



Cott

**Investor and Analyst Day Presentation
Orlando, Florida**

March 8, 2018

Safe Harbor Statements

Forward Looking 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 contained in this presentation include, but are not limited to, statements related to the anticipated timing of the completion of the recently announced agreement to acquire Crystal Rock Holdings, Inc. (the "Transaction") and the execution of our strategic priorities. 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: the satisfaction of the conditions to the Transaction and other risks related to the completion of the Transaction and actions related thereto; 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; and the effect of economic, competitive, legal, governmental and technological factors on Cott's business. 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 for the year ended December 30, 2017 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, including on a pro forma basis, is useful to investors for their independent evaluation and understanding of Cott's business. 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.cott.com.

Management Presenters

Jerry Fowden

Chief Executive Officer

Tom Harrington

Chief Executive Officer – DS Services

Jay Wells

Chief Financial Officer

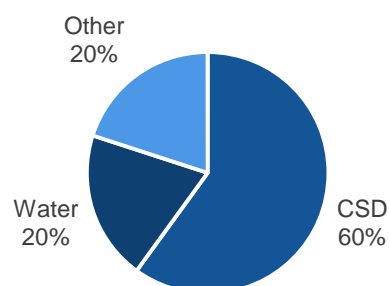
Agenda

- ✓ New Cott - Corporate Overview and Mission
- ✓ Route Based Services Segment Overview
- ✓ North America Route Based Services – Business Model Characteristics
- ✓ Cott's Current Balance Sheet and Illustrative Tuck In Acquisition Framework and Outlook
- ✓ Q&A

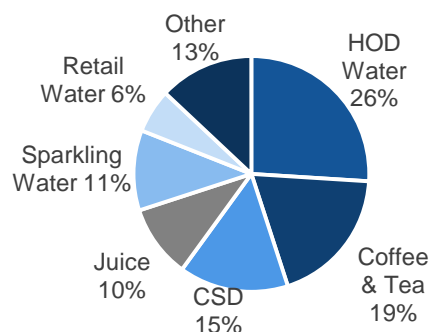
Cott has Transformed Itself Into a Pure Play Water, Coffee and Tea Services Company



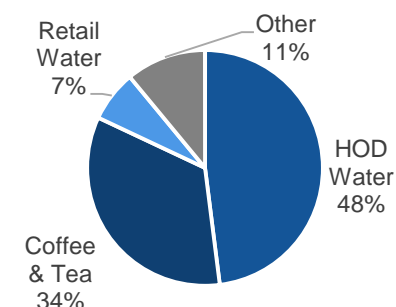
2009 Sales



2016PF Sales



New Cott 2017 Sales



> \$2bn in acquisitions in water and coffee

DS Services	Eden Springs	S&D Coffee
2015	2016	2016
\$1.25bn*	€470mm*	\$335mm*
Leading HOD and coffee service provider in North America	Leading European HOD water, OCS and filtration service provider	Largest coffee and tea manufacturer in North America

New Cott following the sale of the legacy private label CSD & juice business for \$1.25 billion

The New Cott Overview

A Leading International Services Company



We are a leading route based North American and European water, coffee, tea and filtration service provider within HOD, food service, convenience and hospitality

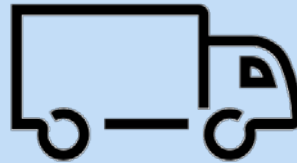
1

>2.4mm customers served annually



2

>3,600 direct-to-consumer routes



3

62 manufacturing sites and >360 branch distribution and warehouse facilities



4



Operations in the US, Canada, Israel and 17 European countries

5

Annual Sales >\$2.3bn (2018E)



6

Track record of successfully integrating acquisitions



The New Cott Overview

A Leading International Business Services Company



With annual net sales of over \$2.3 billion (2018E)

- ✓ Focused on route based services in water, coffee, tea and filtration as well as coffee roasting, tea blending and extract/ingredient production
- ✓ Market leading brands and services in channels with barriers to entry
- ✓ Delivering quality products and services to customers and consumers alike while generating superior value for our shareholders



Source: Cott Management.

Route Based Services (North America and Europe)



Coffee, Tea & Extract Solutions (U.S.)



Coffee
Roasting



Tea Blending



Liquid Extract



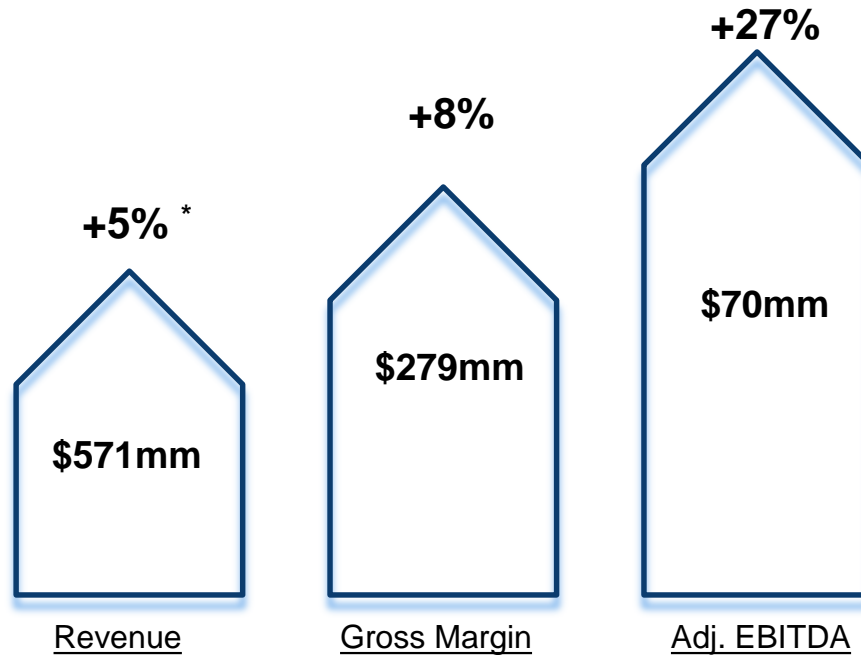
All Other



The New Cott Overview – Positioned in Growing Categories and Channels With an Attractive Growth Profile and Economic Back Drop



New Cott Q4 2017 Performance



* Revenue change calculated on comparable number of weeks for our Coffee, Tea and Extract Solutions reporting segment

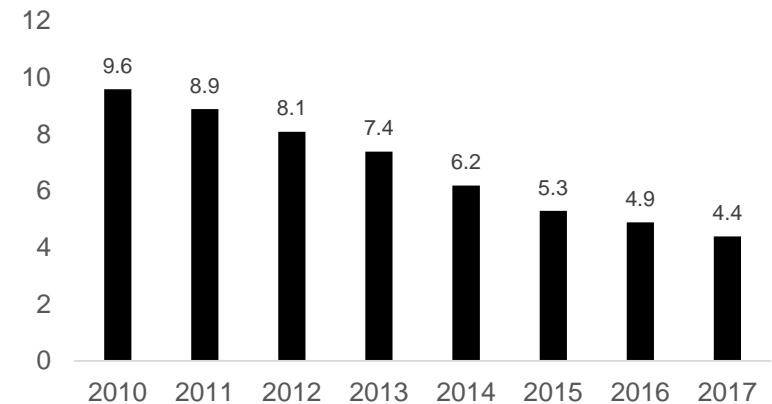
(1) Source: Bureau of Labor Statistics website

