



**zevia**<sup>®</sup>

**Q4 AND FULL YEAR 2022 FINANCIAL RESULTS**  
**FEBRUARY 28, 2023**



# SAFE HARBOR STATEMENT



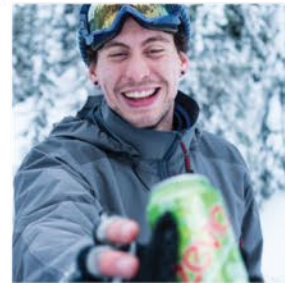
This presentation and the related earnings press release contains “forward-looking statements” within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements include, without limitation, any statement that may predict, forecast, indicate or imply future results, performance or achievements, and may contain words such as “guidance,” “believe,” “anticipate,” “expect,” “consider,” “contemplate,” “continue,” “would,” “could,” “may,” “potential,” “estimate,” “intend,” “project,” “plan,” “seek,” “pursue,” “will,” or words or phrases with similar meaning. Forward-looking statements should not be read as a guarantee of future performance or results and will not necessarily be accurate indications of the times at, or by, which such performance or results will be achieved. Forward-looking statements contained in this presentation and the related earnings press release relate to, among other things, statements regarding our anticipated growth, strategic direction, branding, operating environment, distribution, velocity, pricing, and costs. Forward-looking statements are based on current expectations, forecasts and assumptions that involve risks and uncertainties, including, but not limited to, the ability to develop and maintain our brand, our ability to successfully execute on our rebranding strategy and cost reduction initiatives, change in consumer preferences, pricing factors, the impact of inflation on our sales growth and cost structure such as increased commodity, packaging, transportation and freight, warehouse, labor and other input costs and other economic, competitive and governmental factors outside of our control, such as pandemics or epidemics, including the impact of the effects of the COVID-19 pandemic, and adverse global macroeconomic conditions, including rising interest rates and a recessionary environment, and geopolitical events or conflicts, that may cause our business, strategy or actual results to differ materially from the forward-looking statements. We do not intend and undertake no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable law. Investors are referred to our filings with the U.S. Securities and Exchange Commission (“SEC”), including our Form 10-K, for additional information regarding the risks and uncertainties that may cause actual results to differ materially from those expressed in any forward-looking statement. The Company’s SEC filings are available at no charge at [www.sec.gov](http://www.sec.gov) and at the Company’s website at <https://investors.zevia.com/>.

## **Non-GAAP Financial Information**

We use Adjusted EBITDA, a financial measure in this presentation and the related earnings press release that is not calculated in accordance with U.S. generally accepted accounting principles (“GAAP”). The Company’s management believes that Adjusted EBITDA can assist investors in evaluating the Company’s operational trends, financial performance, and cash generating capacity. Management believes this non-GAAP financial measure allows investors to evaluate the Company’s financial performance using some of the same measures as management. We calculate Adjusted EBITDA as net income (loss), the most comparable GAAP measurement, adjusted to exclude: (1) other income (expense), net, which includes interest (income) expense, foreign currency (gains) losses, and (gains) losses on disposal of fixed assets, (2) provision (benefit) for income taxes (3) depreciation and amortization and (4) equity-based compensation. Adjusted EBITDA may in the future also be adjusted for amounts impacting net income related to the Tax Receivable Agreement liability and other infrequent and unusual transactions. We believe that the use of Adjusted EBITDA is helpful to our investors as it is a measure used by management in assessing the health of our business, determining incentive compensation and evaluating our operating performance, as well as for internal planning and forecasting purposes. This non-GAAP financial measure is designed to supplement, and not substitute the Company’s financial information presented in accordance with GAAP. The non-GAAP financial measure as defined by the Company may not be comparable to similar non-GAAP financial measures presented by other companies. Reconciliations of the Company’s non-GAAP financial measures to the most directly comparable GAAP financial metrics are available in the Company’s related earnings press release and on the Company’s website at <https://investors.zevia.com/>.

# WE ARE

an ESG company addressing global health and sustainability by providing a platform of great-tasting, naturally sweetened, zero-sugar beverages, without selling a single plastic bottle.



# WE BELIEVE

in supporting the health of individuals, of the communities in which we live, and in becoming 1% better every day.



*the* ZEVIA  
**SOLUTION**



**GREAT  
TASTE**

Deliciously refreshing with all the flavor you crave.



