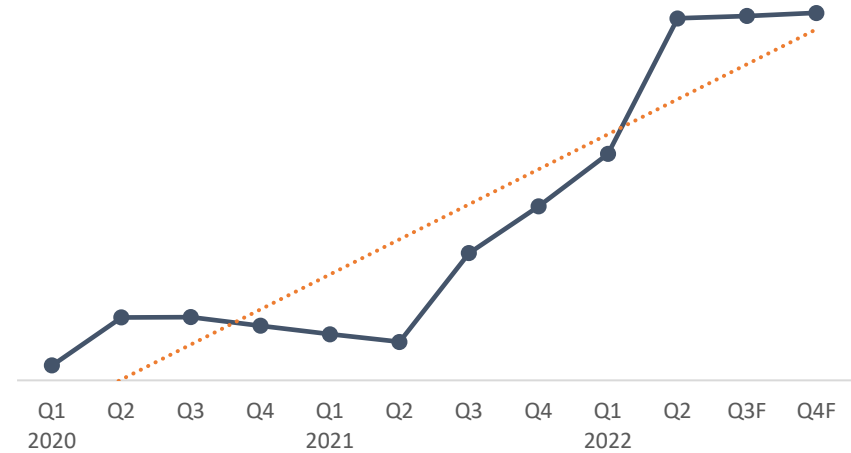
# Channel Overview



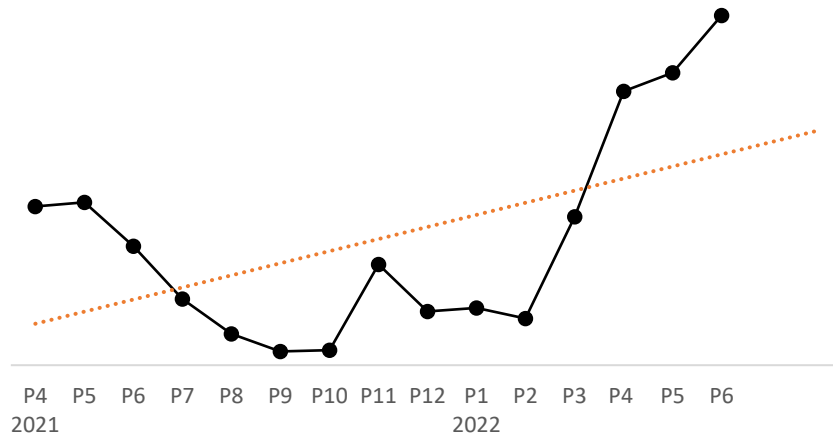
### Water Direct & Exchange Customers (US)



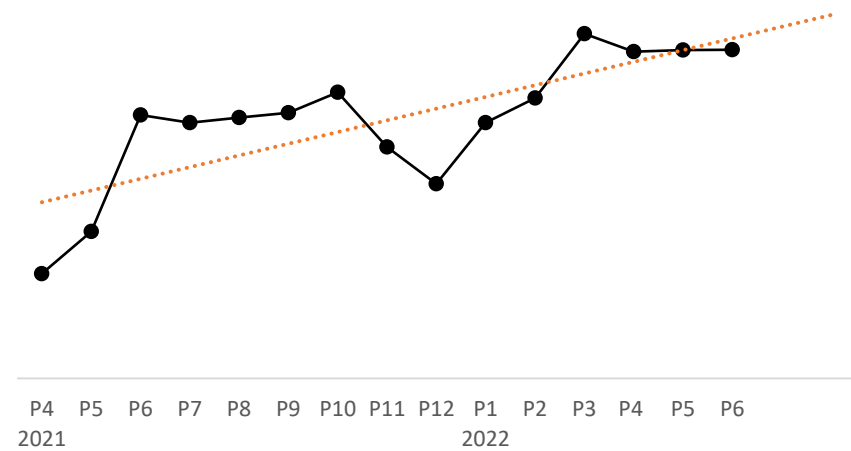
### Water Direct 5G/3G A.S.P. (US)



### Ecommerce Dispensers



### Ecommerce 5G Water Volume



# Dispenser Overview

- ◊ Sold >225,000 dispensers in Q2
  - Increased promotional activities
  - Effective strategic partnerships
  - Increased penetration within our existing customer base
- ◊ Dispenser addressable market
  - 7 million US households utilizing large format water solutions
  - 29M total addressable market supporting our growth forecast
- ◊ Potential Tariff relief (not included in outlook)
- ◊ On target to exceed 1 million dispensers sold in 2022



