

Flow Investor Presentation

Disclaimer

Forward-looking information

This presentation contains "forward-looking statements" within the meaning of applicable Canadian securities legislation. Such forward looking statements include, but are not limited to, information with respect to our objectives and the strategies for achieving those objectives, as well as information with respect to our beliefs, plans, expectations, anticipations, estimates and intentions. Forward-looking statements are typically identified by the use of words such as "may", "would", "should", "could", "expect", "intend", "estimate", "anticipate", "plan", "foresee", "believe", or "continue", although not all forward-looking statements contain these words. Forward-looking statements are provided for the purposes of assisting the reader in understanding the Company and its business, operations, prospects and risks at a point in time in the context of historical and possible future developments, and the reader is therefore cautioned that such information may not be appropriate for other purposes. Forward-looking statements are based on assumptions and are subject to a number of risks and uncertainties, many of which are beyond our control, which could cause actual results to differ materially from those that are disclosed in or implied by such forward-looking statements. Those risks and uncertainties are discussed in the Company's Annual Information Form dated January 29, 2023 under "Part I – Risk Factors", available on SEDAR at www.sedar.com, and include, but are not limited to, the following: impact and spread of COVID-19; ability to achieve and manage growth; failure to expand sales capabilities; changes in consumer preferences; criticism of packaged water; maintain brand image and product quality; constrained or unavailable spring water sources; inability to package products; increased competition; accurately estimating demand; maintaining relationships with distributors and vendors; changing retail landscape; incorrect product design or development; product information misrepresentation; revenues derived entirely from packaged beverages; increases in costs or shortages of materials; fluctuation of quarterly operating results; no assurance of profitability; fluctuations in foreign currency; changes in government regulation; contamination or recalls of ingredients or end products; loss of intellectual property rights; litigation; future tax rates; catastrophic events; climate change; seasonal business; dependence on key information systems and third-party service providers; ability to securely maintain confidential information; maintaining and upgrading information technology systems; conflict of interest; dual class share structure; potential volatility of share price; no assurance of active market for shares; lack of dividends; global financial condition; future sales of Subordinate Voting Shares; publication of inaccurate or unfavourable research and reports; no guarantee of completion of Amalgamation; operating history; and management and conflict of interests. Certain assumptions were made in preparing the forward-looking statements concerning availability of capital resources, business performance, market conditions and consumer demand. Consequently, all of the forward-looking statements contained herein are qualified by the foregoing cautionary statements, and there can be no guarantee that the results or developments that we anticipate will be realized or, even if substantially realized, that they will have the expected consequences or effects on our business, financial condition or results of operation. Unless otherwise noted or the context otherwise indicates, the forward-looking statements contained herein are provided as of the date hereof, and we do not undertake to update or amend such forward-looking statements whether as a result of new information, future events or otherwise, except as may be required by applicable law.

Non-IFRS and Other Financial Measures

This presentation makes reference to certain non-IFRS measures. These measures are not recognized measures under IFRS, do not have a standardized meaning prescribed by IFRS, and are therefore unlikely to be comparable to similar measures presented by other companies. Rather, these measures are provided as additional information to complement those IFRS measures by providing further understanding of our results of operations from management's perspective. Accordingly, these measures should not be considered in isolation nor as a substitute for analysis of our financial information reported under IFRS. We use non-IFRS measures including "Adjusted EBITDA Loss", "Adjusted Net Loss", and "EBITDA Loss".

The Company uses a supplementary financial measure to disclose a financial measure that is not (a) presented in the financial statements and (b) is, or is intended to be, disclosed periodically to depict the historical or expected future financial performance, financial position or cash flow, that is not a non-IFRS financial measure as detailed above. We use the supplementary financial measure "gross margin".

These non-IFRS and supplementary financial measures are used to provide investors with supplemental measures of our operating performance and thus highlight trends in our core business that may not otherwise be apparent when relying solely on IFRS financial measures. We also believe that securities analysts, investors and other interested parties frequently use non-IFRS and supplementary financial measures in the evaluation of issuers. Our management also uses non-IFRS and supplementary financial measures in order to facilitate operating performance comparisons from period to period, to prepare annual operating budgets and to determine components of management compensation. For definitions and reconciliations of these non-IFRS measures to the relevant reported measures, please see "How We Assess the Performance of Our Business" and "Selected Consolidated Financial Information" sections of the Company's Management Discussion & Analysis available on sedar.ca and investors.flowhydration.com.