**ZERO  
SUGAR**

Guilt-free alternative to sugary sodas and beverages.



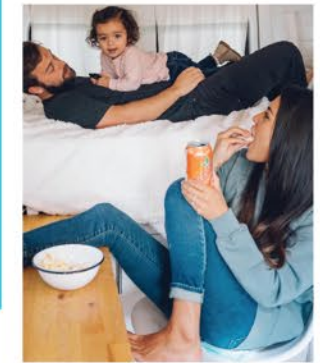
**PLANT-BASED  
INGREDIENTS**

Only a handful of ingredients that shoppers can easily pronounce.



**SUSTAINABLE  
PACKAGING**

Reducing plastic waste by using only aluminum cans.



**DEMOCRATIZING  
HEALTH**

Affordable for a broad range of consumers and perfect for all ages.





the ZEVIA  
**SOLUTION**



**KIDS**

**TEA**

**SODA**

**ENERGY**

**MIXER**

**AUTHENTIC, ESG-FOCUSED Beverage Brand Addressing Global Sugar and Plastic Challenges**

**Broad VARIETY OF FLAVORS FOR EVERY FAMILY MEMBER and Usage Occasion**

**Made with a Common Set of PLANT-BASED INGREDIENTS, BUILDING CONSUMER TRUST**

**Proven Traction in KEY RETAIL/ECOMMERCE CHANNELS, with Significant US AND GLOBAL WHITESPACE**

# by THE NUMBERS

## ZEVIA LEADS THE PACK IN ZERO-CALORIE BRANDS



1

platform  
brand



#1

CSD brand  
on Amazon



#1

CSD brand  
in natural  
channel



HOUSEHOLD  
PENETRATION

6.4%

NEW ZEVIA  
HOUSEHOLDS IN L12M

+1.4M



*High-Performing, GLOBALLY DISRUPTIVE*  
**BEVERAGE COMPANY**



**SUPPORTING GLOBAL PUBLIC HEALTH WITH GREAT-TASTING,  
ZERO SUGAR, PLANT-BASED BEVERAGES**



**SALES**

- Expand Distribution
- Accelerate Velocity
- Leverage Platform Brand
- Expand Market Share



**PROFITABILITY**

- Optimize Supply Chain
- Leverage Pricing Power



**ESG**

- Reduce Sugar Consumption
- Eliminate Plastic
- Affordable Better-for-you Beverages



**MAXIMIZE SHAREHOLDER VALUE**



# FINANCIAL RESULTS





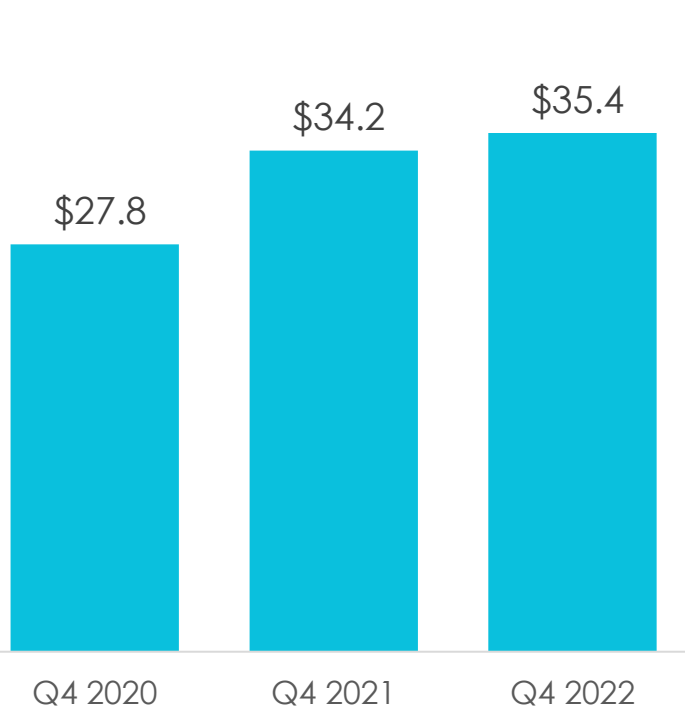
# Q4 2022 FINANCIALS OVERVIEW – YEAR OVER YEAR

(\$ IN MILLIONS)