(2) Source: Organization for Economic Cooperation and Development website

(3) Israel, United Kingdom, France and Poland unemployment rate average

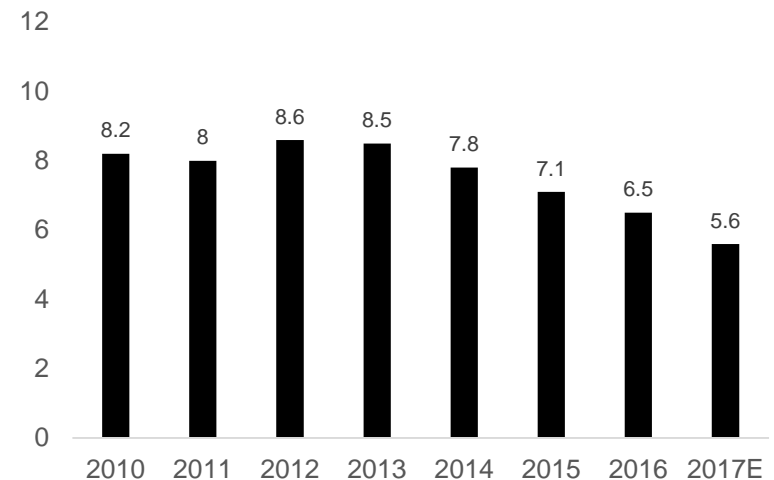
Unemployment Rate in the U.S.A (1)

% or Rate



Unemployment Rate in Selected European Countries and Israel (2)

% or Rate (3)



The New Cott is Well Positioned for the Future



1

Multiple attractive platforms and positions in growing categories



2

Positive top line momentum across all businesses



3

Gaining market share in US and European HOD and US Coffee Roasting



4

Significant further value creating opportunities from synergistic tuck-in acquisitions



5

Successful progression on integration



6

Good synergy capture and positive momentum to deliver remaining synergies



7

Reduced debt and a strengthened balance sheet



8

Outstanding debt – long term with fixed coupons



9

Improving employment levels in the workplace that support business model

The New Cott Overview

Our Mission



- 1 **Organic Growth from “Better-for-You” product offerings (positioned in growing categories of water, coffee, tea, filtration and extracts)**
- 2 **Focused innovation within product development, route logistics and technology creating further growth, cross sell and customer service opportunities**
- 3 **Modest margin expansion driven by scaled platforms with increased customer and route density**
- 4 **Customer list / tuck-in acquisition opportunities at highly synergistic values**
- 5 **Strong compound free cash flow generation (10% plus compound annual growth in adjusted free cash flow)**





Route Based Services Overview

The New Cott model features recurring revenue, scalability and high entry barriers

- ✓ Customer Satisfaction is essential or “mission critical” to our customers
- ✓ Highly recurring / repeatable revenue streams
- ✓ Scalable with little incremental cost, resulting in operating leverage and non-linear earnings growth
- ✓ High barriers to entry by building or acquiring an established platform and becoming embedded in customer operations
- ✓ Use of technology or tech-enabled platforms to deliver the service / solution, improving efficiencies and service quality

Services

- \$ Repeatable, growing revenue streams
- \$ Volume growth through offering additional services to current clients and existing services to new clients
- \$ Ability to pass through pricing increases
- \$ Higher incremental margins through operating leverage
- \$ High free cash flow conversion & generation
- \$ Sub-sectors remain highly fragmented, ability to execute accretive M&A to fuel growth and build scale

The New Cott Route Based Services Segment Overview



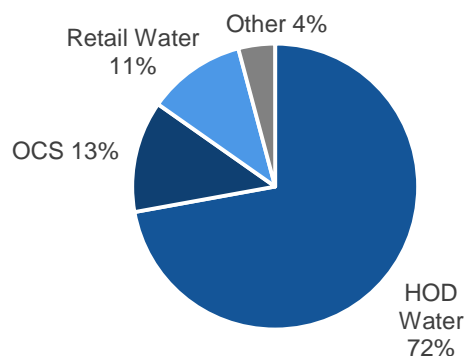
Overview

- Leading bottled water, including many well-known brands, and coffee direct-to-consumer services provider to ~2.4mm customer locations through daily operation of >3,600 routes that cover 20 countries throughout North America, Europe and Israel
 - Leading market share in 2017 in the HOD bottled water category in the U.S., Canada, Europe and Israel.
 - National DSD (direct-store-delivery) system
 - Vast customer base of homes and small businesses
 - Revenue growth expectations of ~3% in North America and >1% in Europe inclusive of market share gains

