PRIMO

WATER CORPORATION

RBC Consumer Conference

May 2020

Safe Harbor Statements

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 statement. The forward looking statements in this presentation include but are not limited to statements regarding estimated revenues, EBITDA and adjusted free cash flows. 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 recent 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

The Company routinely supplements its reporting of GAAP measures by utilizing certain non-GAAP measures to separate the impact of certain items from its underlying business results. Since the Company uses these non-GAAP measures in the management of its business, management believes this supplemental information is useful to investors for their independent evaluation and understanding of Primo's business. With respect to our expectations of performance of Primo as it is being integrated, reconciliations of estimated adjusted EBITDA is not available, as we are unable to quantify certain amounts that would be required to be included in the relevant GAAP measures without unreasonable effort. We expect that the unavailable reconciling items, which primarily include taxes, interest costs that would occur if the company refinanced debt, costs to capture synergies and phasing of capex, 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. We expect the variability of these factors to have a significant, and potentially unpredictable, impact on our 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. A copy of this presentation may be found on www.primowatercorp.com. Please see Appendix to this presentation for reconciliations to the most directly comparable GAAP measures, where available.

Investor Thesis

- ✓ Transitioning into a pure-play water company with sustained growth expected in bottled water category
- ✓ Market leader across 21 countries with a portfolio of strong, regionally relevant brands
- ✓ Water Your Way for consumers
- ✓ Improved revenue growth and margin profile
- ✓ Committed to improving shareholder returns
- ✓ Robust pipeline of tuck-in M&A opportunities
- ✓ Proven track record of successful M&A integration
- ✓ ESG / sustainability leadership
- ✓ Experienced management team

Primo Snapshot

$2.0+ Billion Annual Sales

900+ Million Gallons Delivered Annually

2.5+ Million Customers

PRIMO WATER CORPORATION

PRMW

NYSE | TMX Toronto Stock Exchange

Cover **~95%** of U.S. Population

Operating in **21** countries

2019 PF Adj. EBITDA Margin **~16%**

Primo Water Corporation

Water Channel Review

Water Dispensers

- Dispenser sales direct to brick & mortar & e-Commerce retailers in North America
- ~ 10K Customers

Water Direct/Exchange

- Route delivery direct to residential, commercial and retail locations in North America and Europe
- ~ 2.3 M Customers

Water Refill/Filtration

- Filtered and purified water solutions to residential and commercial locations in North America and Europe and self service water refill stations in North America
- ~ 200K Customers

Other Water

- Packaged Water products sold directly to retail locations in North America and Israel
- ~ 200K Customers

The Razor → **The Razorblades**

Increasing Household Penetration Through Razor/Razorblade, Recurring Revenue (4R) Model

Source: Company.

A Complete Water Solutions Provider with Category Leading Positions

	PRIMO WATER CORPORATION	Nestlé	Culligan Water / AQUAVENTURE HOLDINGS™	waterlogic
North America				
Water Dispenser	✓	✓	✓	–
Water Direct	✓	✓	✓	–
Water Exchange	✓	✓	–	–
Water Refill	✓	–	–	–
Water Filtration	✓	✓	✓	✓
Europe				
Water Dispenser	–	–	–	–
Water Direct	✓	–	✓	✓
Water Refill	–	–	–	–
Water Exchange	–	–	–	–
Water Filtration	✓	–	✓	✓

Source: Euromonitor, Nielsen, Technavio industry report, Beverage Marketing Corporation. Zenith International – USA POU and Bottled Water Coolers Report. Beverage Marketing Corporation – US Bottled Water Through 2023 Report (August 2019) and Company websites.

Pro Forma 2019 Sales by Channel and Consolidated Adjusted EBITDA

With Full Year Legacy Primo

(in millions of U.S. dollars)	Q1			Q2			Q3			Q4			2019		
	North America	Rest of World	Total	North America	Rest of World	Total	North America	Rest of World	Total	North America	Rest of World	Total	North America	Rest of World	Total
Water Direct/Exchange	$ 215.0	$ 57.7	$ 272.7	$ 239.2	$ 66.0	$ 305.2	$ 256.1	$ 69.3	$ 325.4	$ 233.8	$ 59.7	$ 293.5	$ 944.1	$ 252.7	$ 1,196.8
Water Refill/Filtration	46.4	6.4	52.8	49.2	6.5	55.7	53.5	6.8	60.3	49.7	7.1	56.8	198.8	26.8	225.6
Other Water	39.7	11.1	50.8	41.6	16.5	58.1	41.8	18.0	59.8	34.7	13.8	48.5	157.8	59.4	217.2
Water Dispensers	12.4	-	12.4	16.0	-	16.0	18.2	-	18.2	17.6	-	17.6	64.2	-	64.2
All Other	43.0	47.2	90.2	43.4	43.1	86.5	42.1	40.2	82.3	42.8	49.0	91.8	171.3	179.5	350.8
Pro forma Adjusted Revenue(1)	**$ 356.5**	**$ 122.4**	**$ 478.9**	**$ 389.4**	**$ 132.1**	**$ 521.5**	**$ 411.7**	**$ 134.3**	**$ 546.0**	**$ 378.6**	**$ 129.6**	**$ 508.2**	**$ 1,536.2**	**$ 518.4**	**$ 2,054.6**
Percentage Split	*74%*	*26%*		*75%*	*25%*		*75%*	*25%*		*74%*	*26%*		*75%*	*25%*	
Pro forma Adjusted EBITDA			**$ 63.4**			**$ 88.1**			**$ 102.0**			**$ 84.9**			**$ 338.4**
Margin %			*13.2%*			*16.9%*			*18.7%*			*16.7%*			*16.5%*

Source: Primo management.
See appendix for non-GAAP reconciliations
(1) Pro forma includes divestiture of Cott Beverages LLC business, elimination of DS Services sales to Legacy Primo and removal of Legacy Primo's divested Ice business

Pro Forma 2019 Sales by Channel and Consolidated Adjusted EBITDA

With March – December Legacy Primo

(in millions of U.S. dollars)	Q1			Q2			Q3			Q4			2019		
	North America	Rest of World	Total	North America	Rest of World	Total	North America	Rest of World	Total	North America	Rest of World	Total	North America	Rest of World	Total
Water Direct/Exchange	$ 208.8	$ 57.7	$ 266.5	$ 239.2	$ 66.0	$ 305.2	$ 256.1	$ 69.3	$ 325.4	$ 233.8	$ 59.7	$ 293.5	$ 937.9	$ 252.7	$ 1,190.6
Water Refill/Filtration	21.9	6.4	28.3	49.2	6.5	55.7	53.5	6.8	60.3	49.7	7.1	56.8	174.3	26.8	201.1
Other Water	39.7	11.1	50.8	41.6	16.5	58.1	41.8	18.0	59.8	34.7	13.8	48.5	157.8	59.4	217.2
Water Dispensers	5.9	-	5.9	16.0	-	16.0	18.2	-	18.2	17.6	-	17.6	57.7	-	57.7
All Other	43.0	47.2	90.2	43.4	43.1	86.5	42.1	40.2	82.3	42.8	49.0	91.8	171.3	179.5	350.8
Pro forma Adjusted Revenue (1)	**$ 319.3**	**$ 122.4**	**$ 441.7**	**$ 389.4**	**$ 132.1**	**$ 521.5**	**$ 411.7**	**$ 134.3**	**$ 546.0**	**$ 378.6**	**$ 129.6**	**$ 508.2**	**$ 1,499.0**	**$ 518.4**	**$ 2,017.4**
Percentage Split	*72%*	*28%*		*75%*	*25%*		*75%*	*25%*		*74%*	*26%*		*74%*	*26%*	
Pro forma Adjusted EBITDA			**$ 57.9**			**$ 88.1**			**$ 102.0**			**$ 84.9**			**$ 332.9**
Margin %			*13.1%*			*16.9%*			*18.7%*			*16.7%*			*16.5%*

Source: Primo management.
See appendix for non-GAAP reconciliations
(1) Pro forma includes divestiture of Cott Beverages LLC business, elimination of DS Services sales to Legacy Primo and removal of Legacy Primo's divested Ice business

Q1 2020 Consolidated Results – Continuing Operations

($ in millions)	Q1 2020	Q1 2019	Change
Net Revenue	$474.2	$427.7	+11%
Net Revenue, Adjusted*	$474.4	$420.5	+13%
Adjusted EBITDA*	$70.4	$53.7	+31%
Adjusted EBITDA Margin*	14.8%	12.8%	+200bps

Source: Primo management.
*See appendix for non-GAAP reconciliations

First Half 2020 Outlook

	Q2 Guidance		H1 2020	
	Range		Range	
($ in millions)	Low	High	Low	High
Revenue	$430	$450	$905	$925
Adjusted EBITDA	$70		$140	

Source: Primo management.