At a Glance





Our Story

- + Founded in Ontario in 2014 as a sustainable premium water and beverage company
- + Started from a family-owned spring in Ontario
- + Packaged in eco-friendly Tetra Pak®
- + Sourced from Virginia since 2019

Our Water

- + Naturally alkaline, ± pH 8.1
- Naturally occurring essential minerals and electrolytes from our artesian springs
- + Abundant supply of spring water
- + Conservation and water stewardship protects our sources for present and future generations

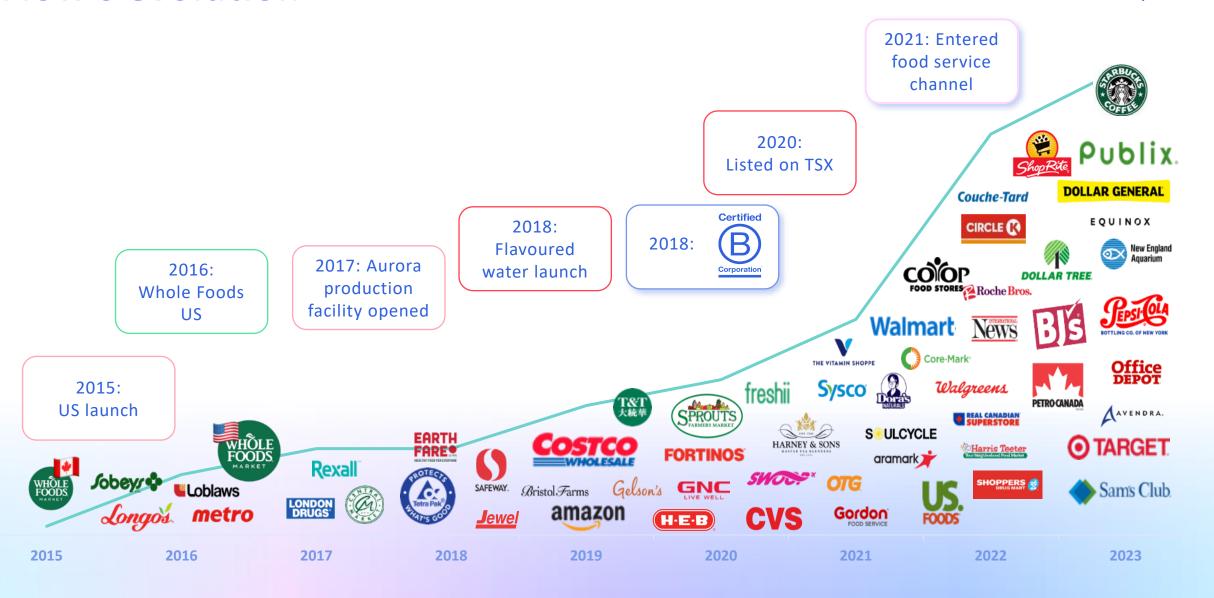
Our Portfolio

- + Flow Naturally Alkaline Spring Water
- + Flow Alkaline Spring Water in four light and refreshing organic flavours, ZERO sugar, ZERO calories

Our Consumer

- She is 25-45 y/o, mindful, balances work, social life, and exercise
- + She is health-conscious and willing to pay more for eco-friendly products
- + Loyal consumer base with a Net Promoter Score of 79*

Flow's evolution



Q1 2024 Milestones

Flow brand

- + Refreshed brand and Tetra Pak packaging innovation, active summer hydration launch program
- Optimized product portfolio: OG + four flavours

Co-pack contracts

- + Entered into 5-year \$115 million manufacturing agreement with BeatBox
- Added BIOSTEEL as a co-pack partner through a 3-year manufacturing agreement
- + Reached \$148 million in minimum contracted revenue over contract terms

Corporate

Completed private placement to help bridge to profitability









FY 2024 strategic growth priorities

Maintain Flow brand growth

- + Retail
 - + Canadian retail
 - + Grocery U.S.
- + Strategic food service partnerships
- + E-commerce optimization
- + New channel distribution

Expanding capacity

- + Fourth production linecommissioned in February2024
- + Increasing capacity by 25% and secured revenue growth

Financial improvements

- + Contracted revenue from co-pack
- + Continued benefits from optimization
- + Stabilization of working capital
- + Clear road to profitability

