

100
YEARS OF
WELLNESS

 **JAMIESON**
wellness inc.

GLOBAL GROWTH

INVESTOR UPDATE AUGUST 2022

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 2021 annual MD&A for the fiscal year ended December 31, 2021 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.



Our Mission: To become the world's most successful and trusted health and wellness company.



¹ Source: IQVIA CHIC, National FDM, 52 weeks ending January 01, 2022, Total VMS, Total Dollars

- Leading Canadian health and wellness company founded in 1922.
- Expanding presence in the United States with recently announced acquisition of the youtheory VMS brand.
- Manufacturer and marketer of Jamieson, the #1 VMS brand in Canada.¹ Manufacturers and marketers of the youtheory, Progressive, Precision and Iron Vegan brands and marketers of the Smart Solutions brand.
- Jamieson brand available in more than 10,000 retail locations across Canada and established on all major ecommerce platforms.
- Recently disclosed Environmental, Social and Governance update outlining environmental, social and governance activities, objectives and targets.
- Scalable in-house manufacturing with 4 state-of-the-art facilities: three in Ontario, Canada and one in California, USA.
- Growing international business platform with sales in 45+ countries and regions; rapidly emerging opportunity for Jamieson to become a leading health and wellness brand in China.



Our brands are uniquely positioned to **meet consumers' evolving needs** throughout their lifetime health and wellness journey.



Making health & wellness easier for everyone.



Improving quality of life and wellness for all.



On the cutting edge of health and wellness.



Leveraging the power of plants for a healthier world.



Empowering women to live life to the fullest.



Supporting performance for aspiring athletes.





Our industry-leading **commitment to quality.**



- All products manufactured according to “360 Pure”, our industry-leading quality assurance program
- Third-party certifications including DNA verification on herbal and probiotic products
- Primary Canadian tablet and soft gel manufacturing facilities registered at pharmaceutical standards by Health Canada
- Numerous manufacturing certifications including Health Canada Drug Establishment Licences, GMP certification, Australian Therapeutic Goods Administration (TGA) clearance



Jamieson Wellness Today: A consistent history of organic revenue growth.



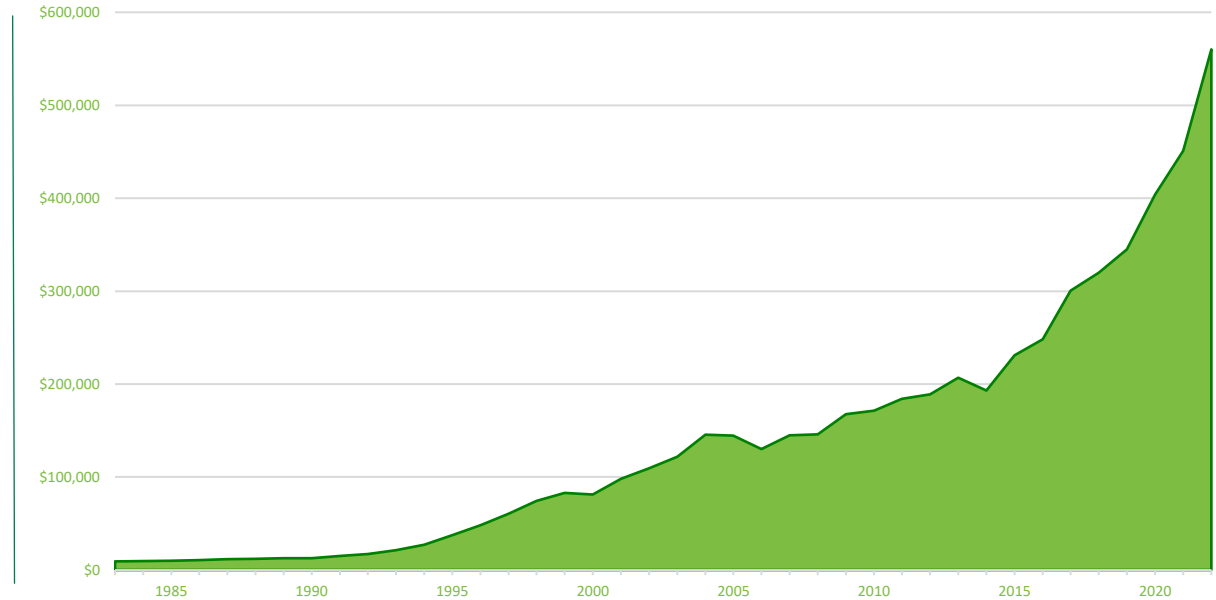
CAGR
2017–2021
(Since IPO)



