



INVESTOR PRESENTATION
Quarterly Update

Q2 2023





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 2022 annual MD&A for the fiscal year ended December 31, 2022 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.



Second Quarter 2023 Highlights



- 1 Solid growth in Canada as consumption significantly outpaced shipments in both units & dollars
- 2 Youtheory met revenue expectations; new products including new & improved turmeric SKU began shipping
- 3 Maintained strong growth momentum in China while successfully completing transition to an owned distribution model & closing previously announced DCP Capital partnership
- 4 Consumer patterns in Eastern Europe continued to stabilize with 5.0% growth in consumption
- 5 Began implementation of new environmental management system to track scope 1 & 2 greenhouse gas emission for 2024 reporting
- 6 Declared a 2.0 cent increase of cash dividend
 - \$0.19 per common share
 - approximately \$8 million in the aggregate
 - paid on September 15, 2023 to all common shareholders of record at the close of business on September 1, 2023



Second Quarter 2023 Summary of Segment Results

- Revenue was **\$132.9 million**, an increase of **51.5%** or **\$45.2 million**



- International revenue declined **\$2.2 million** reflecting a general slowdown in regulatory approvals as governments work through pandemic backlogs, and timing of customer inventory replenishment
- Gross profit increased **\$11.8 million** to **\$49.7 million**; gross profit margin decreased by **580 bps** largely driven by the inherently lower youtheory margin profile
- Adjusted EBITDA¹ increased **\$4.1 million** to **\$26.7 million**

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



STRATEGIC PARTNERS

Second Quarter 2023 Summary of Segment Results

- Revenue was **\$34.7 million**, an increase of **42.8%** or **\$10.4 million**
- Gross profit increased **\$2.3 million** to **\$5.2 million**
- Gross profit margin¹ increased by **310 basis points** to **14.8%**
- Adjusted EBITDA² increased by **\$2.5 million** to **\$4.4 million**;
Adjusted EBITDA margin³ increased by **490 basis points** to **12.7%**

¹ This is a supplementary financial measure. See the “Non-IFRS and Other Financial Measures” section of this press release 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 press release 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 press release for more information on each non-IFRS ratio.



Second Quarter 2023

Balance Sheet and Cash Flow

- Cash from operating activities before working capital considerations of **\$12.7 million** decreased by **\$4.2 million** compared to Q2 2022
- Cash from working capital decreased by **\$2.5 million** mainly driven by accounts receivable collections and payables in the quarter
- Cash flows used in investing activities increased by **\$24.0 million** mainly driven by the acquisition of the operating assets of a former distribution partner in China.
- Cash flows used in financing activities totaled **\$91.9 million**
- As of June 30, 2023, the Company had **\$246.2 million** in cash and available revolving and swingline facilities and net debt of **\$253.8 million**

Second Quarter 2023 Consolidated Results



METRIC	Q2 2023	Q2 2022	Growth Rate
Total Revenue	\$167.6	\$112.0	49.6%
Jamieson Brands Segment			
Canada	\$72.7	\$71.3	2.0%
U.S. (youtheory)	\$42.1	-	-
China	\$10.1	\$6.2	63.0%
International	\$8.0	\$10.2	(21.4%)
Total Jamieson Brands Segment	\$132.9	\$87.7	51.5%
Strategic Partners Segment	\$34.7	\$24.3	42.8%
Adjusted EBITDA	\$31.1	\$24.4	27.1%
Adjusted EBITDA Margin ¹	18.5%	21.8%	(3.3%)
Adjusted diluted EPS	\$0.32	\$0.32	-

¹ Adjusted EBITDA margin decreased by 500 basis points to 19.6% due to lower gross profit margins including the seasonally weighted impact of the acquired youtheory business.

Summary Consolidated Financial Information



(\$ in millions, except as otherwise noted)	Fiscal Year Ended December 31,				
	2022	2021	2020	2019	2018
Revenue	547.4	451.0	403.7	345.0	319.8
Cost of sales	349.0	288.6	258.9	215.2	204.4
Selling, general and administrative expenses	110.2	80.7	76.3	69.9	65.2
Share-based compensation	4.9	5.7	4.9	4.3	3.1
Earnings from operations	83.2	76.0	63.6	55.4	47.2
Foreign exchange loss (gain)	0.3	(0.1)	0.5	0.4	0.6
Other expenses	--	--	0.0	3.4	0.3
Interest expense and other financing costs	12.4	5.7	6.0	9.4	9.0
Earnings before income taxes	70.5	70.5	57.0	42.3	37.3
Provision for income taxes	17.7	18.4	15.5	10.6	10.6
Net earnings	52.8	52.1	41.6	31.7	26.7
Revenue	547.4	451.0	403.7	345.0	319.8
Adjusted EBITDA	123.8	100.1	88.0	75.9	67.6
Adjusted EBITDA Margin	22.6%	22.2%	21.8%	22.0%	21.1%
Adjusted Net Earnings	65.1	55.2	47.9	38.1	33.7
Adjusted Net Earnings Per Fully Diluted Share	1.55	1.32	1.16	0.96	0.85

