Cott

Analyst Call
August 17, 2016

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 expected future operating results of the Company, anticipated market trends, and the execution of the Company's strategy. 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 presentation include, among others: (1) changes in estimates of future earnings; (2) expected synergies and cost savings are not achieved or achieved at a slower pace than expected; (3) integration problems, delays or other related costs; and (4) unanticipated changes in laws, regulations, or other industry standards affecting the companies. 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 January 2, 2016. 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. In this presentation, we use non-GAAP measures such as EBITDA, adjusted EBITDA, adjusted free cash flow and adjusted free cash flow yield and certain ratios using these measures. 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 the business. Any non-GAAP financial measures used by the Company 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 reflects 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 reconciliation of this non-GAAP measure may be found on www.cott.com.

Transaction Rationale

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Premium coffee roaster and provider of customized coffee, tea, and extract solutions to the foodservice, convenience, gas, hospitality and office segments in the United States

Leading European direct-to-consumer services provider specializing in home and office water delivery, office coffee services and filtration services

1. Provides leading scale platform in home and office water delivery, coffee, tea and/or filtration services with access to attractive end-markets with positive growth outlook
2. Furthers Cott's diversification strategy by improving product and channel mix in growing areas while reducing exposure to big box retail
3. High quality and loyal customer base which reduces current concentrations and expands direct route sales footprint
4. Strong financial performance, clear synergy expectations, accretive to adjusted FCF and rapid deleveraging driving a more stable, predictable and lower risk business profile
5. Cott's proven track-record of successful acquisition integration (leveraging procurement and back office scale)

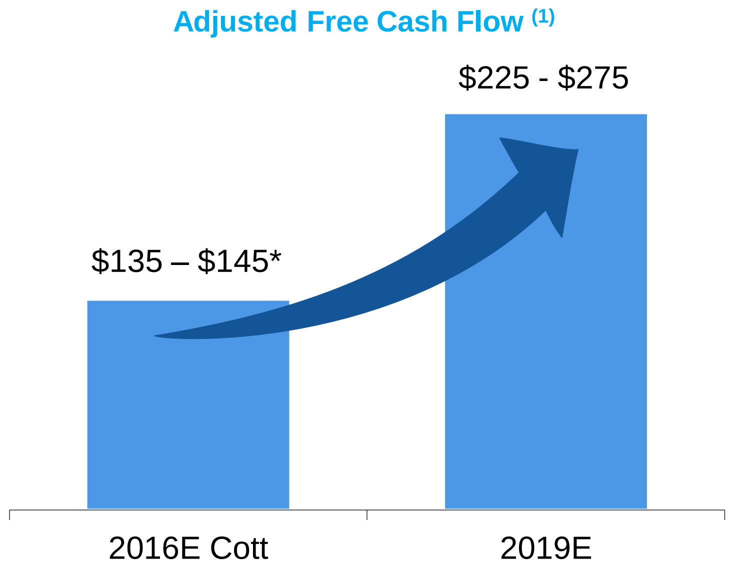
Cash flow and leverage schedule

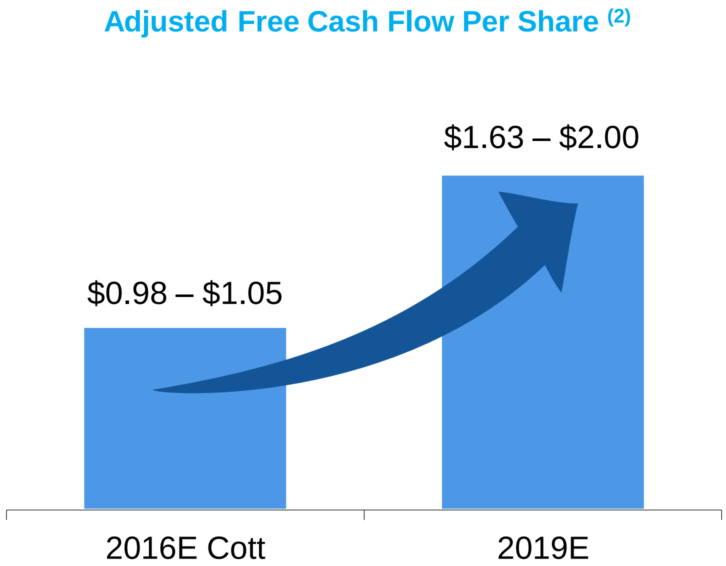
($ in millions, except per share data)

Adjusted Free Cash Flow (2016E Cott – 2019E)

- Eden and S&D acquisitions are accretive to adjusted free cash flow and adjusted free cash flow per share beginning in 2017