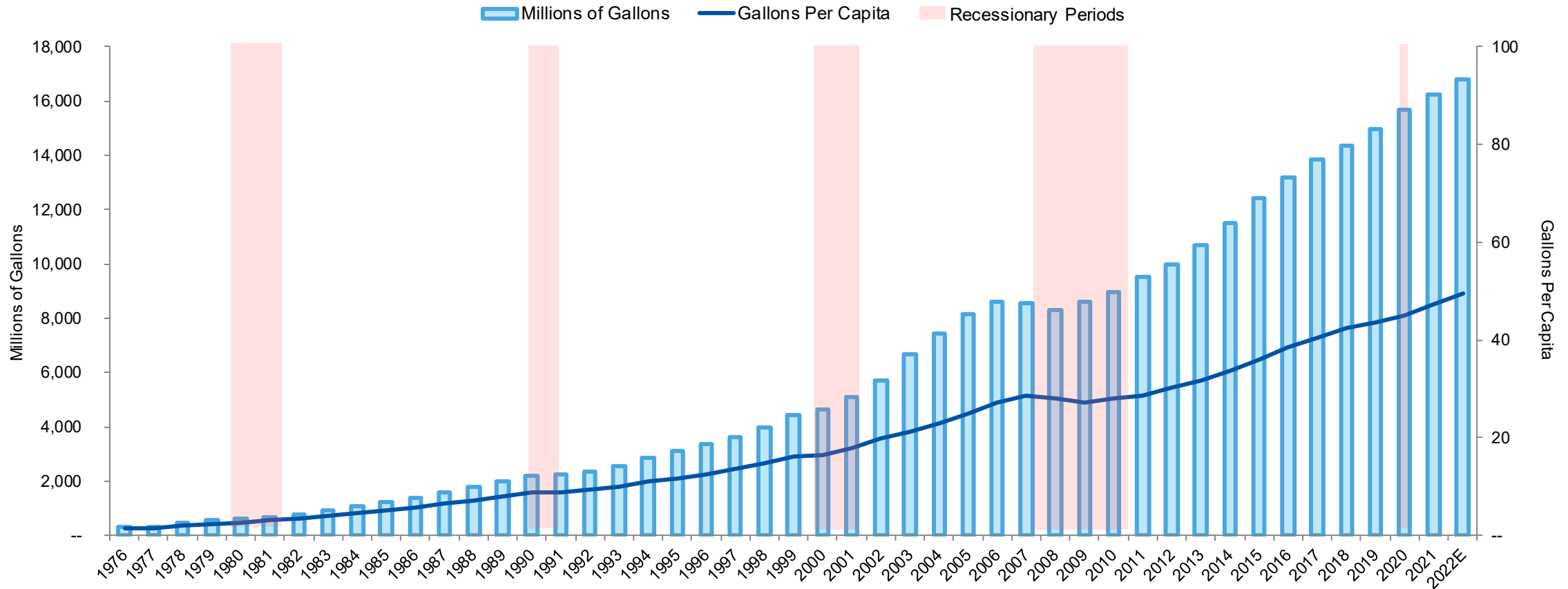


# Resilient Bottled Water Industry Across Economic Cycles



Bottled Water Industry Has Shown Consistent Growth Despite Multiple Economic Downturns

## U.S. Bottled Water Industry Over Time



Source: Beverage Marketing Corporation

# ESG Leadership and Initiatives



## Inaugural ESG report

- Long-term goals and commitments
- Formalize priorities and governance structure
- Establish initial targets
- Enhanced collection of data



## Major Milestones

- Commitment to Carbon Neutrality
- Investments in Cleaner Transportation
- Overview of corporate governance
- Diversity and inclusion



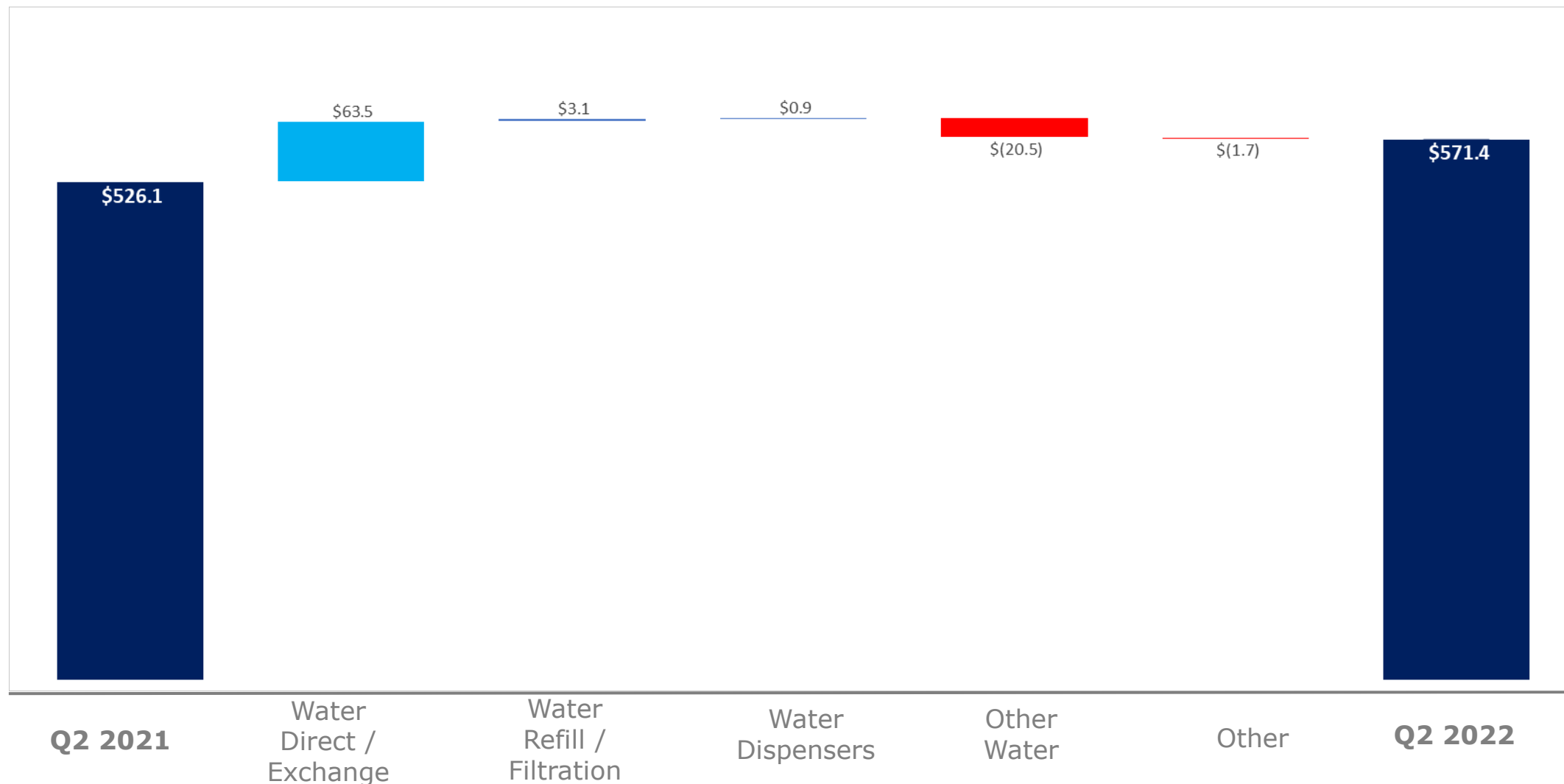
## Exit of single-use bottled water retail