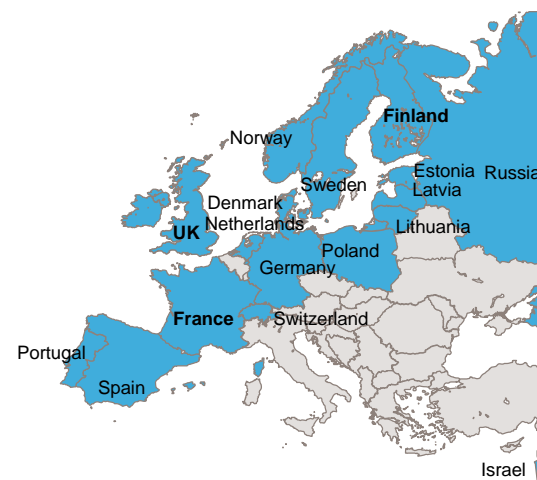
Geographic Coverage and Brand Ownership



2017 Net Revenue ~\$1.5B



Eden Springs Geographic Presence



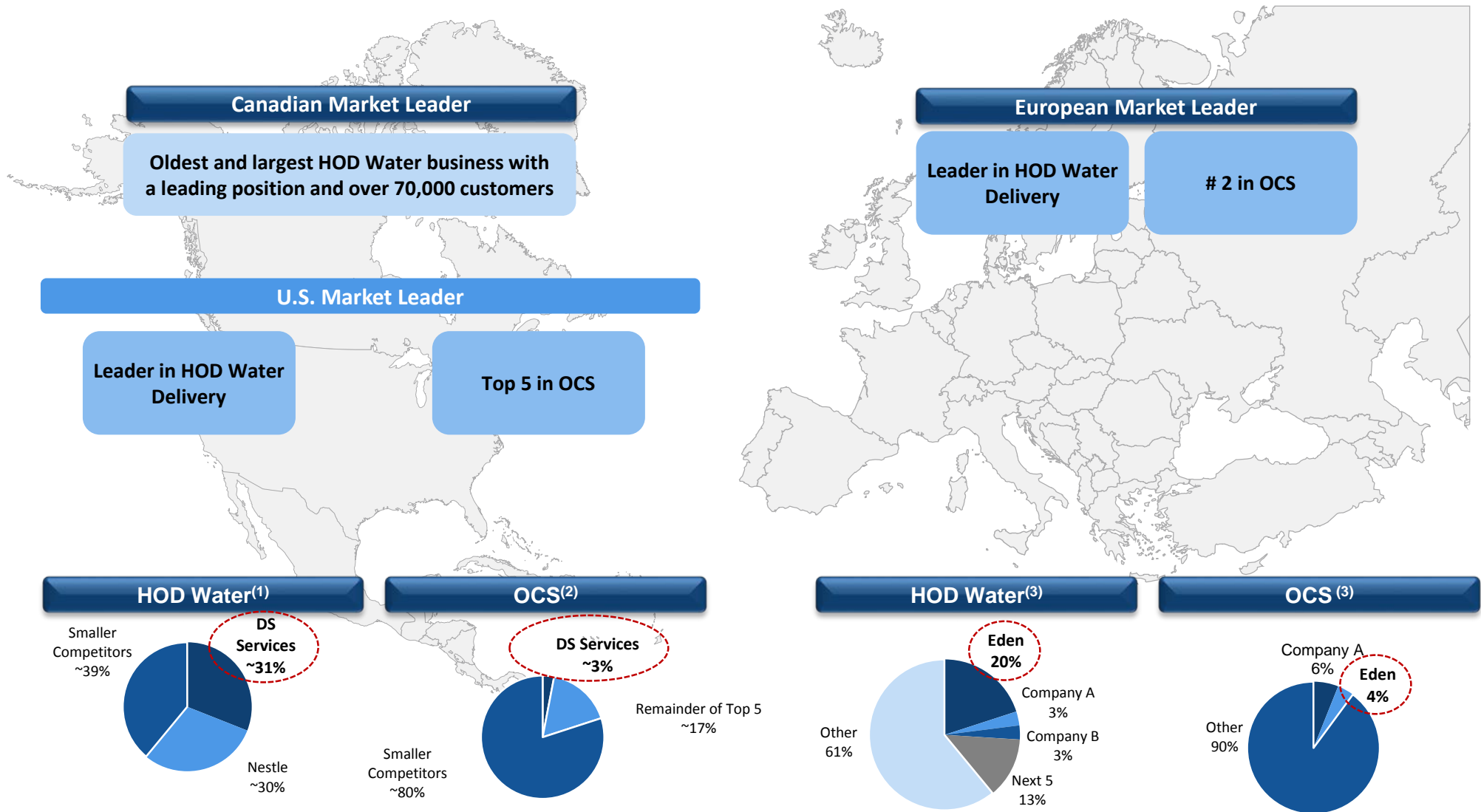
The New Cott

Route Based Services Segment Overview

(Scale Platforms and Leading Positions)



Leading provider of HOD water, office coffee, and filtration services across 20 countries



Source: Company information, Management estimates.

Note: 2015 market shares based on management estimates.

⁽¹⁾ Source: Beverage Marketing Corporation. Category size of \$1.7 billion and reflects only bottled water and excludes items such as cooler rent, cups, etc.

⁽²⁾ Source: 'Coffee sales rise, so do costs: State of the Coffee Service Industry', Automatic Merchandiser, September 2015.

⁽³⁾ Company information.



North America Route Based Services Business Model Characteristics

North America Route Based Services Overview – Four Key Lines of Business Leading with Water Delivery Services



Water Delivery Services



2017 Revenue: \$779mm (71%)

Office Coffee Services



2017 Revenue: \$117mm (11%)

Retail



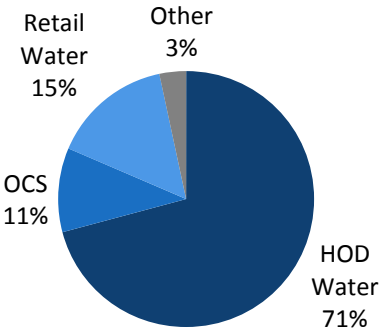
2017 Revenue: \$167mm (15%)

Filtration Services



2017 Revenue: \$37mm (3%)

2017 Revenue
\$1.1 billion

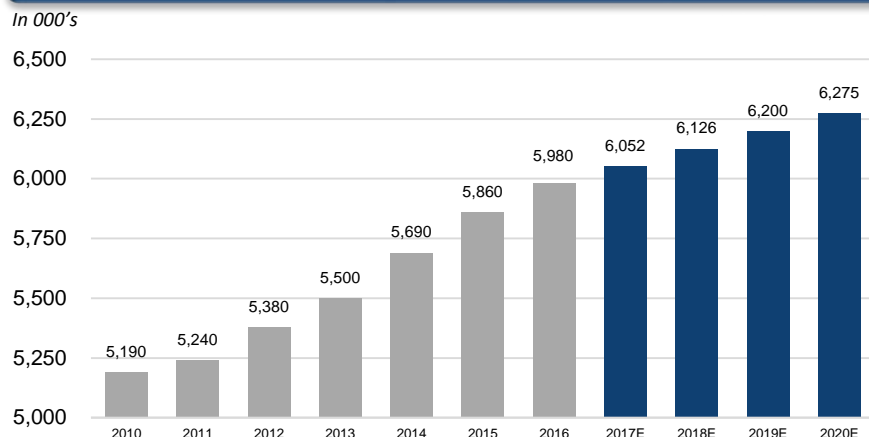


Source: Cott Management.

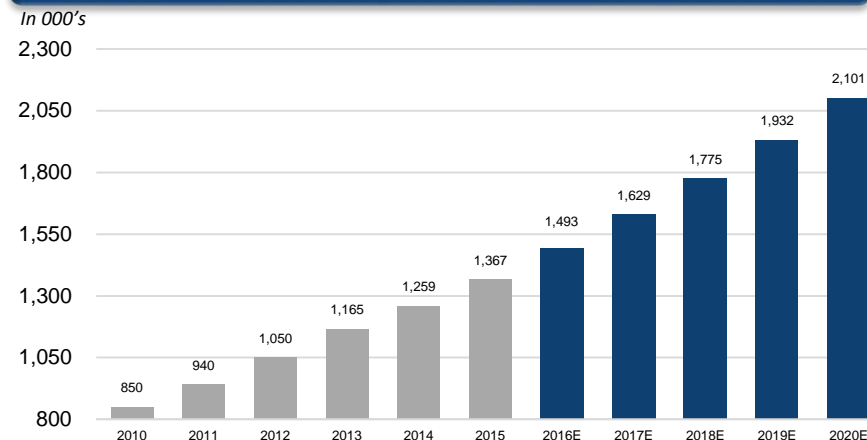
North America Route Based Services Overview – Attractive, Growing End Markets



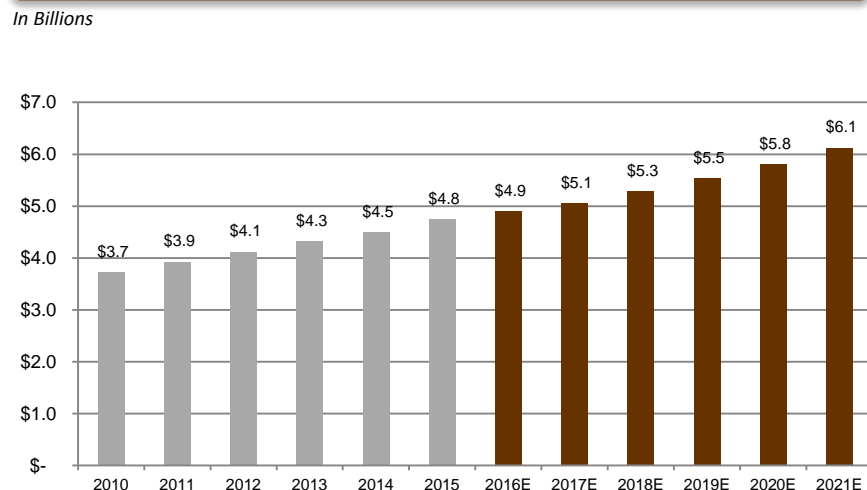
U.S. Bottled Water Cooler Unit Placements



U.S. Filtration Unit Placements



U.S. OCS INDUSTRY - Net Revenues



HOD Bottled Water (US)

- Water Coolers forecast to grow at >1% CAGR through 2020
- Water Coolers appropriate for small office, home office and offsite locations with less than 100 employees and often lacking a water source.