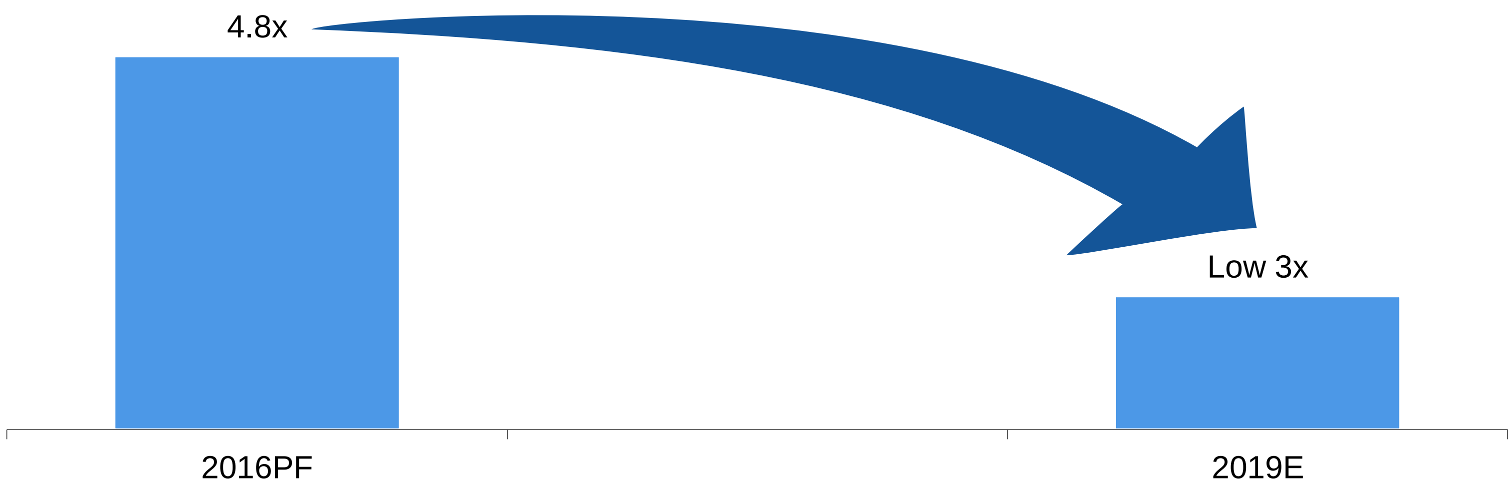
** Management noted with recent foreign exchange changes in GBP the adjusted free cash flow is expected to be at the low end of the range.*





Pro Forma Net Debt to EBITDA (2016E – 2019E)

- Proven track-record of quickly deleveraging after acquisitions
- Significant free cash flow conversion allows for accelerated deleveraging
- Leverage of low 3x EBITDA by 2019 while leaving ample capacity to fund small (tuck-in) acquisitions



Source: Cott Management. Estimates calculated using Bloomberg's forecasted foreign exchange rates at the beginning of August 2016.
(1) Adjusted free cash flow calculated as adjusted cash flow from operations less capital expenditures
(2) Adjusted free cash flow per share calculated as adjusted free cash flow/138 million shares

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Drivers of Performance

Key drivers of S&D performance

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What drives S&D's business

Distinct Value Proposition

- Leading custom coffee roaster in the U.S. offering custom coffee and tea solutions to multiple channels with a diverse customer base
- Leading foodservice coffee service provider as well as the leading tea blender for foodservice in the U.S.
- National customer and supplier relationships and advanced production facilities

Loyal Blue-Chip Customer Base

- Long standing relationships across the foodservice, hospitality and convenience store channels
- Possesses key partnerships with long term customer retention
- 20,000 plus blue chip customers and over 100,000 total customers
- Growing customer list for ingredients and extracts

Scalable Platform

- Multiple state-of-the-art manufacturing facilities
- Complementary supply chain with distinct coffee and tea manufacturing capabilities
- Direct-to-consumer delivery infrastructure

Favorable Industry Trends

- Projected coffee and tea market growth driven by increased popularity of higher quality, specialty coffees
- Rising health-consciousness also driving demand for Better for You coffee and tea products

What drives S&D's profitability

Infrastructure Investments

- Significant investment in new facilities, equipment and technology over the last 3-5 years
- Supports topline growth, allows for expanded capacity and increased production efficiencies and cost savings as well as specialization and differentiation with state of the art manufacturing facilities

Continued Penetration of New and Existing End Markets

- Significant growth across a variety of product (teas, ingredients, extracts, coffee innovation) and service offerings to new and existing customers drives ongoing improvements in gross profit
- Potential for small complementary acquisitions to expand market footprint, customers and product lines
- Develop strategic partnerships

Procurement and Commodity Risk Management

- Employs strategies to effectively hedge ~90% of total national account volumes
- Effective hedges reduce impact of commodity price movements

Expansion of Pipeline and Product Offerings

- Provides Cott access to new customers in growing categories
- Well-positioned to expand higher margin product offerings to existing coffee and tea customers
- Vertical integration and cross sell opportunities between Cott, DS Services and S&D

Key drivers of Eden Springs performance

What drives Eden Springs' business

Leading Position

- Accounts for ~20% of the European home and office water delivery market
- Top 5 position in European office coffee and filtration services
- Fragmented market provides opportunity for further consolidation via tuck-in acquisitions
- Brand leader in home and office delivery and retail water in Israel

Quality and Diversified Customer Base

- Geographic presence in 18 markets (with #1 or #2 position in 17 of 18 markets)
- Client retention of 87% and average life of customer over 7 years with top 10 customers making up less than 5% of revenues

Growth in Consumption and Customers

- Increased focus on health, wellness and the environment
- Consumer concerns over water quality
- Market growth of 1% plus per year (higher in developing countries and lower in more developed markets)

Industry Expertise

- Offers wide range of solutions for water and coffee
- Partners with renowned brands and businesses
- Competitive advantage through customer density and well invested in infrastructure