- Eliminates 400M bottles from our production ecosystem
- Margin accretive
- Reduces asset intensity
- Removes non-core distraction

# Q2 Consolidated Results - Revenue Bridge



In millions of U.S. dollars



\*Impact of small-format single-use retail bottled water business in North America (planned exit previously announced)

Note: Amounts may not add due to rounding

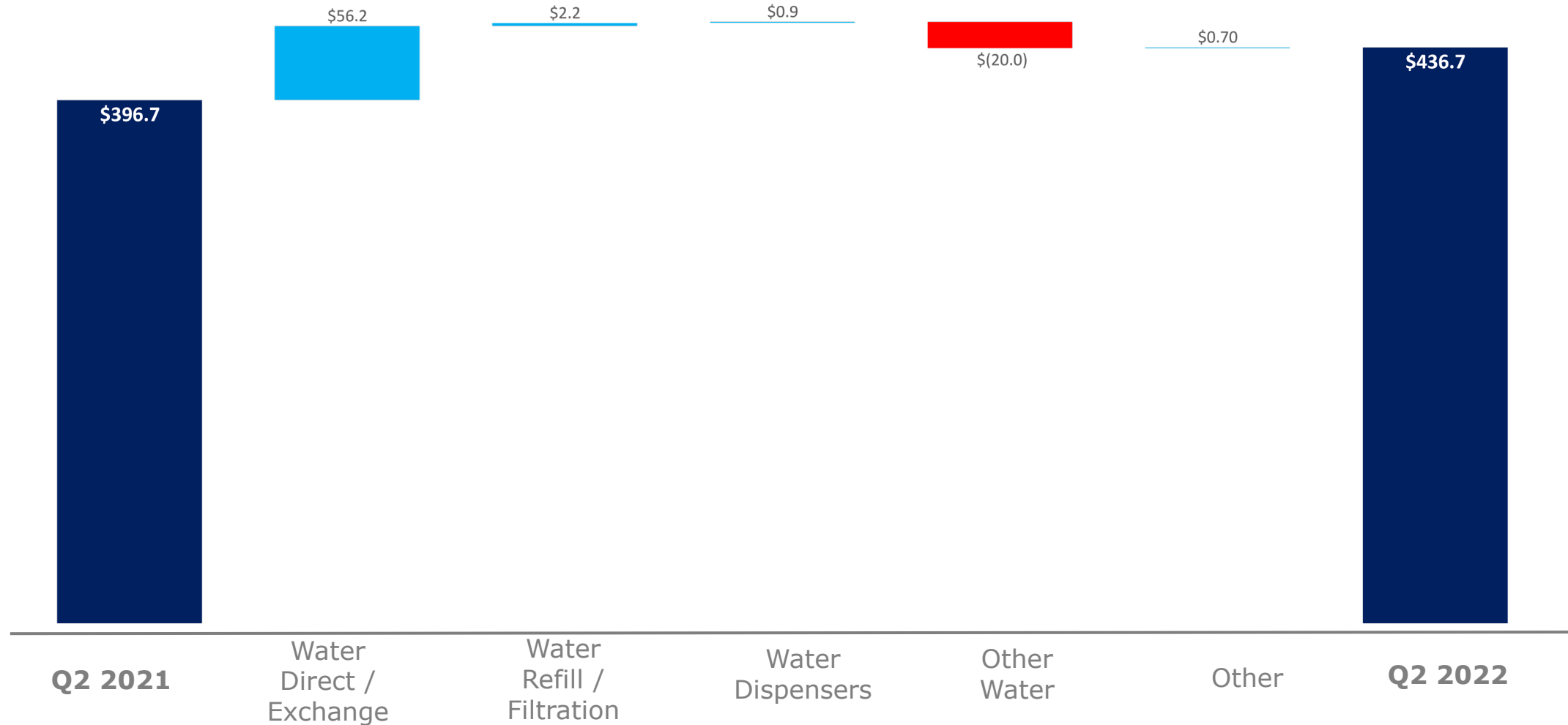
Source: Primo Management

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# Q2 North America - Revenue Bridge



In millions of U.S. dollars



\*Impact of small-format single-use retail bottled water business (planned exit previously announced)