Water Filtration (US)

- Filtration coolers forecast to grow at >8% CAGR through 2020
- Filtration attractive for single site locations / offices with >100 employees

OCS (US)

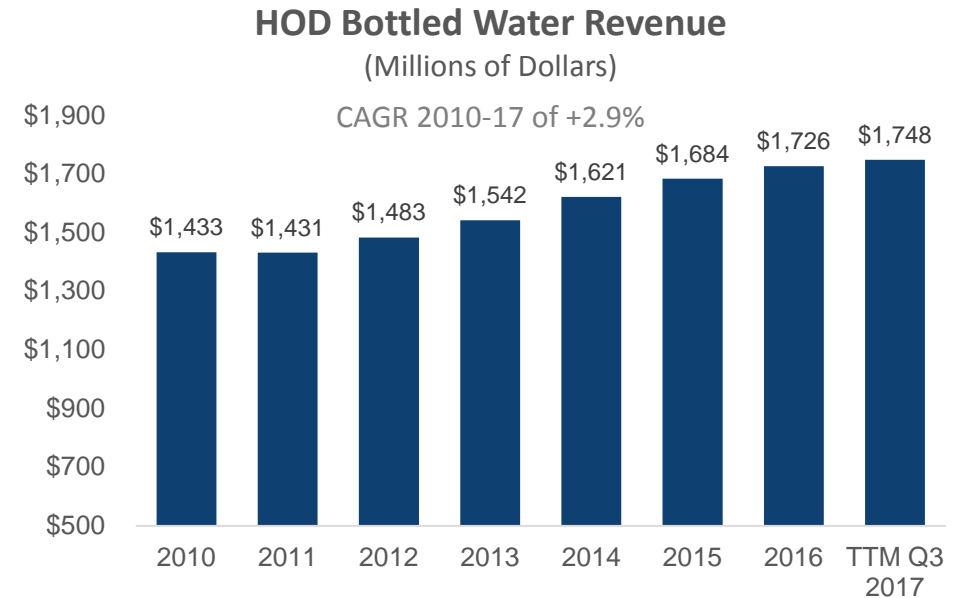
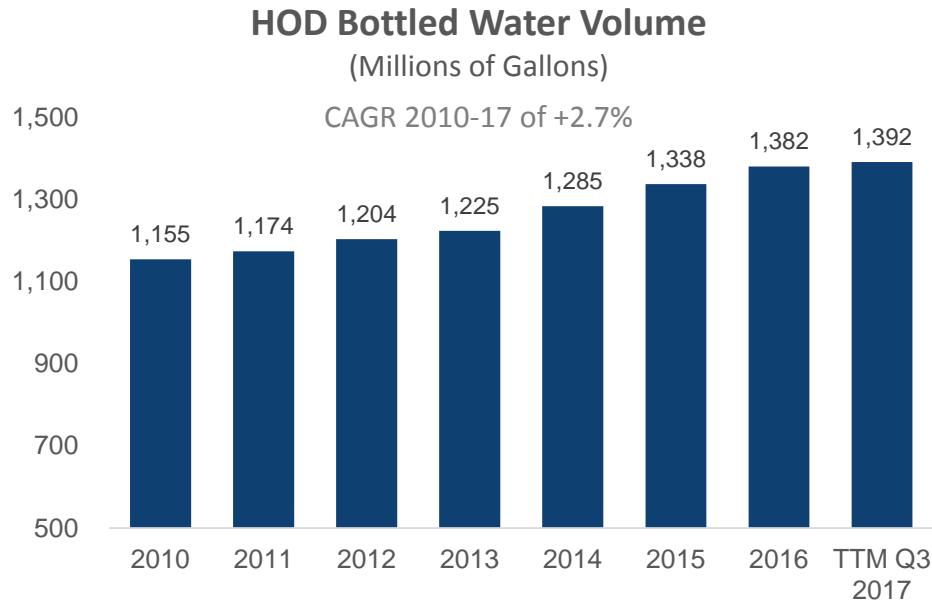
- OCS forecast to grow at >4% CAGR through 2021
- Single cup brewers driving growth at 10% CAGR through 2018
- Consumer preferences for new and different types of coffee driving shift to premium coffee offerings, single-cup and espresso

Source: Zenith International – USA POU and Bottled Water Coolers Report
Beverage Marketing Corporation – US Bottled Water Through 2020 Report (July 2017)

North America Route Based Services Overview – U.S. Bottled Water Category Performance



HOD Category Bottled Water Volume and Revenue Growth



Source: Beverage Marketing Corporation.

- Consistent and predictable category volume and revenue growth
- Water cooler growth of 1+% coupled with increased consumption per cooler drives 2+% HOD bottled water growth
- Average pricing of up to 0.5% per year lifts overall category revenue growth to just under 3%

The New Cott model features recurring revenue, scalability and high entry barriers

- ✓ **Customer Satisfaction is essential or "mission critical" to our customers**
- ✓ Highly recurring / repeatable revenue streams
- ✓ Scalable with little incremental cost, resulting in operating leverage and non-linear earnings growth
- ✓ High barriers to entry by building or acquiring an established platform and becoming embedded in customer operations
- ✓ **Use of technology or tech-enabled platforms to deliver the service / solution, improving efficiencies and service quality**

Services

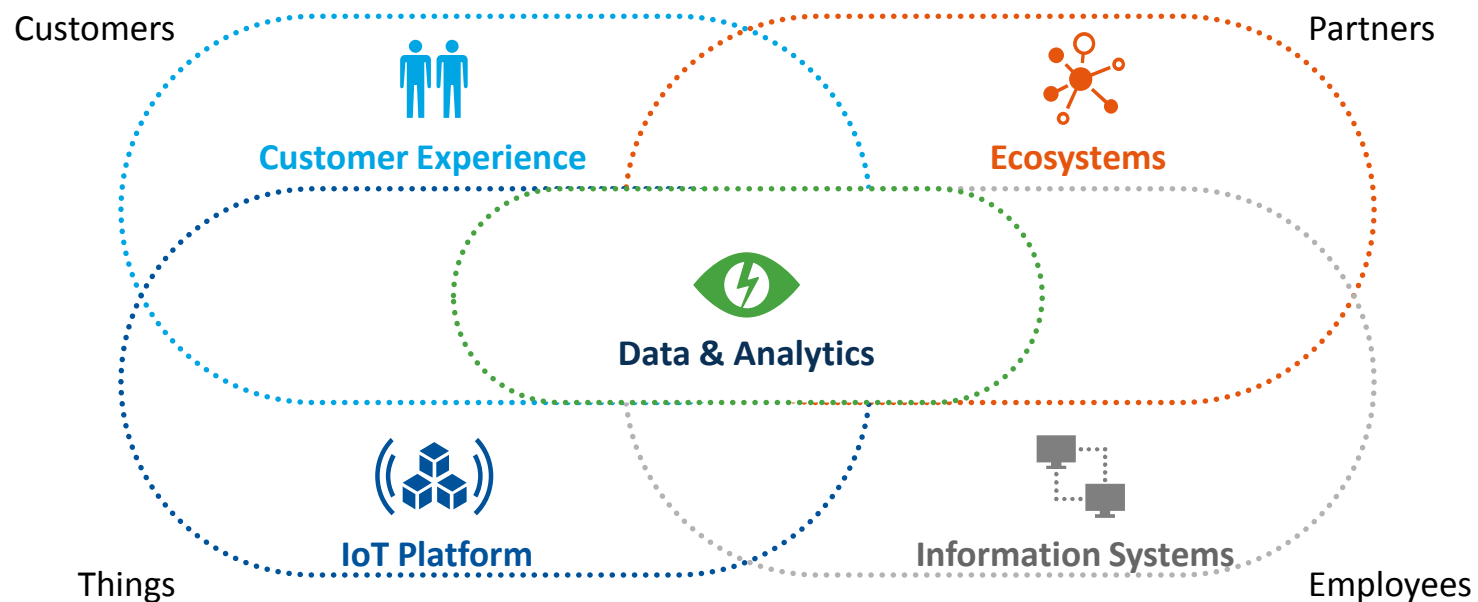
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- \$ Sub-sectors remain highly fragmented, ability to execute accretive M&A to fuel growth and build scale

North America Route Based Services – *Customer Satisfaction is “Mission Critical”*



Use of technology or tech-enabled platforms to deliver the service / solution, improving efficiencies and service quality to meet customer expectations:
1) Simplicity 2) Responsiveness 3) Reliability 4) Consistent Communication

Components of the Digital Business Technology Platform



North America Route Based Services – Customer Satisfaction is “Mission Critical”



Use of technology or tech-enabled platforms to deliver the service / solution,
improving efficiencies and service quality to meet customer expectations:
1) Simplicity 2) Responsiveness 3) Reliability 4) Consistent Communication

Phase One:

- Enable a “Customer 4 Life” experience by building a state of the art, centralized, leading edge Customer Care Center.
- Implemented internal Customer 4 Life platform which enables agent efficiency and Five9 telephony suite of solutions.