Key Drivers of New Pure Play Primo Water Performance

Underlying Trends	▪ Health and wellness focus ▪ Environmental awareness and sustainability ▪ Concerns over municipal water quality ▪ **No-contact delivery**
Growth In Customer Base	▪ New customer acquisitions ▪ Cross-selling and up-selling ▪ Customer retention and service level ▪ **Growing e-commerce**
Pricing	▪ Brand Equity ▪ Customer service differentiation ▪ Product innovation and mix shift to premium products
Margin Expansion	▪ Synergy realization ▪ Efficiency improvement ▪ Route density
Increase In Proliferation Of Household Dispensers	▪ Increase in customer awareness ▪ Partnerships and promotions ▪ Innovation and design ▪ **Increased work-from-home**
Expansion Of Retail Locations	▪ Expanded penetration with existing customers ▪ Net new customer growth ▪ Add new water services to existing customers
Increased Consumption At Locations	▪ Reduce refill downtime ▪ Pricing optimization ▪ Technician route optimization
Customer Experience	▪ Customer For Life Promise ▪ Service level improvements ▪ Digitally enabled platform

Source: Primo Management.

Pro-Forma Primo Water Corporation Long-Term Growth Algorithm

Prior to COVID-19 Pandemic

	Commentary	Pro Forma Financial Drivers
Revenue	• Strong market tailwinds • US Water Direct leadership: customer additions, consumption increases, price increases • Europe Water Direct leadership: customer additions and pricing • Branded dispenser retail leadership with razor-razorblade model	▪ <u>Total Revenue Growth 5%</u> ▪ Water Direct / Exchange : 4% to 5% ▪ Water Filtration / Refill: 5% to 7% ▪ Water Dispensers: 8%
Gross Margin	• Low commodity exposure and scale	▪ ~53% to 54%
SG&A	• Leveraging customer and route density	▪ ~46% (improves with leverage / synergy capture)
Synergies	• G&A overlap • Facility rationalization • Legacy Primo public company operating costs	▪ $7.5 M in 2020 grows to $25M in 2021 and $35M in 2022
Adj. EBITDA	• Organic Growth • Accretive tuck-ins	▪ $12M to $15M per year ▪ $5M to $10M per year
Interest	• Long-term Unsecured Obligations	▪ $75M to $77M
Cash Taxes	• NOL utilization	▪ $10M to $12M
Capex	• Dispensers, bottles, fleet • Refill and exchange: maintenance / refurbishment capex, bottles	▪ $120M to $125M

Source: Primo Management Estimates.

Global Strategies with Sustainable Market Positions

Water Your Way for Consumers

Customer for Life Promise

Leverage Innovation & Scale for Enhanced Margins

ESG / Sustainability Leadership

Foster Highly-Engaged Associates

Pure-Play Market-Leading Water Company for Investors

Water Your Way for Consumers

- Providing water solutions whenever, wherever and however consumers want
- Execute our Razor / Razorblade offering
  - Increase household penetration of dispensers
  - Leverage usage across all water solutions
- **Category** & **brand** leader in our bottled water segments
- Increase net new retail locations for Water Refill, Water Dispensers and Water Exchange
  - Expand Water Refill, Water Dispensers and Water Exchange to Europe
- Increase net customer base on the core business
  - Water Direct and Pureflo Water Filtration
  - Up-sell product assortment
  - Improve customer retention through customer for life promise

Water Your Way for Consumers

Customer for Life Promise

Leverage Innovation & Scale for Enhanced Margins

ESG / Sustainability Leadership

Foster Highly-Engaged Associates

Pure-Play Market-Leading Water Company for Investors

The North American Market Leader in Dispenser Sales to Consumers

Assortment and Quality Drive Household Penetration…

Right Manufacturing Partner

Right Assortment

Continuous Improvement Mindset

Market Leader in North American and European Water Direct

Water Direct

- Provide customers with regular personalized customer care
- ~2.3 million customers
- Largest U.S. national presence with >90% coverage of the US population
- ~35% volume-based market share in the U.S
- ~20% market share across Europe

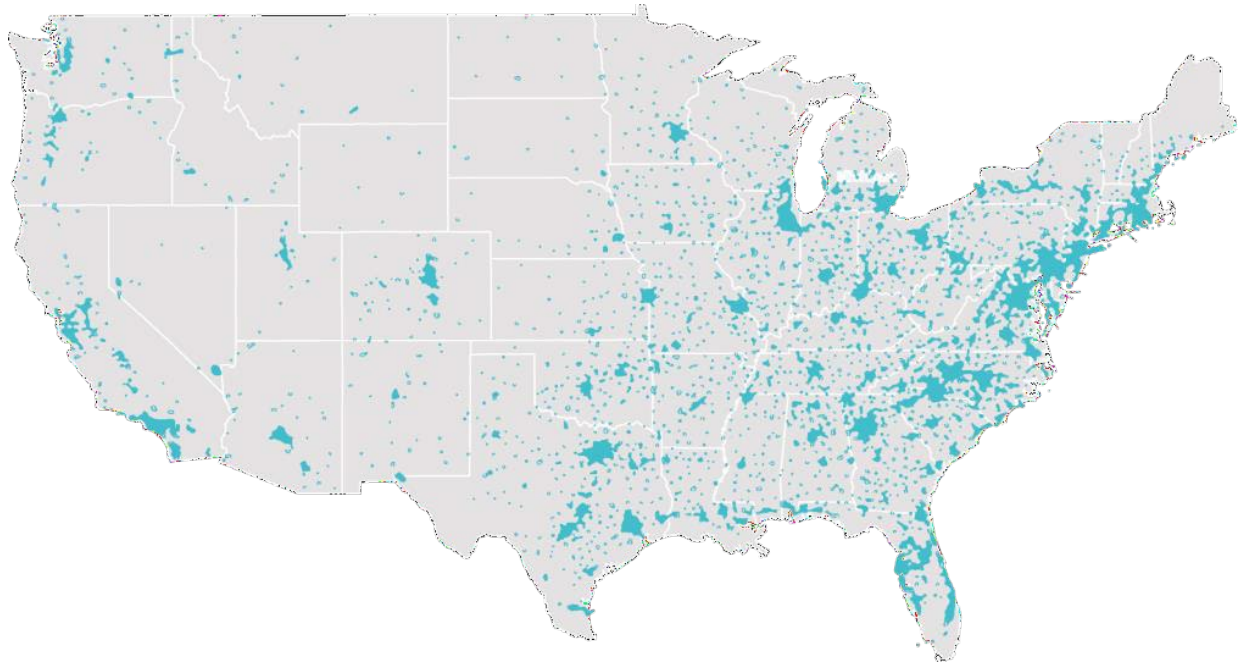
Established National Water Direct Distribution Network

Market Leader with Brands that have Strong Regional Heritage

Crystal Rock · Labrador Source · Alhambra · Sierra Springs · Eden · Sparkletts · Canadian Springs · Crystal Springs · Kentwood Springs · CLEARWATER · Hinckley Springs · Amazon Springs · Mount Olympus · Vermont Pure Natural Spring Water · The Mountain Valley Spring Water

Source: Primo Management.

Market Leader in the U.S. and Canada 5-Gallon Water Exchange Program

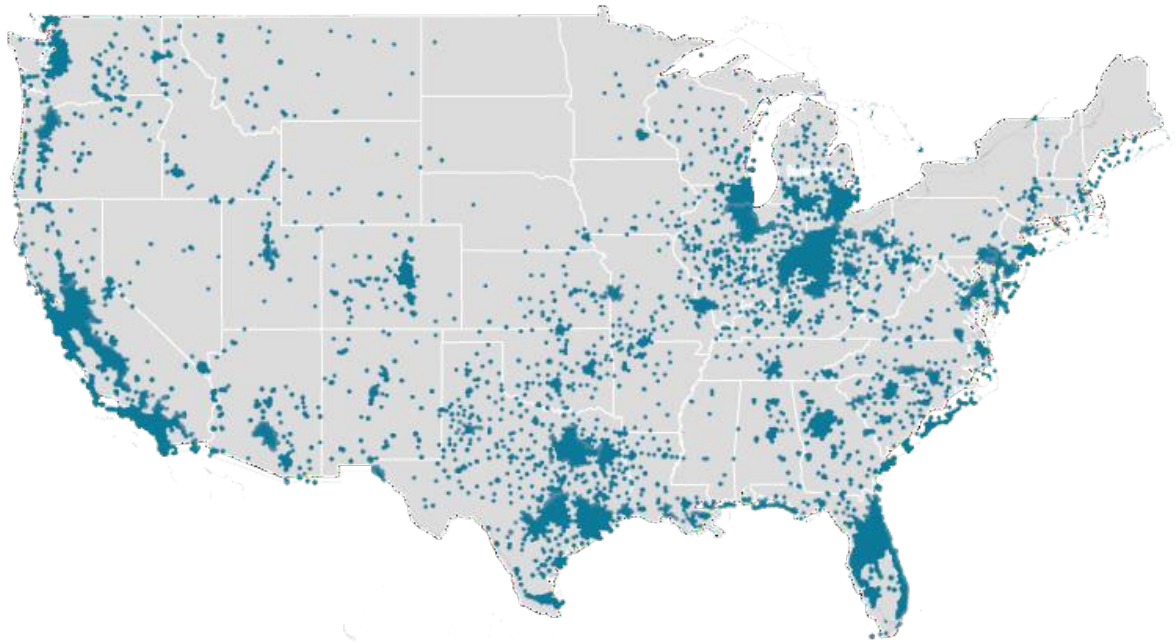


Exchange or In-Store Pick Up 5-Gallon Program

- Customers purchase pre-filled 3- or 5-Gallon water bottles at ~14,000 retail locations throughout the U.S. and Canada
- Water bottles are filled and delivered by DS Services route based service, leveraging the home and office water delivery footprint and supply chain

Source: Primo Management.

