



QUARTERLY UPDATE

Q3 2024





Forward Looking Information

This presentation contains “forward-looking information” within the meaning of applicable securities laws. Forward looking information may relate to our future outlook and anticipated events or results and may include information regarding our financial position, business strategy, growth strategy, budgets, operations, financial results, taxes, dividend policy, plans, intentions, beliefs, and objectives of our Company. Particularly, information regarding our expectations of future results, performance, achievements, prospects or opportunities is forward looking information. In some cases, forward looking information can be identified by the use of forward looking terminology such as “plans”, “targets”, “expects”, “does not expect”, “is expected”, “an opportunity exists”, “budget”, “scheduled”, “estimates”, “outlook”, “forecasts”, “projection”, “prospects”, “strategy”, “intends”, “anticipates”, “does not anticipate”, “believes”, or variations of such words and phrases or state that certain actions, events or results “may”, “could”, “would”, “might”, “will”, “will be taken”, “occur” or “be achieved”. In addition, any statements that refer to expectations, intentions, projections or other characterizations of future events or circumstances contain forward looking information. Statements containing forward looking information are not historical facts but instead represent management’s expectations, estimates and projections regarding future events or circumstances. In addition, our assessments of, and targets for, annual revenue, Adjusted EBITDA, Adjusted diluted earnings per share and certain other measures are considered forward looking information. See the section titled “Outlook” in our most recently filed MD&A for additional information concerning our strategies, assumptions and market outlook related to these assessments.

The forward-looking information contained in this presentation is based on management’s opinions, estimates and assumptions in light of its experience and perception of historical trends, current conditions and expected future developments, as well as other factors that we believe to be appropriate and reasonable in the circumstances. Despite a careful process to prepare and review the forward-looking information, there can be no assurance that the underlying opinions, estimates and assumptions will prove to be correct. Certain assumptions in respect of the ability to pursue further strategic acquisitions; our ability to source raw materials and other inputs from our suppliers; our ability to continue to innovate product offerings that resonate with our target customer base; our ability to retain key management and personnel; our ability to continue to expand our international presence and grow our brand internationally; our ability to obtain and maintain existing financing on acceptable terms; currency exchange and interest rates; the impact of competition; changes to trends in our industry or global economic factors; and changes to laws, rules, regulations and global standards are material factors made in preparing the forward looking information and management’s expectations contained in this presentation.

The forward-looking information contained in this presentation represents management’s expectations as of the date of this presentation and is subject to change after such date. However, we disclaim any intention or obligation or undertaking to update or revise any forward-looking information whether as a result of new information, future events or otherwise, except as required under applicable securities laws in Canada.

Forward-looking information is necessarily based on a number of opinions, estimates and assumptions that management considered appropriate and reasonable as of the date such statements are made, is subject to known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information, including but not limited to those described under the heading “Risk Factors” in our 2023 annual MD&A for the fiscal year ended December 31, 2023 and in our most recent annual information form.

We caution that the list of risk factors and uncertainties under the heading “Risk Factors” is not exhaustive and other factors could also adversely affect our results. Readers are urged to consider the risks, uncertainties and assumptions carefully in evaluating the forward-looking information and are cautioned not to place undue reliance on such information.

NON-IFRS FINANCIAL MEASURES

This presentation may make reference to the following non IFRS financial measures: “EBITDA”, “Adjusted EBITDA”, “Adjusted net earnings”, “normalized gross profit”, “normalized SG&A”, “normalized earnings from operations”, “cash from operating activities before working capital considerations” and “net debt”, the following non-IFRS ratios: “Adjusted EBITDA margin”, “Adjusted diluted earnings per share”, “normalized gross profit margin”, “normalized operating margin”, and the following supplementary financial measures: “gross profit margin”, “operating margin” and “USD denominated revenue”, to provide 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. Accordingly, these measures should not be considered in isolation nor as a substitute for analysis of our financial information reported under IFRS. For further details on these non-IFRS measures, non-IFRS ratios, and supplementary financial measures, including relevant definitions and certain reconciliations, see our most recently filed MD&A.