CAGR
2010–2020



CAGR
2000–2020

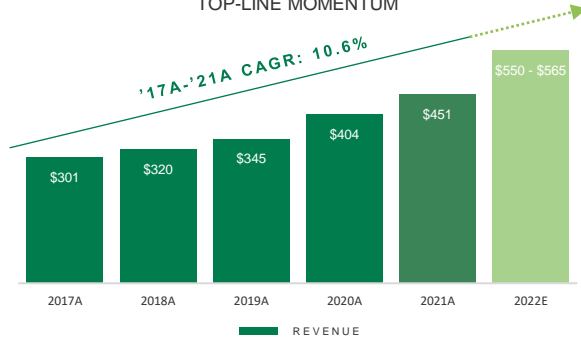


* 2014 to 2021 per audited IFRS statements and includes impact of acquisitions. 1983 to 2013 per historical financial statements (under Canadian Accounting Standards for Private Enterprises)

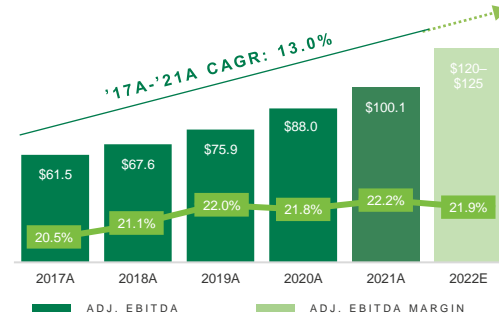


Financial Performance: Growth and momentum.

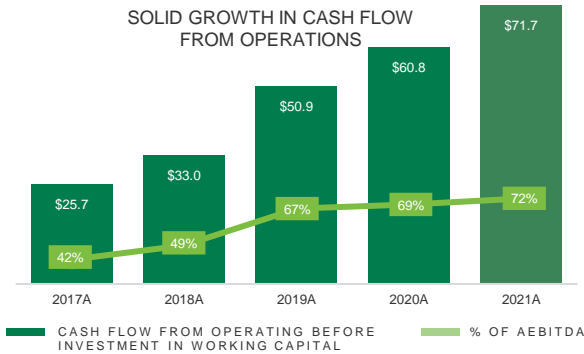
TOP-LINE MOMENTUM



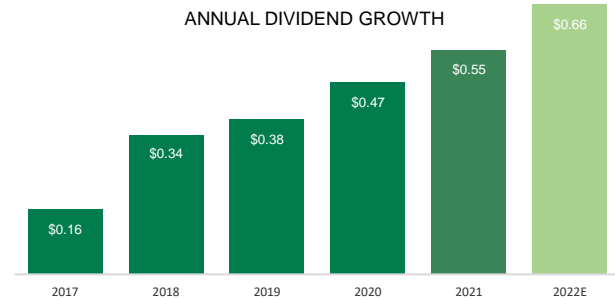
ADJUSTED EBITDA GROWTH & MARGIN



SOLID GROWTH IN CASH FLOW FROM OPERATIONS



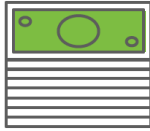
ANNUAL DIVIDEND GROWTH



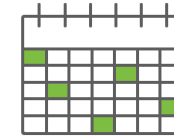
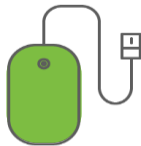