## Net Sales

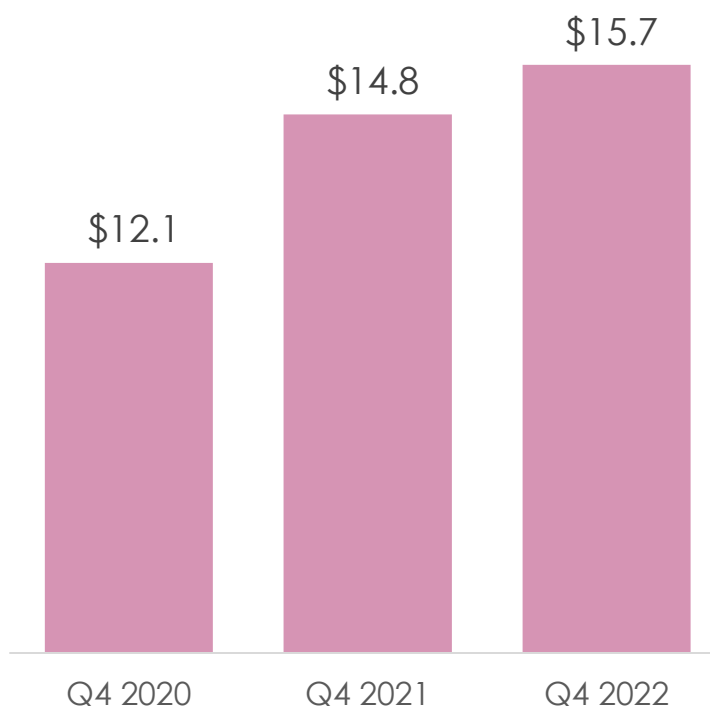
Two Year Growth – 27%



% Growth

**23%**      **23%**      **4%**

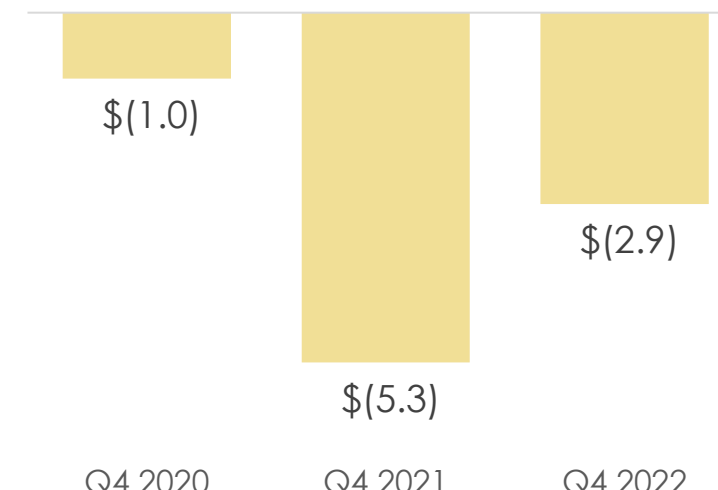
## Gross Profit<sup>1</sup>



% of Net Sales

**44%**      **43%**      **44%**

## Adjusted EBITDA<sup>2</sup>



% of Net Sales

**N/A<sup>3</sup>**      **N/A<sup>3</sup>**      **N/A<sup>3</sup>**

<sup>1</sup> Gross profit for 2020 and 2021 have been adjusted to reflect the reclassification of repackaging and handling costs from cost of goods sold to selling and marketing expenses

<sup>2</sup> Adjusted EBITDA is a non-GAAP financial measure that adds back other income (expense), net, provision (benefit) for income taxes, depreciation and amortization, and equity-based compensation. See appendix to this presentation for a discussion of this measure and a reconciliation to the most directly comparable GAAP measure.