Market Leader in the U.S. and Canada Water Refill / Self-Serve



Water Refill / Self Serve

- Customers purchase empty 5, 3, 2.5 or 1-gallon water bottles to refill at ~23,000 self service water stations located both inside and outside of retail stores across the U.S. and Canada
- Provides an environmentally friendly, safe, healthy hydration alterative to customers through a favorable cost model
- Combines the density of the filtration and refill channels for optimal leverage across our North American footprint

Source: Primo Management.

Leveraging Cutting-Edge Water Filtration Technology to Drive Growth

PRIMO WATER CORPORATION

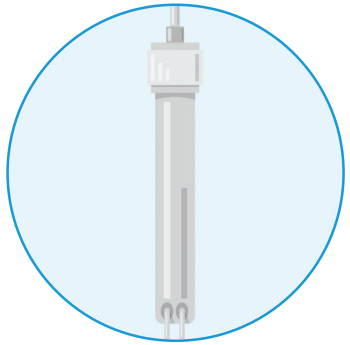
PUREFLO®
THE PURE WATER PEOPLE

IoT Monitoring:

- Measuring vs. Assuming
- Proactive vs. Reactive service

Third-party validation of quality on full system

Auto shutoff leak detection with service dispatch trigger

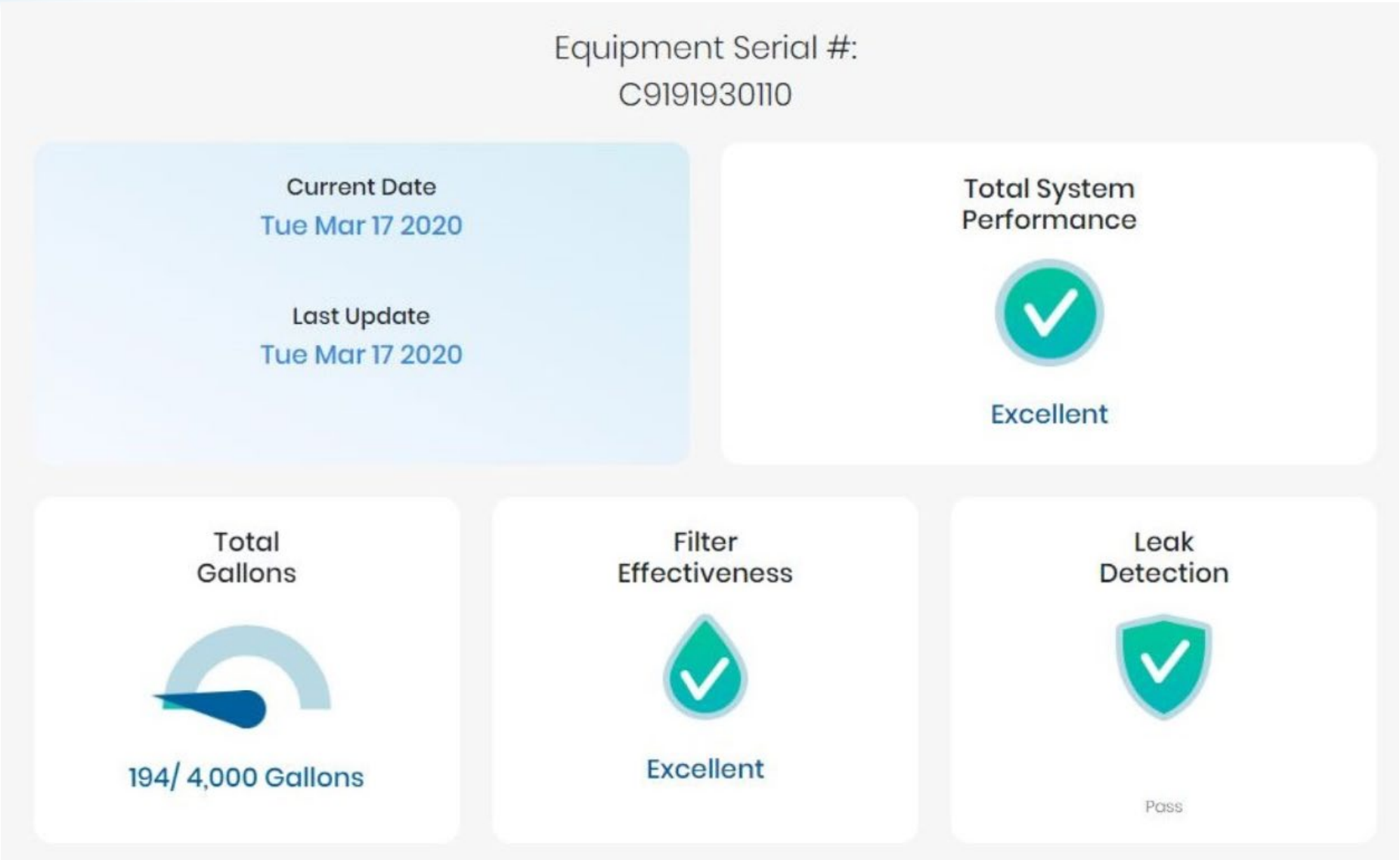


Long-life, eco-friendly, patented shaker filter technology

Flexible terms, multiple solution options

Source: Primo Management.

IoT Driven Customer Dashboard



PureFlo Bright – IoT Monitoring:

- Enhanced leak detection with auto shutoff that triggers an automated service call
- Measures water throughput to align with filter capacity
- Monitors water temperature
- Tests Water purity pre- and post-filtration to ensure quality

SCAN CODE
to find out how your equipment is performing
L8SMW62

Source: Primo Management.

Premium American Spring Water

Water Direct

THE MOUNTAIN VALLEY SPRING WATER

Natural Channel

On-Premise/Hospitality

Increase Net New Locations For Water Dispensers, Refill and Exchange

- **<u>Existing Locations</u>** – Retention strategy will drive location growth
  - Retain existing accounts through sales and service execution
  - Expand product and service offerings at existing locations
  - Dispenser – continued SKU innovation and increased points of distribution will further drive connectivity

- **<u>New Location Targets</u>** – Drive location growth for consumer convenience
  - Leverage market share and channel penetration
  - Capitalize on territory sales reps
  - Utilize combined Primo and DS Services sales force to market multiple water solutions
  - Dispensers – new placements will create points of distribution and reason for our water offering (refill and exchange)

- **<u>Expand Water Dispenser, Exchange & Refill Programs Throughout Europe</u>**
  - Limited programs exist today throughout Europe

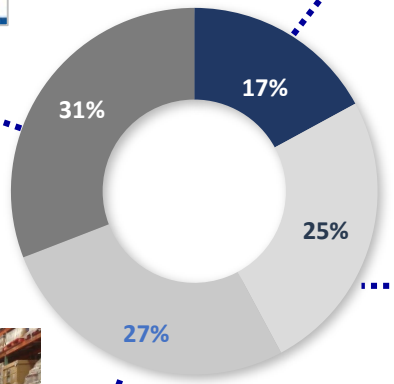
Source: Primo Management.

Increase Net Water Direct Customer Base

Historical Sources of Organic Customer Acquisition

North America

2019 Organic Customer Gross Additions



Sales Representatives

Marketing
(Internet / Print)

Route Sales
Representatives (RSR)

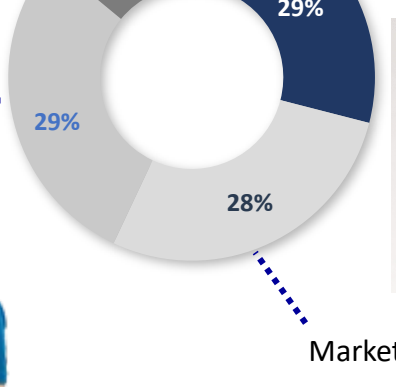
Booth Program

Europe

2019 Organic Customer Gross Additions

Other

Field Sales /
Ambassadors



Account
Managers

Marketing
(Telesales / Internet)

Source: Primo Management.

Increase Net Water Direct Customer Base

Opportunities for New Organic Customer Acquisition

Coupons in Every Water Dispenser Sold

Current Retail Coupon

Offers only for Water Refill & Water Exchange

Future Retail Coupon

New options for Water Direct in addition to Water Refill & Water Exchange

Increase Net Water Direct Customer Base

Opportunities for New Organic Customer Acquisition

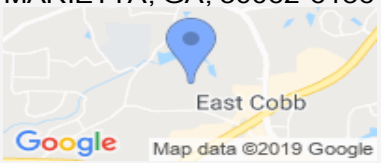
selling services on amazon

Dear DS Services of America, Inc,

Congratulations! You have received a new job from Amazon.

Action: You must confirm the service appointment time within 1 business day by clicking the **Schedule Service** button below. Remember, appointment times are arrival windows and not the expected service start/end time.