Our growth is being propelled by a **global health and wellness megatrend.**

RISING
DISPOSABLE
INCOME



EXPANDING
ACCESS TO
INFORMATION



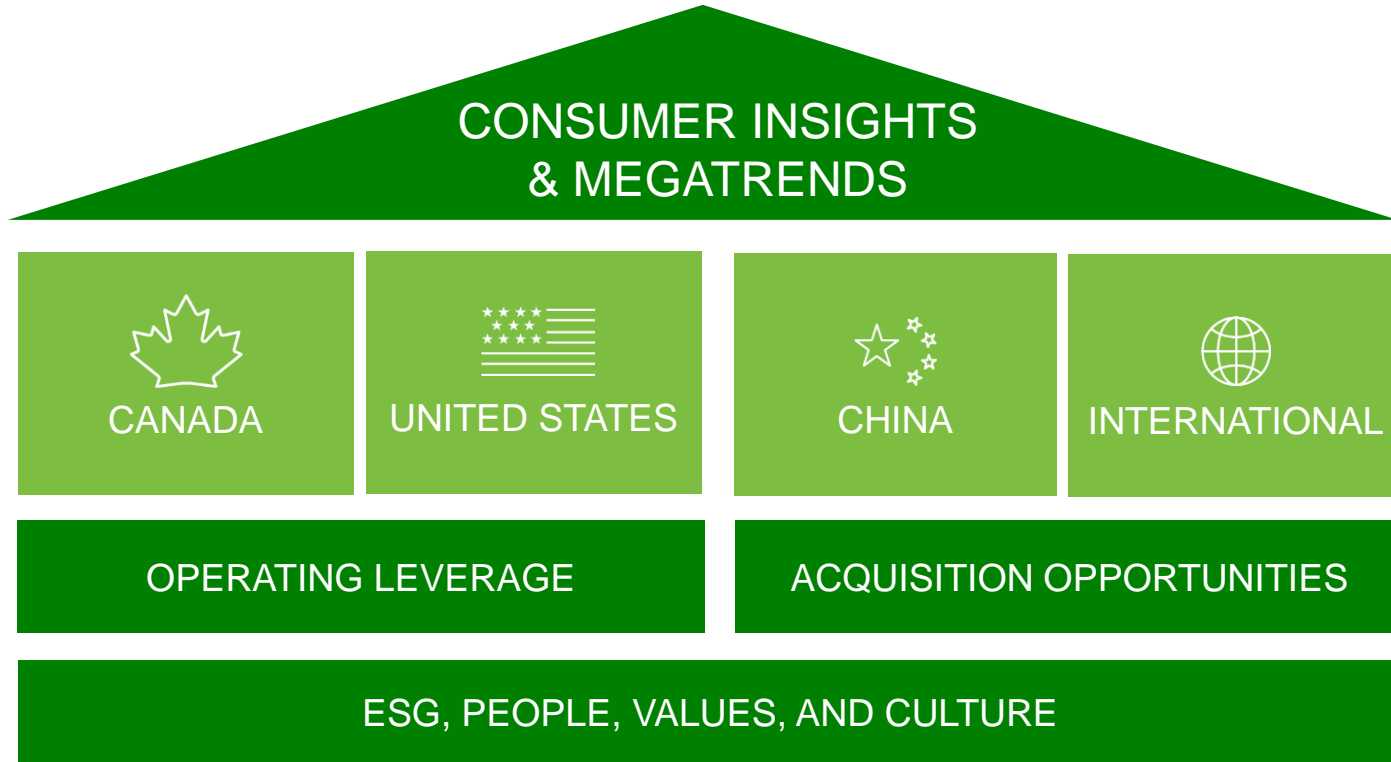
AGING
GLOBAL
POPULATION



INCREASING
FOCUS ON
SELF-CARE



We've built a foundation for long term growth.





