

Q4 2023 Financial Results

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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/.

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Zevia is...

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



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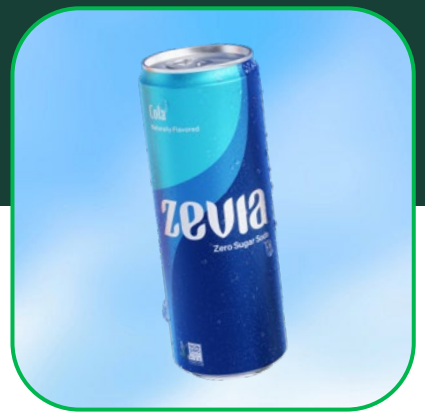
The Zevia Solution



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.

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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 Stockholder Value

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4 Product Categories, 32 Flavors, New Brand Identity



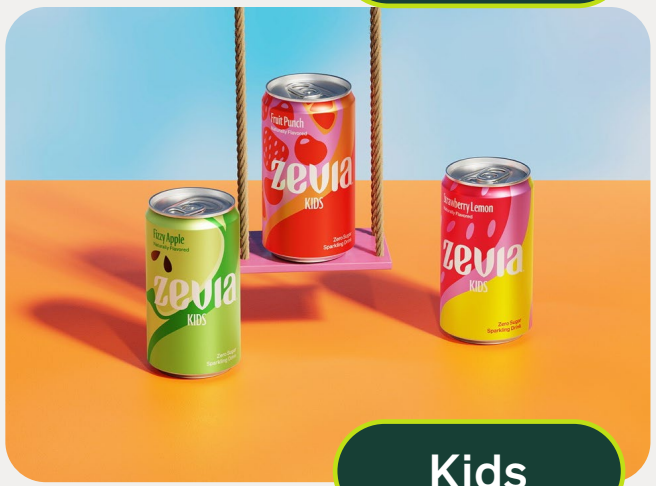
Soda



Energy



Tea



Kids

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Q4 2023 Financial Results

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Executive Summary

- **Positive net sales performance driven by pricing realizations and increased volume**
  - Net sales increased 6.9% year-over-year to $37.8 million
  - Volume increased 3.7% year-over-year to 2.8 million equivalized cases sold
- **Financial performance reflects investments in accelerating supply chain transition**
  - Q4 Margin declined -3.6 percentage points over prior year driven by inventory losses as we accelerated our supply chain transition, while full year 2023 margin improved to 44.9%, up 2.0 percentage points over prior year
  - Investment in supply chain fixes and inventory losses yielded temporary Adjusted EBITDA impact
- **Initiatives support accelerated growth**
  - Preparing to launch a regional Direct Store Delivery route to market
  - Gained distribution in selected regional convenience chains
  - Transitioned our contract manufacturers to a new more efficient model
  - Onboarded a new transportation management company, outsourcing freight
  - Communicated price increase effective in May 2024

Net Sales

$37.8 Million

+6.9%

Gross Margin

40.7%

-3.6 percentage points

Adjusted EBITDA Loss[1]

$6.8 Million

[1] 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 Slide 11 for a discussion of this measure and a reconciliation to the most directly comparable GAAP measure

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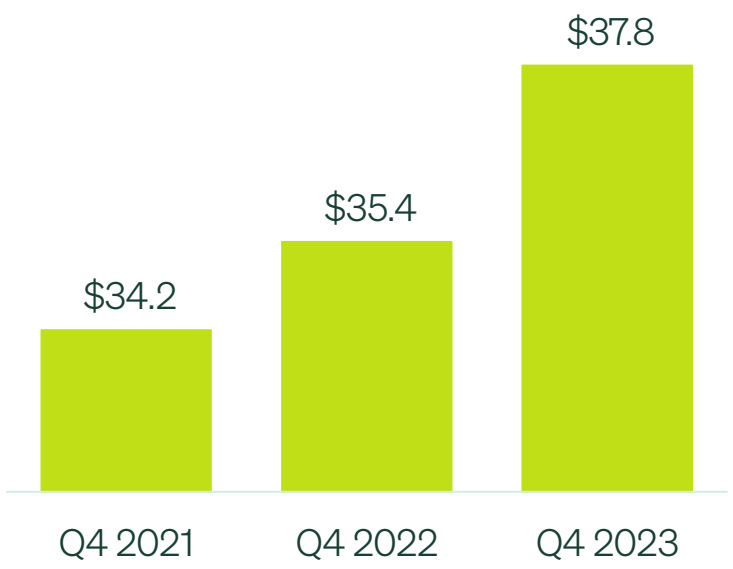
Q4 2023 Financials Overview – Year Over Year

