

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 8-K**

**CURRENT REPORT  
Pursuant to Section 13 or 15(d)  
of the Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): August 7, 2024**

**Primo Water Corporation**

(Exact name of registrant as specified in its charter)

**Ontario**  
(State or other jurisdiction  
of incorporation)

**001-31410**  
(Commission  
File Number)

**98-0154711**  
(IRS Employer  
Identification No.)

**1150 Assembly Dr.  
Suite 800  
Tampa, Florida, United States**  
(Address of Principal Executive Offices)

**33607**  
(Zip Code)

**Registrant's telephone number, including area code: (813) 544-8515**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common shares without nominal or par value	PRMW PRMW	New York Stock Exchange Toronto Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

**Item 2.02. Results of Operations and Financial Condition.**

On August 8, 2024, Primo Water Corporation (the “Company”) issued a press release reporting financial results for the second quarter ended June 29, 2024. A copy of the press release is furnished herewith under the Securities Exchange Act of 1934, as amended, as Exhibit 99.1 to this Form 8-K and is incorporated by reference into this Item 2.02 as if fully set forth herein.

**Item 8.01. Other Events.**

On August 7, 2024, the Company announced that the Board of Directors declared a dividend of US\$0.09 per common share, payable in cash on September 5, 2024 to shareowners of record at the close of business on August 22, 2024.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits

<b>Exhibit No.</b>	<b>Description</b>
<a href="#"><u>99.1</u></a>	<a href="#"><u>Press Release of Primo Water Corporation, dated August 8, 2024 (furnished herewith).</u></a>
104	Cover Page Interactive Data (embedded within the Inline XBRL document).

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**Primo Water Corporation**  
(Registrant)

August 8, 2024

By: /s/ Marni Morgan Poe  
Marni Morgan Poe  
Chief Legal Officer and Secretary



## Press Release

### **CONTACT:**

Jon Kathol  
 Vice President, Investor Relations  
 Tel: 813-544-8515  
[investorrelations@primowater.com](mailto:investorrelations@primowater.com)

### **Primo Water Announces Second Quarter 2024 Results Raises Full Year Outlook**

- *Results exceeded high end of Q2 Revenue and Adjusted EBITDA outlook*
- *Revenue of \$485 million, increased 7.6% , including 6.6% contribution from organic growth*
- *Gross margin of 65.6% , increased 110 bps, and net income increased to \$13 million*
- *Adjusted EBITDA of \$113 million, increased 14.9% , and Adjusted EBITDA margin of 23.3% , increased 150 bps*
- *Increases full-year 2024 Revenue and Adjusted EBITDA outlook*
- *Increases full-year 2024 Adjusted Free Cash Flow outlook to between \$180 million and \$190 million, an increase of \$5 million*

**TAMPA, FL – August 8, 2024** – Primo Water Corporation (NYSE: PRMW; TSX: PRMW) (the "Company" or "Primo Water"), a leading provider of sustainable drinking water solutions in North America, today announced its results for the second quarter ended June 29, 2024.

"We continue to execute well against our clear and focused strategy. As a result, we are delivering accelerated topline growth which is balanced and broad based. Our growth and productivity initiatives are enabling margin expansion and delivering strong earnings growth. Since the beginning of this year our team embraced a new strategy that includes a focus on customer-centric initiatives, must win priorities, as well as a commercial and growth mindset leveraging our portfolio of hydration solutions," said Robbert Rietbroek, Chief Executive Officer.

"The focus on the "must-wins" of delivering exceptional customer service, being the water solutions partner of choice, and operational excellence is driving growth and creating value for our stakeholders. We remain focused on the front-line performance of our business to grow profitably as we prepare for the previously announced proposed merger with BlueTriton Brands. We believe the combination of these two companies and their expansive brand and product portfolios will position us to better serve our customers and to fulfill their hydration needs," continued Mr. Rietbroek.

*(Unless stated otherwise, all second quarter 2024 comparisons are relative to the second quarter of 2023; all information is in U.S. dollars. Non-GAAP reconciliations presented on the exhibits to this press release)*