What drives Eden Springs' profitability

Resilient Financial Model

- Scalable, flexible business model promotes growth and margin improvement through increased customer density driven by organic growth as well as value creating tuck-in acquisitions
- EBITDA margins ~17%

Business and Product Mix

- Improving margin structure and growth profile due to diverse portfolio and low customer concentration
- Offers predictability, increased free cash flow and lower volatility
- Strong FCF conversion

Proven Acquisition Track Record and Scalable Platform

- Strong platform in fragmented industry drives accretive tuck-ins
- Consolidation opportunities leveraging existing infrastructure drives margin expansion

Large Installed Based

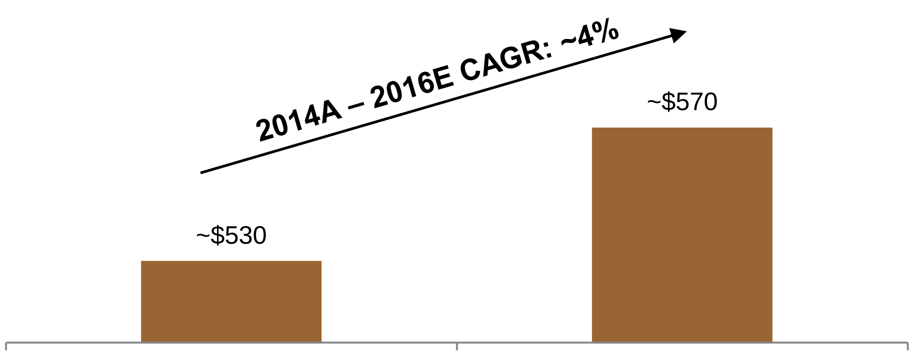
- Installed base of ~1 million water coolers and coffee machines generating recurring revenue on a subscription base model
- Service over 800,000 customers

Strong growth in revenue and EBITDA

($ and € in millions)