Summary Consolidated Financial Information



(\$ in millions, except as otherwise noted)	Three Months Ended June 30,			Six Months Ended June 30,		
	2023	2022	% Change	2023	2022	% Change
Revenue	167.6	112.0	49.6%	304.3	215.7	41.1%
Cost of sales	112.7	71.3	58.1%	200.9	137.0	46.7%
Gross profit margin	32.7%	36.4%	(3.7%)	34.0%	36.5%	(2.5%)
Selling, general and administrative expenses	34.8	25.0	39.4%	67.2	46.6	44.2%
Share-based compensation	1.4	1.1	25.4%	2.9	2.3	28.2%
Earnings from operations	18.6	14.6	27.6%	33.2	29.8	11.7%
Foreign exchange loss (gain)	1.5	(0.4)	458.8%	1.6	0.1	3190.0%
Interest expense and other financing costs	6.0	1.2	385.3%	12.3	2.5	389.3%
Accretion on preferred shares	0.8	-	100.0%	0.8	-	100.0%
Income before income taxes	10.3	13.8	(25.2%)	18.5	27.2	(32.2%)
Provision for income taxes	3.1	3.7	(15.7%)	4.2	7.4	(43.2%)
Net earnings	7.2	10.1	(28.6%)	14.3	19.8	(28.1%)
Revenue	167.6	112.0	49.6%	304.3	215.7	41.1%
Adjusted EBITDA	31.1	24.4	27.1%	55.6	45.4	22.4%
Adjusted EBITDA Margin	18.5%	21.8%	(3.3%)	18.3%	21.0%	(2.7%)
Adjusted Net Earnings	13.6	13.4	1.6%	22.5	24.2	(7.0%)
Adjusted Earnings Per Share	0.32	0.32	0.0%	0.53	0.58	(8.6%)

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



(\$ in millions, except as otherwise noted)	Three Months Ended		Six Months Ended		Fiscal Year Ended				
	June 30,		June 30,		December 31,				
	2023	2022	2023	2022	2022	2021	2020	2019	2018
Net earnings	7.2	10.1	14.3	19.8	52.8	52.1	41.6	31.7	26.7
Provision for income taxes	3.1	3.7	4.2	7.4	17.7	18.4	15.5	10.6	10.6
Interest expense and other financing costs	6.0	1.2	12.3	2.5	12.4	5.7	6.0	9.4	9.0
Accretion on preferred shares	0.8	--	0.8	--	--	--	--	--	--
Depreciation and amortization	5.2	3.8	10.0	7.5	17.2	14.3	12.2	10.9	9.0
EBITDA	22.3	18.8	41.6	37.2	100.2	90.4	75.3	62.6	55.3
Share-based compensation	1.4	1.1	2.9	2.3	4.9	5.7	4.9	4.3	3.1
Foreign exchange loss (gain)	1.5	(0.4)	1.6	0.1	0.3	(0.1)	0.5	0.4	0.6
Acquisition and divestiture related costs	2.3	3.5	5.1	3.5	12.9	--	--	--	(1.1)
Amortization of fair value adjustments	2.3	--	2.3	0.0	0.8	--	--	--	--
COVID-19 related costs	--	--	--	--	0.2	2.4	5.1	--	--
IT implementation and business integration	1.4	1.4	2.1	2.2	0.0	1.9	2.2	1.2	4.1
International market expansion	--	--	--	--	--	--	--	1.7	0.9
Other	(0.2)	--	(0.1)	0.2	--	(0.1)	--	5.6	4.7
Adjusted EBITDA	31.1	24.4	55.6	45.4	123.8	100.1	88.0	75.9	67.6
Provision for income taxes	(3.1)	(3.7)	(4.2)	(7.4)	(17.7)	(18.4)	(15.5)	(10.6)	(10.6)
Interest expense and other financing costs	(6.0)	(1.2)	(12.3)	(2.5)	(12.4)	(5.7)	(6.0)	(9.4)	(9.0)
Depreciation and amortization	(5.2)	(3.8)	(10.0)	(7.5)	(17.2)	(14.3)	(12.2)	(10.9)	(9.0)
Share-based compensation	(1.3)	(1.1)	(2.8)	(2.3)	(6.3)	(5.5)	(4.3)	(3.6)	(2.5)
Tax deduction from vesting of certain share-based awards	--	--	(1.0)	--	--	--	--	(1.0)	--
Other	--	--	--	--	--	--	0.1	0.2	--
Tax effect of normalization adjustments	(1.9)	(1.2)	(2.8)	(1.6)	(4.9)	(1.1)	(2.1)	(2.4)	(2.7)
Adjusted net earnings	13.6	13.4	22.5	24.2	65.1	55.2	47.9	38.1	33.7
Adjusted EBITDA	31.1	24.4	55.6	45.4	123.8	100.1	88.0	75.9	67.6
Less capital expenditures	2.5	4.5	4.7	8.1	13.9	21.5	11.3	9.0	10.9
Simple free cash flow	28.6	19.9	50.9	37.3	109.8	78.6	76.7	66.9	56.7
Simple free cash flow conversion	92%	82%	92%	82%	89%	79%	87%	88%	84%