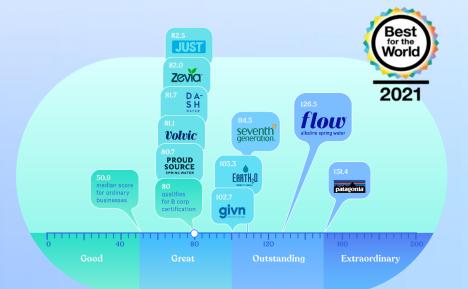
A Positive Impact on the Planet and People

ESG Reporting

 Flow published its first Sustainability Accounting Standards Board (SASB) Report on Earth Day 2022

B Corp "Best for the World" Honoree

- + Top 5% of all B Corp certified companies
- + B Corp score is 126.5, the highest in the water industry
- + Preparing for successful 2024 recertification



Community Engagement

- Participated in Starbucks Shoreline Cleanup in Toronto and Edmonton, and supports Starbucks Tree Planting
- + Flow has continued donating water in disaster-stricken areas such as Hawaii, Florida, Flint, and local food banks.



Going beyond the plastic bottle

- + Packaging in ca.75% plant-based, renewable materials
- + Increased renewable materials packaging being explored
- + Committed to 100% renewable source package by 2030

Carbon neutral

- + Carbon Neutrality across operations
- + Sourcing 100% renewable energy for facilities
- + Amazon Climate Pledge Member
- Reducing Scope 3 emissions with Goodwings and Ecocart

Protecting the source

- Water stewardship
- + Land management
- + Enhancing spring source protection

Greening the supply chain

- + Procurement requires sustainable suppliers
- + Promoting recycling through the Carton Council
- + Packaging designed to be recycled and upcycled



Financial Highlights

Q1 2024

Flow brand net revenue

\$6.6 million in Q1 2024, a 9% decrease from Q1 2023

Drivers: Flow brand growth in Canada, offset by ongoing U.S. competitor reselling, exit of U.S. commercial partnerships

Consolidated net revenue

\$8.3 million in Q1 2024, a 16% decrease from Q1 2023

Drivers: factors impacting Flow brand, early stages of co-pack ramp-up

Gross margin

(15)% in Q4 2023, versus 30% in Q4 2022

Drivers: factors impacting net revenue, below capacity operations, \$0.9 million non-cash raw materials write-off

Adjusted EBITDA

\$(9.2) million in Q1 2024, versus \$(6.2) million Q1 2023

Drivers: factors impacting gross margin, benefit of restructuring in salaries and benefits



Financial Results — Q1 2024

	Three months ended				
In Millions (\$CAD)	January 31, 2024	January 31, 2023			
Flow brand net revenue	6.6	7.2			
Co-pack net revenue	1.7	2.7			
Net revenue	8.3	9.9			
Gross profit	(1.3)	2.9			
Gross margin ¹	(15)%	30%			
Sales and marketing	1.3	1.4			
General and administrative	4.8	4.1			
Salaries and benefits	2.3	3.4			
Share-based compensation	1.5	0.3			
EBITDA Loss ²	(10.9)	(7.0)			
Adjusted EBITDA Loss ³	(9.2)	(6.2)			

Gross margin

- + Lower capacity utilization
- + \$(0.5) million gross margin from exited commercial agreements
- + Non-cash raw materials write-off: \$0.9 million

Operating expenses

- + G&A: 3PL yet to be fully realized, sequential decreases expected
- + Salaries and benefits: restructuring mostly reflected

⁽¹⁾ This is a supplementary financial measure. See the "Non-IFRS and Other Financial Measures" for more information on the supplementary financial measure. "Gross margin" is defined as gross profit divided by net revenue.

⁽²⁾ This is a non-IFRS financial measure. See the "Non-IFRS and Other Financial Measures" for more information on the non-IFRS measure. "EBITDA Loss" is defined as consolidated net loss before: (i) income tax expense; (ii) finance expense, net; and (ii) amortization and depreciation of property, plant, and equipment and intangible assets.

⁽³⁾ This is a non-IFRS financial measure. See the "Non-IFRS and Other Financial Measures" for more information on the non-IFRS measure. "Adjusted EBITDA Loss" is defined as EBITDA Loss before: (i) restructuring and other costs; and (ii) share-based compensation.

