



Q1 2023 Financial Results

**zevia.**

# 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 “on track,” “guidance,” “outlook,” “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 2023 Guidance and 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, our ability to develop and maintain our brand, our ability to successfully execute on our rebranding strategy and cost reduction initiatives, changes 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 macroeconomic, competitive and governmental factors outside of our control, such as pandemics or epidemics, including the impact of the effects of the COVID-19 pandemic, adverse global macroeconomic conditions, including rising interest rates, instability in financial institutions 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 or implied in our forward-looking statements. 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

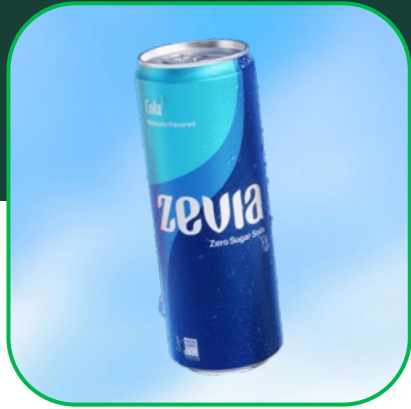
We use Adjusted EBITDA, a financial measure in this presentation and the related earnings press release that is not calculated in accordance with U.S. generally accepted accounting principles (“GAAP”). The Company’s management believes that Adjusted EBITDA can assist investors in evaluating the Company’s 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/>.

# Zevia is...

...creating a world of better-for-you flavor,  
better for people and for the planet.



# The Zevia Solution



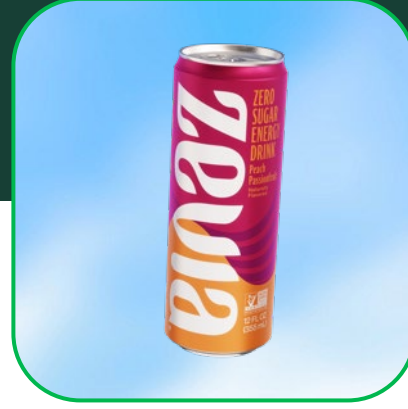
## Great Taste

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

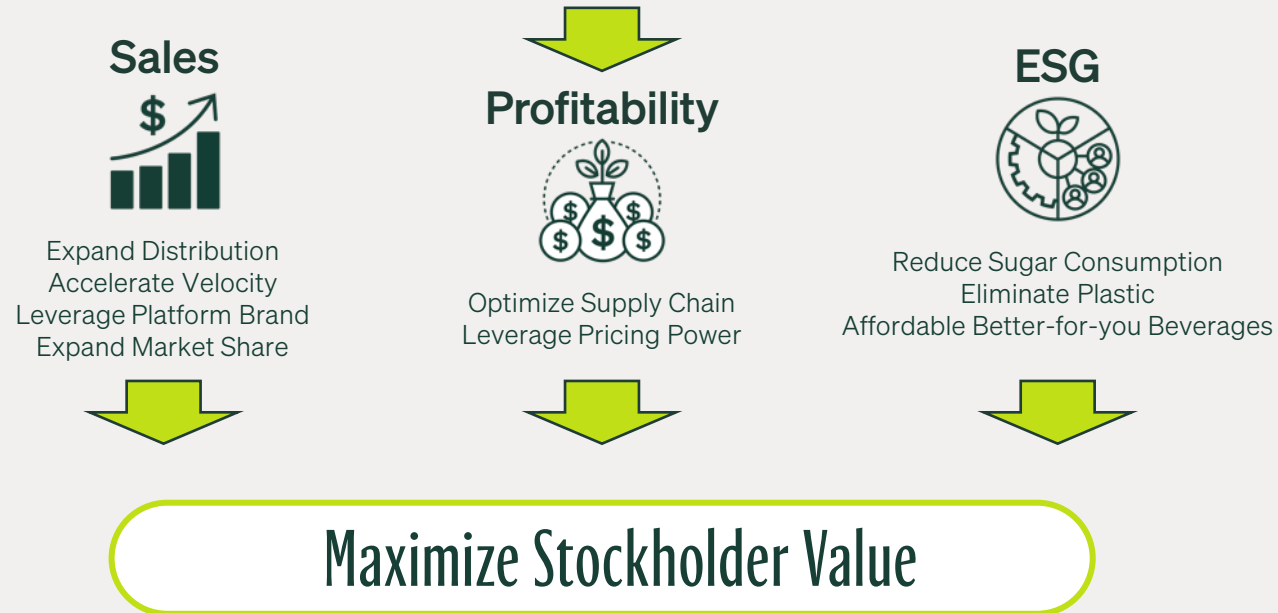
Affordable for a broad range of consumers and perfect for all ages.



