



Investor Presentation

**Q2 2022**

CSE:ELMT  
OTC:ELNSF

# Disclaimer



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The Company's forward-looking statements are expressly qualified in their entirety by this cautionary statement.

## Our Mission

To employ *patented research based technology* in nutritional sciences to deliver *high value products* that benefit the health of our customers allowing them to *live life to the fullest.*



# Why Invest

\$48.5B

US functional beverage market forecast to grow at a CAGR of 6.6% between 2020 and 2025

25

Peer reviewed clinical studies conducted over the last 17 years, backing the patented product formulation

104

Years of combined executive experience building billions in the nutrition consumer market

16,500

Distribution points for flagship Rejuvenate™ product across North America including Walgreens, CVS, Sam's Club and Publix

US and Global patents

Protecting proprietary amino acid formulation

US Patent 9,364,463

Global Patent W02019/090061

Innovation

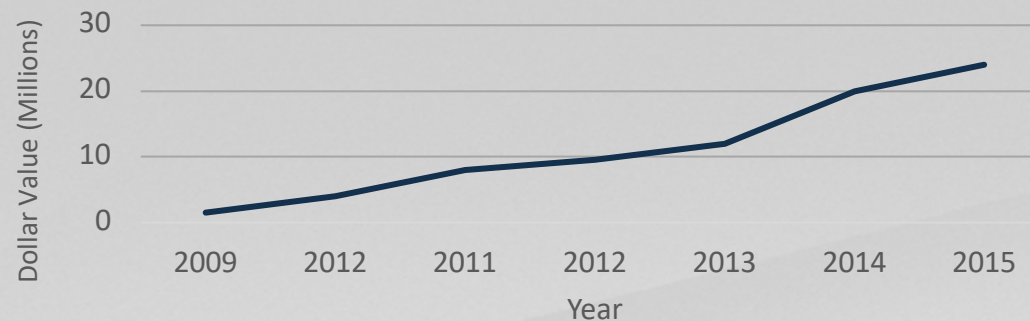
New products coming to market targeting sports nutrition, immune health, orthopedics and oncology



# Founder Stuart Lowther

Msc., BSc

- Founder of Life Science Nutritionals, sold for \$40 million, Profit Magazine ranked LSN #1 fastest growing company in pharmaceutical and nutraceutical industry
- International sales executive at Jamieson Laboratories, grew revenue by 14x, sold for \$320 million valuation, public company valued at \$1.4 billion
- Executive at IOVATE Health Sciences (Muscletech), grew business from \$40 million in revenue to over \$200 million, recently sold at \$1 billion valuation



# Quarterly Financial Results

(expressed in thousands of Canadian dollars)



## Increased revenue attributable to:

- New points of distribution
- Increased velocity at existing points of distribution
- Increased e-commerce sales

## Improved profitability:

- Higher revenue resulting in scale
- Discipline in operating expense

	Q1 2022	Q1 2021
Revenue	2,279	346
Gross Profit	905	1
Gross Margin	40%	29%
Net Income	(76)	(1,429)



# Macro Tailwinds

North American nutritional market worth **US\$50 billion** and growing<sup>1</sup>

**63% of consumers** are looking for plant-based foods as a healthier source of protein<sup>2</sup>

U.S. ready-to-drink market expected to expand at a **CAGR of 8.2% to 2025**<sup>3</sup>

**US\$48.4 billion** US functional beverage market forecast to grow at a **CAGR of 6.6% between 2020 and 2025**<sup>4</sup>

**49% of population** concerned about effects of muscle loss<sup>5</sup>

1. KBV Research 'North American Sports Nutrition Market By Distribution Channel, Users, Product Type'
2. DuPont\_NH\_Meat-Alternatives-White-Paper-Brochure\_NEW.pdf (dupontnutritionandbiosciences.com)
3. Grand View Research 'Sports Nutrition Market Size, Share & Trends Analysis Report (2020-2027)
4. Euromonitor, July 2021 - Data ending 2021.
5. Age of majority - Rejuvenate - Research report 2018: Online survey of 1004 participants

*Sarcopenia* is the loss of muscle mass due to the natural aging process



Classified as disease by World Health Organization<sup>1</sup>



Causes loss of strength and mobility, higher risk of conditions like diabetes



More than 18 million Americans live with Sarcopenia<sup>2</sup>



Direct healthcare cost attributable to Sarcopenia ~\$18.5 billion<sup>3</sup>



*Sarcopenia is the new osteoporosis*

– Abbott Labs



<sup>1</sup> World Health Organization (WHO). (2019). International Classification of Diseases 11th Revision. Geneva.  
<sup>2</sup> Janssen I, Shepard DS, Katzmarzyk PT, Roubenoff R. The Healthcare Costs of Sarcopenia in the United States. *Journal of the American Geriatric Society* 52:80–85, 2004.)  
<sup>3</sup> [Aging in Motion](#)