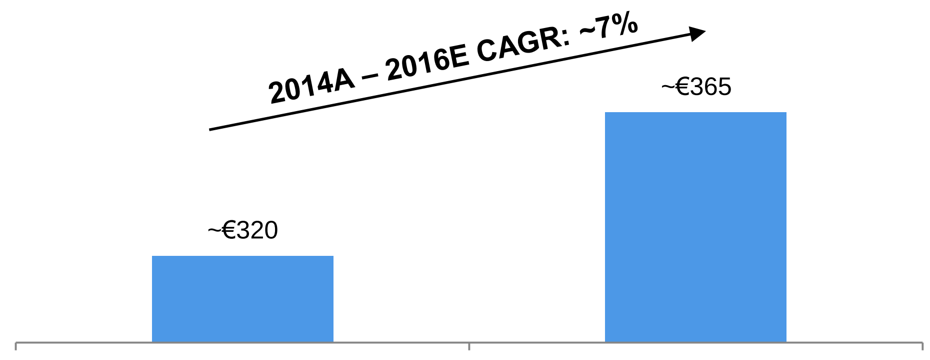
Revenue

S&D



Organically grown; no M&A activity during the period

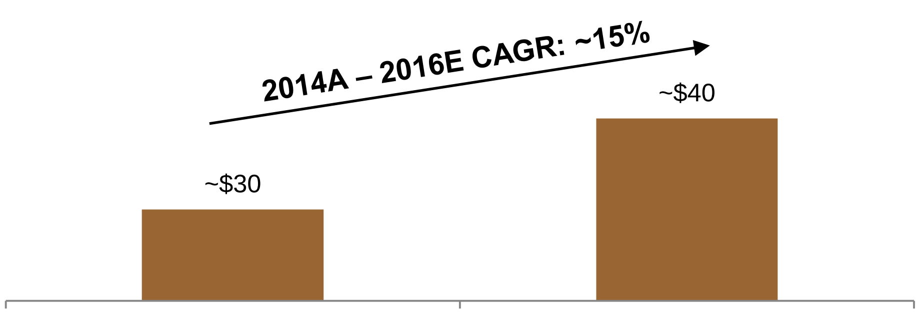
Eden Springs



Tuck-in and bolt-on acquisitions undertaken during the period

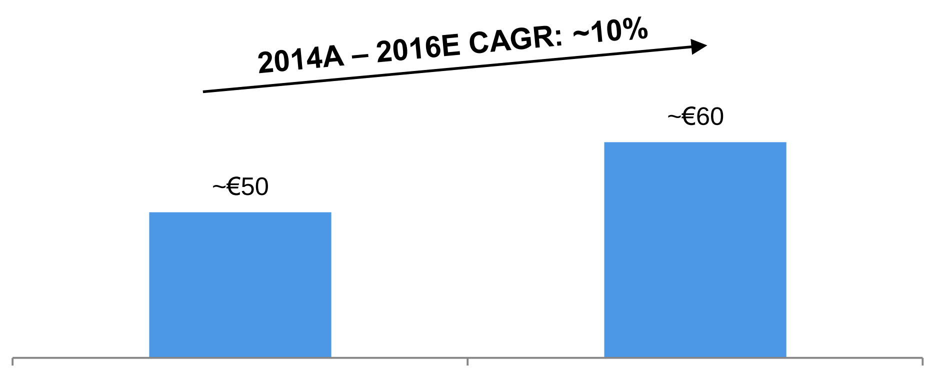
Adjusted EBITDA

S&D



Includes go forward adjustments incorporated as a part of diligence review

Eden Springs

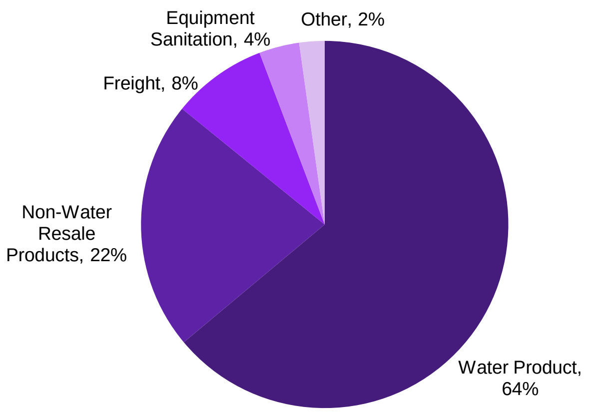


Includes synergy benefits for overlapping tuck-ins and bolt-ons

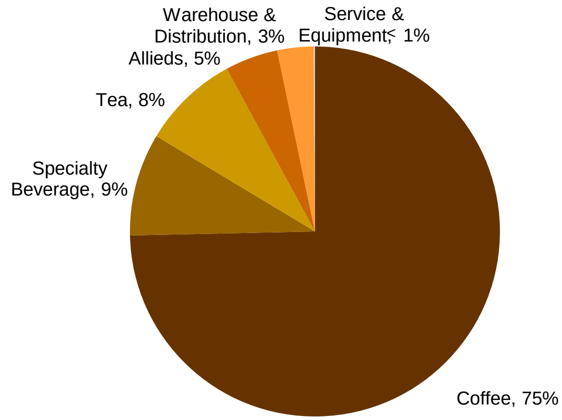
Source: Cott Management

COGS and SG&A Breakdown

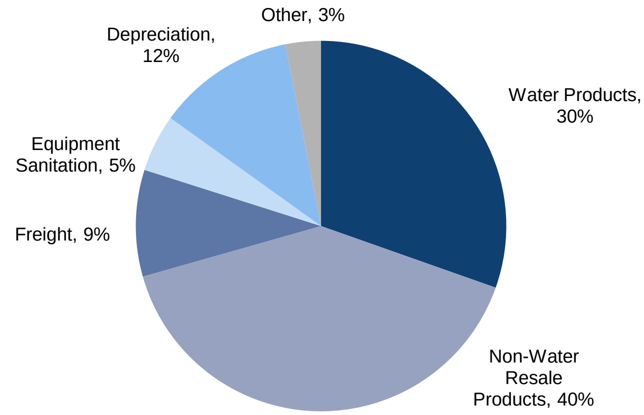
DS Services - COGS (2015)



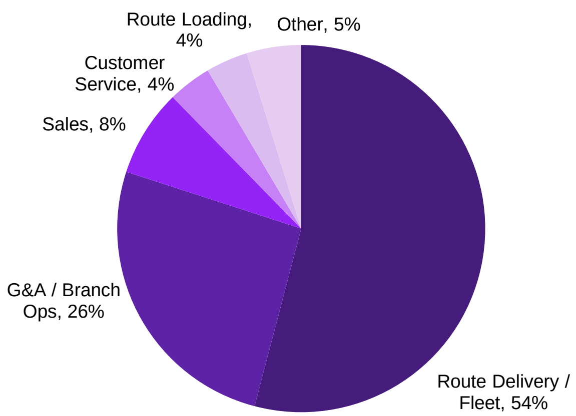
S&D - COGS (2015)



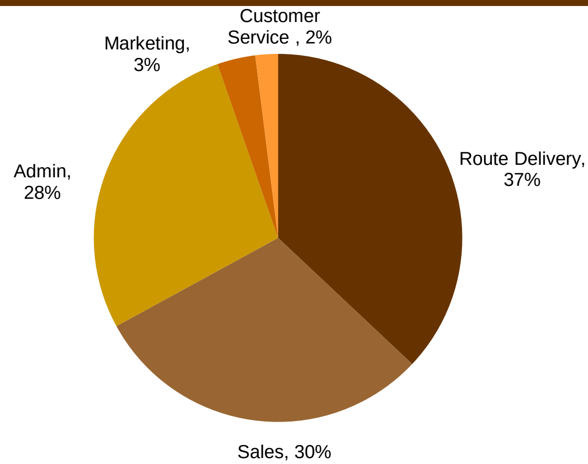
Eden Springs - COGS (2015)



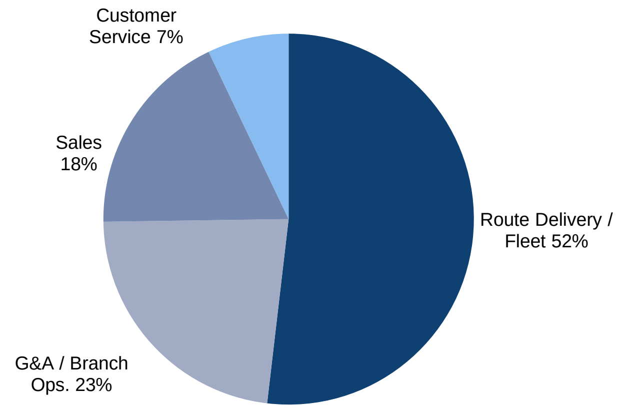
DS Services – SG&A (2015)



S&D – SG&A (2015)