Note: Amounts may not add due to rounding

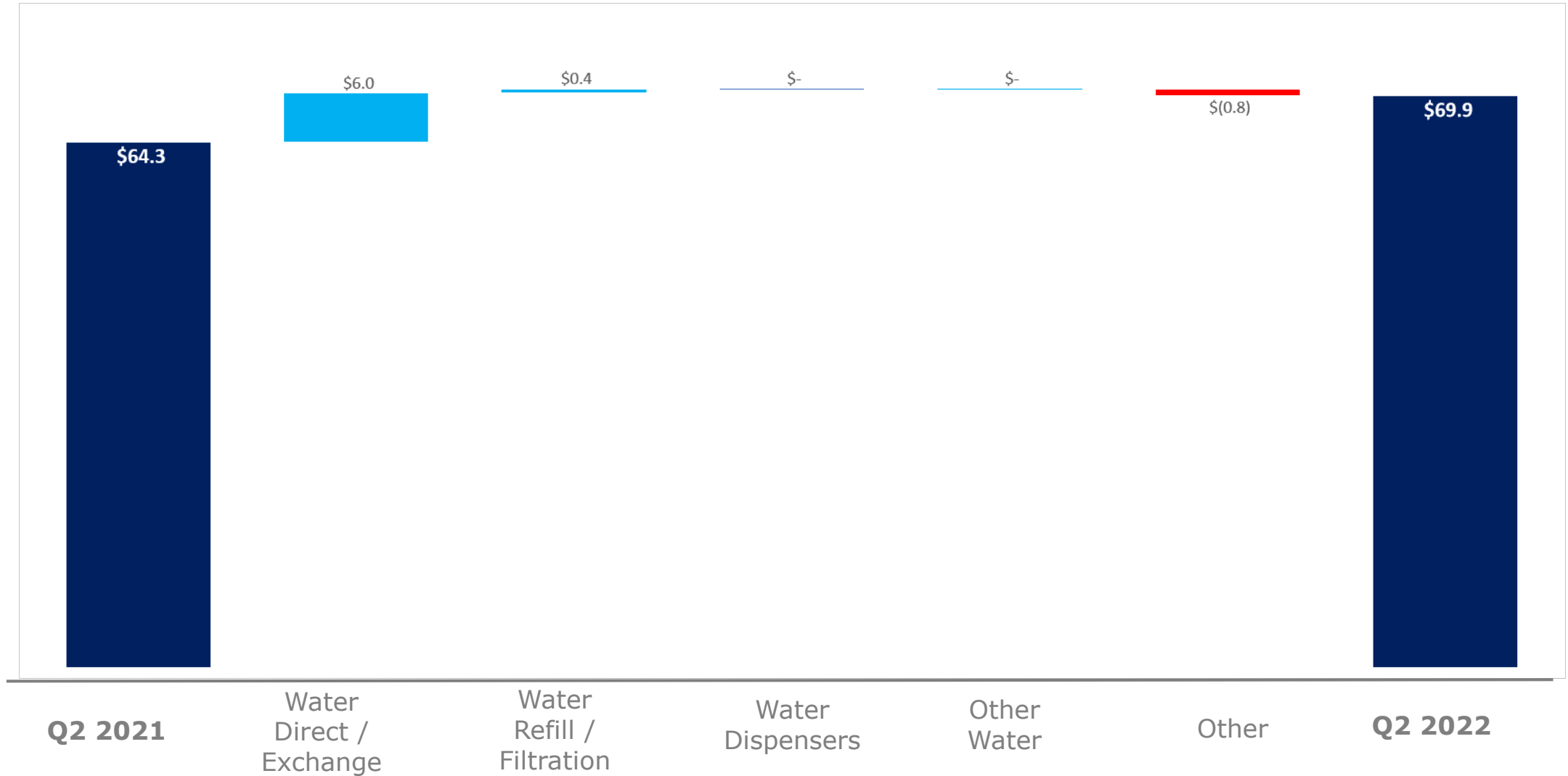
Source: Primo Management

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# Q2 Europe - Revenue Bridge



In millions of U.S. dollars



Note: Amounts may not add due to rounding  
Source: Primo Management

# Third Quarter & Full Year 2022 Outlook



(\$ in millions)	Q3 2022		FY 2022	
	Range		Range	
	Low	High	Low	High
Revenue	\$570	\$590	12%	14% <sup>(1)</sup>
Adjusted EBITDA	\$115	\$120	\$415	\$425
Cash Taxes	-	-	~ \$10	
Interest	-	-	~ \$60	
Cap-Ex	-	-	~ \$200	

(1) Adjusted for the exit of the North American single-use retail bottled water category. Reflects estimated revenue from 2021 tuck-in acquisitions. Assumes current FX rates.



## Opportunities

- 💧 Continue to leverage strategic partnerships to drive digital growth
- 💧 Dispenser & refill innovation
- 💧 Transition our delivery fleet to propane, reducing emissions
- 💧 Investing in new spring resources
- 💧 Efficiency projects in production equipment
- 💧 Investing in software solutions to support logistics operational excellence

# Primo Water Corporation Long-Term Growth Outlook



	<b>PRIMO 2022E</b>	<b>PRIMO 2024E</b>
<b>REVENUE</b>	12% to 14% <sup>(1)</sup>	HIGH SINGLE DIGIT % ORGANIC GROWTH
<b>ADJUSTED EBITDA</b>	\$415M - \$425M	APPROACHING \$525M
<b>ADJUSTED EBITDA MARGIN %</b>	~19%+	21% to 22%
<b>NET LEVERAGE RATIO <sup>(2)</sup></b>	3.4x	< 2.5x

(1) Normalized for the exit of the North American single-use retail bottled water category. Reflects estimated revenue from 2021 tuck-in acquisitions

(2) Net leverage ratio defined as net debt (total debt, adjusted to exclude unamortized debt costs, minus unrestricted cash) divided by Adjusted EBITDA

Source: Primo Management





# APPENDIX



# Adjusted Revenue by Reporting Segment\*

## Non-GAAP Reconciliation - Unaudited



(in millions of U.S. dollars)