<sup>3</sup> Q4 2020, 2021 and 2022 represents a net loss

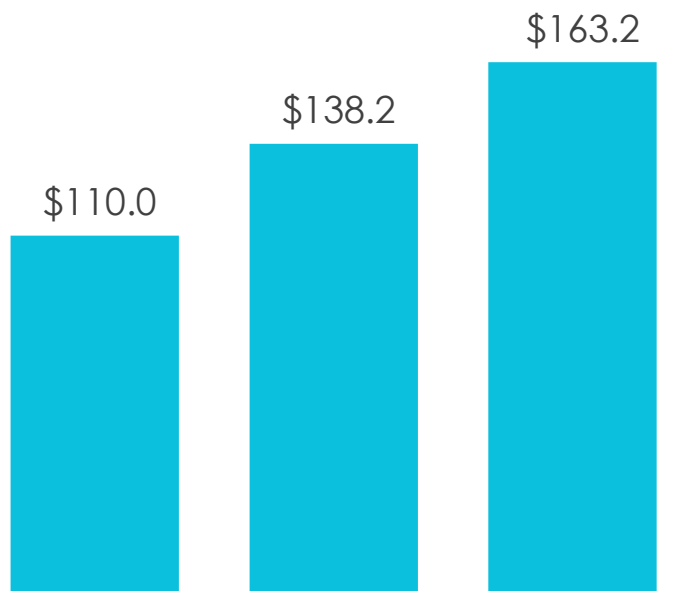
# FULL YEAR 2022 FINANCIALS OVERVIEW – YEAR OVER YEAR

(\$ IN MILLIONS)



## Net Sales

Two Year Growth – 48%

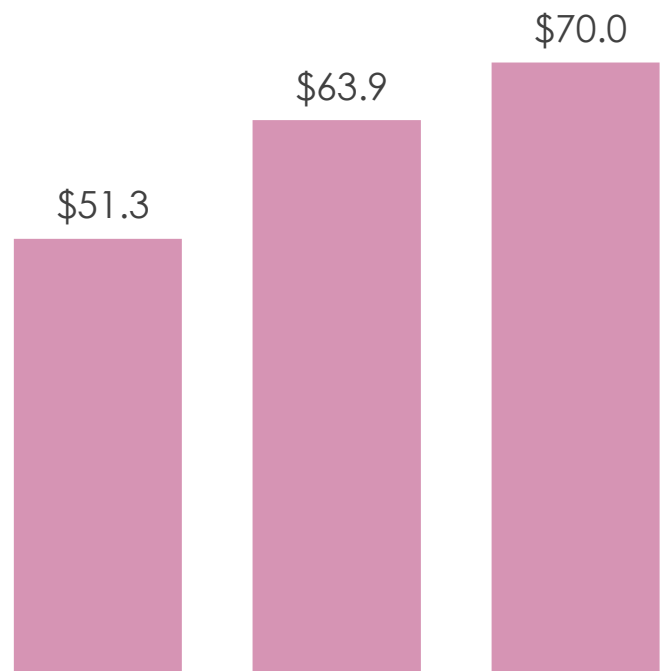


FY 2020      FY 2021      FY 2022

% Growth

**29%**      **26%**      **18%**

## Gross Profit<sup>1</sup>

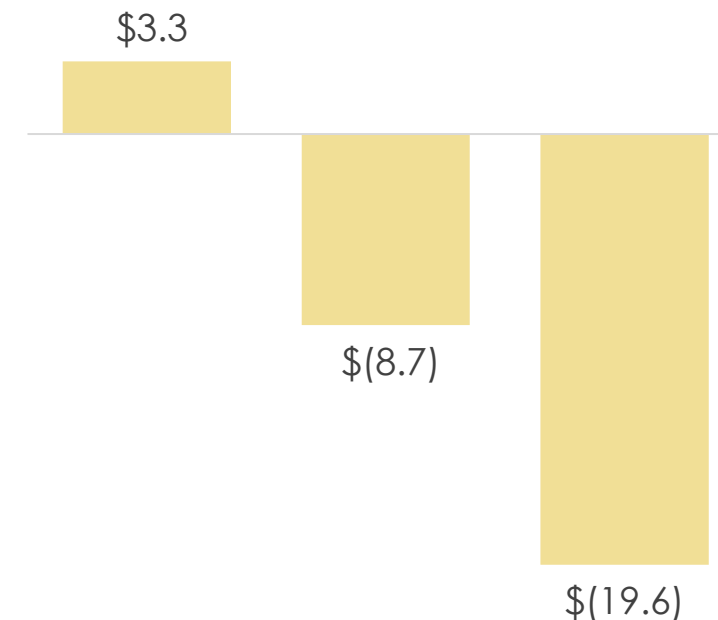


FY 2020      FY 2021      FY 2022

% of Net Sales

**47%**      **46%**      **43%**

## Adjusted EBITDA<sup>2</sup>



FY 2020      FY 2021      FY 2022

% of Net Sales

**3%**      **N/A<sup>3</sup>**      **N/A<sup>3</sup>**

<sup>1</sup> Gross profit for 2020 and 2021 have been adjusted to reflect the reclassification of repackaging and handling costs from cost of goods sold to selling and marketing expenses

<sup>2</sup> Adjusted EBITDA is a non-GAAP financial measure that adds back other income (expense), net, provision (benefit) for income taxes, depreciation and amortization, and equity-based compensation. See appendix to this presentation for a discussion of this measure and a reconciliation to the most directly comparable GAAP measure.