($ in Millions)

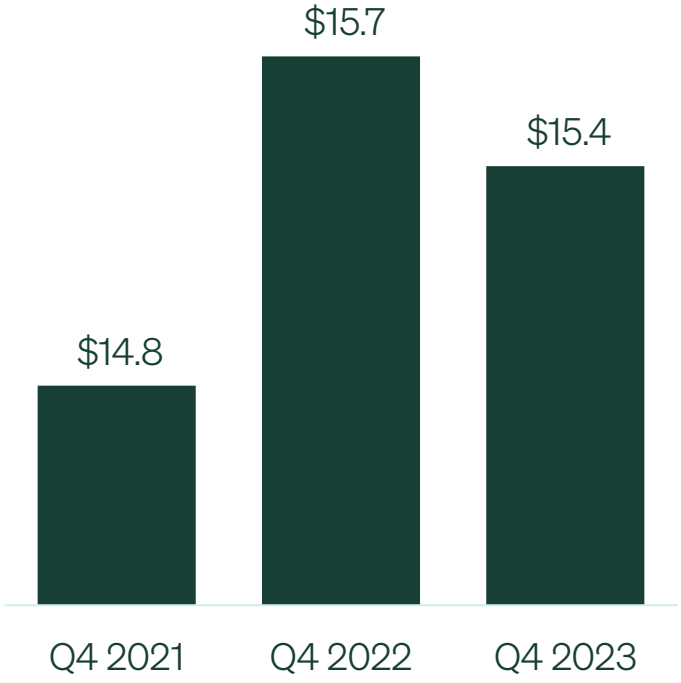
Net Sales

Two Year Growth +11%



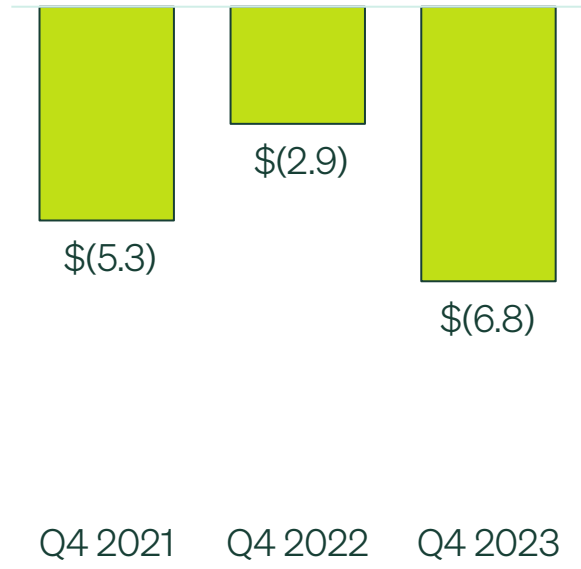
% Growth		
23%	4%	7%

Gross Profit



% of Net Sales		
43.3%	44.3%	40.7%

Adjusted EBITDA[1]



% of Net Sales		
N/A[2]	N/A[2]	N/A[2]

[1] 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 Slide 11 for a discussion of this measure and a reconciliation to the most directly comparable GAAP measure.
[2] Q4 2021, Q4 2022, and Q4 2023 represent a net loss

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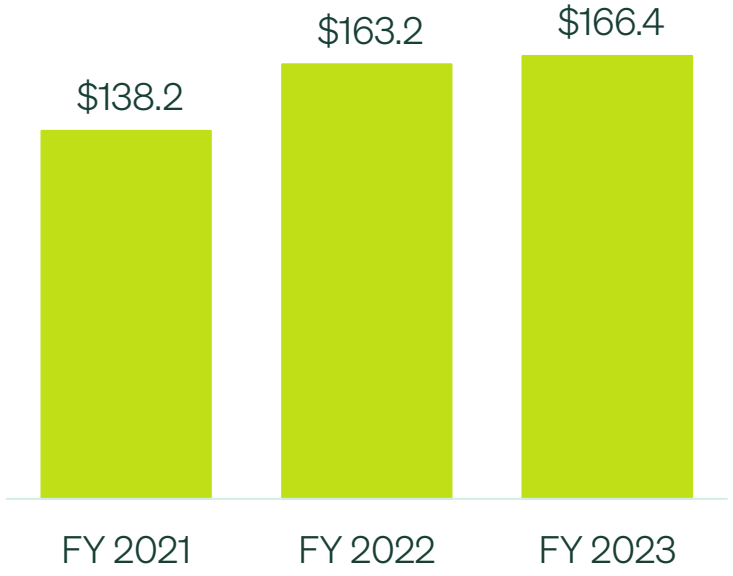
Full Year 2023 Financials Overview – Year Over Year