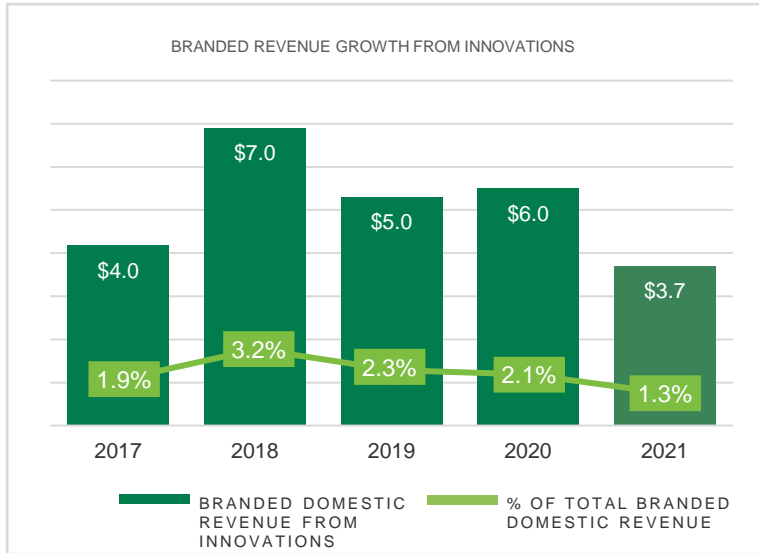
Brand and Product Marketing: A top tier team leveraging robust consumer research.



- Aggressive marketing plan rooted in deep consumer insights
- Investing in consumer education to bring new consumers into the category and expand their usage across segments
- Creating 360° touchpoints across all consumer channels: traditional, digital and social



Product Innovation: Led by our industry-leading R&D professionals and Scientific Advisory Board.



Jamieson innovation is more efficient than our competitors'.¹



TRENDING CATEGORIES
Immunity, sleep, stress, energy



TRENDING INGREDIENTS
Mushrooms, elderberry



TRENDING FORMATS
Gummies, drink mixes

¹Source: Nielsen MarketTrack, National FDM, 48 weeks ending January 4, 2020



Multi-Channel Distribution: Engaging our consumers everywhere and anywhere they want to buy.

NEW

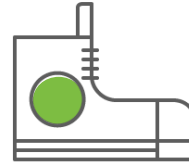


Gas Stations & Convenience Stores



Grocery & Drug Stores

NEW



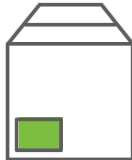
Specialty i.e. Sporting Goods



Health Food

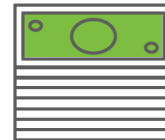


Wholesale Clubs



Big Box Retailers

NEW



Dollar Stores

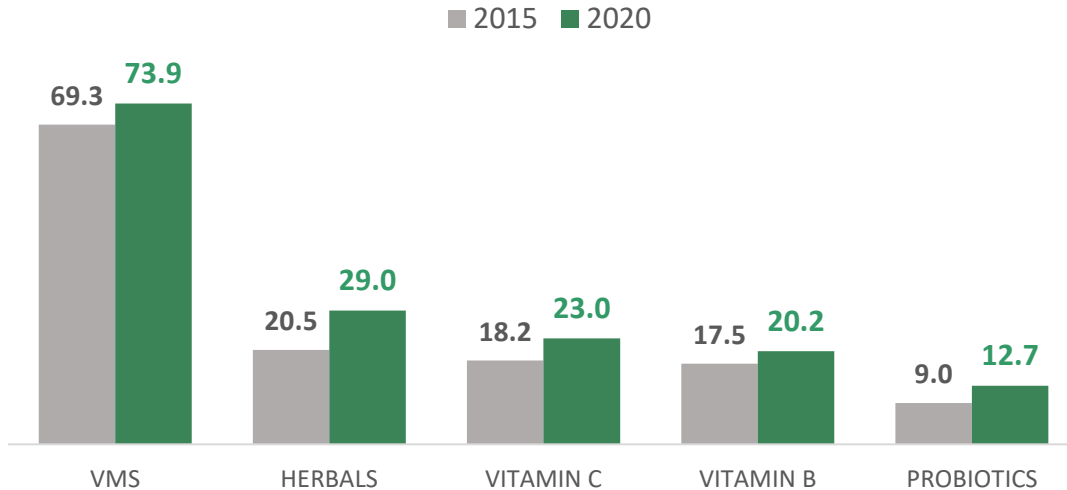


E-commerce



Domestic industry growth driven by brand and category penetration.