	For the Three Months Ended July 2, 2022				For the Three Months Ended July 3, 2021					% Change			
	North America	Europe	Other	Total	North America	Europe	Other	Eliminations	Total	North America	Europe	Other	Total
<b>Revenue, net as reported</b>	\$ 436.7	\$ 69.9	\$ 64.8	\$ 571.4	\$ 396.7	\$ 64.3	\$ 65.4	\$ (0.3)	\$ 526.1	10.1%	8.7%	-0.9%	8.6%
(-) Impact of the single-use retail bottled water business	(14.4)	-	-	(14.4)	(36.5)	-	-	-	(36.5)				
<b>Adjusted revenue, net</b>	\$ 422.3	\$ 69.9	\$ 64.8	\$ 557.0	\$ 360.2	\$ 64.3	\$ 65.4	\$ (0.3)	\$ 489.6	17.2%	8.7%	-0.9%	13.8%
(+/-) Impact of foreign exchange (a)	0.7	8.6	3.9	13.2	-	-	-	-	-				
<b>Adjusted revenue, net FX neutral</b>	\$ 423.0	\$ 78.5	\$ 68.7	\$ 570.2	\$ 360.2	\$ 64.3	\$ 65.4	\$ (0.3)	\$ 489.6	17.4%	22.1%	5.0%	16.5%

	For the Six Months Ended July 2, 2022				For the Six Months Ended July 3, 2021					% Change			
	North America	Europe	Other	Total	North America	Europe	Other	Eliminations	Total	North America	Europe	Other	Total
<b>Revenue, net as reported</b>	\$ 833.8	\$ 134.2	\$ 129.5	\$ 1,097.5	\$ 762.2	\$ 119.9	\$ 123.3	\$ (0.9)	\$ 1,004.5	9.4%	11.9%	5.0%	9.3%
(-) Impact of the single-use retail bottled water business	(41.0)	-	-	(41.0)	(73.4)	-	-	-	(73.4)				
<b>Adjusted revenue, net</b>	\$ 792.8	\$ 134.2	\$ 129.5	\$ 1,056.5	\$ 688.8	\$ 119.9	\$ 123.3	\$ (0.9)	\$ 931.1	15.1%	11.9%	5.0%	13.5%
(+/-) Impact of foreign exchange (a)	0.7	13.1	4.0	17.8	-	-	-	-	-				
<b>Adjusted revenue, net FX neutral</b>	\$ 793.5	\$ 147.3	\$ 133.5	\$ 1,074.3	\$ 688.8	\$ 119.9	\$ 123.3	\$ (0.9)	\$ 931.1	15.2%	22.9%	8.3%	15.4%

\*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) Impact of foreign exchange is the difference between the current period revenue translated utilizing the current period average foreign exchange rates less the current period revenue translated utilizing the prior period average foreign exchange rates.

Source: Primo Management

# Organic Revenue and Organic Revenue Growth<sup>(a)</sup>



## Non-GAAP Reconciliation - Unaudited

(in millions of U.S. dollars)

	<u>For the Three Months Ended July 2, 2022</u>				<u>For the Three Months Ended July 3, 2021</u>				
	<u>North America</u>	<u>Europe</u>	<u>Other</u>	<u>Total</u>	<u>North America</u>	<u>Europe</u>	<u>Other</u>	<u>Eliminations</u>	<u>Total</u>
<b>Revenue, net as reported</b>	\$ 436.7	\$ 69.9	\$ 64.8	\$ 571.4	\$ 396.7	\$ 64.3	\$ 65.4	\$ (0.3)	\$ 526.1
(-) Revenue from acquisitions	(6.0)	(7.3)	-	(13.3)	(0.1)	-	-	-	(0.1)
(-) Single-use retail bottled water business revenue	(14.4)	-	-	(14.4)	(36.5)	-	-	-	(36.5)
(+/-) Impact of foreign exchange	0.7	7.6	3.8	12.1	-	-	-	-	-
<b>Organic Revenue</b>	<b>\$ 417.0</b>	<b>\$ 70.2</b>	<b>\$ 68.6</b>	<b>\$ 555.8</b>	<b>\$ 360.1</b>	<b>\$ 64.3</b>	<b>\$ 65.4</b>	<b>\$ (0.3)</b>	<b>\$ 489.5</b>
<b>Organic Revenue Growth %</b>	<b>15.8%</b>	<b>9.2%</b>	<b>4.9%</b>	<b>13.5%</b>					

	<u>For the Six Months Ended July 2, 2022</u>				<u>For the Six Months Ended July 3, 2021</u>				
	<u>North America</u>	<u>Europe</u>	<u>Other</u>	<u>Total</u>	<u>North America</u>	<u>Europe</u>	<u>Other</u>	<u>Eliminations</u>	<u>Total</u>
<b>Revenue, net as reported</b>	\$ 833.8	\$134.2	\$ 129.5	\$1,097.5	\$ 762.2	\$ 119.9	\$ 123.3	\$ (0.9)	\$1,004.5
(-) Revenue from acquisitions	(11.3)	(13.4)	-	(24.7)	(0.1)	-	-	-	(0.1)
(-) Single-use retail bottled water business revenue	(41.0)	-	-	(41.0)	(73.4)	-	-	-	(73.4)
(-) Impact of foreign exchange	0.7	11.7	3.9	16.3	-	-	-	-	-
<b>Organic Revenue</b>	<b>\$ 782.2</b>	<b>\$132.5</b>	<b>\$ 133.4</b>	<b>\$1,048.1</b>	<b>\$ 688.7</b>	<b>\$ 119.9</b>	<b>\$ 123.3</b>	<b>\$ (0.9)</b>	<b>\$ 931.0</b>
<b>Organic Revenue Growth %</b>	<b>13.6%</b>	<b>10.5%</b>	<b>8.2%</b>	<b>12.6%</b>					

(a) Organic Revenue is a non-GAAP measure of revenue excluding from the current period and comparative prior year period the impacts of acquisitions and divestitures completed during the current period and completed in the prior fiscal year, as applicable, foreign exchange measured using the average foreign exchange rates in the prior year period to present the revenue on a constant currency basis relative to the comparative period average foreign exchange rates, and revenue from businesses the Company plans to exit as publicly announced. Organic Revenue Growth is a non-GAAP measure of revenue growth calculated from comparable Organic Revenue for the periods presented.