Eden Springs - SG&A (2015)



Each business has an element of differentiation within its COGS and SG&A:

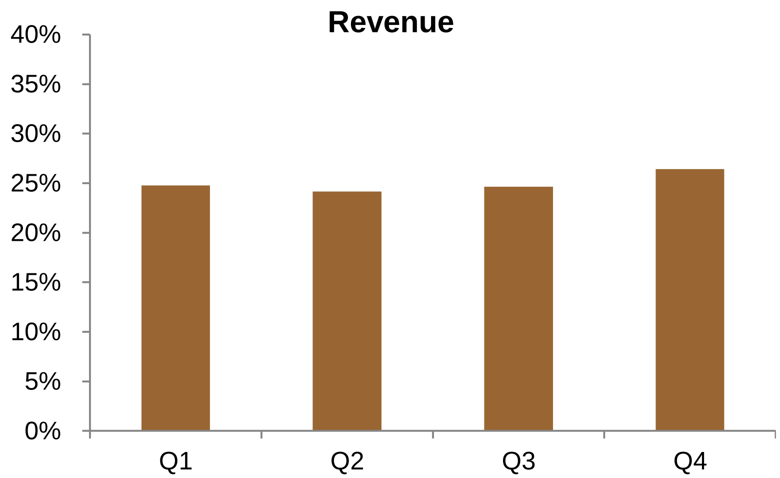
- DS Services owns its fleet and repairs and maintenance is done with an in-house workforce while Eden largely leases its fleet and S&D outsources around 80% of its distribution.
- DS Services vertically integrates bottle blowing and manufacturing while Eden uses a mix of vertical integration and third party services as a part of a flex up and flex down system. S&D primarily owns its facilities and equipment and produces in its four manufacturing facilities.
- DS Services delivers through an in-house base of route service representatives while Eden and S&D utilize both in-house and third party resources to deliver product and services to their customers

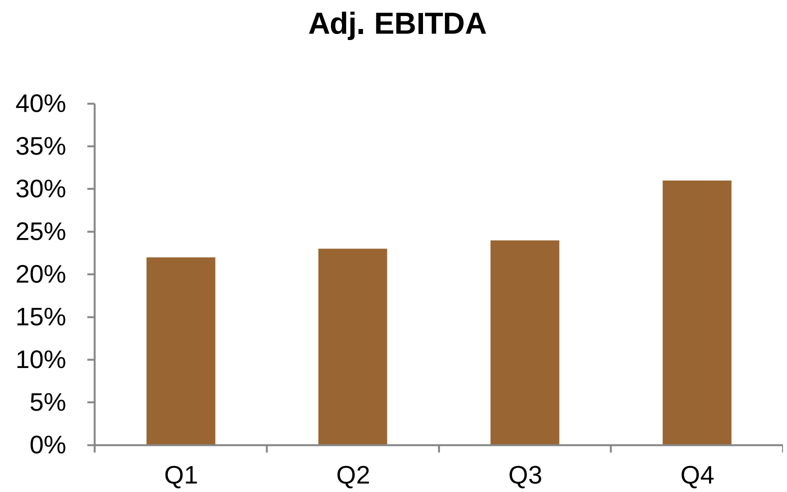
Source: Cott, S&D and Eden Springs Management

Quarterly business seasonality

FY2015(1)

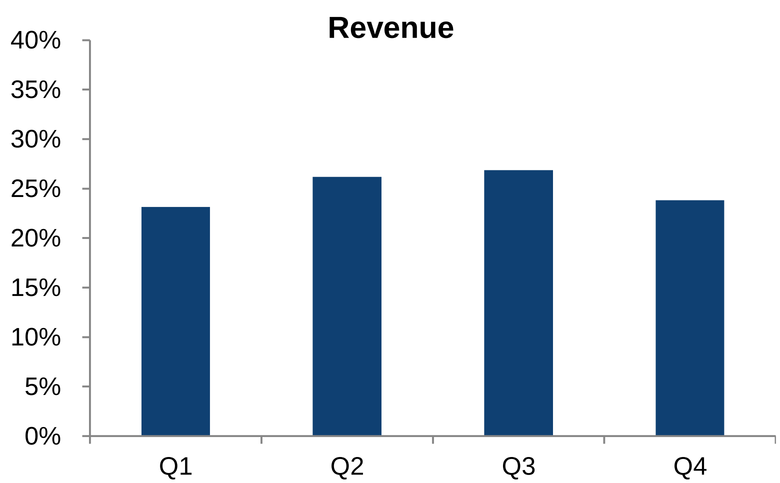
S&D

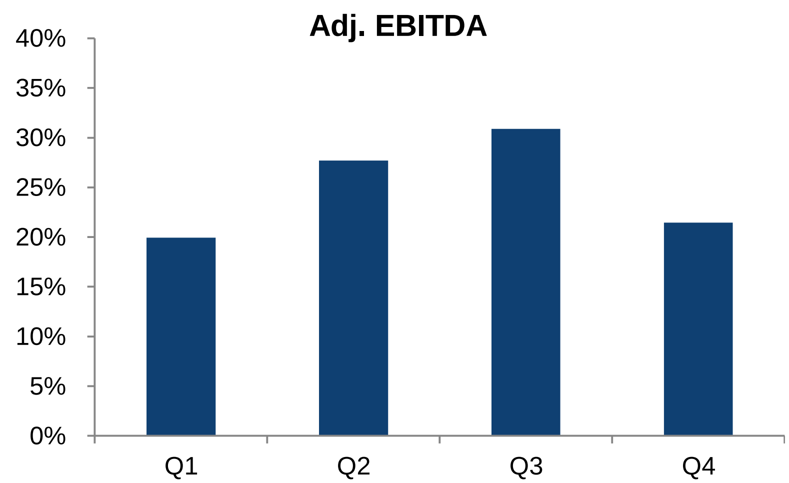




Fairly consistent revenues with a slight increase during the winter holiday season (Q4), driven by increased sales of hot beverages and increased foot traffic to food service locations