Service Title
Recurring Water Delivery Service, Once a Week, 2 x 5 Gallon Bottles
Price: $20.00
Service Location
MARIETTA, GA, 30062-6136



Schedule Service

Amazon Order ID: 113-0785073-2865059

Important: To complete this job you must collect the customer signature using the Selling Services on Amazon app.

Once you confirm the service appointment, the customer will receive an automated email with the appointment details. The customer will also receive an automated email and text message reminder 24 hours before the service appointment.

Customer for Life Promise

- Adapting to increasing customer expectations
- Improving customer experience
- Implementing technology solutions that meet consumers preferred modes of communication
  - Mobile app
  - Website development
- Net Promoter Score Improvements
- Improving customer retention resulting in improved lifetime value

Water Your Way for Consumers

Customer for Life Promise

Leverage Innovation & Scale for Enhanced Margins

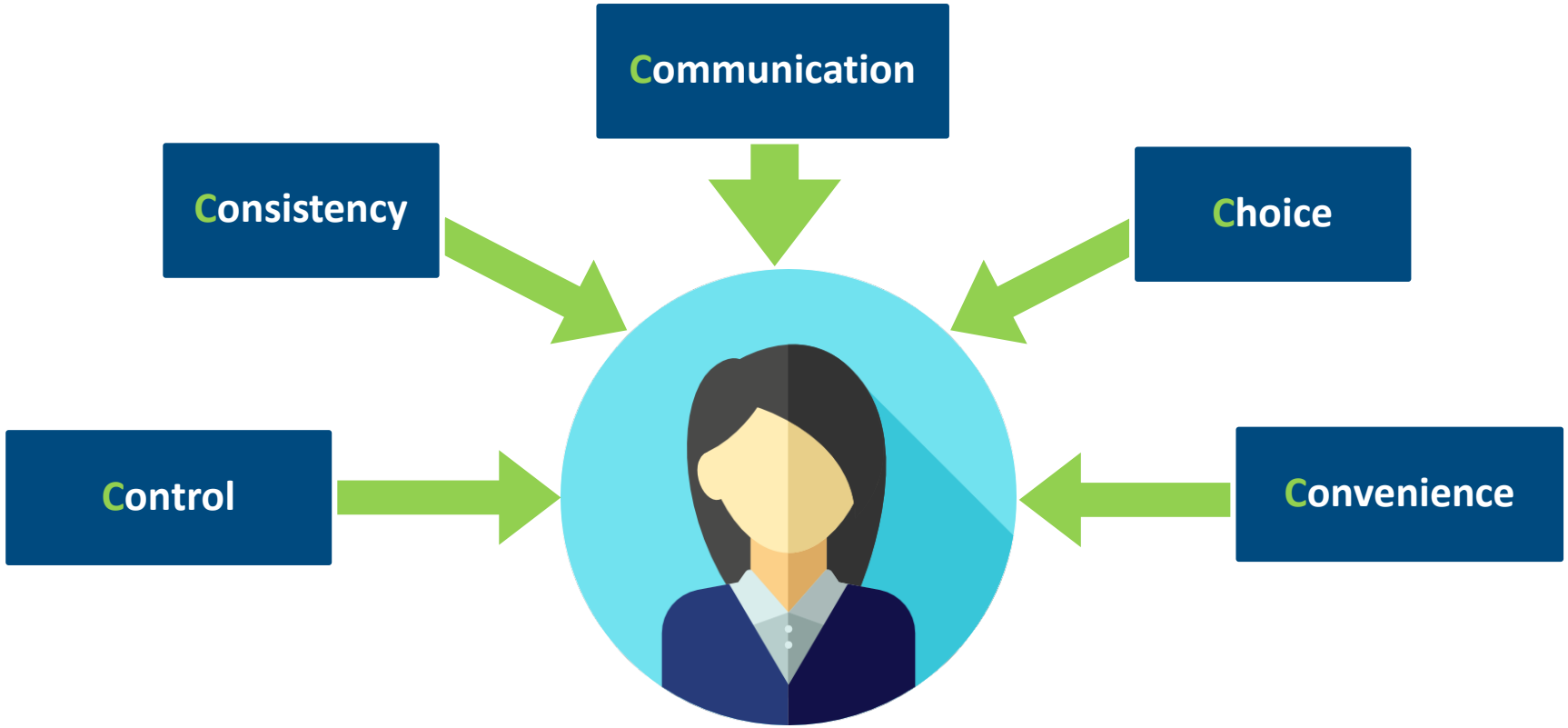
ESG / Sustainability Leadership

Foster Highly-Engaged Associates

Pure-Play Market-Leading Water Company for Investors

Changing Customer Expectations

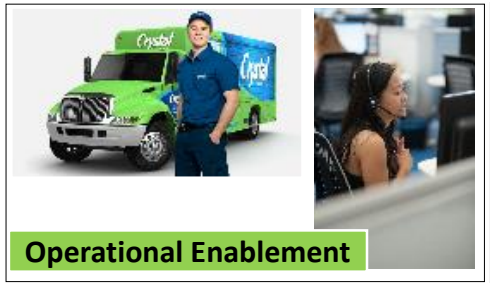
Customer expectations are increasing, driven by companies like Amazon and Uber
Today's customers expect the same level of experience - **wherever**, **whenever** and **however** they want it



Source: Primo Management.

Enhancing The Customer Journey

Engage associates to co-create a culture united by the mission of creating a Customer for Life



Remove obstacles to serving customers consistently and seamlessly through process, policy and technology

Enhance the ways our customers interact and communicate with us through digital capabilities

Accomplishments and Recent Updates

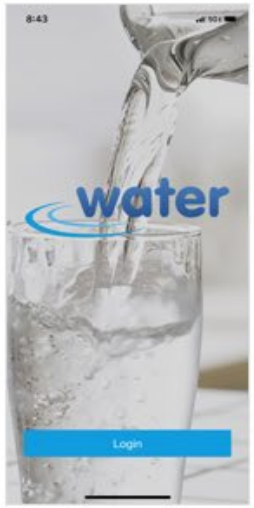
- Launched Voice of Customer program and improved NPS scores
- Established consistent associate communication frameworks
- Rolled out the Customer for Life Promise
- Established the change management network & cascade
- Launched operating standards
- Formalized delivery service models
- Implemented new frontline structure
- Began policy and procedure changes to empower Care associates
- Launched triggered communications nationally
- Launched My Water+, a mobile app on iOS and Android
- Designed and in development of a new website experience

2020 Digital Customer Investments – Mobile App

My Water+
Apple and Android

Application Functions:

- Browse new products
- Add products to your order
- View past deliveries or update your upcoming deliveries
- Manage your recurring delivery
- Pay your bill
- Quickly contact our customer care team via email or phone

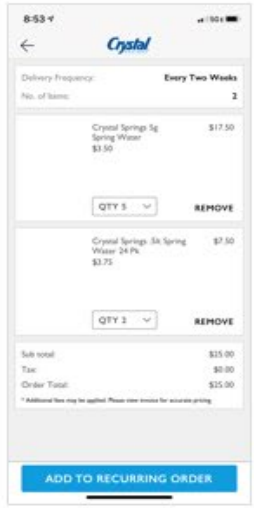


Initial Screen

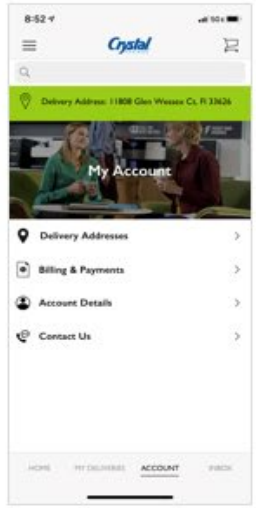
Login

Home

My Deliveries



Delivery Detail



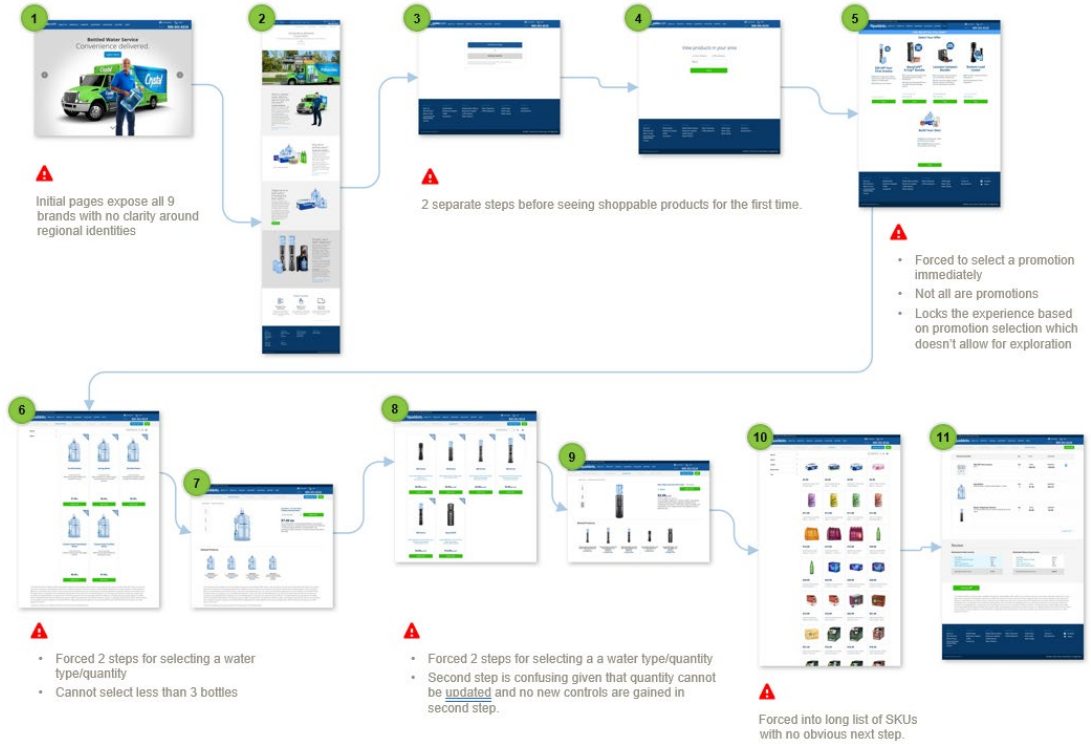
My Account

Source: Primo Management.