Third Quarter 2024 Highlights



- 1 Successful launch of the Jamieson brand's integrated advertising campaign in Canada, focused on the Company's 102-year-history of quality and trust
- 2 Achieved the Company's highest third quarter revenue to date in China, driven by investments in increasing brand awareness, market penetration, and ecommerce programs
- 3 Sustained growth of the youthery brand, led by consumption of product innovations
- 4 25% International revenue growth, driven by innovation and distribution gains in multiple markets
- 5 Renewed the Company's partnership with environmental restoration company veritree, expanding its Canadian kelp restoration project and committing to two new international tree planting projects in 2025



Third Quarter 2024 Summary of Segment Results

- Revenue was **\$155.0 million**, an increase of **20.0%** or **\$25.9 million**



- Gross profit increased **\$17.6 million** to **\$65.3 million**; normalized gross profit margin increased by **250 bps**, mainly driven by significant volume growth and channel mix in China, the Company's higher margin geography
- Adjusted EBITDA¹ increased by **\$3.2 million** to **\$32.3 million**, driven by higher gross profit and offset by investments in SG&A to drive brand awareness and growth in China

¹ This is a non-IFRS financial measure. See the "Non-IFRS and Other Financial Measures" section of this presentation for more information on each non-IFRS financial measure.



STRATEGIC PARTNERS

Third Quarter 2024 Summary of Segment Results

- Revenue was **\$21.2 million**, an expected decrease of **5.4%** or **\$1.2 million**
 - Revenue was impacted by the transition away from a customer contract as previously announced
- Gross profit was **\$2.3 million**, a decrease of **\$1.1 million**
- Gross profit margin¹ was 10.9%, a decrease of **460 basis points**, impacted by lower plant utilization and customer mix
- Adjusted EBITDA² was **\$1.6 million**, a decrease of **\$1.2 million**; Adjusted EBITDA margin³ was **7.4%**, a decrease of **490 basis points**

¹ This is a supplementary financial measure. See the "Non-IFRS and Other Financial Measures" section of this presentation for more information on each supplementary financial measure.

² This is a non-IFRS financial measure. See the "Non-IFRS and Other Financial Measures" section of this presentation for more information on each non-IFRS financial measure.

³ This is a non-IFRS ratio. See the "Non-IFRS and Other Financial Measures" section of this presentation for more information on each non-IFRS ratio.



Third Quarter 2024

Balance Sheet and Cash Flow

- As of September 30, 2024, the Company had approximately **\$207.2 million** in cash and available revolving and swingline facilities and net debt¹ of **\$292.8 million**
- The Company generated **\$24.2 million** in cash from operations compared to **\$14.0 million** used in Q3 2023
- Cash from operating activities before working capital considerations of **\$18.5 million** increased by **\$0.8 million**
- Cash generated from working capital increased by **\$37.4 million** driven by timing of accounts receivable collections, income tax payable, and drawdown of inventory

¹ This is a supplementary financial measure. See the "Non-IFRS and Other Financial Measures" section of this presentation for more information on each supplementary financial measure.



Third Quarter 2024 Consolidated Results

METRIC	Q3 2024	Q3 2023	Growth Rate
Consolidated Revenue	\$176.2	\$151.5	16.3%
Canada	\$87.3	\$75.8	15.1%
U.S. (youtheory)	\$34.9	\$33.0	5.7%
China	\$22.6	\$12.2	81.7% constant currency
International	\$10.3	\$8.1	25.2% constant currency
Total Jamieson Brands Segment	\$155.0	\$132.9	20.0%
Strategic Partners Segment	\$21.2	\$34.7	(5.4%)
Consolidated Adjusted EBITDA	\$33.9	\$31.9	6.4%
Consolidated Adjusted EBITDA Margin ¹	19.3%	21.0%	(1.7%)
Adjusted diluted EPS	\$0.37	\$0.35	4.7%

¹ Adjusted EBITDA margin in the quarter impacted as expected by the Company's investment in SG&A to drive brand awareness and growth in China