HOUSEHOLD PENETRATION



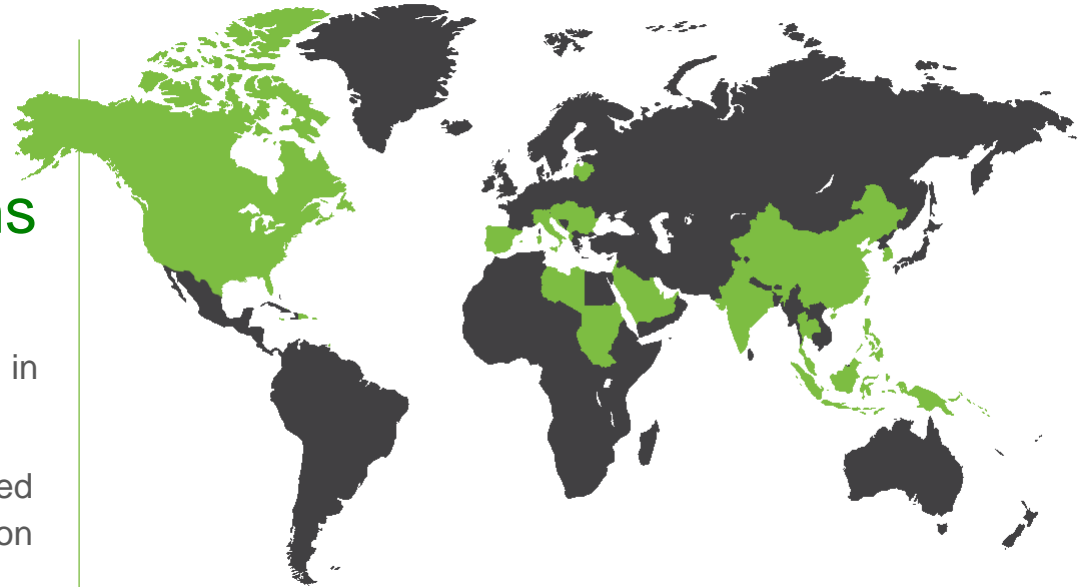
- Jamieson household penetration increased 5% from 2015-2020
- At ~40% household penetration, Jamieson has room to grow within total VMS
- With total VMS penetration at nearly 74%, individual categories still have room to grow

Source: Homescan National, All Channels August 22, 2015- June 27, 2020

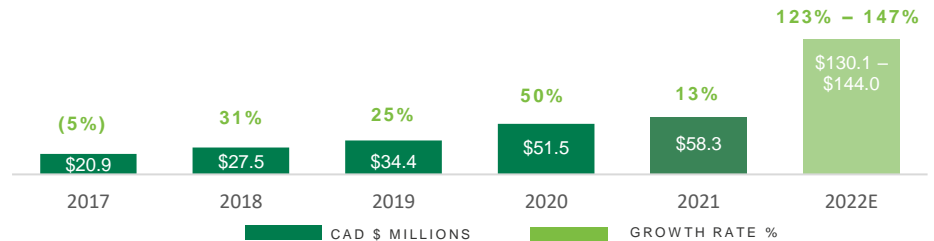


Our brands are now in more than 45 countries and regions and growing.

- ~120% growth includes strategic acquisition in the U.S.
- Fastest growing segment with 10-20% guided growth on the base business in fiscal 2022 on a constant currency basis
- 29.2% organic CAGR between 2017 and 2021
- Key geographies include U.S., China, Eastern Europe, Middle East, and Southeast Asia
- Focus on market penetration, geographic expansion, and global Costco partnership



INTERNATIONAL REVENUE





China: Delivering growth across all channels.