# High-Performing, Globally Disruptive Beverage Company



Supporting global public health with great-tasting, zero sugar, plant-based beverages



# 5 Product Categories, 38 Flavors, New Brand Identity



# Financial Results

# Executive Summary

- **Positive Net Sales performance driven by pricing realizations**
  - Net sales increased 13.8% year-over-year to \$43.3 million
- **Strong financial performance**
  - Strongest gross margin of any quarterly period to date as a public company of 46.4%
  - Adjusted EBITDA loss of \$0.5 million, the strongest quarter to date as a public company<sup>1</sup>
  - Disciplined cash flow management
- **Syndicated data results**
  - Highest Q1 scanned dollar sales levels on record<sup>2</sup>

Net Sales

\$43.3 Million  
+13.8%

Gross Margin

46.4%  
+4.7% YoY  
+2.1% Sequentially

Adjusted EBITDA Loss<sup>1</sup>

\$0.5 Million  
+94.6%



# Q1 2023 Financials Overview – Year Over Year

(\$ in Millions)

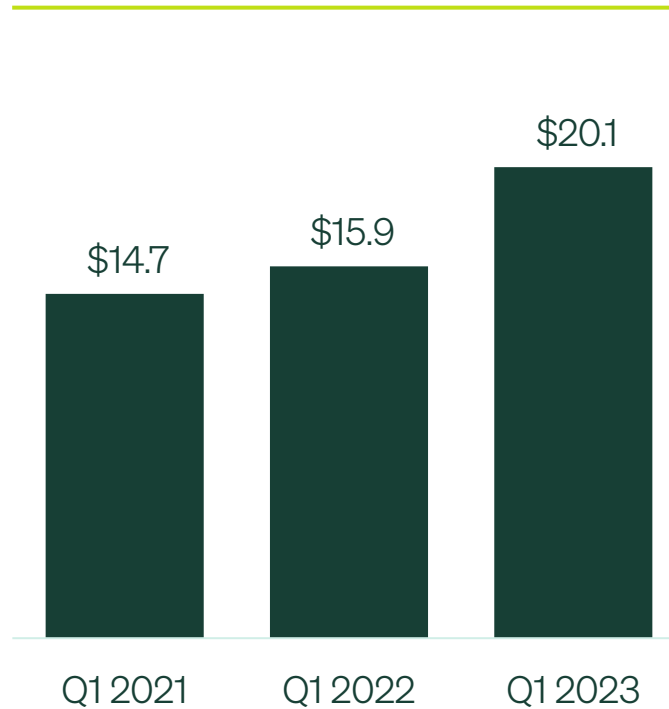
## Net Sales



### % Growth

36%      24%      14%

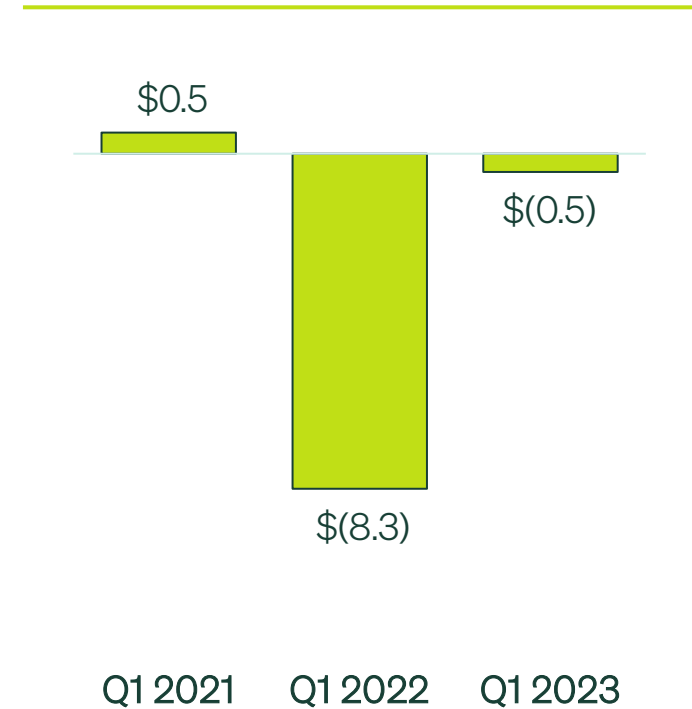
## Gross Profit<sup>1</sup>



### % of Net Sales

47.9%      41.7%      46.4%

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



### % of Net Sales

1.7%      N/A<sup>3</sup>      N/A<sup>3</sup>

# Profit & Loss and Adjusted EBITDA Reconciliation

|   | Q1 2023        | Q1 2022         | Q1 2021       | YE 2022         | YE 2021         | YE 2020        |
|---|----------------|-----------------|---------------|-----------------|-----------------|----------------|
| <b>Net Sales</b>                                  | <b>\$43.3</b>  | <b>\$38.0</b>   | <b>\$30.7</b> | <b>\$163.2</b>  | <b>\$138.2</b>  | <b>\$110.0</b> |
| <i>% Growth</i>                                   | <i>13.8%</i>   | <i>23.9%</i>    | <i>36.5%</i>  | <i>18.1%</i>    | <i>25.6%</i>    | <i>28.6%</i>   |
| Cost of Good Sold                                 | \$23.2         | \$22.2          | \$16.0        | \$93.2          | \$74.2          | \$58.7         |
| <b>Gross Profit</b>                               | <b>\$20.1</b>  | <b>\$15.9</b>   | <b>\$14.7</b> | <b>\$70.0</b>   | <b>\$63.9</b>   | <b>\$51.3</b>  |
| <i>Gross Margin</i>                               | <i>46.4%</i>   | <i>41.7%</i>    | <i>47.9%</i>  | <i>42.9%</i>    | <i>46.3%</i>    | <i>46.7%</i>   |
| Selling and Marketing                             | \$11.9         | \$14.1          | \$8.5         | \$52.9          | \$45.1          | \$29.1         |
| General and Administrative                        | \$8.6          | \$10.1          | \$5.7         | \$36.8          | \$27.5          | \$18.8         |
| Equity-based Compensation                         | \$2.4          | \$8.9           | \$0.0         | \$26.9          | \$77.7          | \$7.9          |
| Depreciation and Amortization                     | \$0.4          | \$0.4           | \$0.2         | \$1.3           | \$1.0           | \$0.9          |