Summary Consolidated Financial Information



	Fiscal Year Ended				
	December 31,				
<i>(\$ in millions, except as otherwise noted)</i>	2023	2022	2021	2020	2019
Revenue	676.2	547.4	451.0	403.7	345.0
Cost of sales	442.6	349.0	288.6	258.9	215.2
Selling, general and administrative expenses	140.3	110.2	80.7	76.3	69.9
Share-based compensation	5.9	4.9	5.7	4.9	4.3
Acquisition related adjustments	(7.9)	--	--	--	--
Earnings from operations	95.3	83.2	76.0	63.6	55.4
Foreign exchange loss (gain)	2.0	0.3	(0.1)	0.5	0.4
Other expenses	--	--	--	0.0	3.4
Interest expense and other financing costs	22.8	12.4	5.7	6.0	9.4
Accretion on preferred shares	4.8	--	--	--	--
Earnings before income taxes	65.7	70.5	70.5	57.0	42.3
Provision for income taxes	19.6	17.7	18.4	15.5	10.6
Net earnings	46.0	52.8	52.1	41.6	31.7
Revenue	676.2	547.4	451.0	403.7	345.0
Adjusted EBITDA	138.1	123.8	100.1	88.0	75.9
Adjusted EBITDA Margin	20.4%	22.6%	22.2%	21.8%	22.0%
Adjusted Net Earnings	66.1	65.1	55.2	47.9	38.1
Adjusted Net Earnings Per Fully Diluted Share	1.55	1.55	1.32	1.16	0.96

Summary Consolidated Financial Information



(\$ in millions, except as otherwise noted)

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2024	2023	% Change	2024	2023	% Change
Revenue	176.2	151.5	16.3%	489.0	455.8	7.3%
Cost of sales	108.6	100.4	8.2%	313.6	301.3	4.1%
Gross profit margin	38.4%	33.8%	4.6%	35.9%	33.9%	2.0%
Selling, general and administrative expenses	42.0	30.8	36.4%	125.4	98.0	28.0%
Share-based compensation	1.8	1.4	26.5%	5.3	4.3	21.9%
Earnings from operations	23.8	18.9	25.6%	44.7	52.2	(10.0%)
Foreign exchange loss (gain)	0.6	(1.4)	142.5%	(0.4)	0.3	(230.4%)
Interest expense and other financing costs	5.1	5.6	(9.3%)	14.6	17.9	(18.5%)
Accretion on preferred shares	2.2	2.0	6.3%	6.5	2.9	127.0%
Income before income taxes	16.0	12.7	26.0%	24.0	31.1	(20.0%)
Provision for income taxes	5.6	4.9	13.3%	9.0	9.1	(1.5%)
Net earnings	10.4	7.8	34.1%	15.0	22.0	(31.9%)
Revenue	176.2	151.5	16.3%	489.0	455.8	7.3%
Adjusted EBITDA	33.9	31.9	6.4%	81.6	87.4	(6.7%)
Adjusted EBITDA Margin	19.3%	21.0%	(1.7%)	16.7%	19.2%	(2.5%)
Adjusted Net Earnings	15.8	15.0	5.6%	34.4	37.5	(8.2%)
Adjusted Earnings Per Share	0.37	0.35	4.7%	0.80	0.88	(9.1%)