2020 Digital Customer Investments – Website Development

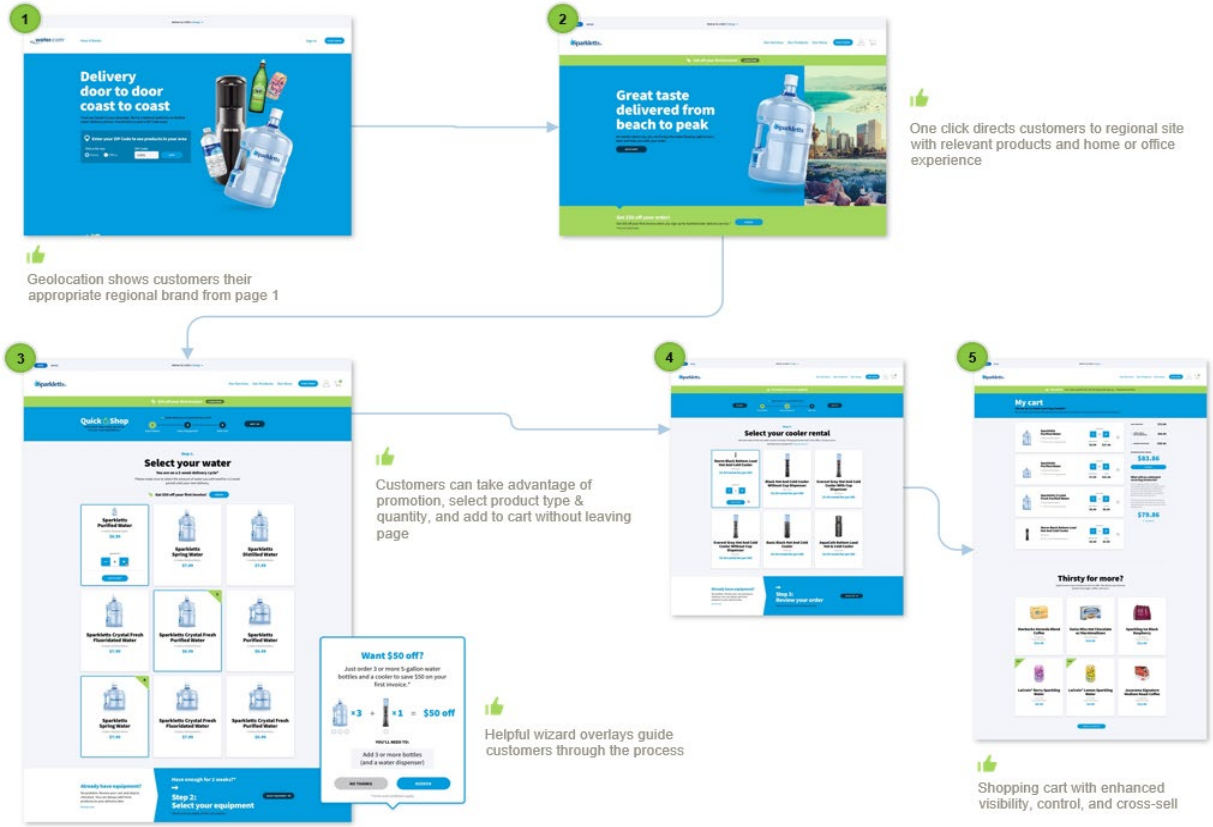
Acquisition Path Before

- Initial exposure to multiple brands with no clarity about with whom the customer is signing up
- Long Path to Purchase



Acquisition Path After

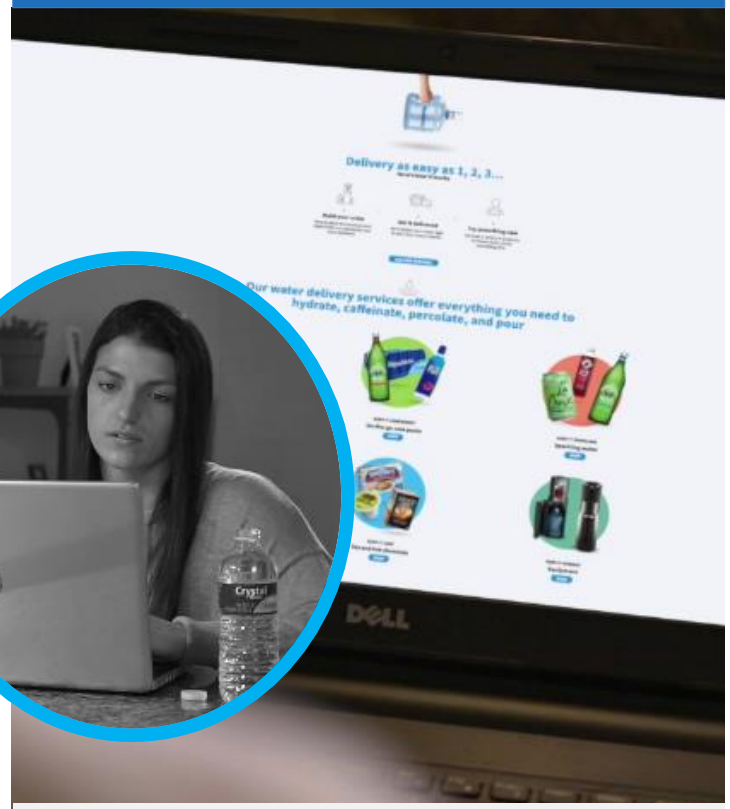
- Reduced number of clicks to purchase
- Improved usability of product selection / shopping cart design
- New customer path to enable sign-up as quickly as possible



Source: Primo Management.