Phase Two:

- Implemented a new, modernized handheld application on the i-Phone 7+
- All US Water and Coffee routes completed in Q3 2017
- Route Sales & Service
- 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)

Phase Three:

- We have invested in Omnitracs Logistics Software, a global pioneer of fleet management, routing and predictive analytics solutions
- Improve and innovate service provided to customers through increased route density
- Increase frequency of route optimization through improved logistics efficiencies & reduce route delivery expenses



North America Route Based Services Lakeland Customer Care

Cott

Site Selection Completed - 2014



Started Construction - May 2015

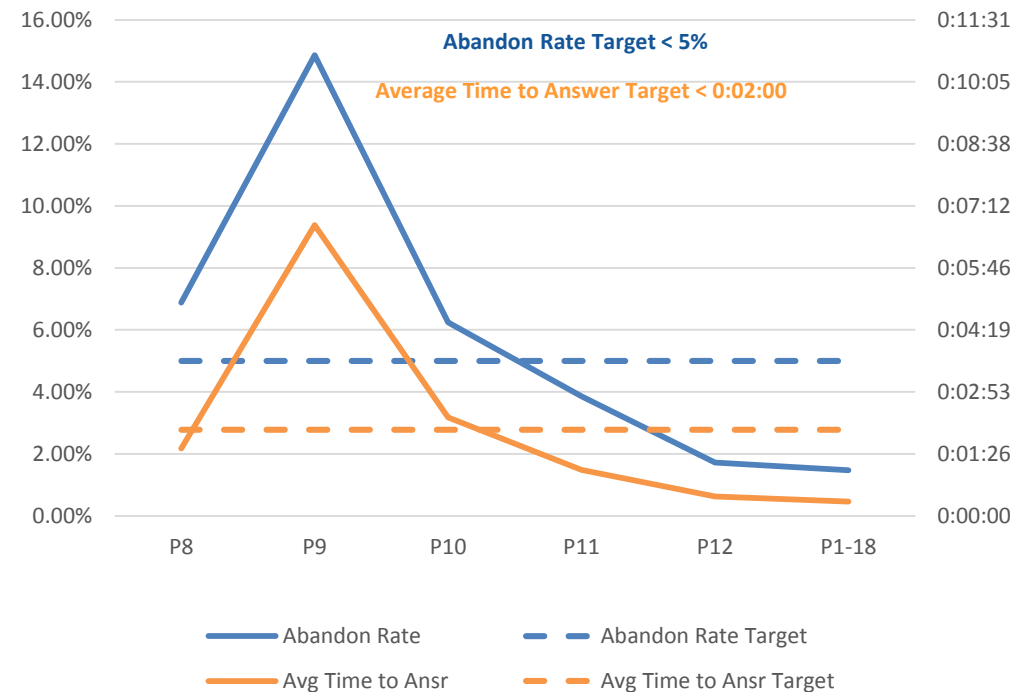


Completed - August 2017



Sustained high levels of service are a key component of improved customer retention

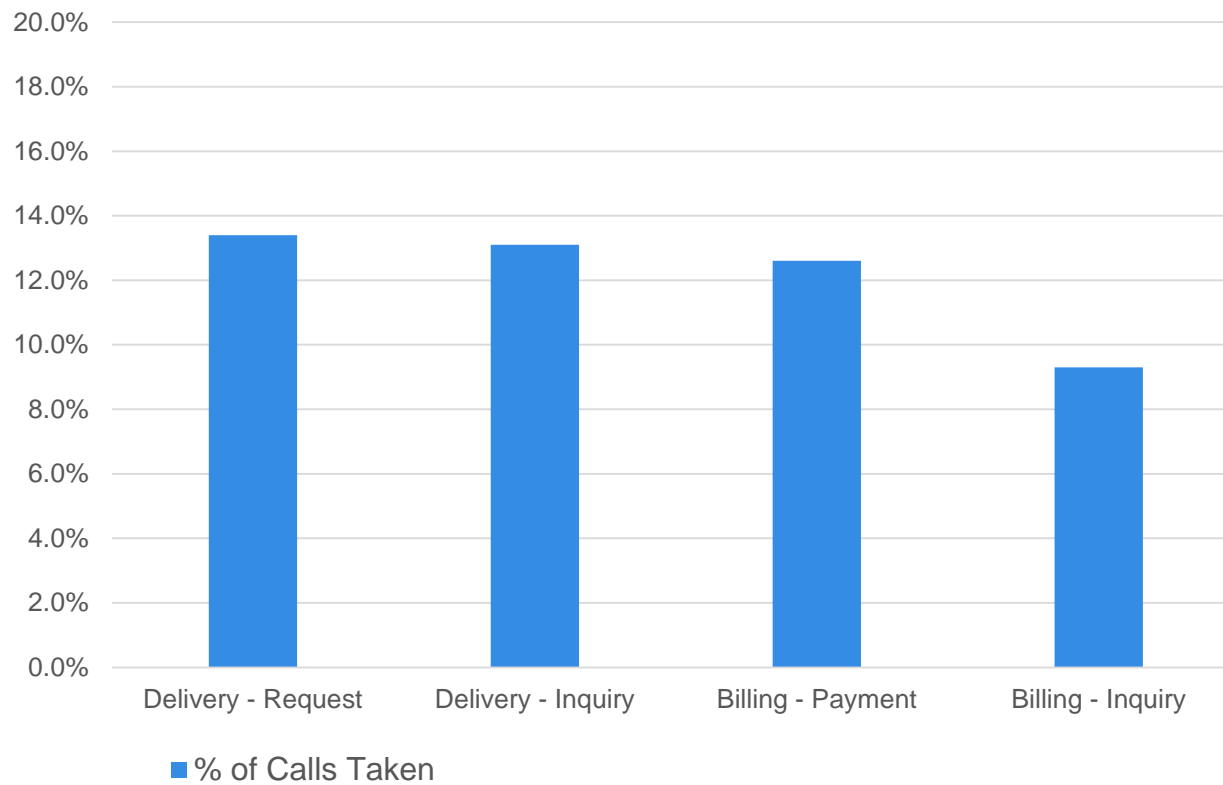
- Lakeland handled 4.6M calls in 2017
- Currently staffed with 426 Customer Care Agents
 - Water
 - Coffee & Filtration
 - Retail Marketing Partner
 - Key Customer Care
 - Inbound Tele-sales
 - Retention
- In January, we answered calls within 20 seconds with an abandon rate of 1.47%