## SECOND QUARTER HIGHLIGHTS - CONTINUING OPERATIONS

- Revenue increased 7.6% to \$485 million compared to \$451 million driven by revenue growth consisting of 3.1% attributable to volume and 4.5% attributable to pricing. Contribution from organic growth was 6.6% for the quarter. Revenue growth by channel includes 7.4% in Water Direct / Water Exchange, 11.6% in Water Refill / Water Filtration and 86.6% in Other Water, which is primarily Mountain Valley Spring water sold at retail and on-premise.
- Gross profit increased 9.4% to \$318 million compared to \$291 million. Gross margin increased 110 bps to 65.6% compared to 64.5% , driven by pricing, increased volume and operating efficiencies.
- SG&A expenses increased 7.2% to \$264 million compared to \$247 million. The increase was driven by higher selling and operating costs including delivery commissions that supported volume and revenue growth.
- Reported net income and net income per diluted share were \$13 million and \$0.08, respectively, compared to reported net income and net income per diluted share of \$14 million and \$0.09, respectively. Adjusted net income and adjusted net income per diluted share were \$42 million and \$0.26, respectively, compared to \$31 million and \$0.20, respectively.
- Adjusted EBITDA increased 14.9% to \$113 million compared to \$98 million, driven by pricing initiatives, customer demand and effective expense management. Adjusted EBITDA margin was 23.3% , compared to 21.8% .
- Net cash provided by operating activities of \$101 million, less \$40 million of capital expenditures and additions to intangible assets, resulted in \$61 million of free cash flow, or \$73 million of adjusted free cash flow (adjusting for the items set forth on Exhibit 6), compared to net cash provided by operating activities of \$65 million and .adjusted free cash flow of \$39 million in the prior year.

<i>(USD \$M except % or unless as otherwise noted)</i>	For the Three Months Ended		
	June 29, 2024	July 1, 2023	Y/Y Change
Revenue, net	\$ 485.0	\$ 450.6	7.6%
Net income from continuing operations	\$ 13.3	\$ 13.6	\$ (0.3)
Net income from continuing operations per diluted share	\$ 0.08	\$ 0.09	\$ (0.01)
Adjusted net income from continuing operations	\$ 41.8	\$ 31.2	\$ 10.6
Adjusted net income from continuing operations per diluted share	\$ 0.26	\$ 0.20	\$ 0.06
Adjusted EBITDA	\$ 112.9	\$ 98.3	14.9%
Adjusted EBITDA margin %	23.3%	21.8%	150 bps

# Press Release



## OUTLOOK

- The Company is increasing its full year 2024 revenue target to between \$1.87 billion and \$1.89 billion and its full year 2024 Adjusted EBITDA target to between \$420 million and \$440 million. Full-year 2024 Adjusted Free Cash Flow from continuing operations is forecasted to be between \$180 million and \$190 million, an increase of \$5 million.
- Primo Water is targeting the following results from continuing operations for the third quarter and full year 2024:

(\$ in millions)	Q3 2024 Range		FY 2024 Range	
	Low	High	Low	High
Revenue	\$485	\$495	\$1,870	\$1,890
Adjusted EBITDA	\$115	\$125	\$420	\$440
Cash Taxes			\$35	\$45
Cash Interest, Net			\$25	\$45
Cap-Ex			~ 7% of Revenue + \$22.5M Strategic Investment	
Adj. Free Cash Flow			\$180	\$190

## SECOND QUARTER 2024 RESULTS CONFERENCE CALL

Primo Water will host a conference call, to be simultaneously webcast, on Thursday, August 8, 2024, at 10:00 a.m. Eastern Time. Considering the pending merger with BlueTriton Brands, Inc. ("BlueTriton"), the Q&A session following management's prepared remarks will be moderated by our Investor Relations team. To ensure a smooth and orderly process, we will not be taking live questions from analysts or investors during this call. Instead, participants were previously invited to submit their questions in advance to [investorrelations@primowater.com](mailto:investorrelations@primowater.com). The most pertinent questions will be selected and addressed by our management team during the call.

### Details for the Earnings Conference Call:

Date: August 8, 2024  
Time: 10:00 a.m. Eastern Time  
North America: (888) 664-6392  
International: (416) 764-8659  
Conference ID: 57926036  
Webcast Link: <https://app.webinar.net/OYLdAr7m9o4>

A **slide presentation** and **live audio webcast** will be available through Primo Water's website at <https://www.primowatercorp.com>.

# Press Release



## **Replay Information:**

The earnings conference call will be recorded and archived for playback on the investor relations section of Primo Water's website.

## **SECOND QUARTER PERFORMANCE - CONTINUING OPERATIONS**

Revenue growth by channel is tabulated below:

<i>(in millions of U.S. dollars)</i>	<b>For the Three Months Ended</b>			
	<b>June 29, 2024</b>	<b>July 1, 2023</b>	<b>\$ Change</b>	<b>% Change</b>
Revenue, net				
Water Direct/Water Exchange	<b>\$ 368.2</b>	\$ 342.9	\$ 25.3	7.4%
Water Refill/Water Filtration	<b>61.8</b>	55.4	6.4	11.6%
Other Water <sup>1</sup>	<b>22.2</b>	11.9	10.3	86.6%
Water Dispensers	<b>13.2</b>	16.7	(3.5)	(21.0%)
Other	<b>19.6</b>	23.7	(4.1)	(17.3%)
Revenue, net as reported	<b>\$ 485.0</b>	\$ 450.6	\$ 34.4	7.6%

1. Primarily Mountain Valley retail and on-premise revenue

## **QUARTERLY DIVIDEND**

Primo Water announced that its Board of Directors declared a dividend of US\$0.09 per share on common shares, payable in cash on September 5, 2024 to shareowners of record at the close of business on August 22, 2024.