Source: Primo Management

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



## Non-GAAP Reconciliation - Unaudited

	For the Three Months Ended		For the Six Months Ended	
	July 2, 2022	July 3, 2021	July 2, 2022	July 3, 2021
<b>Revenue, net</b>	\$ 571.4	\$ 526.1	\$ 1,097.5	\$ 1,004.5
<b>Net loss</b>	\$ (22.5)	\$ (8.3)	\$ (29.2)	\$ (18.5)
Interest expense, net	17.0	17.7	33.9	36.7
Income tax expense (benefit)	1.4	(3.4)	3.8	1.3
Depreciation and amortization	60.2	52.0	121.4	105.1
<b>EBITDA</b>	\$ 56.1	\$ 58.0	\$ 129.9	\$ 124.6
Acquisition and integration costs	4.9	2.4	9.2	3.7
Share-based compensation costs	4.2	3.8	7.5	6.2
COVID-19 costs	-	0.5	-	1.2
Impairment charges	29.1	-	29.1	-
Foreign exchange and other losses (gains), net	11.5	(1.0)	15.4	(1.1)
Loss on disposal of property, plant and equipment, net	0.1	3.3	1.8	5.4
Loss on extinguishment of long-term debt	-	27.2	-	27.2
Other adjustments, net	2.1	5.3	3.0	8.5
<b>Adjusted EBITDA</b>	\$ 108.0	\$ 99.5	\$ 195.9	\$ 175.7
<b>Adjusted EBITDA margin %</b>	18.9 %	18.9 %	17.8 %	17.5 %

# EBITDA and Adjusted EBITDA by Reporting Segment\*



## Non-GAAP Reconciliation - Unaudited

(in millions of U.S. dollars)

	For the Three Months Ended July 2, 2022				For the Three Months Ended July 3, 2021				
	North America	Europe	Other	Total	North America	Europe	Other	Eliminations	Total
<b>Revenue, net as reported</b>	\$ 436.7	\$ 69.9	\$ 64.8	\$ 571.4	\$ 396.7	\$ 64.3	\$ 65.4	\$ (0.3)	\$ 526.1
<b>Operating income (loss)</b>	\$ 48.3	\$ (29.1)	\$ (12.6)	\$ 6.6	\$ 40.1	\$ (1.6)	\$ (6.9)	\$ -	\$ 31.6
Other expense (income), net	0.1	9.7	0.9	10.7	(0.6)	(1.2)	27.4	-	25.6
Depreciation and amortization	44.3	10.1	5.8	60.2	36.5	9.9	5.6	-	52.0
<b>EBITDA</b>	\$ 92.5	\$ (28.7)	\$ (7.7)	\$ 56.1	\$ 77.2	\$ 9.5	\$ (28.7)	\$ -	\$ 58.0
Acquisition and integration costs	3.3	1.0	0.6	4.9	1.3	(0.1)	1.2	-	2.4
Share-based compensation costs	0.8	-	3.4	4.2	1.3	0.4	2.1	-	3.8
COVID-19 costs	-	-	-	-	0.4	0.1	-	-	0.5
Impairment charges	-	29.1	-	29.1	-	-	-	-	-
Foreign exchange and other losses (gains), net	0.7	9.9	0.9	11.5	(0.2)	(1.1)	0.3	-	(1.0)
Loss (gain) on disposal of property, plant and equipment, net	0.2	(0.1)	-	0.1	3.6	-	(0.3)	-	3.3
Loss on extinguishment of long-term debt	-	-	-	-	-	-	27.2	-	27.2
Other adjustments, net	(0.2)	0.7	1.6	2.1	1.1	4.1	0.1	-	5.3
<b>Adjusted EBITDA</b>	\$ 97.3	\$ 11.9	\$ (1.2)	\$ 108.0	\$ 84.7	\$ 12.9	\$ 1.9	\$ -	\$ 99.5
<b>Adjusted EBITDA margin %</b>	22.3%	17.0%	-1.9%	18.9%	21.4%	20.1%	2.9%	n/a	18.9%

\*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 Management

# EBITDA and Adjusted EBITDA by Reporting Segment\*



## Non-GAAP Reconciliation - Unaudited

(in millions of U.S. dollars)