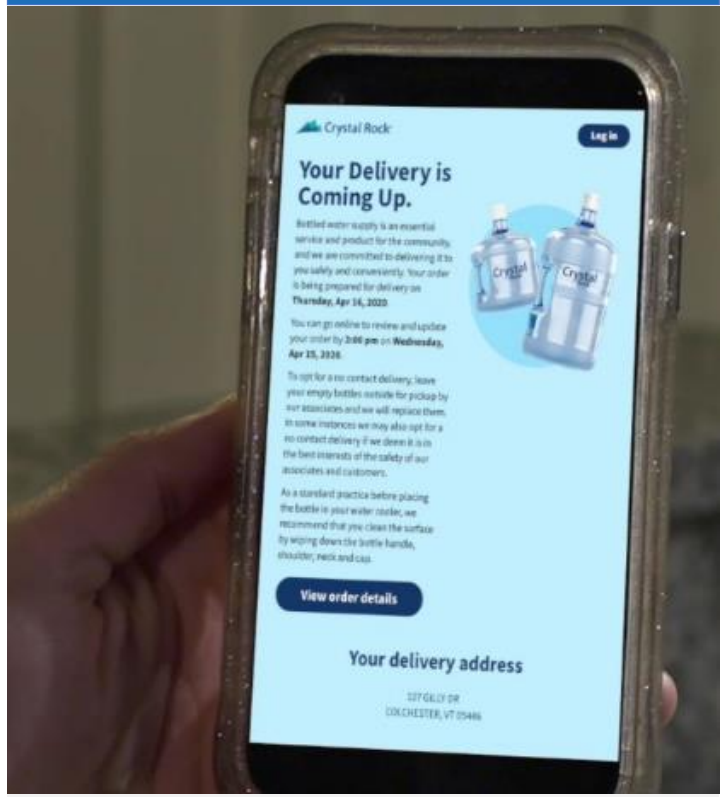
Transforming Our Customer Experience

Self-Serve Website



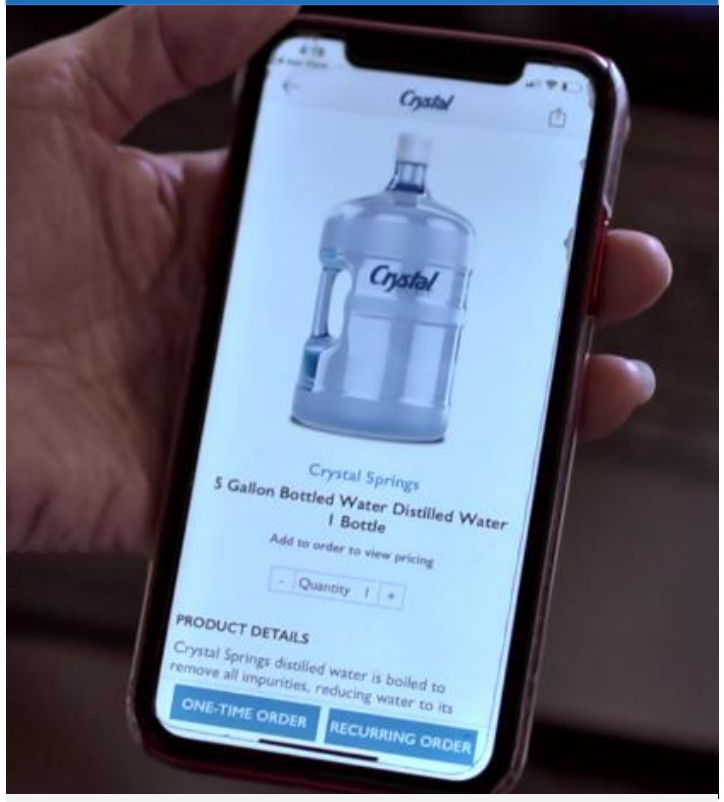
Residential customer Mary uses the new self-service site to set up the **"Easy Edit Plan"** for recurring service, ensuring that she receives the same amount of products every two weeks.

Triggered Communications



Prior to the next delivery, Mary receives the **Delivery in 48 Hours** reminder message and remembers she needs additional beverages for an event she's holding next week.

My Water+ Mobile App



Opening up my Water+, Mary adds additional 5-gallon bottles to the delivery and receives an order confirmation email, giving her the confidence that everything's taken care of.

Our Enhanced Experience Is Being Recognized

"I enjoy water delivery to domicile. I have been place by empty bottles on from porch and driver knows to leave full delivery in porch. Social distancing since 2015. "

"I really like the new systems and email communication in place that take the mystery out of knowing if what was delivered is what was actually accounted for in billing. The deliveries themselves have become much more reliable now, too."

"THANKS TO HINCKLEY AT A TIME LIKE NOW CORONAVIRUS YOU CAN ADD MORE BOTTLES OF WATER TO YOUR DELIVERY – GREAT!"

"Delivery is always on time, and always with a smile. When I need to speak with customer service it is always pleasant. Great job everyone!"

"Very convenient. And now that I get the alerts/reminders when my delivery is coming, we're always prepared."

"Our delivery person is just fantastic and very concerned that we get the right amount of water delivered. We have a horrible amount of stairs up to our door and he never complains. He is truly a great representative of your company!"

"It is convenient and now that I have the app...I think it is easy to adjust orders!"

"Service has been great. Especially with all that is going on in the world. I know I have plenty of water for my family."

"Product delivered as requested and put right up on my porch!! Also, I am taking advantage of the pre-delivery email that got me bottled water (16.8 oz. that is) that I was unable to buy from any of the supermarkets! I am quite happy with my Alhambra experience!!!"

"On time delivery. Friendly service driver. Communications regarding delivery informative. Keep up the good work."

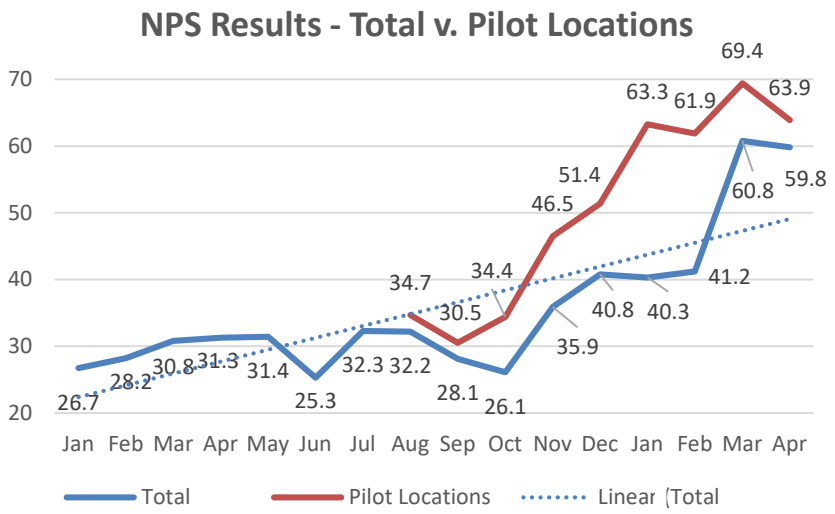
"I spoke with Emily this morning about my service.. Not only did she resolve my issue, she took time to offer me other products (not in a sales way) and she explained the product options I had, which I was not aware of for all these years! She was great! She made my day.."

"Very happy and especially during hurricanes or this coronavirus. Have no issues getting water for my family!"

"This service is wonderful. The water comes as scheduled. Needed changes are done quickly and the gentleman that delivers the water always has a smile."

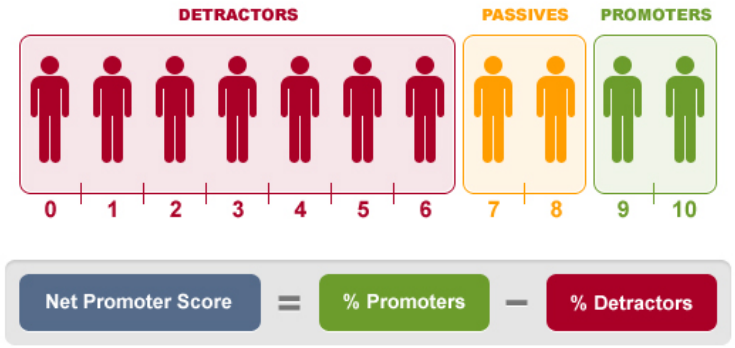
Service **Digital Initiative** **COVID-19 Response**

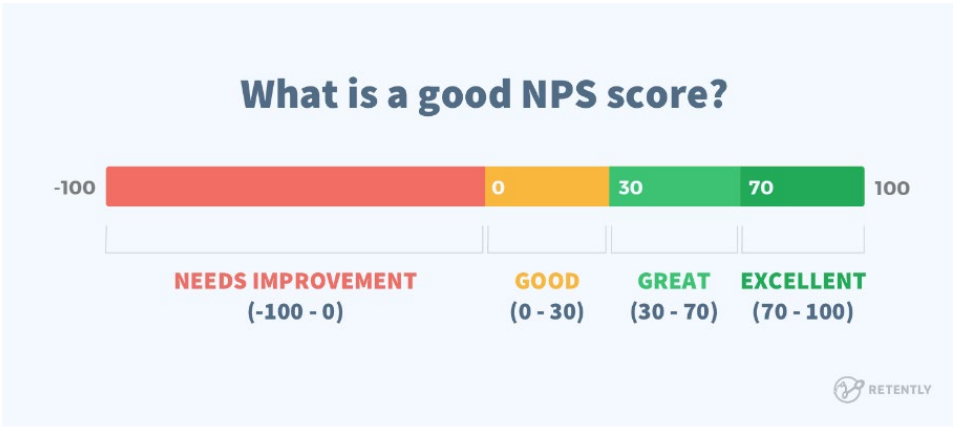
Improving Net Promoter Score



Full Execution of the Customer Experience Model rolled out nationally drives a 20 Point increase in NPS

- Mobile App
- On Time in Full
- Associate Commitment





Source: Primo Management.

Leverage Innovation & Scale for Enhanced Margins

- Innovative products and packaging
- Global sourcing excellence with long-term and valuable supplier partnerships
- Route density through organic customer growth and M&A
- Technology and systems that:
  - Drive efficiencies
  - Improve associate and customer experience
  - Enhance margins

Water Your Way for Consumers

Customer for Life Promise

Leverage Innovation & Scale for Enhanced Margins

ESG / Sustainability Leadership

Foster Highly-Engaged Associates

Pure-Play Market-Leading Water Company for Investors

Leverage Equipment and Packaging Innovation

Dispensing Equipment

- Design Bottled Water Dispensers which can be leveraged across all business units
- Leverage global volumes to higher quality, lower cost and speed to market
  - Top Load
  - Bottom Load
  - IoT
  - Carbonation
  - Extended Life
  - AquaBarista

Packaging

- Focused on Returnable, Refillable and Reusable
- Maintain and enhance our current strong sustainability position
- Create new sales opportunities through alternatives
  - R-PET large format containers
  - Large format glass solutions
  - Bag in the Box

Source: Primo Management.

Enhanced Margins Through Advanced Routing Solutions

ClickSoftware
The field service leader.