## **SHARE REPURCHASE PROGRAM**

The Company has paused its share repurchase program in light of the proposed merger with BlueTriton Brands. Prior to the announcement of the proposed merger, the Company had repurchased \$6.8 million of its common shares in the second quarter.

## **ABOUT PRIMO WATER CORPORATION**

Primo Water is a leading North America-focused pure-play water solutions provider that operates largely under a recurring revenue model in the large format water category (defined as 3 gallons or greater). This business strategy is commonly referred to as "razor-razorblade" because the initial sale of a product creates a base of users who frequently purchase complementary consumable products. The razor in Primo Water's revenue model is its industry leading line-up of innovative water dispensers, which are sold through approximately 11,350 retail locations and online at various price points. The dispensers help increase household and business penetration which drives recurring purchases of Primo Water's razorblade offering or water solutions. Primo Water's razorblade offering is comprised of Water Direct, Water Exchange, and Water Refill. Through its Water Direct business, Primo Water delivers sustainable hydration solutions direct to customers, whether at home or to businesses. Through its Water Exchange business, customers visit retail locations and purchase a pre-filled bottle of water. Once consumed, empty bottles are exchanged at our recycling center displays, which provide a ticket that offers a discount toward the purchase of a new bottle. Water Exchange is available in approximately 17,950 retail locations. Through its Water Refill business, customers refill empty bottles at approximately 23,500 self-service refill drinking water stations. Primo Water also offers water filtration units across North America.

## Press Release



Primo Water's water solutions expand consumer access to purified, spring, and mineral water to promote a healthier, more sustainable lifestyle while simultaneously reducing plastic waste and pollution. Primo Water is committed to its water stewardship standards and is proud to partner with the International Bottled Water Association (IBWA) in North America which ensures strict adherence to safety, quality, sanitation and regulatory standards for the benefit of consumer protection.

Primo Water is headquartered in Tampa, Florida (USA). For more information, visit [www.primowatercorp.com](http://www.primowatercorp.com).

### **Non-GAAP Measures**

To supplement its reporting of financial measures determined in accordance with U.S. GAAP (generally accepted accounting principles), Primo Water utilizes certain non-GAAP financial measures. Primo Water utilizes organic revenue growth (which excludes the impact of acquisitions). Primo Water also 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 Water 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 Water's underlying business performance and the performance of its management. Additionally, Primo Water 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 additional items identified on the exhibits hereto to present adjusted free cash flow, which management believes provides useful information to investors in assessing our performance, comparing Primo Water'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 Water's business, making strategic acquisitions, paying dividends, and strengthening the balance sheet. With respect to the Company's expectations of its future performance, the Company's reconciliations of Q3 2024 and full-year 2024 Adjusted EBITDA and 2024 adjusted free cash flow guidance 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 effort. These items include restructuring costs and restructuring-related impairment charges, acquisition/divestiture related costs, gains or losses on the sale of businesses or other assets, and the income tax effects of these items and/or other income tax-related events. 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 Water 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 Water's financial statements prepared in accordance with GAAP. In addition, the non-GAAP financial measures included in this 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.





## Press Release

### **Safe Harbor Statements**

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 conveying management's expectations as to the future based on plans, estimates and projections at the time Primo Water makes the statements. Forward-looking statements involve inherent risks and uncertainties and Primo Water cautions you that several important factors could cause actual results to differ materially from those contained in any such forward-looking statement. You can identify forward-looking statements by words such as "may," "will," "would," "should," "could," "expect," "aim," "anticipate," "believe," "estimate," "intend," "plan," "predict," "project," "seek," "potential," "opportunities," and other similar expressions and the negatives of such expressions. However, not all forward-looking statements contain these words. The forward-looking statements contained in this press release include, but are not limited to, statements regarding future financial and operating trends and results (including Primo Water's outlook on Q3 and full-year 2024 revenue, Adjusted EBITDA and Adjusted Free Cash Flow), the transaction with BlueTriton, and related matters. The forward-looking statements are based on assumptions regarding management's current plans and estimates. Management believes these assumptions to be reasonable, but there is no assurance that they will prove to be accurate.