	For the Six Months Ended July 2, 2022				For the Six Months Ended July 3, 2021				
	North America	Europe	Other	Total	North America	Europe	Other	Eliminations	Total
<b>Revenue, net as reported</b>	\$ 833.8	\$ 134.2	\$ 129.5	\$1,097.5	\$ 762.2	\$ 119.9	\$ 123.3	\$ (0.9)	\$1,004.5
<b>Operating income (loss)</b>	\$ 76.6	\$ (32.7)	\$ (22.0)	\$ 21.9	\$ 66.2	\$ (5.0)	\$ (16.5)	\$ -	\$ 44.7
Other expense (income), net	(1.7)	13.5	1.6	13.4	(1.3)	(1.4)	27.9	-	25.2
Depreciation and amortization	89.6	19.9	11.9	121.4	74.3	19.6	11.2	-	105.1
<b>EBITDA</b>	\$ 167.9	\$ (26.3)	\$ (11.7)	\$ 129.9	\$ 141.8	\$ 16.0	\$ (33.2)	\$ -	\$ 124.6
Acquisition and integration costs	5.8	2.2	1.2	9.2	2.0	-	1.7	-	3.7
Share-based compensation costs	1.6	0.3	5.6	7.5	2.5	0.7	3.0	-	6.2
COVID-19 costs	-	-	-	-	1.1	0.1	-	-	1.2
Impairment charges	-	29.1	-	29.1	-	-	-	-	-
Foreign exchange and other losses (gains), net	0.2	13.7	1.5	15.4	(0.6)	(1.3)	0.8	-	(1.1)
Loss (gain) on disposal of property, plant and equipment, net	1.6	(0.1)	0.3	1.8	5.5	0.1	(0.2)	-	5.4
Loss on extinguishment of long-term debt	-	-	-	-	-	-	27.2	-	27.2
Other adjustments, net	(1.0)	1.7	2.3	3.0	0.8	6.5	1.2	-	8.5
<b>Adjusted EBITDA</b>	\$ 176.1	\$ 20.6	\$ (0.8)	\$ 195.9	\$ 153.1	\$ 22.1	\$ 0.5	\$ -	\$ 175.7
<b>Adjusted EBITDA margin %</b>	21.1%	15.4%	-0.6%	17.8%	20.1%	18.4%	0.4%	n/a	17.5%

\*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 Management

# Analysis of Change in Adjusted EBITDA by Reporting Segment



## Non-GAAP Reconciliation - Unaudited

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

	<b>For the Three Months Ended July 2, 2022</b>			
	<b>North America</b>	<b>Europe</b>	<b>Other</b>	<b>Total</b>
Change in Adjusted EBITDA	\$ 12.6	\$ (1.0)	\$ (3.1)	\$ 8.5
Impact of foreign exchange (a)	\$ -	\$ 1.4	\$ 0.6	\$ 2.0
Change excluding foreign exchange	\$ 12.6	\$ 0.4	\$ (2.5)	\$ 10.5
Percentage change in Adjusted EBITDA	14.9%	-7.8%	-163.2%	8.5%
Percentage change in Adjusted EBITDA excluding foreign exchange	14.9%	3.1%	-131.6%	10.6%

	<b>For the Six Months Ended July 2, 2022</b>			
	<b>North America</b>	<b>Europe</b>	<b>Other</b>	<b>Total</b>
Change in Adjusted EBITDA	\$ 23.0	\$ (1.5)	\$ (1.3)	\$ 20.2
Impact of foreign exchange (a)	\$ -	\$ 2.2	\$ 0.8	\$ 3.0
Change excluding foreign exchange	\$ 23.0	\$ 0.7	\$ (0.5)	\$ 23.2
Percentage change in Adjusted EBITDA	15.0%	-6.8%	-260.0%	11.5%
Percentage change in Adjusted EBITDA excluding foreign exchange	15.0%	3.2%	-100.0%	13.2%

(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 Management

# Interest Coverage Ratio and Net Leverage Ratio



## Non-GAAP Reconciliation - Unaudited

(in millions of U.S. dollars except financial ratios)	FY 2021	(-) Q2 2021 YTD	(+) Q2 2022 YTD	Q2 2022 LTM
<b>Adjusted EBITDA</b>	\$ 380.0	\$ (175.7)	\$ 195.9	\$ <b>400.2</b>
Interest expense	\$ 68.8	(36.7)	33.9	\$ <b>66.0</b>
Total debt (a)				\$ <b>1,542.0</b>
Unrestricted cash				\$ <b>98.5</b>
Interest Coverage ratio (b)				<b>6.1x</b>
Net Leverage ratio (c)				<b>3.6x</b>

(a) Total debt as of July 2, 2022 of \$1,526.8 million adjusted to exclude \$15.2 million of unamortized debt costs.

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

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

Source: Primo Management



# 2022 Revenue Outlook



## Non-GAAP Reconciliation - Unaudited

(in millions of U.S. dollars)

<b>2021 Consolidated net revenue, as reported</b>	\$ 2,073
Less: North America single-use plastic retail net revenue	<u>(142)</u>
<b>2021 Consolidated adjusted net revenue (Base Revenue)</b>	\$ 1,931

### Company Revenue Guidance

(in millions of U.S. dollars)	Year Ending December 31, 2022			
	Prior Guidance		Updated Guidance August 2022	
	Low	High	Low	High
Organic Growth	+7%	+8%	+10%	+12%
2021 Tuck-Ins	+2%	+2%	+2%	+2%
<b>Overall Revenue Growth (a)</b>	<b>+9%</b>	<b>+10%</b>	<b>+12%</b>	<b>+14%</b>
<b>FY2022E Net Revenue before expected contribution from North America single-use retail bottled water</b>	\$ 2,105	\$ 2,124	\$ 2,163	\$ 2,202
Plus: 2022 North America single-use plastic retail net revenue	\$ 40	\$ 40	\$ 41	\$ 41
<b>FY2022E Net Revenue</b>	<b>\$ 2,145</b>	<b>\$ 2,164</b>	<b>\$ 2,204</b>	<b>\$ 2,243</b>