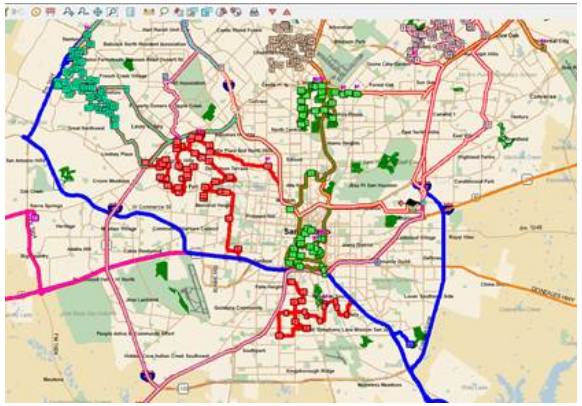
The cloud-based **Click** Field Service Edge platform, a solution for optimizing scheduling/management of daily operations.

i-Deliver

i-Deliver handheld customer tracking and delivery

- Enhanced user experience
- Improved performance and information visibility
- Significant efficiency improvements, reduced miss-keys & data errors
- Access to real-time data changes (Customer data, Route data)
- Platform for next gen CX

omnitracs
innovation. driven.



Invested in Omnitracs Logistics Software, a global pioneer of fleet management, routing and predictive analytics solutions

- Improve service provided to customers through increased route density
- Increase frequency of route optimization through improved logistics efficiencies & reduce route delivery expenses

TRACKVIA salesforce

Operations & IT Solution created to drive increased uptime

- Leveraged leading providers like Salesforce & Trackvia to process service dispatches from credit-card readers in-field
- Service dispatches automatically sent to refill technicians to remedy machine issue

Source: Primo Management.

ESG / Sustainability Leadership

- Advocates for sustainability
- Responsible sourcing and our membership in the Alliance for Water Stewardship
- Returnable, Refillable and Recyclable
- Achieve Carbon neutrality in the U.S. by the end of 2021
- Eight consecutive years of carbon neutrality in Europe

Water Your Way for Consumers

Customer for Life Promise

Leverage Innovation & Scale for Enhanced Margins

ESG / Sustainability Leadership

Foster Highly-Engaged Associates

Pure-Play Market-Leading Water Company for Investors

Sustainability Leadership

Sustainability is at the Heart of our Operations

Alliance for Water Stewardship – A Global Standard For Water Stewardship

AWS International Water Stewardship Standard (AWS Standard) is a globally-applicable framework for major water users to understand their water use and impacts, and to work collaboratively and transparently for sustainable water management.

We will elevate our water stewardship initiatives through compliance with the Alliance for Water Stewardship international standards core criteria by year 2025.

THE Environmentally Friendly and Sustainable Consumer Goods Package….

Source: Primo Management.

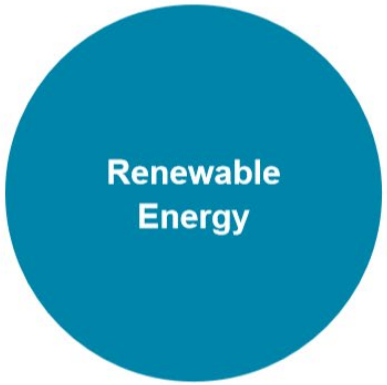
The Path to Achieving Carbon Neutrality in North America….

We are carbon neutral in Europe and with the assistance of Natural Capital Partners are working towards carbon neutrality in the U.S. by the end of 2021 through the utilization of their assessment, carbon reduction and carbon offset program.

Recognised leader in the design, development and delivery of corporate climate action programmes.

- Enabling corporate leaders for over 20 years
- Over 300 clients in more than 30 countries
- More than 350 projects across the world
- Credible client-led solutions
- Offsetting and insetting programmes
- Value chain and supply base solutions
- UN SDG and impact programmes
- CarbonNeutral® certification
- Renewable energy (electricity and gas) products
- Single point of contracting for global portfolio

GHG Assessment
Assurance
Optimisation



EACs
100% renewable electricity
Zero rated Scope 2

High Impact Quality Offsets
Business relevant
US/Global portfolio

Source: Primo Management.

Foster Highly-Engaged Associates

- Nurture career development opportunities
- Pride in serving our customers
- Peace of mind with the purity of our products
- Technology that enhances productivity and enjoyment in the workplace
- Metric-focused associates with a competitive spirit
- Think Global but Act Local
- Associates proud of the Company purpose and are advocates of our products in the communities they live

Water Your Way for Consumers

Customer for Life Promise

Leverage Innovation & Scale for Enhanced Margins

ESG / Sustainability Leadership

Foster Highly-Engaged Associates

Pure-Play Market-Leading Water Company for Investors

Alignment on a Consistent Approach to Management Development

Source: Primo Management.

Pure-Play Market-Leading Water Company for Investors

- Transitioning into a pure-play water company with sustained growth expected in bottled water category
- Market leader across 21 countries with a portfolio of strong, regionally relevant brands
- Enhanced and growing margins with increasing route density and synergy capture
- Strong cash flow and capital deployment
  - Staple Dividends
  - Share Buybacks
  - Debt Reduction
  - Debt Refinancing
  - Highly synergistic tuck-in M&A

Water Your Way for Consumers

Customer for Life Promise

Leverage Innovation & Scale for Enhanced Margins

ESG / Sustainability Leadership

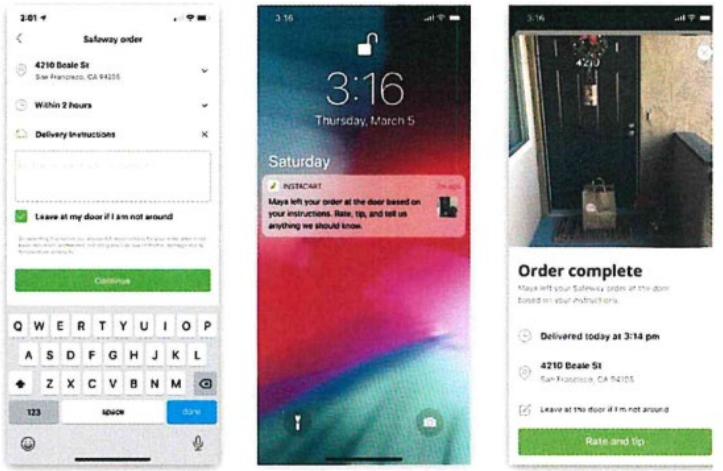
Foster Highly-Engaged Associates

Pure-Play Market-Leading Water Company for Investors

Operational Update in Current Environment

Q2 Action Plans include Opportunities for Growth

- **Growth Opportunities**
  - Accelerate the growth of our existing residential business in the US and Canada
    - Maintain online residential new customer acquisition marketing
    - Accelerate customer experience investments
    - Introduce in dispenser box Water Direct coupon in North America
    - Maintain Costco booth program
  - "Ensure seamless online experience and ramped-up fulfillment capabilities as home delivery and click & collect rapidly accelerate"*
  - "Prepare for a dramatic increase in online demand, particularly with pure-play and home delivery….may have a lasting effect post-crisis"*
  - "No-contact delivery"….our 5-gallon returnable business was a no-contact delivery before that phrase was recently coined
    - Customers put your empty bottles outside your door, we pick them up and replace them with full bottles….has been a part of our business from the very beginning
  - Create a platform to increase the size of the residential base in Europe
  - Accelerate our plans to implement Water Refill, Water Exchange and Water dispensers outside of North America



Contactless Delivery! Instacart, Door Dash, Postmates now offering "Leave at My Door Delivery" **

*IRI Thought Leadership March 12, 2020
NPD:Forbes: Coronavirus Increases Demand for ONLINE Grocery Shopping as Retailers Struggle To Keep Up

Operational Update in Current Environment

Highly Variable Cost Structure

- **Variable Costs and Cost Reduction Activities**
  - Greater than 2/3rds of European production is outsourced and 100% variable
  - Reduce plant line time to match volume in all plants as needed
    - Shift reductions
    - Overtime reduction
    - Headcount reduction
  - RSR compensation is predominately commissioned based in North America
  - Reduce Route Infrastructure
    - Adjust route count to match expected revenue
    - Reduce route management and support staff to align with route count
    - Idle vehicle assets and defer asset replacement
  - Reduce Sales Infrastructure
    - Eliminate commercial sales force
    - Reduce sales management and support staff to align with sales headcount
    - Idle vehicle assets and defer asset replacement
  - Reduce Marketing Investments
    - Eliminate all discretionary spending not directed at residential growth/at home consumer

- **Variable Costs and Cost Reduction Activities**
  - Reduce and consolidate back-office functions in Europe
  - Reduce all discretionary expenses
- **Capital Expense Management**
  - Accelerate Customer Experience capex
  - Accelerate Primo Integration capex
  - Maintain dispenser and bottle capex
  - Eliminate and defer all non-essential capex
- **Working Capital**
  - Reduction of inventory associated with coffee business
  - Continued focus on AR reduction and AP extension

Source: Primo Management.

Primo is Well Positioned

Senior Notes Not Maturing for the Next 4 Years and a Solid Liquidity Position

- **Our debt is fixed and long duration**:
  - 5.5% €450M Senior Notes Due July 1, 2024
  - 5.5% $750M Senior Notes Due April 1, 2025
  - Opportunity to refinance as markets stabilize
- **Liquidity**
  - Approximately $60M to $100M of operating cash on hand
  - Cash flow revolver implemented post closing of Primo
    - Increased capacity to $350M
    - Current availability of over $200M
- **Debt Covenants**
  - We have significant room before triggering any debt covenants:
  - Interest Coverage Ratio is currently ~4.5:1 vs. requirement to be greater than 3:1
    - Test period commences at the end of Q2 2020 per agreement
  - Consolidated Secured Leverage Ratio currently ~0.4:1 vs. requirement to be less than 3.5:1
    - Test period commences at the end of Q2 2020 per agreement
  - The revolver has other non-financial and incurrence-based tests, we are in compliance on all
  - The unsecured notes have no financial maintenance-based covenants

Source: Primo Management.

