

Pro Forma 2019 Revenue

Non-GAAP Reconciliation - Unaudited

(in millions of U.S. dollars)

	<u>2019</u>	<u>2019</u>
Revenue, net as reported during 2019 (1)	\$ 2,394.5	
(-) Discontinued operations - S&D Coffee and Tea (2)	(599.1)	
(-) Divested Cott Beverages LLC business	(7.2)	
Continuing Operations adjusted to exclude divested Cott Beverages LLC business	\$ 1,788.2	
(+) Legacy Primo (3)	316.7	
(-) Eliminations (4)	(50.3)	
Pro forma adjusted revenue, net	\$ 2,054.6	
Pro forma adjusted EBITDA	\$ 338.4	
Margin %	16.5%	
		Pro forma Adjusted Revenue by Channel
		\$ 1,196.8
		225.6
		217.2
		64.2
		350.8
		\$ 2,054.6

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

	<u>For the Year Ended December 28, 2019</u>
Net (loss) income(1)	\$ (0.1)
Interest expense, net	78.2
Income tax (benefit) expense	9.5
Depreciation and amortization	192.8
EBITDA	<u>\$ 280.4</u>
Acquisition and integration costs	16.9
Share-based compensation costs	10.6
Foreign exchange and other losses (gains), net	0.9
Loss on disposal of property, plant and equipment, net	7.5
Loss on sale of business	6.0
Other adjustments, net	6.4
Adjusted EBITDA	<u>\$ 328.7</u>
(-) Discontinued operations - S&D Coffee and Tea (2)	(41.6)
Adjusted EBITDA Continuing Operations	<u>\$ 287.1</u>

Legacy Primo ⁽³⁾

	<u>For the Year Ended December 31, 2019</u>
Net (loss) income	\$ 2.7
Interest expense, net	10.6
Income tax benefit	-
Depreciation and amortization	29.5
EBITDA	<u>\$ 42.8</u>
Non-cash, stock-based compensation expense	3.7
Acquisition and integration costs and other items, net	3.6
Impairment charges and other	1.2
Adjusted EBITDA - January 1, 2019 to December 31, 2019	<u>\$ 51.3</u>

Combined

	<u>2019</u>
Continuing Operations Adjusted EBITDA	\$ 287.1
Legacy Primo Adjusted EBITDA	51.3
Pro forma Adjusted EBITDA	<u>\$ 338.4</u>

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) Results solely attributable to the Legacy Primo business.