FY 2024 strategic operational priorities

Restructuring complete	Production optimization	New operating model
 + Functional area transformation complete + Realize benefits of 3PL 	 + Contractual minimums + Capacity utilization + Fourth production line + Overhead absorption 	 + Consolidated manufacturing into Canada + Third-party logistics + No tolling fees + Improved processes

Financial benefits

- + \$20 to \$24 million in cost improvement in FY 2024
- + Adjusted EBITDA and positive cash flow from operations by Q4 2024

Unlocking Shareholder Value

Current valuation

- + Flow is trading at 0.7x EV/Revenue
- + Weighted average peer group trading at 5.3x EV/Revenue
- + *Flow* brand is achieving among the highest growth rates (27% 2023)

Value to be unlocked through:

- + Strengthening balance sheet and cash flow position
- + Continued growth of Flow brand
- + Executing plan to profitability
- + Investments into IR program

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			Reve	enue	Kevenue	Growth	EV/Re	venue	EV/E	BITDA
Company	Mcap.	EV	2023	2024	2023	2024	2023	2024	2023	2024
Bellring	\$7,685	\$8,493	\$1,667	\$1,882	20%	13%	5.1x	4.5x	25x	23x
Celsius	\$21,736	\$20,977	\$1,302	\$1,817	99%	40%	16.1x	11.5x	74x	55x
Guru	\$75	\$37	\$29	\$39	(1)%	33%	1.3x	0.9x	N/A	N/A
Lassonde	\$748	\$936	\$2,311	\$2,385	7%	3%	0.4x	0.4x	5x	4x
Monster	\$62,985	\$61,015	\$7,170	\$8,002	12%	12%	8.5x	7.6x	29x	25x
National Beverage	\$4,431	\$4,184	\$1,093	\$1,192	(4)%	9%	3.8x	3.5x	17x	16x
Oatly	\$599	\$821	\$770	\$821	9%	7%	1.1x	1.0x	N/A	N/A
Primo	\$2,767	\$4,073	\$2,344	\$2,496	5%	6%	1.7x	1.6x	9x	10x
Vita Coco	\$1,426	\$1,332	\$487	\$504	14%	3%	2.7x	2.6x	20x	18x
Average					18%	14%	4.5x	3.8x	26x	21x
Weighted average					32%	11%	5.9x	5.3x	20x	18x
Flow	\$15	\$42	\$47	\$60	(1)%	29%	0.9x	0.7x	N/A	N/A

Source: Refinitiv



Management Team



Nicholas Reichenbach Chief Executive Officer

- + Founder of Flow
- + Director SimplyProtein (Wellness Natural, Inc.)
- + Managing Partner Evolver Ventures



Trent MacDonald
Chief Financial Officer and
EVP Operations

- + 25 years of executive leadership
- + Retail and CPG experience with Sobeys, Indigo,
 Neighbourly Pharmacy and HEXO
- + Award winning entrepreneur focused on growth and value creation

Board of Directors



Nicholas Reichenbach Chairman & CEO

Founder of Flow

Director Simply Protein (Wellness Natural Inc.)

Managing Partner Evolver Ventures



Joe Jackman
Director

Founder & CEO
Jackman Reinvents

Director Simply Protein (Wellness Natural Inc.)

Former CMO (Acting) Old Navy (division of Gap Inc.)

Former CMO (Acting)
Duane Reade

Former EVP Marketing Loblaw Companies Ltd



Chavanne
Lead Independent
Director

President & CEO, eShopWorld

Director, Chair Compensation Committee Brown-Forman

Director, French-American Foundation United States



Stephen A. Smith Independent Director

Chair of Flow Audit Committee

Previous co-CEO and CFO of Cara
Operations (now Recipes Unlimited)

Previous EVP Finance and CFO of Loblaw

Director of Organigram, Freshii, Mav Beauty Brand and CE Brands



Michael Lines
Independent Director

Chair of Flow's CHR&C Committee

Founder and President of Simply Protein (Wellness Natural Inc.)

Vice-Chair of Plant Based Foods of Canada

Corporate Snapshot

Capitalization Summary

Company Symbol	TSX:FLOW	
Shares outstanding	72.8M	
Options, RSUs, DSUs and warrants	15.9M	
Fully-diluted shares outstanding	88.7M	
Market capitalization (March 14, 2024)	\$15M	
Cash (January 31, 2024)	\$7.3M	









It's a beautiful day to invest in the future.