Factors that could cause actual results to differ materially from those described in this press release include, among others: Primo Water's and BlueTriton's ability to complete the pending combination transaction on the anticipated terms and schedule, including the ability to obtain regulatory approval; the risk that disruptions from the transaction will harm Primo Water's business; Primo Water's ability to compete successfully in the markets in which it operates; Primo Water's ability to manage supply chain disruptions and cost increases related to inflation; fluctuations in commodity prices and Primo Water's ability to pass on increased costs to its customers or hedge against such rising costs, and the impact of those increased prices on its volumes; Primo Water's ability to maintain favorable arrangements and relationships with its suppliers; Primo Water's ability to manage its operations successfully; currency fluctuations that adversely affect the exchange between currencies including the U.S. dollar and the Canadian dollar; the impact on Primo Water's financial results from uncertainty in the financial markets and other adverse changes in general economic conditions, including inflation and interest rates; any disruption to production at Primo Water's manufacturing facilities; Primo Water's ability to maintain access to its water sources; the impact of climate change on Primo Water's business; Primo Water's ability to protect its intellectual property; the seasonal nature of Primo Water's business and the effect of adverse weather conditions; the impact of national, regional and global events, including those of a political, economic, business and competitive nature, such as the Russia/Ukraine war or the Israel/Hamas war; the impact of a pandemic, such as COVID-19, related government actions and Primo Water's strategy in response thereto on our business; Primo Water's ability to fully realize the potential benefit of transactions or other strategic opportunities that it pursues; Primo Water's ability to realize cost synergies of its acquisitions due to integration difficulties and other challenges; Primo Water's exposure to intangible asset risk; Primo Water's ability to meet its obligations under its debt agreements, and risks of further increases to its indebtedness; Primo Water's ability to maintain compliance with the covenants and conditions under its debt agreements; fluctuations in interest rates, which could increase Primo Water's borrowing costs; Primo Water's ability to recruit, retain and integrate new management; the impact of increased labor costs on Primo Water's business; Primo Water's ability to renew its collective bargaining agreements from time to time on satisfactory terms; disruptions in Primo Water's information systems; Primo Water's ability to securely maintain its customers' confidential or credit card information, or other private data relating to Primo Water's employees or the Company; compliance with product health and safety standards; liability for injury or illness caused by the consumption of contaminated products; liability and damage to Primo Water's reputation as a result of litigation or legal proceedings; changes in the legal and regulatory environment in which Primo Water operates; Primo Water's ability to adequately address the challenges and risks associated with its operations and address difficulties in complying with laws and regulations including the U.S. Foreign Corrupt Practices Act and the U.K. Bribery Act of 2010; the impact on Primo Water's tax obligations and effective tax rate arising from changes in local tax laws or countries adopting more aggressive interpretations of tax laws; Primo Water's ability to maintain its quarterly dividend; and credit rating changes.



## Press Release

The foregoing list of factors is not exhaustive. Readers are cautioned not to place undue reliance on any 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 Primo Water's Annual Report on Form 10-K and its quarterly reports on Form 10-Q, as well as other filings with the securities commissions. Primo Water does not undertake to update or revise any of these statements considering new information or future events, except as expressly required by applicable law.

Website: [www.primowatercorp.com](http://www.primowatercorp.com)

# Press Release



## PRIMO WATER CORPORATION CONSOLIDATED STATEMENTS OF OPERATIONS

EXHIBIT 1

(in millions of U.S. dollars, except share and per share amounts)

Unaudited

	For the Three Months Ended		For the Six Months Ended	
	June 29, 2024	July 1, 2023	June 29, 2024	July 1, 2023
<b>Revenue, net</b>	\$ 485.0	\$ 450.6	\$ 937.0	\$ 863.1
Cost of sales	167.0	159.8	327.7	313.3
<b>Gross profit</b>	<b>318.0</b>	<b>290.8</b>	<b>609.3</b>	<b>549.8</b>
Selling, general and administrative expenses	264.4	246.6	513.8	481.2
Loss on disposal of property, plant and equipment, net	1.3	0.9	2.8	2.2
Acquisition and integration expenses	13.1	1.9	18.4	3.6
Gain on sale of property	—	—	(0.5)	—
<b>Operating income</b>	<b>39.2</b>	<b>41.4</b>	<b>74.8</b>	<b>62.8</b>
Other expense, net	2.7	0.6	0.1	0.3
Interest expense, net	9.2	18.8	19.2	37.0
<b>Income from continuing operations before income taxes</b>	<b>27.3</b>	<b>22.0</b>	<b>55.5</b>	<b>25.5</b>
Income tax expense	14.0	8.4	23.5	8.7
<b>Net income from continuing operations</b>	<b>\$ 13.3</b>	<b>\$ 13.6</b>	<b>\$ 32.0</b>	<b>\$ 16.8</b>
Net income from discontinued operations, net of income taxes	2.7	7.7	9.0	10.3
<b>Net income</b>	<b>\$ 16.0</b>	<b>\$ 21.3</b>	<b>\$ 41.0</b>	<b>\$ 27.1</b>
<b>Net income per common share</b>				
<b>Basic:</b>				
Continuing operations	\$ 0.08	\$ 0.09	\$ 0.20	\$ 0.11
Discontinued operations	\$ 0.02	\$ 0.04	\$ 0.06	\$ 0.06
Net income	\$ 0.10	\$ 0.13	\$ 0.26	\$ 0.17
<b>Diluted:</b>				
Continuing operations	\$ 0.08	\$ 0.09	\$ 0.20	\$ 0.11
Discontinued operations	\$ 0.02	\$ 0.04	\$ 0.05	\$ 0.06
Net income	\$ 0.10	\$ 0.13	\$ 0.25	\$ 0.17
<b>Weighted-average common shares outstanding (in thousands)</b>				
Basic	160,112	159,196	159,843	159,465
Diluted	161,384	159,900	161,041	160,332