<sup>3</sup> YTD 2021 and 2022 represents a net loss



# RECENT DEVELOPMENTS

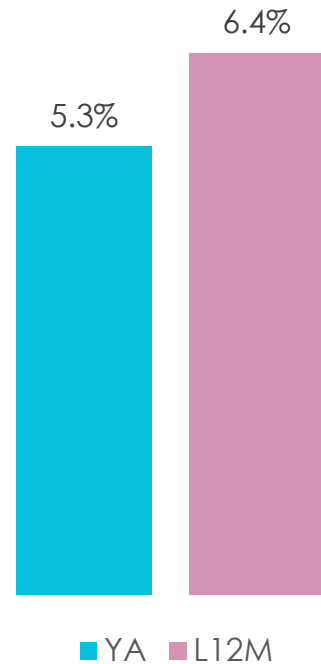
SYNDICATED DATA & COMPANY INITIATIVES



# CONSUMER PANEL METRICS

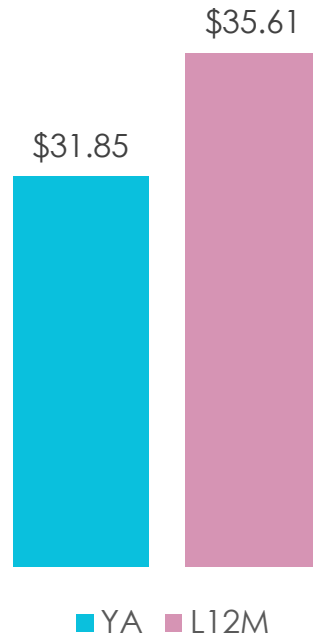


## Household Penetration

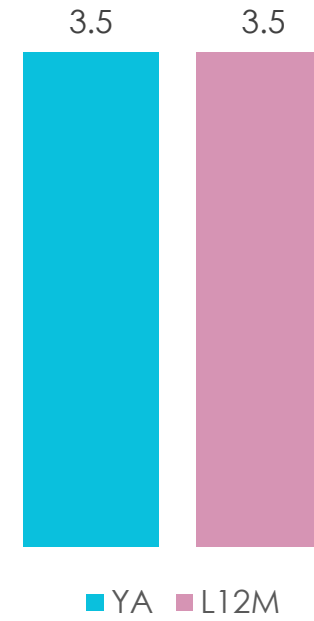


% household penetration

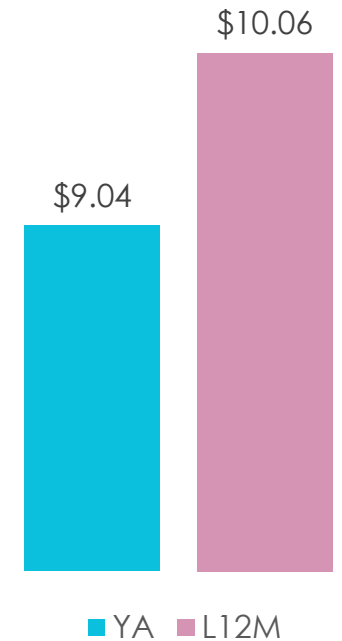
## Purchase Trends



Dollar sales per household



Purchase Frequency



Dollar sales per trip



# ESG METRICS & ACHIEVEMENTS



## Sugar Reduction

**Eliminated 2.6K metric tons of sugar** from our consumers' diets in the Q



## Plastic Reduction

**Eliminated 39 million plastic bottles** from littering roadways, waterways and communities in the Q



## Affordability Index

Zevia remains **more affordable than 63% of all non-alcoholic beverages.**



Zevia Best Places to Work in Los Angeles 2022  
Zevia Best Company Outlook 2022  
Zevia Best CEOs for Women 2022



Zevia Best Company Perks & Benefits  
Zevia Best Company Compensation  
Zevia Best Career Growth 2022  
Zevia Best CEOs for Diversity 2022

## Company Culture

Recognized for multiple Company awards from Comparably, among small and mid-sized companies, as measured by anonymous employee surveys