Eden Springs





Slight lift in revenues during the summer months (Q2 and Q3) that see good leverage of per customer and per unit metrics, driving a modest lift to EBITDA during the summer months, while Q1 and Q4 see less leverage and in turn lower EBITDA relative to the revenue generation

Source: S&D and Eden Springs Management

(1) Seasonality of revenues and EBITDA based upon estimated quarterly allocations of full year 2015 financial results

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Financial Models

Cott Update

- Confirming revenue guidance for Cott 2016E being down (~$75 to $135) million for the full year including the addition of Aquaterra (excludes S&D as well as Eden Springs). Full year EBITDA impact from foreign exchange confirmed at ~$15 to $18 million dollars.
  - Cott 2017E revenue down (~1-2%), driven primarily by continued mix shift in the traditional business as well as foreign exchange impacts, offset in part by the growth in the home and office delivery platforms (excludes Eden Springs and S&D Coffee and Tea).
- S&D's post-close 2016E revenue and adjusted EBITDA projected to be ~$205 - $225 million and ~$12 - $16 million, respectively.
  - S&D 2017E revenue of ~$580 to $590 million.
- Eden Springs post-close 2016E revenue and adjusted EBITDA projected to be ~€135 – €150 million and ~€20 - €22 million, respectively.
  - Eden 2017E revenue of ~€360 - €370

Source: Cott Management
Adjustments to EBITDA include purchase accounting (step up in inventory basis), transaction, acquisition and integration as well as stock based compensation, etc.

S&D key financial metrics

	General	FULL YEAR 2016E	2017P	2018P+
Net revenue growth	**Markets and Growth** ▪ Coffee: ~$15 billion - $18 billion ▪ Tea: ~$7 billion - $9 billion ▪ Coffee and Tea Projected growth of 3%+ over next 5 years	▪ ~$570 million of revenue	▪ Total net revenue: ~+3% (2)	▪ Total net revenue: ~+3% (2)
Gross margin	▪ ~25% - 27% of net revenue ▪ Expanded by introducing new product offerings and diversifying customers	▪ ~25% - 27% of net revenue ▪ Excludes synergies ▪ Includes $5 million of additional annual depreciation from purchase accounting	▪ ~25% - 27% of net revenue ▪ Excludes synergies ▪ Includes $5 million of additional annual depreciation from purchase accounting	▪ ~25% - 27% of net revenue ▪ Excludes synergies ▪ Includes $5 million of additional annual depreciation from purchase accounting
SG&A	▪ Incremental amortization from S&D transaction	▪ SGA: ~24% - 25% of net revenue ▪ Excludes synergies ▪ Includes $10 million of additional annual D&A from purchase accounting	▪ SGA: ~24% - 25% of net revenue ▪ Excludes synergies ▪ Includes $10 million of additional annual D&A from purchase accounting	▪ SGA: ~24% - 25% of net revenue ▪ Excludes synergies ▪ Includes $10 million of additional annual D&A from purchase accounting
Synergies & integration costs	▪ Run rate synergies of ~$12 million total, realized over 4 years ▪ Cost to achieve: $18 million primarily in 2016/2017	▪ Synergies: ~$12 million total (none realized in 2016E)	▪ Synergies: ~$12 million total (~$2 million realized by 2017P)	▪ Synergies: ~$12 million total (~$5 million realized by 2018P, ~$10 million realized by 2019P, ~$12 million realized annually by 2020P+)
Taxes	▪ Advantaged Cott Canadian ownership structure ▪ Significant US NOLs at Cott ▪ Cash taxes 2016 to 2019 ~$2 million	▪ Reported GAAP tax rate estimated to be ~38.5% ▪ Potential valuation of current NOLs to be determined as part of purchase accounting.	▪ Reported GAAP tax rate estimated to be ~38.5% ▪ ~$2 million of annual cash taxes	▪ Reported GAAP tax rate estimated to be ~38.5% ▪ ~$2 million of annual cash taxes
Capex	▪ ~3.0% of net revenue	▪ ~$15 – $20 million	▪ ~$15 – $20 million	▪ ~$15 – $20 million
Unlevered free cash flow (1)	▪ Strong free cash flow conversion ▪ Working capital needs of ~$3 million to ~$4 million per year ▪ ~$15 – $30 million annually	▪ ~$15 – $20 million ▪ *Excludes one time costs*	▪ ~$20 – $25 million ▪ *Excludes one time costs*	▪ ~$25 – $30+ million ▪ *Excludes one time costs*

Source: Cott Management
(1) Calculated as Adj. EBITDA less capex, cash taxes and change in net working capital
(2) Assumes constant tea/coffee commodity pricing