# Press Release



## PRIMO WATER CORPORATION CONSOLIDATED BALANCE SHEETS

EXHIBIT 2

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

Unaudited

	<u>June 29, 2024</u>	<u>December 30, 2023</u>
<b>ASSETS</b>		
<i>Current assets</i>		
Cash and cash equivalents	\$ 603.3	\$ 507.9
Accounts receivable, net of allowance of \$13.2 (\$12.7 as of December 30, 2023)	164.1	156.0
Inventories	47.3	47.3
Prepaid expenses and other current assets	22.9	26.0
Current assets of discontinued operations	81.9	128.7
<b>Total current assets</b>	<u>919.5</u>	<u>865.9</u>
Property, plant and equipment, net	549.1	556.5
Operating lease right-of-use-assets	147.5	136.0
Goodwill	1,009.0	1,004.6
Intangible assets, net	717.8	714.2
Other long-term assets, net	18.4	20.2
Long-term assets of discontinued operations	158.4	225.6
<b>Total assets</b>	<u>\$ 3,519.7</u>	<u>\$ 3,523.0</u>
<b>LIABILITIES AND EQUITY</b>		
<i>Current liabilities</i>		
Current maturities of long-term debt	\$ 14.6	\$ 14.2
Accounts payable and accrued liabilities	291.2	276.4
Current operating lease obligations	26.0	25.6
Current liabilities of discontinued operations	89.3	109.9
<b>Total current liabilities</b>	<u>421.1</u>	<u>426.1</u>
Long-term debt	1,250.3	1,270.8
Operating lease obligations	134.0	124.0
Deferred tax liabilities	141.5	144.2
Other long-term liabilities	84.6	64.4
Long-term liabilities of discontinued operations	33.8	52.2
<b>Total liabilities</b>	<u>2,065.3</u>	<u>2,081.7</u>
<i>Equity</i>		
Common shares, no par value - 160,289,149 (December 30, 2023 - 159,480,638) shares issued	1,310.2	1,288.6
Additional paid-in capital	86.6	90.6
Retained earnings	170.6	167.2
Accumulated other comprehensive loss	(113.0)	(105.1)
<b>Total Primo Water Corporation equity</b>	<u>1,454.4</u>	<u>1,441.3</u>
<b>Total liabilities and equity</b>	<u>\$ 3,519.7</u>	<u>\$ 3,523.0</u>

# Press Release



## PRIMO WATER CORPORATION CONSOLIDATED STATEMENTS OF CASH FLOWS

EXHIBIT 3

(in millions of U.S. dollars)

Unaudited

	For the Three Months Ended		For the Six Months Ended	
	June 29, 2024	July 1, 2023	June 29, 2024	July 1, 2023
<b>Cash flows from operating activities of continuing operations:</b>				
Net income	\$ 16.0	\$ 21.3	\$ 41.0	\$ 27.1
Net income from discontinued operations, net of income taxes	2.7	7.7	9.0	10.3
Net income from continuing operations	\$ 13.3	\$ 13.6	32.0	16.8
<b>Adjustments to reconcile net income from continuing operations to cash flows from operating activities of continuing operations:</b>				
Depreciation and amortization	49.7	47.2	97.9	94.3
Amortization of financing fees	0.9	0.9	1.7	1.7
Share-based compensation expense	9.5	2.7	12.5	4.7
(Benefit) provision for deferred income taxes	(4.9)	5.4	(3.0)	6.5
Loss on disposal of property, plant and equipment, net	1.3	0.9	2.8	2.2
Gain on sale of property	—	—	(0.5)	—
Other non-cash items	2.0	(1.2)	(2.6)	(3.2)
Change in operating assets and liabilities, net of acquisitions:				
Accounts receivable	3.3	(22.6)	(2.7)	(18.8)
Inventories	(3.0)	2.6	(1.8)	4.7
Prepaid expenses and other current assets	3.9	4.2	0.5	1.9
Other assets	4.3	(0.4)	3.8	(0.5)
Accounts payable and accrued liabilities and other liabilities	21.0	11.9	24.1	(14.8)
Net cash provided by operating activities of continuing operations	101.3	65.2	164.7	95.5
<b>Cash flows from investing activities of continuing operations:</b>				
Acquisitions, net of cash received	(20.1)	(15.6)	(24.2)	(23.0)
Additions to property, plant and equipment	(37.3)	(27.0)	(74.9)	(69.2)
Additions to intangible assets	(3.0)	(2.0)	(5.3)	(4.0)
Proceeds from sale of property, plant and equipment	0.1	0.1	0.2	0.2
Proceeds from sale of property	—	—	1.0	—
Other investing activities	—	1.1	2.7	1.9
Net cash used in investing activities of continuing operations	(60.3)	(43.4)	(100.5)	(94.1)