- Second largest global market at \$20B USD with significant annual growth
- Strong consumer preference for foreign brands focusing on quality and heritage
- Growth plans with top cross-border e-commerce platforms with +175 SKUs currently in distribution
- Leading regulatory position to allow expansion in the domestic market



Our global strategic partnership with **Costco**.



- International branded business with Costco in the U.S., UK, Iceland, Spain, France, Australia, Taiwan & China
- Additional successful Costco opening in China (Suzhou), supporting Jamieson growth plans
- Continued promotional planning to support established product base
- Expansion of Jamieson brand into 3 new countries with Costco expected before end of 2022



Acquisition: Strategic Rationale.



Transaction closed
July 2022

Accretive transaction with 20%+ expected IRR

Highly attractive expansion opportunity into large and fast-growing U.S. VMS market

Strong brand complementary to Jamieson's culture and product portfolio

Adds U.S. manufacturing capabilities while maintaining a diverse channel mix

Strong marketing expertise with track record of successful campaigns

Synergies achievable by leveraging Jamieson's operational, financial, and consumer insights

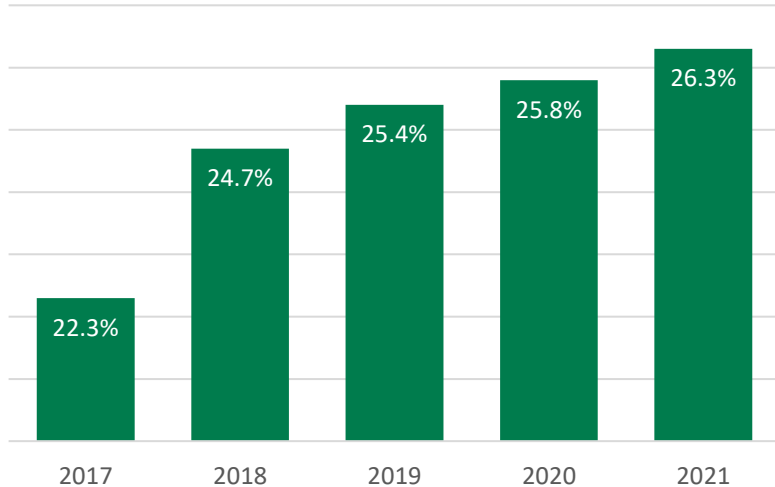
Target Acquisition Criteria

- \$100M+ target revenues
- 20% required IRR
- Focused on expanding our geographic footprint in mature VMS markets (USA, Western Europe, etc.)
- Looking for quality brand(s) with mass consumer appeal and broad category penetration
- Significant synergies available in our industry (supply chain, innovation, consumer insights, etc.)



Utilizing leverage: Expanding margins.

BRANDED EBITDA MARGIN EXPANSION



- Increased volume driving operating leverage
- Capital investment driving increased capacity and efficiencies
- Demonstrated margin expansion of 400 basis points from 2017-2021
- Plans to grow margins to fund resources and marketing to accelerate topline growth



Environmental, Social and Governance: A natural extension of our vision of improving the world's health and wellness.



Solar panels on the roof of Jamieson's manufacturing facility in Windsor, Ontario

- Recently disclosed climate commitments including a 50% reduction of Scope 1 & 2 emissions by 2030 and the development of a formal action plan to reach Net Zero by 2050
- Diversity, equity and inclusion targets including fair representation of leadership and board roles based in Canada being held by racialized people and female leaders by 2025
- Committed to sound, ethical business practices, regularly reviewing governance practices for improvement opportunities



A platform for **long-term value creation.**

- Global consumer health and wellness megatrend
- Growth in Canada
- Expansion in the U.S.
- Brand growth in China
- International expansion
- Operating leverage and acquisition opportunities
- Environmental, social and governance practices
- People, values, and culture



APPENDIX



Financial Performance: 2022 Guidance.