North America Route Based Services Lakeland Customer Care



General Customer Service – Top Four Reasons For Calls



North America Route Based Services

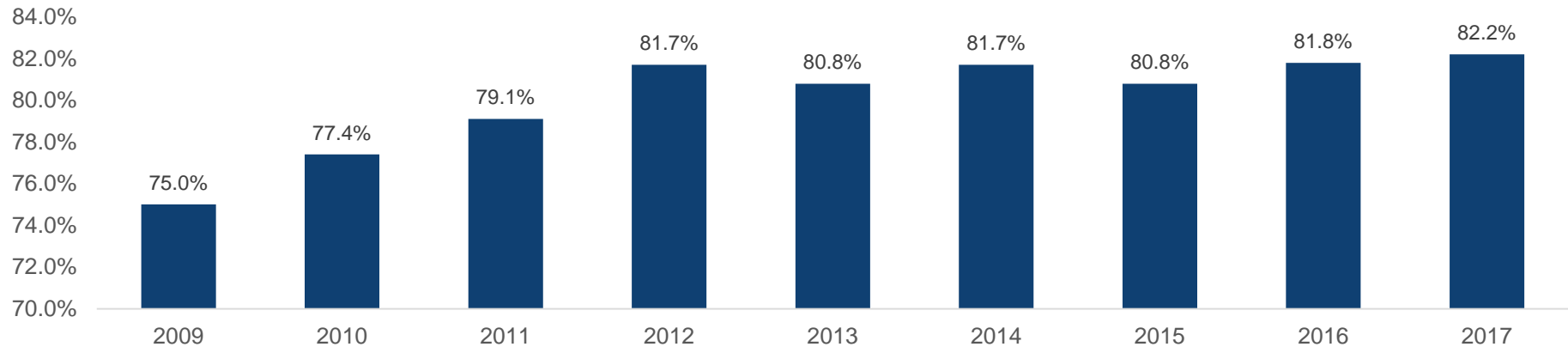
Improved Customer Retention



- Strong customer retention
- Marketing efforts focused on targeting stickier customer base through increased areas sales representative team, in store marketing partnerships, customer list acquisitions and more stringent customer approval standards

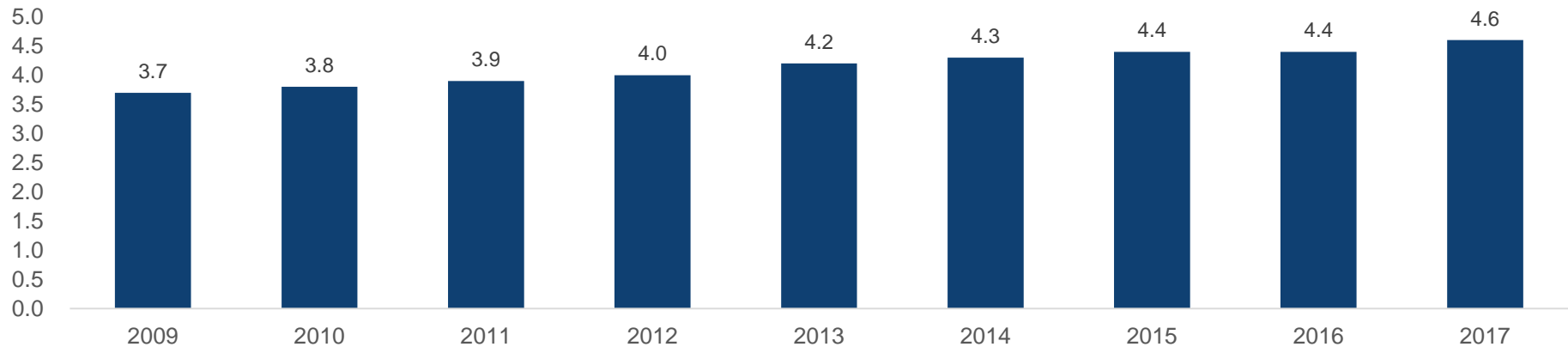
Improved Customer Retention ⁽¹⁾

Adjusted Cooler Retention



Retention Over Time

Avg. Tenure per Water Delivery Services Customer in Years



Source: Cott Management.

1. Adjusted year-over-year cooler retention rates exclude the impact of customers that terminated service in the same year they started the service.

The New Cott model features recurring revenue, scalability and high entry barriers

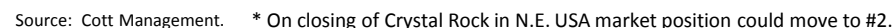
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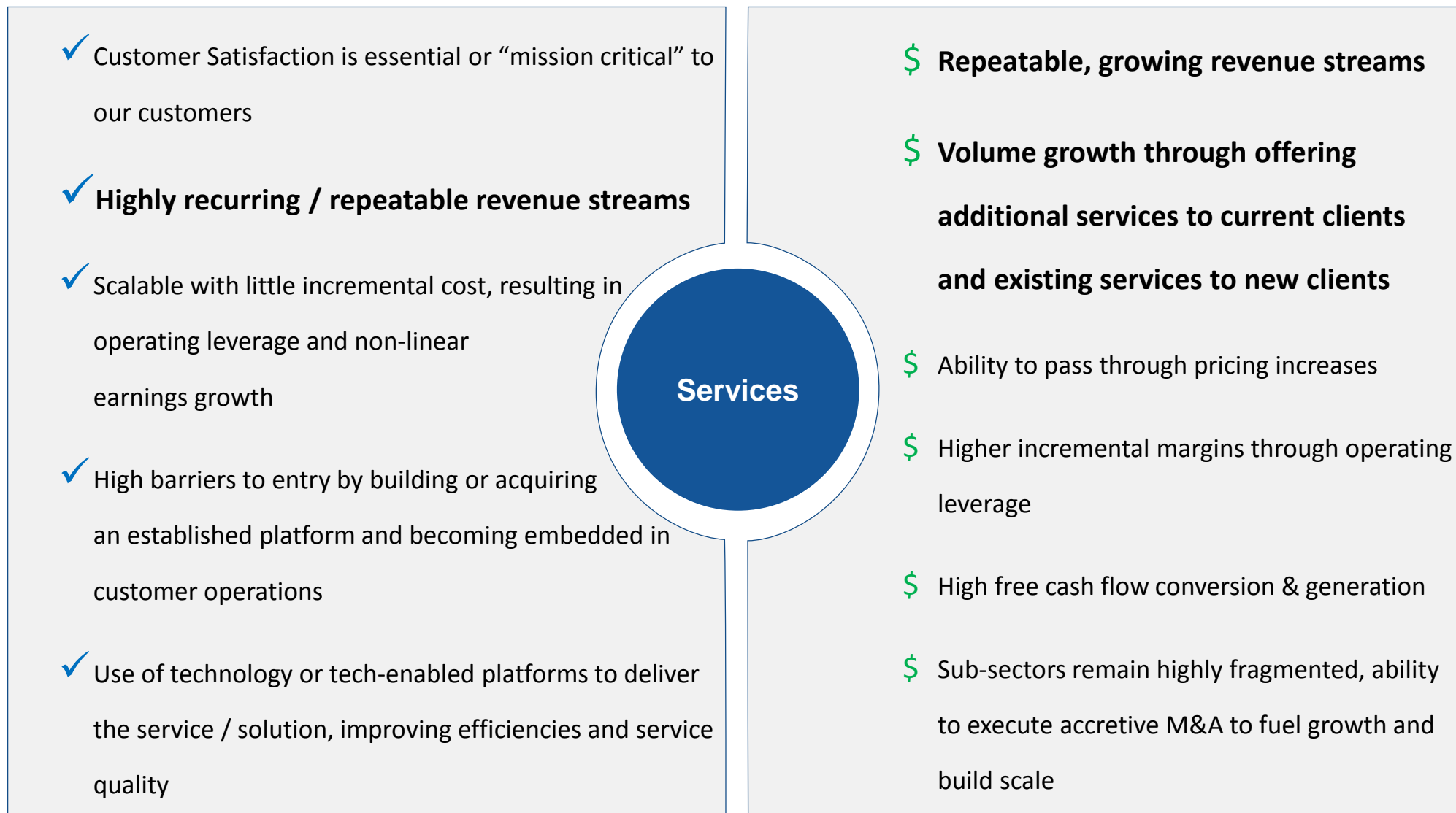
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Cott

- ## DSS HOD Share - Volume



The New Cott model features recurring revenue, scalability and high entry barriers



North America Route Based Services – Highly Recurring, Repeatable and Dependable Revenue Growth



Modest volume and pricing growth plus equipment innovation and focused customer penetration efforts drives long term recurring and repeatable revenue growth

Lead Core Category Innovation



Aqua Café-R

Provide a convenient multi-beverage solution for small office and residential customers



Storm

Extend a sleek, modern, convenient bottom load cooler to a broader potential customer base



Filtration

The Pure Water People

Lead innovation of filtration equipment that offers certified, long-lasting quality drinking water

Cross-Selling Focus



Lavazza Espresso Pod Solution

Add premium coffee solution to our portfolio aligned to changing customer preference



Coffee & Tea

Vertical integration
Supply/Improved
quality from S&D

North America Route Based Services – 2018 Plan/Sources of Customer Growth



Leverage web properties including regional websites, landing pages, SEM, shopping cart, etc. to inform potential customers of products/services to raise awareness and increase conversions.