| <b>Income (Loss) from Operations</b>              | <b>(\$3.3)</b> | <b>(\$17.6)</b> | <b>\$0.2</b>  | <b>(\$47.9)</b> | <b>(\$87.4)</b> | <b>(\$5.5)</b> |
| Other Income (Expense), Net                       | \$0.3          | \$0.1           | \$0.0         | \$0.3           | (\$0.2)         | (\$0.6)        |
| Provision for Income Taxes                        | (\$0.0)        | (\$0.0)         | \$0.0         | (\$0.1)         | (\$0.0)         | \$0.0          |
| <b>Net Income (Loss)</b>                          | <b>(\$2.9)</b> | <b>(\$17.5)</b> | <b>\$0.2</b>  | <b>(\$47.6)</b> | <b>(\$87.7)</b> | <b>(\$6.1)</b> |
| <b>Net Loss to Adjusted EBITDA Reconciliation</b> |                |                 |               |                 |                 |                |
| Net Loss  | (\$2.9)        | (\$17.5)        | \$0.2         | (\$47.6)        | (\$87.7)        | (\$6.1)        |
| Other (Income) Expense, Net <sup>1</sup>          | (\$0.3)        | (\$0.1)         | (\$0.0)       | (\$0.3)         | \$0.2           | \$0.6          |
| Provision for Income Taxes                        | \$0.0          | \$0.0           | \$0.0         | \$0.1           | \$0.0           | \$0.0          |
| Depreciation & Amortization                       | \$0.4          | \$0.4           | \$0.2         | \$1.3           | \$1.0           | \$0.9          |
| Equity-based Compensation Expense                 | \$2.4          | \$8.9           | \$0.0         | \$26.9          | \$77.7          | \$7.9          |
| <b>Adjusted EBITDA<sup>2</sup></b>                | <b>(\$0.5)</b> | <b>(\$8.3)</b>  | <b>\$0.5</b>  | <b>(\$19.6)</b> | <b>(\$8.7)</b>  | <b>\$3.3</b>   |

# Recent Developments

## Syndicated Data & Initiatives

# Consumer Panel Metrics

## Household Penetration

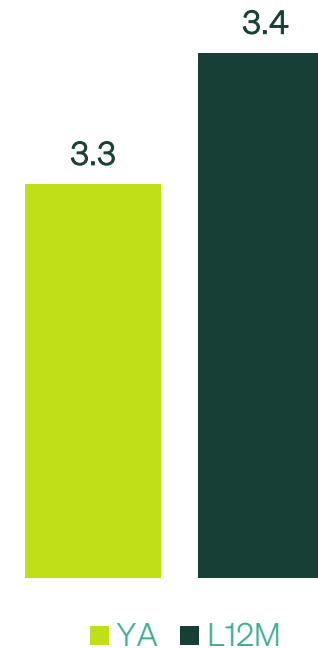


% household penetration

## Purchase Trends



Dollar sales per household



Purchase Frequency



Dollar sales per trip



# Success in Key Channels Highlights the Opportunity for Growth

#1 CSD Brand on Amazon

#1 CSD Brand In Natural Channel

Massive Growth Opportunity\*

\*6.1% HHP



# Zevia Buyers Bring Incremental Growth to Beverage Sales

Zevia buyers are beverage engaged and spend more

**+40%**

More 12 Month  
Total Beverage  
Spend  
vs. Average  
Shoppers

**+30%**

More Total  
Beverage Trips

**+10%**

Higher Total  
Basket Spend



# Q1 2023 Progress on the Mission



## Sugar Reduction

Eliminated 3.2K metric tons of sugar from our consumers' diets in the Q



## Affordability Index

Zevia remains more affordable than 64% of all non-alcoholic beverages in North America



## Plastic Reduction

Eliminated 47 million plastic bottles from littering roadways, waterways and communities in the Q



## Company Culture

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