(a) Computed from 2021 Base Revenue

Source: Primo Management

# FY2022 Supplemental Reporting Segment Realignment\*



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

	North America			Europe			Other			Total		
	Q1	Q2	2022 YTD	Q1	Q2	2022 YTD	Q1	Q2	2022 YTD	Q1	Q2	2022 YTD
<b>Revenue, net</b>	<b>\$ 397.1</b>	<b>\$ 436.7</b>	<b>\$ 833.8</b>	<b>\$ 64.3</b>	<b>\$ 69.9</b>	<b>\$ 134.2</b>	<b>\$ 64.7</b>	<b>\$ 64.8</b>	<b>\$ 129.5</b>	<b>\$ 526.1</b>	<b>\$ 571.4</b>	<b>\$1,097.5</b>
Operating income (loss)	\$ 28.3	\$ 48.3	\$ 76.6	\$ (3.6)	\$ (29.1)	\$ (32.7)	\$ (9.4)	\$ (12.6)	\$ (22.0)	\$ 15.3	\$ 6.6	\$ 21.9
Other (income) expense, net	(1.8)	0.1	(1.7)	3.8	9.7	13.5	0.7	0.9	1.6	2.7	10.7	13.4
Depreciation and amortization	45.3	44.3	89.6	9.8	10.1	19.9	6.1	5.8	11.9	61.2	60.2	121.4
<b>EBITDA</b>	<b>75.4</b>	<b>92.5</b>	<b>167.9</b>	<b>2.4</b>	<b>(28.7)</b>	<b>(26.3)</b>	<b>(4.0)</b>	<b>(7.7)</b>	<b>(11.7)</b>	<b>73.8</b>	<b>56.1</b>	<b>129.9</b>
Acquisition and integration costs	2.5	3.3	5.8	1.2	1.0	2.2	0.6	0.6	1.2	4.3	4.9	9.2
Share-based compensation costs	0.8	0.8	1.6	0.3	-	0.3	2.2	3.4	5.6	3.3	4.2	7.5
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	0.2	3.8	9.9	13.7	0.6	0.9	1.5	3.9	11.5	15.4
Loss (gain) on disposal of property, plant and equipment, net	1.4	0.2	1.6	-	(0.1)	(0.1)	0.3	-	0.3	1.7	0.1	1.8
Other adjustments, net	(0.8)	(0.2)	(1.0)	1.0	0.7	1.7	0.7	1.6	2.3	0.9	2.1	3.0
<b>Adjusted EBITDA</b>	<b>\$ 78.8</b>	<b>\$ 97.3</b>	<b>\$ 176.1</b>	<b>\$ 8.7</b>	<b>\$ 11.9</b>	<b>\$ 20.6</b>	<b>\$ 0.4</b>	<b>\$ (1.2)</b>	<b>\$ (0.8)</b>	<b>\$ 87.9</b>	<b>\$ 108.0</b>	<b>\$ 195.9</b>
<b>Adjusted EBITDA margin %</b>	<b>19.8%</b>	<b>22.3%</b>	<b>21.1%</b>	<b>13.5%</b>	<b>17.0%</b>	<b>15.4%</b>	<b>0.6%</b>	<b>-1.9%</b>	<b>-0.6%</b>	<b>16.7%</b>	<b>18.9%</b>	<b>17.8%</b>

\*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 Fonhill Waters Ltd ("Fonhill") 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 Management

# FY2021 Supplemental Reporting Segment Realignment\*



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

	North America					Europe					Other (a)					Total				
	Q1	Q2	Q3	Q4	2021	Q1	Q2	Q3	Q4	2021	Q1	Q2	Q3	Q4	2021	Q1	Q2	Q3	Q4	2021
<b>Revenue, net</b>	\$ 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)	\$ 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
<b>EBITDA</b>	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
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 (gain) 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
<b>Adjusted EBITDA</b>	<u>\$ 68.4</u>	<u>\$ 84.7</u>	<u>\$ 88.3</u>	<u>\$ 85.2</u>	<u>\$ 326.6</u>	<u>\$ 9.2</u>	<u>\$ 12.9</u>	<u>\$ 14.4</u>	<u>\$ 7.7</u>	<u>\$ 44.2</u>	<u>\$ (1.4)</u>	<u>\$ 1.9</u>	<u>\$ 3.2</u>	<u>\$ 5.5</u>	<u>\$ 9.2</u>	<u>\$ 76.2</u>	<u>\$ 99.5</u>	<u>\$ 105.9</u>	<u>\$ 98.4</u>	<u>\$ 380.0</u>
<b>Adjusted EBITDA margin %</b>	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%

\*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 Fonhill Waters Ltd ("Fonhill") 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 Management

# FY2021 Supplemental Net Revenue Information

## Net Revenue Excluding North America Single-Use Plastic Retail Net Revenue - Non-GAAP Reconciliation - Unaudited

(in millions of U.S. dollars)

	<b>Three Months Ended</b>				<b>Year Ended</b>
	<b>April 3, 2021</b>	<b>July 3, 2021</b>	<b>October 2, 2021</b>	<b>January 1, 2022</b>	<b>January 1, 2022</b>
<b>Consolidated net revenue, as reported</b>	\$ 478.4	\$ 526.1	\$ 550.8	\$ 518.0	\$ 2,073.3
Less: North America single-use plastic retail net revenue	(36.9)	(36.5)	(37.3)	(31.4)	(142.1)
<b>Consolidated adjusted net revenue</b>	<b>\$ 441.5</b>	<b>\$ 489.6</b>	<b>\$ 513.5</b>	<b>\$ 486.6</b>	<b>\$ 1,931.2</b>