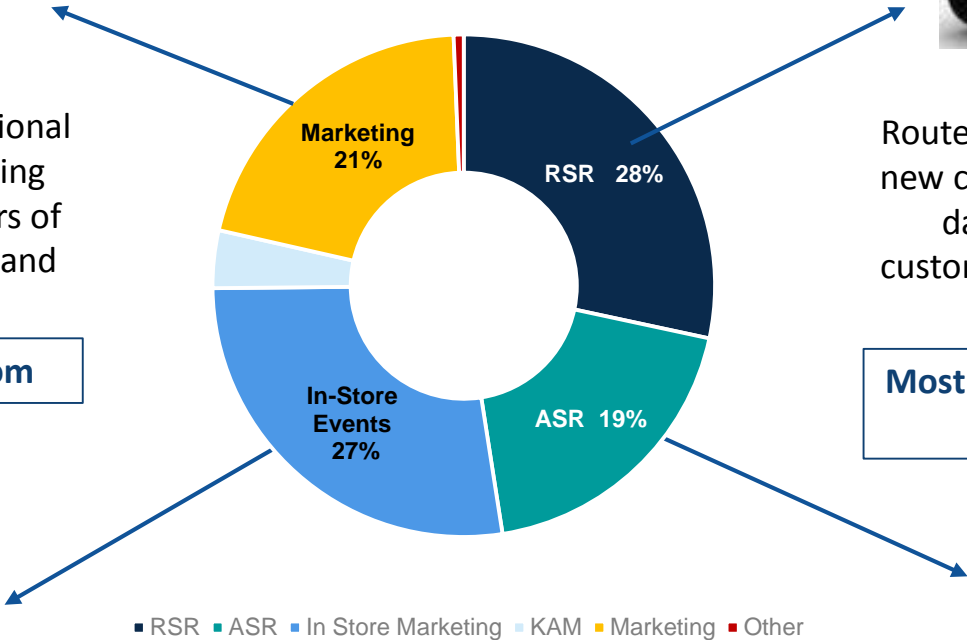
Key Online Properties like Water.com



Weekly In-store events presenting the service to customers of our retail partner.

Greater Focus on Select Regions

2018E Plan Cooler Adds



Route Sales Representatives solicit new customers during the delivery day leveraging the existing customer base for referrals further building route density.

Most Cost Effective New Customer Route



Area Sales Representatives cold call on profitable small commercial locations with less than 25 employees.

Increase Focus and Headcount 2018

Source: Cott Management.

The New Cott model features recurring revenue, scalability and high entry barriers

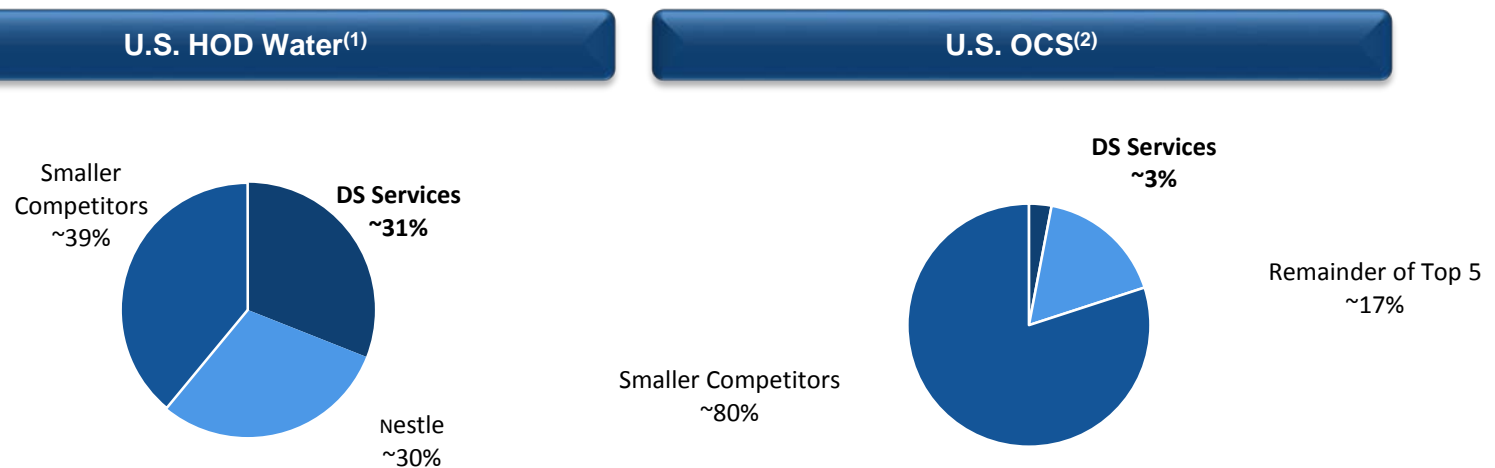


North America Route Based Services –

*Ability to Execute Accretive M&A to Fuel Growth and Build Scale
Increased Pace and Scale of Complementary Tuck-in Acquisitions*



The U.S. HOD Water and OCS market is still highly fragmented with a significant amount of opportunity for complementary / overlapping transactions in HOD water, OCS, and Filtration that enhance the base business characteristics and provide synergies / improve route and technical service density.



Source: Company information, Management estimates.

Note: 2015 market shares based on management estimates.

⁽¹⁾ Source: Beverage Marketing Corporation. Category size of \$1.7 billion and reflects only bottled water and excludes items such as cooler rent, cups, etc.

⁽²⁾ Source: 'Coffee sales rise, so do costs: State of the Coffee Service Industry', Automatic Merchandiser, September 2015.