# Press Release



## Cash flows from financing activities of continuing operations:

Payments of long-term debt	(3.8)	(2.8)	(6.6)	(6.0)
Proceeds from short-term borrowings	—	43.0	—	104.0
Payments on short-term borrowings	—	(59.8)	—	(93.0)
Issuance of common shares	10.5	0.4	16.7	4.7
Common shares repurchased and canceled	(9.1)	(2.5)	(20.2)	(21.8)
Dividends paid to common shareholders	(14.4)	(13.1)	(29.2)	(25.9)
Payment of contingent consideration for acquisitions	(1.1)	(0.2)	(1.8)	(1.0)
Other financing activities	—	(2.5)	—	(5.0)
Net cash used in financing activities of continuing operations	<u>(17.9)</u>	<u>(37.5)</u>	<u>(41.1)</u>	<u>(44.0)</u>

## Cash flows from discontinued operations:

Net cash provided by operating activities from discontinued operations	1.4	11.6	2.2	15.6
Net cash provided by (used in) investing activities from discontinued operations	64.7	(9.0)	59.1	(19.8)
Net cash provided by financing activities from discontinued operations	0.9	2.8	1.0	9.6
Net cash provided by discontinued operations	<u>67.0</u>	<u>5.4</u>	<u>62.3</u>	<u>5.4</u>
Effect of exchange rate changes on cash	<u>0.1</u>	<u>0.6</u>	<u>(0.4)</u>	<u>1.4</u>

## Net increase (decrease) in cash, cash equivalents and restricted cash

	90.2	(9.7)	85.0	(35.8)
Cash and cash equivalents and restricted cash, beginning of period	<u>525.3</u>	<u>96.5</u>	<u>530.5</u>	<u>122.6</u>
Cash and cash equivalents and restricted cash, end of period	\$ <u>615.5</u>	\$ <u>86.8</u>	\$ <u>615.5</u>	\$ <u>86.8</u>
Cash and cash equivalents and restricted cash from discontinued operations, end of period	<u>12.2</u>	<u>35.6</u>	<u>12.2</u>	<u>35.6</u>
Cash and cash equivalents and restricted cash of continuing operations, end of period	<u>\$ 603.3</u>	<u>\$ 51.2</u>	<u>\$ 603.3</u>	<u>\$ 51.2</u>

# Press Release



## PRIMO WATER CORPORATION SEGMENT INFORMATION

EXHIBIT 4

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

Unaudited

### For the Three Months Ended June 29, 2024

	North America	Other	Total
<i>Revenue, net</i>			
Water Direct/Water Exchange	\$ 368.2	\$ —	\$ 368.2
Water Refill/Water Filtration	61.8	—	61.8
Other Water <sup>1</sup>	22.2	—	22.2
Water Dispensers	13.2	—	13.2
Other	19.4	0.2	19.6
Total	<u>\$ 484.8</u>	<u>\$ 0.2</u>	<u>\$ 485.0</u>
Gross profit	\$ 317.8	\$ 0.2	\$ 318.0
Gross margin %	65.6%	100.0%	65.6%
Selling, general and administrative expenses	\$ 243.3	\$ 21.1	\$ 264.4
SG&A % of revenue <sup>2</sup>	50.2%	NM	54.5%
Operating income (loss)	\$ 72.9	\$ (33.7)	\$ 39.2
Depreciation and amortization	\$ 49.2	\$ 0.5	\$ 49.7

### For the Three Months Ended July 1, 2023

	North America	Other	Total
<i>Revenue, net</i>			
Water Direct/Water Exchange	\$ 342.9	\$ —	\$ 342.9
Water Refill/Water Filtration	55.4	—	55.4
Other Water <sup>1</sup>	11.9	—	11.9
Water Dispensers	16.7	—	16.7
Other	23.6	0.1	23.7
Total	<u>\$ 450.5</u>	<u>\$ 0.1</u>	<u>\$ 450.6</u>
Gross profit	\$ 290.7	\$ 0.1	\$ 290.8
Gross margin %	64.5%	100.0%	64.5%
Selling, general and administrative expenses	\$ 231.0	\$ 15.6	\$ 246.6
SG&A % of revenue <sup>2</sup>	51.3%	NM	54.7%
Operating income (loss)	\$ 57.3	\$ (15.9)	\$ 41.4
Depreciation and amortization	\$ 46.8	\$ 0.4	\$ 47.2