($ in Millions)

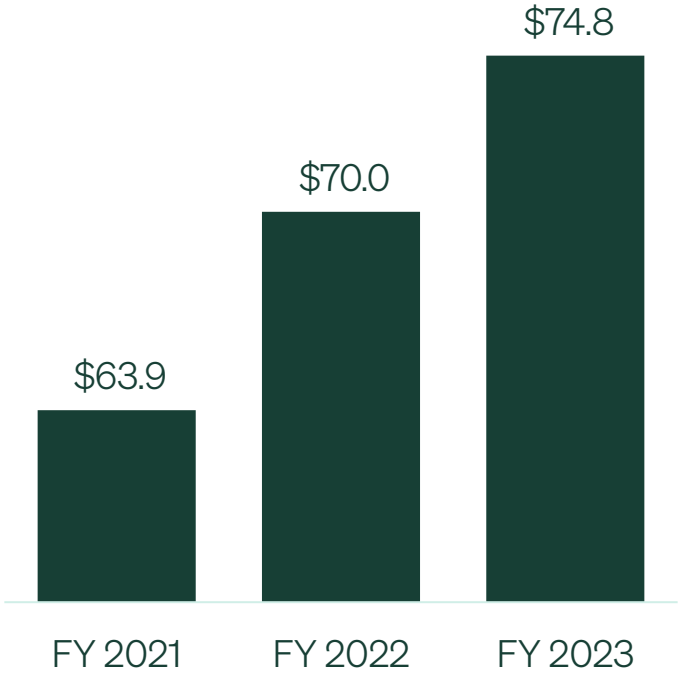
Net Sales

Two Year Growth +20%



% Growth		
26%	18%	2%

Gross Profit



% of Net Sales		
46.3%	42.9%	44.9%

Adjusted EBITDA[1]



% of Net Sales		
N/A[2]	N/A[2]	N/A[2]

[1] 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 Slide 11 for a discussion of this measure and a reconciliation to the most directly comparable GAAP measure.
[2] 2021, 2022 and 2023 represent a net loss

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Profit & Loss and Adjusted EBITDA Reconciliation

	Q4 2023	Q4 2022	Q4 2021	FY 2023	FY 2022	FY 2021
Net Sales	$37.8	$35.4	$34.2	$166.4	$163.2	$138.2
% Growth	*6.9%*	*3.5%*	*22.8%*	*2.0%*	*18.1%*	*25.6%*
Cost of Good Sold	$22.4	$19.7	$19.4	$91.7	$93.2	$74.2
Gross Profit	**$15.4**	**$15.7**	**$14.8**	**$74.8**	**$70.0**	**$63.9**
Gross Margin	*40.7%*	*44.3%*	*43.3%*	*44.9%*	*42.9%*	*46.3%*
Selling and Marketing	$13.8	$10.0	$11.9	$62.3	$52.9	$45.1
General and Administrative	$8.4	$8.5	$8.2	$31.5	$36.8	$27.5
Equity-based Compensation	$1.7	$3.1	$31.9	$8.3	$26.9	$77.7
Depreciation and Amortization	$0.4	$0.3	$0.3	$1.6	$1.3	$1.0
Loss from Operations	**($8.9)**	**($6.3)**	**($37.5)**	**($28.9)**	**($47.9)**	**($87.4)**
Other (Expense) Income, Net	($0.2)	$0.2	$0.0	$0.7	$0.3	($0.2)
Benefit (Provision) for Income Taxes	($0.0)	($0.0)	$0.0	($0.1)	($0.1)	($0.0)
Net Loss	**($9.2)**	**($6.2)**	**($37.4)**	**($28.3)**	**($47.6)**	**($87.7)**
Net Loss to Adjusted EBITDA Reconciliation						
Net Loss	($9.2)	($6.2)	($37.4)	($28.3)	($47.6)	($87.7)
Other Expense (Income), Net[1]	$0.2	($0.2)	($0.0)	($0.7)	($0.3)	$0.2
Provision for Income Taxes	$0.0	$0.0	($0.0)	$0.1	$0.1	$0.0
Depreciation & Amortization	$0.4	$0.3	$0.3	$1.6	$1.3	$1.0
Equity-based Compensation Expense	$1.7	$3.1	$31.9	$8.3	$26.9	$77.7
Adjusted EBITDA[2]	**($6.8)**	**($2.9)**	**($5.3)**	**($19.0)**	**($19.6)**	**($8.7)**