Reconciliation of net income to EBITDA, adjusted EBITDA and adjusted net income



(\$ in millions, except as otherwise noted)	Three Months Ended		Nine Months Ended		Fiscal Year Ended					
	September 30,		September 30,		December 31,					
	2024	2023	2024	2023	2023	2022	2021	2020	2019	2018
Net earnings	10.4	7.8	15.0	22.0	46.0	52.8	52.1	41.6	31.7	26.7
Provision for income taxes	5.6	4.9	9.0	9.1	19.6	17.7	18.4	15.5	10.6	10.6
Interest expense and other financing costs	5.1	5.6	14.6	17.9	22.8	12.4	5.7	6.0	9.4	9.0
Accretion on preferred shares	2.2	2.0	6.5	2.9	4.8	--	--	--	--	--
Depreciation and amortization	4.7	5.2	14.4	15.2	20.3	17.2	14.3	12.2	10.9	9.0
EBITDA	27.9	25.5	59.4	67.1	113.6	100.2	90.4	75.3	62.6	55.3
Share-based compensation	1.8	1.4	5.3	4.3	5.9	4.9	5.7	4.9	4.3	3.1
Foreign exchange loss (gain)	0.6	(1.4)	(0.4)	0.3	2.0	0.3	(0.1)	0.5	0.4	0.6
Acquisition and divestiture related costs	0.5	0.4	1.0	5.5	8.4	12.9	--	--	--	(1.1)
Amortization of fair value adjustments	--	3.5	--	5.8	8.4	0.8	--	--	--	--
Labour relations costs	--	--	6.4	--	--	--	--	--	--	--
COVID-19 related costs	--	--	--	--	--	0.2	2.4	5.1	--	--
IT implementation and business integration	3.0	2.4	9.4	4.5	7.7	4.5	1.9	2.2	1.2	4.1
Acquisition related purchase consideration and post-closing adjustments	--	--	--	--	(7.9)	--	--	--	--	--
International market expansion	--	--	--	--	--	--	--	--	1.7	0.9
Other	0.1	0.0	0.4	(0.1)	--	--	(0.1)	--	5.6	4.7
Adjusted EBITDA	33.9	31.9	81.6	87.4	138.1	123.8	100.1	88.0	75.9	67.6
Provision for income taxes	(5.6)	(4.9)	(9.0)	(9.1)	(19.6)	(17.7)	(18.4)	(15.5)	(10.6)	(10.6)
Interest expense and other financing costs	(5.1)	(5.6)	(14.6)	(17.9)	(22.8)	(12.4)	(5.7)	(6.0)	(9.4)	(9.0)
Depreciation and amortization	(4.7)	(5.2)	(14.4)	(15.2)	(20.3)	(17.2)	(14.3)	(12.2)	(10.9)	(9.0)
Share-based compensation	(1.7)	(1.3)	(4.9)	(4.0)	(5.5)	(6.3)	(5.5)	(4.3)	(3.6)	(2.5)
Tax deduction from vesting of certain share-based awards	--	--	--	(1.0)	(1.0)	--	--	--	(1.0)	--
Other	--	--	--	--	--	--	--	0.1	0.2	--
Tax effect of normalization adjustments	(1.1)	0.1	(4.3)	(2.7)	(2.8)	(4.9)	(1.1)	(2.1)	(2.4)	(2.7)
Adjusted net earnings	15.8	15.0	34.4	37.5	66.1	65.1	55.2	47.9	38.1	33.7
Adjusted EBITDA	33.9	31.9	81.6	87.4	138.1	123.8	100.1	88.0	75.9	67.6
Less capital expenditures	2.0	1.4	5.4	6.1	8.8	13.9	21.5	11.3	9.0	10.9
Simple free cash flow	31.9	30.5	76.1	81.4	129.2	109.8	78.6	76.7	66.9	56.7
Simple free cash flow conversion	94%	96%	93%	93%	94%	89%	79%	87%	88%	84%

Financial Performance: 2024 Guidance



METRIC	2023	2024 TARGET RANGE	GROWTH RATE	2025 TARGET
Total Revenue	\$676.2	\$725.0 - \$755.0	7.2% - 11.7%	-
Jamieson Brands Segment				
• Canada	\$314.1	\$331.4 - \$337.7	5.5% - 7.5%	-
• U.S. (youtheory)	\$152.3	\$167.5 - \$175.1	10.0% - 15.0%	-
• China	\$51.3	\$84.6 - 92.3	65.0% - 80.0%	-
• International	\$33.5	\$36.8 - \$40.2	10.0% - 20.0%	-
Total Jamieson Brands Segment	\$551.2	\$620.0 - \$645.0	12.5% - 17.0%	10% - 15%
Strategic Partners Segment ¹	\$125.0	\$105.0 - \$110.0	(-12.0% - -16.0%)	-
Adj. EBITDA	\$138.1	\$139.0 - \$143.0	Up to 3.6%	\$155 - \$165
Adj. EBITDA Margin ²	20.4%	-	-120 and -150 bps	-
Adj. Diluted Earnings per Share	\$1.55	\$1.57 - \$1.63	Up to 5.2%	-

¹ Strategic Partners expected to decline 12.0% to 16.0%, reflecting the transition out of a customer contract, partially offset as new opportunities are onboarded

² Adjusted EBITDA margin expected to decline by 120 and 150 basis

This outlook reflects the following assumptions:

- Normalized SG&A is expected to increase 25% to 30%
- A fully diluted share count of approximately 42.5 million shares.

*Company guidance updated on November 7, 2024

*All \$ figures in CAD millions



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