Eden Springs key financial metrics

	General	FULL YEAR 2016E	2017P	2018P+
Net revenue growth	**<u>Market Growth (Europe)</u>** ▪ Water Services: ~€1.0 billion ▪ OCS: ~€1.6 billion ▪ Specialty: ~€255 million	▪ ~€365 million of revenue ▪ ~€60 million of adjusted EBITDA	▪ Total net revenue: ~1%	▪ Total net revenue: ~1% - 1.5%
Gross margin	▪ ~62% - 64% of net revenue	▪ ~62% - 64% of net revenue ▪ Excludes synergies ▪ Includes additional ~€2 million of annual depreciation from purchase accounting	▪ ~62% - 64% of net revenue ▪ Excludes synergies ▪ Includes additional ~€2 million of annual depreciation from purchase accounting	▪ ~62% - 64% of net revenue ▪ Excludes synergies ▪ Includes additional ~€2 million of annual depreciation from purchase accounting
SG&A	▪ Incremental amortization from Eden Springs transaction	▪ SG&A: ~58% - 60% of net revenue (excludes synergies) ▪ Includes additional ~€6 million of annual D&A from purchase accounting	▪ SG&A: ~58% - 60% of net revenue – (excludes synergies) ▪ Includes additional ~€6 million of annual D&A from purchase accounting	▪ SG&A: ~58% - 60% of net revenue – (excludes synergies) ▪ Includes additional ~€6 million of annual D&A from purchase accounting
Synergies & integration costs	▪ Run rate synergies of ~€10 million total, realized over 3 years ▪ Cost to achieve: ~€15 million primarily in 2016/2017	▪ Synergies: ~€10 million total (none realized in 2016E)	▪ Synergies: ~€10 million total (~€2 million realized by 2017P)	▪ Synergies: ~€10 million total (~€6 million realized by 2018P, ~€10 million realized annually by 2019P+)
Taxes	▪ Cash taxes 2016 to 2019 ~€5 million to ~€8 million	▪ Reported GAAP tax rate estimated to be ~18.5% ▪ Likely valuation of current Canadian NOLs to be determined as part of purchase accounting ($7 plus million)	▪ Reported GAAP tax rate estimated to be ~18.5% ▪ Cash taxes 2016 to 2019 ~€5 million to ~€8 million	▪ Reported GAAP tax rate estimated to be ~18.5% ▪ Cash taxes 2016 to 2019 ~€5 million to ~€8 million
Capex	▪ ~6.0% - 7.0% of net revenue	▪ ~€25 million	▪ ~€25 million	▪ ~€25 million
Unlevered free cash flow (1)	▪ Strong free cash flow conversion ▪ Working capital needs of ~€2 million to ~€3 million ▪ ~€25 – €35 million annually	▪ ~€25 million ▪ *Excludes one time costs*	▪ ~€25 – €30 million ▪ *Excludes one time costs*	▪ ~€30 – €35+ million ▪ *Excludes one time costs*

Source: Cott Management
(1) Calculated as Adj. EBITDA less capex, cash taxes and change in net working capital

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Capex and Debt Structure

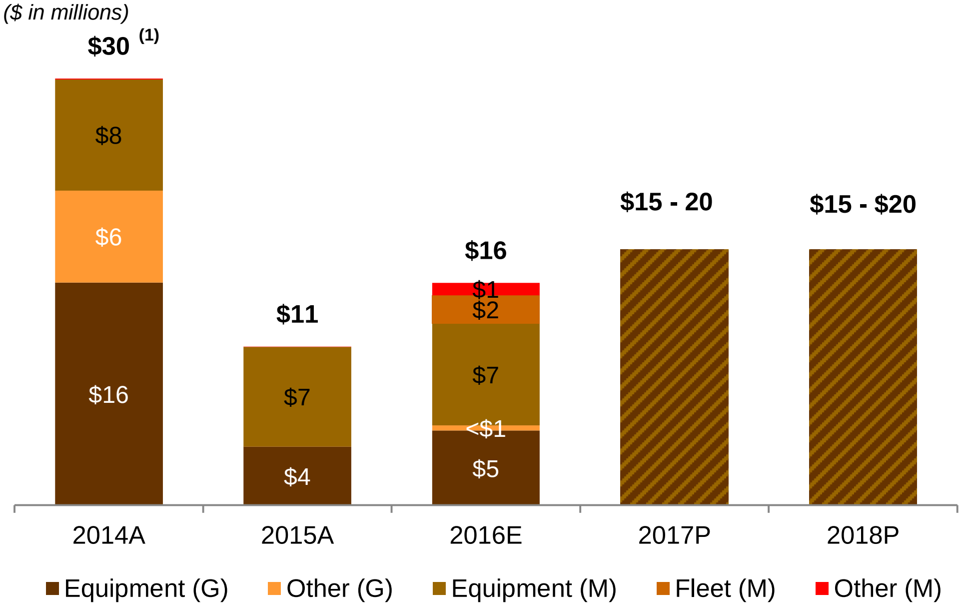
Capital expenditures

Total Cott capital expenditures including S&D and Eden Springs is projected to be $165 - $175 million per year

S&D - Capital Expenditures

- Coffee Roaster: S&D anticipates adding additional coffee roasters, increasing production capacity and service levels and fulfillment rates
- Coffee Packaging Line: S&D anticipates adding several coffee packaging workstations to address product and package mix shifts
- Growth Spend: S&D anticipates growth spend for yet to be determined capital projects
- Fleet Spend: S&D anticipates annual spending on fleet-related capex