1 Primarily Mountain Valley retail and on-premise revenue

2 "NM" defined as not meaningful

# Press Release



## For the Six Months Ended June 29, 2024

	North America	Other	Total
<i>Revenue, net</i>			
Water Direct/Water Exchange	\$ 707.6	\$ —	\$ 707.6
Water Refill/Water Filtration	119.8	—	119.8
Other Water <sup>1</sup>	39.9	—	39.9
Water Dispensers	30.0	—	30.0
Other	39.1	0.6	39.7
Total	<u>\$ 936.4</u>	<u>\$ 0.6</u>	<u>\$ 937.0</u>
Gross profit	\$ 608.9	\$ 0.4	\$ 609.3
Gross Margin %	65.0%	66.7%	65.0%
Selling, general and administrative expenses	\$ 481.4	\$ 32.4	\$ 513.8
SG&A % of revenue <sup>2</sup>	51.4%	NM	54.8%
Operating income (loss)	\$ 124.3	\$ (49.5)	\$ 74.8
Depreciation and amortization	\$ 97.0	\$ 0.9	\$ 97.9

## For the Six Months Ended July 1, 2023

	North America	Other	Total
<i>Revenue, net</i>			
Water Direct/Water Exchange	\$ 655.3	\$ —	\$ 655.3
Water Refill/Water Filtration	107.6	—	107.6
Other Water <sup>1</sup>	23.2	—	23.2
Water Dispensers	29.4	—	29.4
Other	47.3	0.3	47.6
Total	<u>\$ 862.8</u>	<u>\$ 0.3</u>	<u>\$ 863.1</u>
Gross profit	\$ 549.5	\$ 0.3	\$ 549.8
Gross margin %	63.7%	100.0%	63.7%
Selling, general and administrative expenses	\$ 452.1	\$ 29.1	\$ 481.2
SG&A % of revenue <sup>2</sup>	52.4%	NM	55.8%
Operating income (loss)	\$ 92.0	\$ (29.2)	\$ 62.8
Depreciation and amortization	\$ 93.6	\$ 0.7	\$ 94.3

<sup>1</sup> Primarily Mountain Valley retail and on-premise revenue

<sup>2</sup> "NM" defined as not meaningful



# Press Release



## PRIMO WATER CORPORATION SUPPLEMENTARY INFORMATION - NON-GAAP - EARNINGS BEFORE INTEREST, TAXES, DEPRECIATION & AMORTIZATION

EXHIBIT 5

### (EBITDA)

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

Unaudited

	For the Three Months Ended		For the Six Months Ended	
	June 29, 2024	July 1, 2023	June 29, 2024	July 1, 2023
<b>Net income from continuing operations</b>	\$ 13.3	\$ 13.6	\$ 32.0	\$ 16.8
Interest expense, net	9.2	18.8	19.2	37.0
Income tax expense	14.0	8.4	23.5	8.7
Depreciation and amortization	49.7	47.2	97.9	94.3
<b>EBITDA</b>	<b>\$ 86.2</b>	<b>\$ 88.0</b>	<b>\$ 172.6</b>	<b>\$ 156.8</b>
Acquisition and integration costs (a)	13.1	1.9	18.4	3.6
Share-based compensation costs (b)	9.5	2.7	12.5	4.7
Foreign exchange and other losses, net (c)	2.7	0.3	0.8	0.1
Loss on disposal of property, plant and equipment, net (d)	1.3	0.9	2.8	2.2
Gain on sale of property (e)	—	—	(0.5)	—
Other adjustments, net (f)	0.1	4.5	0.2	6.5
<b>Adjusted EBITDA</b>	<b>\$ 112.9</b>	<b>\$ 98.3</b>	<b>\$ 206.8</b>	<b>\$ 173.9</b>
<b>Revenue, net</b>	<b>\$ 485.0</b>	<b>\$ 450.6</b>	<b>\$ 937.0</b>	<b>\$ 863.1</b>
<b>Adjusted EBITDA margin %</b>	<b>23.3%</b>	<b>21.8%</b>	<b>22.1%</b>	<b>20.1%</b>

	Location in Consolidated Statements of Operations	For the Three Months Ended		For the Six Months Ended	
		June 29, 2024	July 1, 2023	June 29, 2024	July 1, 2023
		(Unaudited)		(Unaudited)	
(a) Acquisition and integration costs	Acquisition and integration expenses	\$ 13.1	\$ 1.9	\$ 18.4	\$ 3.6
(b) Share-based compensation costs	Selling, general and administrative expenses	9.5	2.7	12.5	4.7
(c) Foreign exchange and other gains, net	Other expense, net	2.7	0.3	0.8	0.1
(d) Loss on disposal of property, plant and equipment, net	Loss on disposal of property, plant and equipment, net	1.3	0.9	2.8	2.2
(e) Gain on sale of property	Gain on sale of property	—	—	(0.5)	—
(f) Other adjustments, net	Other expense, net	—	(0.4)	(0.7)	(0.6)
	Selling, general and administrative expenses	0.1	4.9	0.9	7.1