PRIMO WATER CORPORATION

Thank You

PRIMO WATER CORPORATION

Appendix

Pro Forma 2019 Revenue

Non-GAAP Reconciliation - Unaudited

(in millions of U.S. dollars)	Q1	Q2	Q3	Q4	2019
Revenue, net as reported during 2019 (1)	**$ 574.1**	**$ 604.1**	**$ 616.1**	**$ 600.2**	**$ 2,394.5**
(-) Discontinued operations - S&D Coffee and Tea (2)	(146.4)	(148.5)	(144.0)	(160.2)	(599.1)
(-) Divested Cott Beverages LLC business	(7.2)	-	-	-	(7.2)
Continuing Operations adjusted to exclude divested Cott Beverages LLC business	**$ 420.5**	**$ 455.6**	**$ 472.1**	**$ 440.0**	**$ 1,788.2**
(+) Legacy Primo (3)	70.0	79.3	87.0	80.4	316.7
(-) Eliminations (4)	(11.6)	(13.4)	(13.1)	(12.2)	(50.3)
Pro forma adjusted revenue, net	**$ 478.9**	**$ 521.5**	**$ 546.0**	**$ 508.2**	**$ 2,054.6**
(-) Legacy Primo's revenue contribution for the two months ended February 28, 2019	(44.1)	-	-	-	(44.1)
(+) Impact of reversing elimination adjustments for the two months ended February 28, 2019	6.9	-	-	-	6.9
Pro forma adjusted revenue, net - March to December 2019	**$ 441.7**	**$ 521.5**	**$ 546.0**	**$ 508.2**	**$ 2,017.4**

Source: Primo management

(1) As reported during 2019 before the sale of the S&D Coffee and Tea business which was completed on February 28, 2020.

(2) Starting Q1 2020, the S&D Coffee and Tea business is classified as discontinued operations (prior to the divestiture, it was reported under the Coffee, Tea and Extract Solutions reporting segment).

(3) Solely attributable to the Legacy Primo business.

(4) Includes elimination of DS Services sales to Legacy Primo as well as the removal of Legacy Primo's divested Ice business.

2019 Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA)

Non-GAAP Reconciliation - Unaudited

Primo Water Corporation

(in millions of U.S. dollars)	For the Three Months Ended March 30, 2019	For the Three Months Ended June 29, 2019	For the Three Months Ended September 28, 2019	For the Three Months Ended December 28, 2019	For the Year Ended December 28, 2019
Net (loss) income(1)	**$ (19.7)**	**$ 4.4**	**$ 8.6**	**$ 6.6**	**$ (0.1)**
Interest expense, net	19.3	19.1	20.2	19.6	**78.2**
Income tax (benefit) expense	(1.0)	3.5	9.0	(2.0)	**9.5**
Depreciation and amortization	45.2	48.9	48.0	50.7	**192.8**
EBITDA	**$ 43.8**	**$ 75.9**	**$ 85.8**	**$ 74.9**	**$ 280.4**
Acquisition and integration costs	4.8	2.7	2.7	6.7	**16.9**
Share-based compensation costs	3.3	3.1	2.1	2.1	**10.6**
Foreign exchange and other losses (gains), net	1.0	(0.7)	4.3	(3.7)	**0.9**
Loss on disposal of property, plant and equipment, net	1.9	1.6	1.1	2.9	**7.5**
Loss on sale of business	5.4	0.6	-	-	**6.0**
Other adjustments, net	2.7	0.8	0.4	2.5	**6.4**
Adjusted EBITDA	**$ 62.9**	**$ 84.0**	**$ 96.4**	**$ 85.4**	**$ 328.7**
(-) Discontinued operations - S&D Coffee and Tea (2)	(9.2)	(9.3)	(9.8)	(13.3)	**(41.6)**
Adjusted EBITDA Continuing Operations	**$ 53.7**	**$ 74.7**	**$ 86.6**	**$ 72.1**	**$ 287.1**

Source: Primo management

(1) As reported during 2019 before the sale of the S&D Coffee and Tea business which was completed on February 28, 2020.

(2) Starting Q1 2020, the S&D Coffee and Tea business is classified as discontinued operations (prior to the divestiture, it was reported under the Coffee, Tea and Extract Solutions reporting segment).

Legacy Primo - 2019 Adjusted EBITDA

Non-GAAP Reconciliation - Unaudited

Legacy Primo(1)

(in millions of U.S. dollars)	For the Three Months Ended March 31, 2019	For the Three Months Ended June 30, 2019	For the Three Months Ended September 30, 2019	For the Three Months Ended December 31, 2019	For the Year Ended December 31, 2019
Net (loss) income	$ (1.3)	$ 0.9	$ 2.6	$ 0.5	$ 2.7
Interest expense, net	2.6	2.7	3.4	1.9	**10.6**
Income tax benefit	-	-	-	-	**-**
Depreciation and amortization	6.5	7.3	7.7	8.0	**29.5**
EBITDA	$ 7.8	$ 10.9	$ 13.7	$ 10.4	$ 42.8
Non-cash, stock-based compensation expense	1.5	1.0	1.0	0.2	**3.7**
Acquisition and integration costs and other items, net	0.2	1.2	0.8	1.4	**3.6**
Impairment charges and other	0.2	0.3	(0.1)	0.8	**1.2**
Adjusted EBITDA - January 1, 2019 to December 31, 2019	$ 9.7	$ 13.4	$ 15.4	$ 12.8	$ 51.3
(-) Adjusted EBITDA for the two months ended February 28, 2019	(5.5)	-	-	-	**(5.5)**
Adjusted EBITDA - March 1, 2019 to December 31, 2019	$ 4.2	$ 13.4	$ 15.4	$ 12.8	$ 45.8

Source: Primo management

(1) Results solely attributable to the Legacy Primo business.

Pro Forma 2019 Adjusted EBITDA

Non-GAAP Reconciliation - Unaudited

(in millions of U.S. dollars)	Q1	Q2	Q3	Q4	2019
Continuing Operations Adjusted EBITDA	$ 53.7	$ 74.7	$ 86.6	$ 72.1	$ 287.1
Legacy Primo Adjusted EBITDA	9.7	13.4	15.4	12.8	51.3
Pro forma Adjusted EBITDA	$ 63.4	$ 88.1	$ 102.0	$ 84.9	$ 338.4
(-) Legacy Primo's Adjusted EBITDA for the two months ended February 28, 2019	(5.5)	-	-	-	**(5.5)**
Adjusted EBITDA - March to December 2019	$ 57.9	$ 88.1	$ 102.0	$ 84.9	$ 332.9

Source: Primo management

Q1 2020 Adjusted Revenue - Continuing Operations

Non-GAAP Reconciliation - Unaudited

(in millions of U.S. dollars)	Primo (1) For the Three Months Ended March 28, 2020	March 30, 2019	Change $	Change %
Revenue, net – continuing operations	**$ 474.2**	$ 427.7	$ 46.5	10.9%
Divested Cott Beverages LLC business	-	(7.2)		
Adjusted Revenue	**$ 474.2**	$ 420.5	$ 53.7	12.8%
Impact of foreign exchange (2)	0.2			
Adjusted Revenue excluding foreign exchange	**$ 474.4**	$ 420.5	$ 53.9	12.8%

Source: Primo management

(1) Primo Water Corporation includes the following reporting segments: Water Solutions (which includes our DSS, Aquaterra, Mountain Valley, Eden, Aimia and Legacy Primo businesses) and All Other (which includes other miscellaneous expenses and our Cott Beverages LLC business, which was sold in the first quarter of 2019).

(2) 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.

Q1 2020 Adjusted EBITDA - Continuing Operations

Non-GAAP Reconciliation - Unaudited

(in millions of U.S. dollars)	For the Three Months Ended	
	March 28, 2020	March 30, 2019
Net loss from continuing operations	**$ (27.4)**	$ (22.7)
Interest expense, net	**19.7**	19.3
Income tax benefit	**(3.3)**	(1.4)
Depreciation and amortization	**45.0**	39.7
EBITDA	**$ 34.0**	$ 34.9
Acquisition and integration costs	**20.8**	4.7
Share-based compensation costs	**2.4**	3.1
Foreign exchange and other losses, net	**6.3**	1.0
Loss on disposal of property, plant and equipment, net	**1.4**	1.9
Loss on sale of business	**-**	5.4
Other adjustments, net	**5.5**	2.7
Adjusted EBITDA	**$ 70.4**	$ 53.7
Revenue, net (1)	**$ 474.2**	$ 420.5
Adjusted EBITDA Margin%	**14.8%**	12.8%

Source: Primo management

(1) Revenue excluding divested operations of the Cott Beverages LLC business, which was sold on February 8, 2019.