2023 Guidance Update



We are maintaining our previous growth expectations in our U.S. and China business units.

We are trimming the top end of our revenue and EBITDA guidance to reflect the post-pandemic trends we are seeing in Canada and in our International business units, as certain retailers manage down their working capital investments and some international markets manage through backlogs of new product regulatory approvals.

- **Consolidated fiscal 2023 revenue** to range between **\$670** and **\$690 million** (+22.0% to +26.0%) from a previous range of +22.0% to +28.0%.
- **Adjusted EBITDA** to range from **\$140** to **\$144 million** (+13.0% to +16.0%) from the previous range of +13.0% to +18.0%
- **Adjusted diluted earnings per share** to range from **\$1.56** to **\$1.63** (up to 5.0% growth), updated from our previous range of \$1.62 to \$1.72 (+5.0% to +11.0%)¹
- **Fiscal revenue** in the **Jamieson Brands** segment is expected to increase between **24.0%** and **28.0%**
 - **Jamieson Canada revenue** growth of **2%** to **4%** (updated from 3.0% to 6.0%)
 - **Jamieson International revenue** of between **flat** to **10.0%** growth (updated from 5.0% to 20.0%)

¹ Reflecting revisions to the Company's revenue outlook along with higher prevailing interest rates and the timing of cash flows associated with the Company's partnership in China

Financial Performance: 2023 Guidance



METRIC	2022	2023 TARGET RANGE	GROWTH RATE
Total Revenue	\$547	\$670 - \$690	22% - 26%
Jamieson Brands Segment			
• Canada	\$310	\$316 - \$322	2% - 4%
• U.S. (youtheory)	\$68	\$145 - \$155	113% - 127% Proforma: 12% - 19%
• China	\$28	\$47 - 50	65% - 75% Proforma: 25% - 30%
• International	\$33	\$33 - \$36	0% - 10%
Total Jamieson Brands Segment	\$439	\$546 - \$563	24% - 28%
Strategic Partners Segment	\$108	\$124 - \$130	15% - 20%
Adj. EBITDA	\$124	\$140 - \$144	13% - 16%
Adj. EBITDA Margin ¹	22.6%	20.9%	(-1.75%)
Adj. Diluted Earnings per Share	\$1.55	\$1.56 - \$1.63	0% - 5%

¹ Adjusted EBITDA margin decreased by 500 basis points to 19.6% due to lower gross profit margins including the seasonally weighted impact of the acquired youtheory business.

This outlook reflects the following assumptions:

- Normalized SG&A are expected to increase 31% to 35% driven by an accelerated investment in marketing, resources and infrastructure to support long-term growth opportunities in the United States and in China.
- Interest expense of \$21.5 to \$22.5 million based on our estimated borrowing and prevailing rates.
- Income tax rate of approximately 27.5% based on non-deductible stock-based compensation.
- A fully diluted share count of approximately 43 million shares.
- Average annual exchange rate between the U.S. and Canadian dollar of U.S. \$1.00 to \$1.31.
- Average annual exchange rate between the Chinese renminbi and the Canadian dollar of ¥1.00 to \$0.20.

*Company guidance updated on August 3, 2023
*All figures in millions besides the purchase date



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