METRIC	2021	2022 TARGET RANGE	GROWTH RATE
Total Revenue (millions)	\$451	\$550 - \$565	5% – 9%
Jamieson Brands Segment Growth Rate			28% – 32%
• Domestic Branded			6% – 9%
• Jamieson International (including youtheory)			123% - 147%
Strategic Partners Growth Rate			0% - 5%
Adj. EBITDA (millions)	\$100	\$120 - \$125	20% – 25%
Adj. EPS	\$1.32	\$1.52 – \$1.60	15% – 21%

*Company guidance updated on August 4, 2022

This outlook reflects the following assumptions:

- Includes the youtheory acquisition contributing 113% to 127% growth and base business international growth of 10% to 20% on a constant currency basis
- Normalized SG&A increases of 18% to 20% from the youtheory acquisition and increased investments in international markets and our long-term growth opportunities in China
- Interest expense of approximately \$10.5 million, based on our post-acquisition estimated borrowing and the expectation for higher prevailing rates
- Income tax rate of approximately 27% based on non-deductible stock-based compensation and higher rates associated with the acquired business located in Irvine, California
- A fully diluted share count of approximately 42.5 million shares, increasing approximately 0.5 million shares to reflect the shares issued as part of the youtheory acquisition;
- Average annual exchange rate between the U.S. and Canadian dollar of U.S. \$1.00 to \$1.27

There is a continuing risk that COVID-19 may impact the results of operations or financial conditions. A new variant or strain may cause an outbreak within the Company's operating facilities, resulting in absenteeism or a plant closure for an extended duration. Suppliers may experience business disruptions that could impact the supply of raw materials or components required for production. Limitations on transportation or border closures may result in shipment delays from the Company's suppliers or to its customers. The situation is dynamic and the duration and impact on the Company's business remain uncertain. The Company continues to review its safety protocols to reflect new government or public health recommendations. The Company has not benefited from nor applied for any government financial aid or relief relating to the COVID-19 pandemic.



Summary consolidated financial information.

	Fiscal Year Ended				
	December 31,				
	2017	2018	2019	2020	2021
<i>(\$ in millions, except as otherwise noted)</i>					
Revenue	300.6	319.8	345.0	403.7	451.0
Cost of sales	195.8	204.4	215.2	258.9	288.6
Selling, general and administrative expenses	53.6	65.2	69.9	76.3	80.7
Share-based compensation	6.3	3.1	4.3	4.9	5.7
Earnings from operations	44.9	47.2	55.4	63.6	76.0
Foreign exchange loss (gain)	0.3	0.6	0.4	0.5	(0.1)
Termination benefits and related costs	4.1	--	--	--	--
Public offering costs	10.7	--	--	--	--
Acquisition costs	2.4	--	--	--	--
Other expenses	9.4	0.3	3.4	0.0	--
Preferred share accretion	28.8	--	--	--	--
Interest expense and other financing costs	4.7	9.0	9.4	6.0	5.7
Earnings (loss) before income taxes	(15.6)	37.3	42.3	57.0	70.5
Provision for income taxes	8.2	10.6	10.6	15.5	18.4
Net earnings (loss)	(23.8)	26.7	31.7	41.6	52.1
Revenue	300.6	319.8	345.0	403.7	451.0
Adjusted EBITDA	61.5	67.6	75.9	88.0	100.1
Adjusted EBITDA Margin	20.5%	21.1%	22.0%	21.8%	22.2%



Summary consolidated financial information.

(\$ in millions, except as otherwise noted)