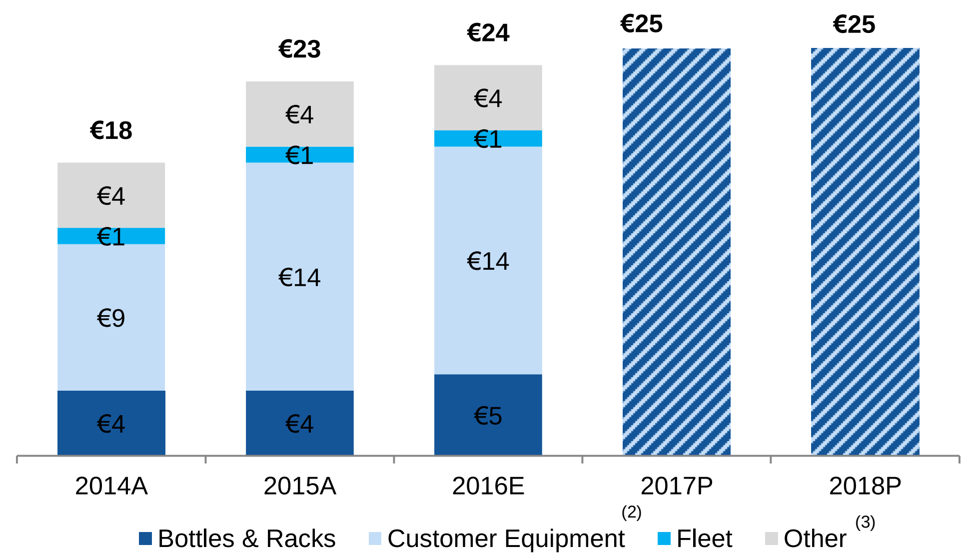
($ in millions)



Eden Springs - Capital Expenditures

- Operational capital expenditures are generally predictable at ~6.0% - 7.0% of revenue
- Ongoing growth capital expenditures will continue in areas such as production, bottles, coolers and brewers.
- Eden Springs has undertaken several special projects to enhance profitability including alternative water sources

(€ in millions)



Source: S&D and Eden Springs Management
(1) One-time increase in capital expenditures associated with capacity expansion across existing and new facilities
(2) Includes coolers, brewers and filtration devices
(3) Includes production equipment, facilities and other capital expenditures

Acquisition financing overview

- The acquisitions of S&D and Eden Springs were funded through a combination of new senior unsecured Euro notes, new equity issued, drawings on the restated ABL facility and cash on hand:
  - €450 million (~$504 million) of debt financed through new senior unsecured Euro notes, priced at 5.5%
  - $230 million of new equity
  - The Company amended and restated its existing ABL facility to allow for the proposed transaction (upsized to $500 million), priced at L + 150 bps –drawn at closing of $270 million

Eden Springs Transaction Sources & Uses

($ in millions)

Sources		Uses	
New Senior Notes	$504	Purchase of Eden Springs	$525
New Equity	230	Paydown of Revolver	60
		Poland Note Receivable	11
		Cash to Balance Sheet	91
		Fees & Expenses	47
Total Sources	**$734**	**Total Uses**	**$734**

S&D Transaction Sources and Uses

($ in millions)

Sources		Uses	
Draw on ABL Revolver	$270	Purchase of S&D	$355
Cash	95	Fees & Expenses	10
Total Sources	**$365**	**Total Uses**	**$365**

- Annual interest expense expected to be ~$140 million in 2017 (does not incorporate the DSS 10% note refinance, or associated costs, which is expected to occur in September of 2017). Balance is expected to reduce each year going forward.
  - ~$5 million from balance on ABL revolver, ~$42 million from 6.750% Senior Notes due 2020, ~$35 million from DSS 10.000% Senior Notes due 2021, ~$28 million from 5.375% Senior Notes due 2022, ~$28 million from new Senior Unsecured Euro Notes at 5.50% and ~$1 million from other debt (capital leases, etc.)
- Annual dividends to common shareholders ($0.06 per share per quarter) expected to be ~$33 million
- Weighted average cost of financing: 5.7% for Eden and S&D
- Weighted average cost of financing (excluding equity issued in the transaction): 4.4% for Eden and S&D

Highlights of acquisitions

S&D	Eden Springs
Market leading scale coffee and tea production and delivery platform across the United States foodservice with access to attractive end-markets with 3%+ positive growth outlook	Improves product and channel mix while reducing exposure to Big Box retail and commodities, proportionally
Furthers Cott's platform diversification strategy across multiple products and channels while reducing exposure to big box retail which is now less than 30% of EBITDA	Strong international HOD platform with multiple leading positions across 18 countries and further €10 million tuck-in opportunities
Substantial synergy capture of $12 Million by 2020	Meaningful 20% market share and leadership positions in HOD across Europe with access to attractive end-markets and €10 million of synergy capture by 2019
Financially attractive strong financial performance (recent revenue and EBITDA CAGR of 3% and 7%, respectively) and free cash flow generation consistent with Cott's acquisition and diversification strategy	Expands direct to consumer business – loyal customer base with high retention of 87%
Accretive to adjusted free cash flow and provides a 6.8x post synergy multiple	Accretive to adjusted free cash flow and provides a 6.5x post synergy multiple