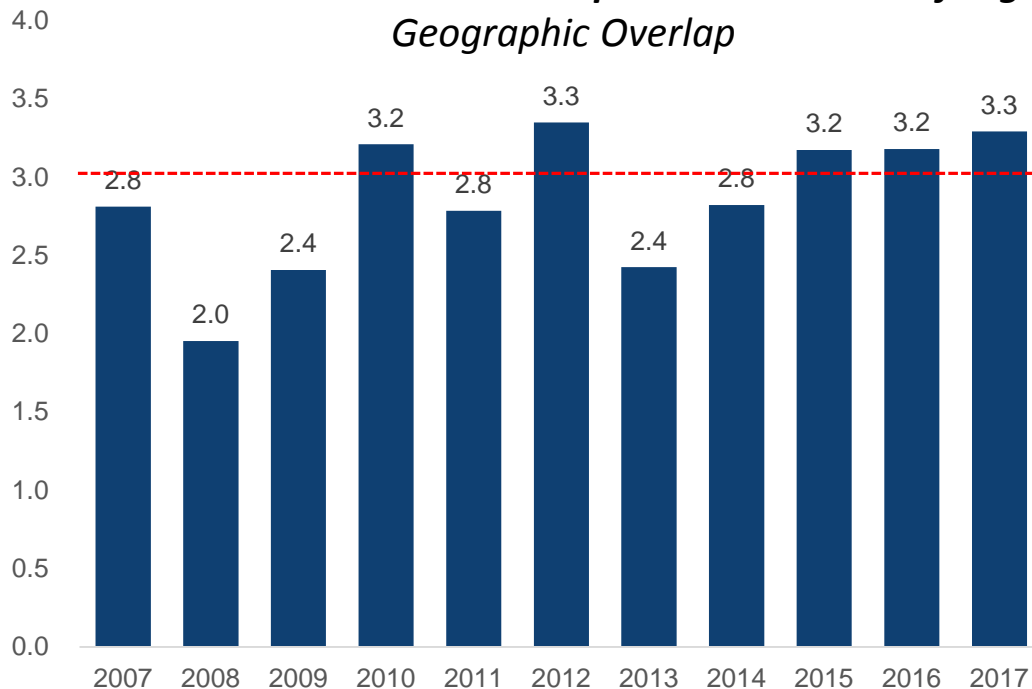
North America Route Based Services – Ability to Execute Accretive M&A to Fuel Growth and Build Scale Small Tuck-In Value Enhancing Opportunities



Acquisitions are highly accretive to DS Services

- Proven ability to identify and execute both tuck-ins and transformational transactions
- Historical average post synergy EBITDA multiple of 3.0x for smaller customer list acquisitions in areas of high / complementary geographic and service overlap (larger transactions where a greater proportion of infrastructure is retained approx. 5.0x post synergy EBITDA multiple)
- With a highly fragmented market in the water delivery services category, DS Services has an extensive M&A pipeline with many opportunities

*Post Synergy EBITDA Multiples of ~3.0x
For Smaller Customer List Acquisitions in Areas of High
Geographic Overlap*



Source: Cott Management.

Proven Acquisition Track Record

- \$10 to \$20M per year in tuck-in acquisitions
- Average annualized revenues of \$2.0M
- Post Synergy Multiple of ~3.0x
- Cost per new customer through M&A compares favorably to traditional, organic channels
- Realized significant cost synergies in prior acquisitions by rationalizing assets, customer service, IT and other overhead and back-office functions
- Synergies realized by combining delivery routes to increase route density
- Customer stickiness is also higher due to the acquisition of “seasoned” customers

North America Route Based Services –

Ability to Execute Accretive M&A to Fuel Growth and Build Scale

Strategic Acquisition of Crystal Rock Holdings, Inc



- Cott announced that it has entered into a definitive agreement pursuant to which it will acquire Crystal Rock Holdings, Inc. a 100 year old direct-to-consumer home and office water, coffee, filtration and office supply service delivery business serving customers throughout New York and New England.
- The transaction, which values Crystal Rock at approximately \$35 million, was unanimously approved by both the Cott and Crystal Rock Boards of Directors and is expected to close at the end of Q1 2018, subject to completion of the tender offer and other customary closing conditions.
- The Company bottles and distributes natural spring water under its Vermont Pure® brand, and bottles and distributes purified water with minerals added under its Crystal Rock® label and also distributes coffee (under its own Cool Beans® brand), other office refreshment products, ancillary products, and office products.
- Five bottling facilities (2 outsourced) and 12 distribution centers.
- Pro forma revenue forecast of approximately \$50M as the company has been deemphasizing various low margin non-core products.
- Expected to generate \$2 to \$3 million synergies through 2019 driving a **post synergy EBITDA multiple of around 5.0x.**



Upon selling our traditional beverage manufacturing business, the proceeds were utilized to redeem outstanding debt obligations resulting in the New Cott having a leverage profile of approximately 3.6 times net debt to adjusted 2017 EBITDA

Debt (in millions)	<u>12/30/2017</u>	<u>1/31/2018**</u>
10% senior notes due in 2021*	\$250	\$0
5.375% senior notes due 2022	525	0
5.5% senior notes due in 2024	540 ¹	540 ¹
5.5% senior notes due in 2025	750	750
ABL Facility	220	0
Other	9	0
Total Debt	<u>\$2,294</u>	<u>\$1,290</u>
Cash Balance	\$92	\$225 ²
Adjusted EBITDA Fiscal Year 2017		\$296
Net Debt to Adjusted EBITDA		3.6

¹ Utilizing exchange rate of 1.2 Euros

² Does not include cash tax payment which will occur in 2018 as a part of gain on sale of the traditional business

*Excludes noncash unamortized premium

**Management estimates subsequent to the sale of the traditional beverage manufacturing business

The New Cott – Tuck-in Profiles Vary by Service Channel, Geography and Size



The New Cott model features scale platforms and embedded customer bases with the ability to add on accretive tuck-in acquisitions to fuel further growth and platform density

U.S. Small HOD Tuck-ins (Avg ~\$2M)

Acquire:
Customer List
Bottles and Coolers

Add density to current
routes, call center volume
and back office

Synergize to ~3X

Europe Small HOD Tuck-ins (Avg ~\$2M)

Acquire:
Customer List
Bottles and Coolers

Add density to current
routes, call center volume
and back office

Synergize to ~4X

U.S. Small OCS Tuck-ins (Avg ~\$2M)

Acquire:
Customer List
Brewers

Add density to current
routes, call center volume
and back office

Synergize to ~4X

Europe Small OCS Tuck-ins (Avg ~\$2M)

Acquire:
Customer List
Brewers

Add density to current
routes, call center volume
and back office

Synergize to ~5X

Mid-Sized Tuck-ins (\$10M to \$60M)

Acquire:
Business operations and
assets including customer
lists, depots,
manufacturing plants,
fleet, etc.

Synergies are gained
through depot
consolidation as well as
utilization of back office
and call center in place at
Cott.

Synergize to ~5X to 7X

Increasing Annual Tuck-Ins Are An Attractive Value Creation Opportunity in Current Markets



- We have a good Pipeline of tuck-in acquisitions and the opportunity exists to do larger tuck-in acquisitions with purchase price in the \$10 - \$60 million range.
- Revenue growth and modest EBITDA margin expansion can be driven by increased tuck-in acquisitions over the next 12-36 months, while continuing to evaluate larger strategic transactions with an opportunistic mindset.
- To illustrate, \$60 million of annual tuck-in acquisitions over a three year period generates:
 - ✓ Additional revenue growth of ~2%
 - ✓ Expands EBITDA margins by 10 to 30 basis points per year
 - ✓ While reducing leverage to the mid 2x* by the end of the three year period.

Synergistic Tuck-In Acquisitions Also Create an Opportunity for Multiple Arbitrage



Illustrative value creation of tuck-in acquisitions

(\$ in millions)

Tuck-In Assumptions

Tuck-In Acquisitions Over 3 yrs.	\$180*
Adj. EBITDA acquired	\$36.0
Synergized purchase multiple	5.0x
Example Trading Multiple	11.0x

Multiple Arbitrage

Example Trading Multiple	11.0x
Synergized Purchase Multiple	5.0x
Multiple Arbitrage	6.0x
Acquired EBITDA	\$36
Value Creation	\$216
Shares Outstanding	140m
Per Share Value Creation	\$1.50

Note: The above chart represents an illustrative example and is not intended to represent management guidance or estimates.

*Illustrative example assumes an average of \$60 million of tuck-ins per year, however, actual timing and value of the tuck-in acquisitions could vary each year based on the acquisitions available and timing of closing of each transaction.



Q&A