# Press Release



## PRIMO WATER CORPORATION SUPPLEMENTARY INFORMATION - NON-GAAP - FREE CASH FLOW AND ADJUSTED FREE CASH FLOW

EXHIBIT 6

(in millions of U.S. dollars)

Unaudited

	For the Three Months Ended	
	June 29, 2024	July 1, 2023
<b>Net cash provided by operating activities of continuing operations</b>	\$ 101.3	\$ 65.2
Less: Additions to property, plant, and equipment	(37.3)	(27.0)
Less: Additions to intangible assets	(3.0)	(2.0)
<b>Free Cash Flow</b>	\$ 61.0	\$ 36.2
Acquisition and integration cash costs	11.5	1.3
Cash costs related to additions to property, plant and equipment for integration of acquired entities	0.3	0.1
COVID-19 related refunds	(0.8)	—
Cash taxes paid for property sales	1.3	0.8
Tariffs refunds related to property, plant, and equipment	—	1.0
<b>Adjusted Free Cash Flow</b>	\$ 73.3	\$ 39.4

	For the Six Months Ended	
	June 29, 2024	July 1, 2023
<b>Net cash provided by operating activities of continuing operations</b>	\$ 164.7	\$ 95.5
Less: Additions to property, plant, and equipment	(74.9)	(69.2)
Less: Additions to intangible assets	(5.3)	(4.0)
<b>Free Cash Flow</b>	\$ 84.5	\$ 22.3
Acquisition and integration cash costs	13.9	3.8
Cash costs related to additions to property, plant and equipment for integration of acquired entities	0.7	0.1
COVID-19 related refunds	(0.8)	—
Cash taxes paid for property sales	1.3	0.8
Tariffs refunds related to property, plant, and equipment	2.1	1.4
<b>Adjusted Free Cash Flow</b>	\$ 101.7	\$ 28.4

# Press Release



## PRIMO WATER CORPORATION SUPPLEMENTARY INFORMATION-NON-GAAP-ADJUSTED NET INCOME AND ADJUSTED EPS

EXHIBIT 7

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

Unaudited

	For the Three Months Ended		For the Six Months Ended	
	June 29, 2024	July 1, 2023	June 29, 2024	July 1, 2023
Net income from continuing operations	\$ 13.3	\$ 13.6	\$ 32.0	\$ 16.8
Adjustments:				
Amortization expense of customer lists	7.1	7.4	14.2	14.7
Acquisition and integration costs	13.1	1.9	18.4	3.6
Share-based compensation costs	9.5	2.7	12.5	4.7
Foreign exchange and other losses, net	2.7	0.3	0.8	0.1
Gain on sale of property	—	—	(0.5)	—
Other adjustments, net	0.1	4.5	0.2	6.5
Tax impact of adjustments <sup>1</sup>	(4.0)	0.8	(5.3)	(4.0)
<b>Adjusted net income</b>	<b>\$ 41.8</b>	<b>\$ 31.2</b>	<b>\$ 72.3</b>	<b>\$ 42.4</b>
<b>Earnings Per Share (as reported)</b>				
Net income from continuing operations	\$ 13.3	\$ 13.6	\$ 32.0	\$ 16.8
Basic EPS	\$ 0.08	\$ 0.09	\$ 0.20	\$ 0.11
Diluted EPS	\$ 0.08	\$ 0.09	\$ 0.20	\$ 0.11
<b>Weighted average common shares outstanding (in thousands)</b>				
Basic	160,112	159,196	159,843	159,465
Diluted	161,384	159,900	161,041	160,332
<b>Adjusted Earnings Per Share (Non-GAAP)</b>				
Adjusted net income from continuing operations (Non-GAAP)	\$ 41.8	\$ 31.2	\$ 72.3	\$ 42.4
Adjusted diluted EPS (Non-GAAP)	\$ 0.26	\$ 0.20	\$ 0.45	\$ 0.26
<b>Weighted average common shares outstanding (in thousands)</b>				
Basic	160,112	159,196	159,843	159,465
Diluted weighted average common shares outstanding (in thousands) (Non-GAAP) <sup>2</sup>	161,384	159,900	161,041	160,332

<sup>1</sup> The tax effect for adjusted net income is based upon an analysis of the statutory tax treatment and the applicable tax rate for the jurisdiction in which the pre-tax adjusting items incurred and for which realization of the resulting tax benefit (if any) is expected. A reduced or 0% tax rate is applied to jurisdictions where we do not expect to realize a tax benefit due to a history of operating losses or other factors resulting in a valuation allowance related to deferred tax assets.

<sup>2</sup> For the periods presented, the non-GAAP diluted weighted average common shares outstanding equaled the reported diluted weighted average common shares outstanding.