[1] Includes interest (income) expense, foreign currency (gains) losses, and (gain) losses on disposal of fixed assets.
[2] Represents a non-GAAP financial measure and is presented for supplemental informational purposes only. Summations may not foot due to rounding.

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Recent Developments

Syndicated Data & Initiatives

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Consumer Panel Metrics

Household Penetration



% household penetration[1]



Dollar sales per household

Purchase Trends



Purchase Frequency



Dollar sales per trip

Source: Numerator Shopper Metrics Report for 12M ending 12/31/2023

[1] Decline is expected to be temporary and largely reflective of supply chain disruption

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Zevia Buyers Bring Incremental Growth to Beverage Sales

Zevia buyers are beverage engaged and spend more

+39%
More spend on Total Beverages
Latest 12 Month vs. Average Shoppers[1]

+32%
More Total Beverage Trips
Latest 12 Month vs. Average Shoppers[1]

+6%
Higher Total Basket Spend
Latest 12 Month vs. Average Shoppers[1]

+24%
Dollar Sales Velocity L52WK[2]



Source: [1] Numerator Shopper Metrics Report for 12M ending 12/31/2023
[2] Dollars per point of Distribution on Zevia Soda for Total US Mulo + Natural Channels as measured by Spins/Circana scan data through 12/31/2023

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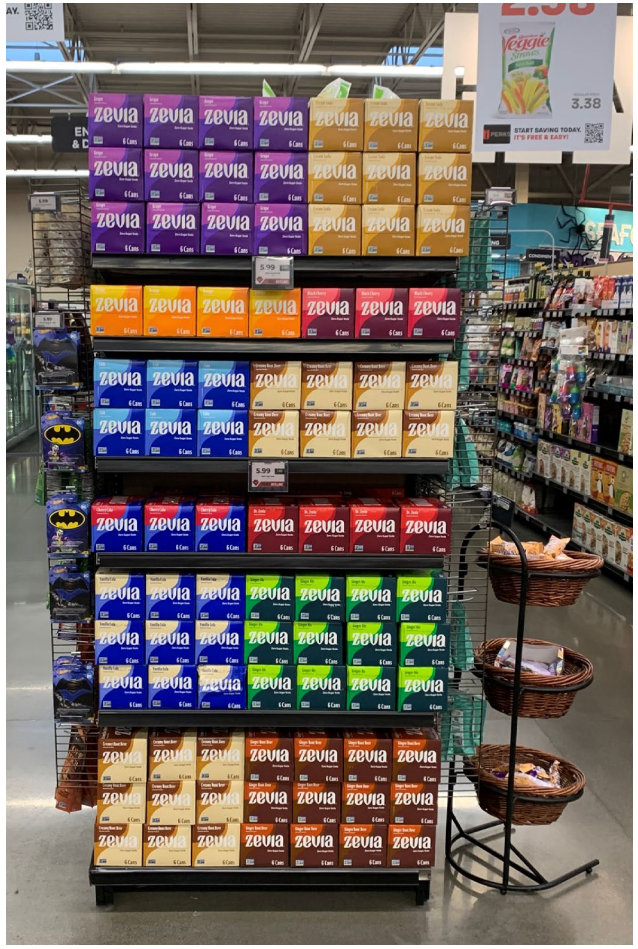
Brand Refresh Has Rolled Out Nationwide









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Q4 2023 Progress on the Mission



Sugar Reduction

Eliminated 2.7K metric tons of sugar from our consumers' diets in the Q



Plastic Reduction

Eliminated 40 million plastic bottles from littering roadways, waterways and communities in the Q



Best Career Growth 2023 (Small & Midsize Companies)



Best CEOs for Women 2023 (Small & Midsize Companies)



Best CEOs 2023 (Small & Midsize Companies)



Affordability Index

Zevia remains more affordable than 65% of all non-alcoholic beverages in North America

Company Culture

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



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