	Three Months Ended June 30,			Six Months Ended June 30,		
	2021	2022	% Change	2021	2022	% Change
Revenue	110.6	112.0	1%	208.8	215.7	3%
Cost of sales	72.2	71.3	(1%)	136.6	137.0	0%
Gross profit margin	35%	36%	1%	35%	37%	2%
Selling, general and administrative expenses	21.2	25.0	18%	42.0	46.6	11%
Share-based compensation	1.1	1.1	7%	3.7	2.3	(38%)
Earnings from operations	16.0	14.6	(9%)	26.6	29.8	12%
Foreign exchange loss/(gain)	0.1	(0.4)	(453%)	0.1	0.1	(62%)
Interest expense and other financing costs	1.4	1.2	(10%)	2.8	2.5	(10%)
Income before income taxes	14.6	13.8	(5%)	23.6	27.2	15%
Provision for income taxes	3.1	3.7	19%	6.0	7.4	22%
Net earnings	11.5	10.1	(12%)	17.6	19.8	13%
Revenue	110.6	112.0	1%	208.8	215.7	3%
Adjusted EBITDA	22.3	24.4	9%	40.9	45.4	11%
Adjusted EBITDA Margin	20%	22%		20%	21%	



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

	Fiscal Year Ended				Three Months Ended		Six Months Ended	
	December 31,				June 30,		June 30,	
	2018	2019	2020	2021	2021	2022	2021	2022
<i>(\$ in millions, except as otherwise noted)</i>								
Net earnings	26.7	31.7	41.6	19.8	11.5	10.1	17.6	19.8
Provision for income taxes	10.6	10.6	15.5	7.4	3.1	3.7	6.0	7.4
Interest expense and other financing costs	9.0	9.4	6.0	2.5	1.4	1.2	2.8	2.5
Depreciation and amortization	9.0	10.9	12.2	7.5	3.5	3.8	6.9	7.5
EBITDA	55.3	62.6	75.3	37.2	19.4	18.8	33.4	37.2
Share-based compensation	3.1	4.3	4.9	2.3	1.1	1.1	3.7	2.3
Foreign exchange loss (gain)	0.6	0.4	0.5	0.1	0.1	(0.4)	0.1	0.1
Acquisition related costs	--	--	--	--	--	3.5	--	3.5
IT system implementation	--	--	--	--	--	1.4	--	2.2
COVID-19 related costs	--	--	5.1	--	1.5	--	2.2	0.2
Business integration	4.1	1.2	2.2	0.2	0.2	--	1.7	--
International market expansion	0.9	1.7	--	--	--	--	--	--
Purchase consideration accounted for as compensation expense	(1.1)	--	--	--	--	--	--	--
Termination benefits and related costs	2.9	0.5	--	--	--	--	--	--
Other	1.7	5.1	--	--	0.1	--	(0.2)	--
Adjusted EBITDA	67.6	75.9	88.0	45.4	22.3	24.4	40.9	45.4
Provision for income taxes	(10.6)	(10.6)	(15.5)	(7.4)	(3.1)	(3.7)	(6.0)	(7.4)
Interest expense and other financing costs	(9.0)	(9.4)	(6.0)	(2.5)	(1.4)	(1.2)	(2.8)	(2.5)
Depreciation and amortization	(9.0)	(10.9)	(12.2)	(7.5)	(3.5)	(3.8)	(6.9)	(7.5)
Share-based compensation	(2.5)	(3.6)	(4.3)	(2.3)	(1.8)	(1.1)	(3.4)	(2.3)
Revaluation of deferred tax liability	--	(1.0)	--	--	--	--	--	--
Other	--	0.2	0.1	--	--	--	--	--
Tax effect of normalization adjustments	(2.7)	(2.4)	(2.1)	(1.6)	(0.5)	(1.2)	(1.0)	(1.6)
Adjusted net earnings	33.7	38.1	47.9	24.2	12.0	13.4	20.7	24.2
Adjusted EBITDA	67.6	75.9	88.0	45.4	22.3	24.4	40.9	45.4
Less capital expenditures	10.9	9.0	11.3	21.5	6.5	4.5	9.7	8.1
Simple free cash flow	56.7	66.9	76.7	23.9	15.9	19.9	31.1	37.3
Simple free cash flow conversion	84%	88%	87%	53%	71%	82%	76%	82%

Investor Relations Contact: Ruth Winker (rwinker@jamiesonlabs.com) [in linkedin.com/company/jamiesonwellness](https://www.linkedin.com/company/jamiesonwellness) twitter.com/JWEL_Canada