# 2023 GUIDANCE : \$180 - \$190M IN NET SALES

10.3 – 16.4% GROWTH vs 2022



## Expected Drivers

- **Strong consumer metrics**, including increased household penetration, simultaneous increase in household spending, and growth from velocity and distribution show brand health.
- Continued **strong sell-through growth** at retail, per scan data, and in eCommerce.
- Growth is **driven by healthy combination of volume, price, and product mix**; strong price implementation, promo optimization and cost containment support profitable growth.
- **Brand refresh** expected to improve the brand image/relevance (consumer) and visibility (retail).
- New leadership is **focused on quality growth** and a **faster path to profitability**.



# APPENDIX



# PROFIT & LOSS AND ADJUSTED EBITDA RECONCILIATION

(\$ IN MILLIONS)



	Q4 2022	Q4 2021 <sup>1</sup>	Q4 2020 <sup>1</sup>	FY 2022	FY 2021 <sup>1</sup>	FY 2020 <sup>1</sup>
<b>Net Sales</b>	<b>\$35.4</b>	<b>\$34.2</b>	<b>\$27.8</b>	<b>\$163.2</b>	<b>\$138.2</b>	<b>\$110.0</b>
% Growth	3.5%	22.8%	23.5%	18.1%	25.6%	28.6%
Cost of Goods Sold	\$19.7	\$19.4	\$15.7	\$93.2	\$74.2	\$58.7
<b>Gross Profit</b>	<b>\$15.7</b>	<b>\$14.8</b>	<b>\$12.1</b>	<b>\$70.0</b>	<b>\$63.9</b>	<b>\$51.3</b>
Gross Margin	44.3%	43.3%	43.6%	42.9%	46.3%	46.7%
Selling and Marketing	\$10.0	\$11.9	\$8.2	\$52.9	\$45.1	\$29.1
General and Administrative	\$8.5	\$8.2	\$5.0	\$36.8	\$27.5	\$18.8
Equity-based Compensation	\$3.1	\$31.9	\$7.8	\$26.9	\$77.7	\$7.9
Depreciation and Amortization	\$0.3	\$0.3	\$0.2	\$1.3	\$1.0	\$0.9
<b>Loss from Operations</b>	<b>(\$6.3)</b>	<b>(\$37.5)</b>	<b>(\$9.0)</b>	<b>(\$47.9)</b>	<b>(\$87.4)</b>	<b>(\$5.5)</b>
Other Income (Expense), Net	\$0.2	\$0.0	(\$0.1)	\$0.3	(\$0.2)	(\$0.6)
Provision for Income Taxes	(\$0.0)	\$0.0	\$0.0	(\$0.1)	(\$0.0)	\$0.0
<b>Net Loss</b>	<b>(\$6.2)</b>	<b>(\$37.4)</b>	<b>(\$9.0)</b>	<b>(\$47.6)</b>	<b>(\$87.7)</b>	<b>(\$6.1)</b>
<b>Net Loss to Adjusted EBITDA Reconciliation</b>						
Net Loss	(\$6.2)	(\$37.4)	(\$9.0)	(\$47.6)	(\$87.7)	(\$6.1)
Other Expense (Income), Net <sup>2</sup>	(\$0.2)	(\$0.0)	\$0.1	(\$0.3)	\$0.2	\$0.6
Provision for Income Taxes	\$0.0	(\$0.0)	\$0.0	\$0.1	\$0.0	\$0.0
Depreciation & Amortization	\$0.3	\$0.3	\$0.2	\$1.3	\$1.0	\$0.9
Equity-based Compensation	\$3.1	\$31.9	\$7.8	\$26.9	\$77.7	\$7.9
<b>Adjusted EBITDA<sup>3</sup></b>	<b>(\$2.9)</b>	<b>(\$5.3)</b>	<b>(\$1.0)</b>	<b>(\$19.6)</b>	<b>(\$8.7)</b>	<b>\$3.3</b>

<sup>1</sup> The periods in 2020, 2021 and 2022 have been adjusted to reflect the reclassification of repackaging and handling costs from cost of goods sold to selling and marketing expenses <sup>2</sup>Includes interest (income) expense, foreign currency (gains) losses, and (gain) losses on disposal of fixed assets. <sup>3</sup> Represents a non-GAAP financial measure and is presented for supplemental informational purposes only. Summations may not foot due to rounding.