# Our Growth Strategy

## Distribution

- Increase sales velocity with existing partners
- Build points of distribution with new partners
- Digital paid search and advertising for direct-to-consumer channel
- Add new SKUs through existing points of distribution

## Innovation

- New formats for existing formulations, stick packs increase margins by 10%
- **Immune health:** Rejuvenate™ formulations for immune health to launch in 2022, global immune health supplements market size valued at US\$55.3 billion in 2020<sup>1</sup>
- **Sports Nutrition:** develop higher dose formulations for JAKTRX™ and Promino™ brands; North American market expected to reach US\$20B by 2026<sup>2</sup>
- **Orthopedics:** perform studies for pre- and post-surgery to speed recovery; global bone and joint health supplements market to reach US\$14.7B by 2027<sup>3</sup>
- **Oncology:** develop higher dose formulation, perform studies on muscle loss; global cancer therapy market expected to grow to US\$268 billion by 2026<sup>4</sup>

<sup>1</sup> [Grand View Research](#)

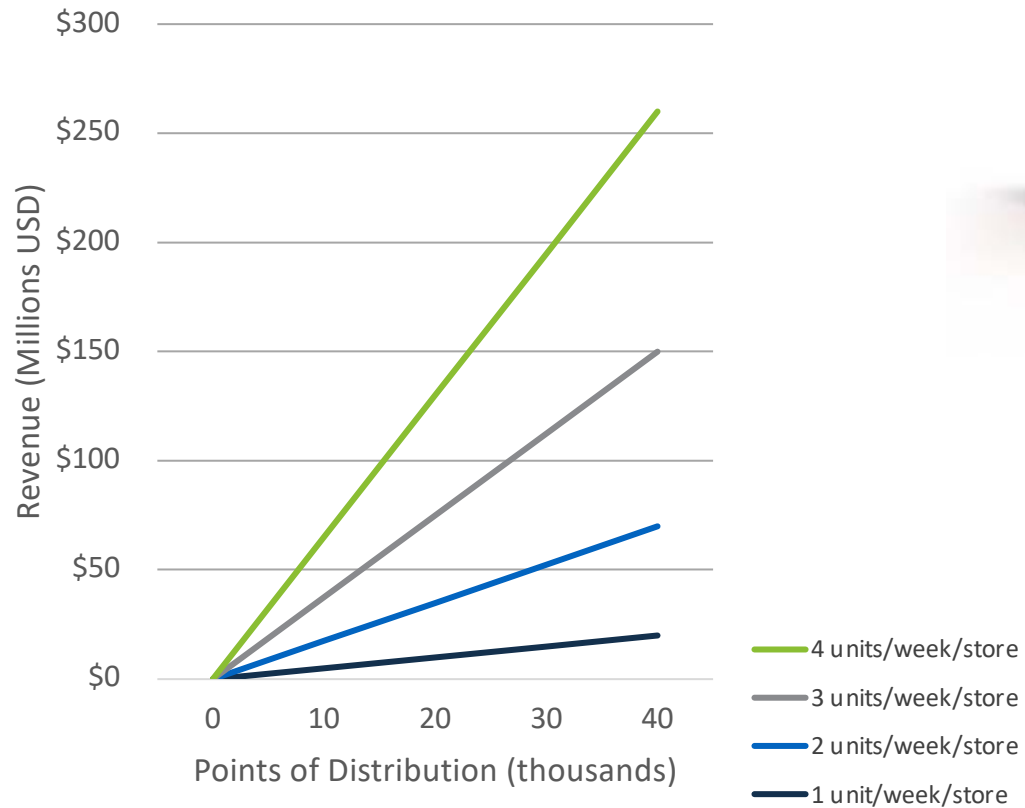
<sup>2</sup> North America Sports Nutrition Market | 2021 - 2026 | US, Canada, Mexico (marketdataforecast.com)

<sup>3</sup> <https://www.marketresearch.com/Global-Industry-Analysts-v1039/Bone-Joint-Health-Supplements-14449001/>

<sup>4</sup> Mordor Intelligence, Global Cancer Therapy Market 2021-2026

# Revenue Growth Potential

Rejuvenate™ currently in over 16,000 stores



## Product Innovation Driving Margins

Strategic rebranding and new product formats increase gross margin by 10%

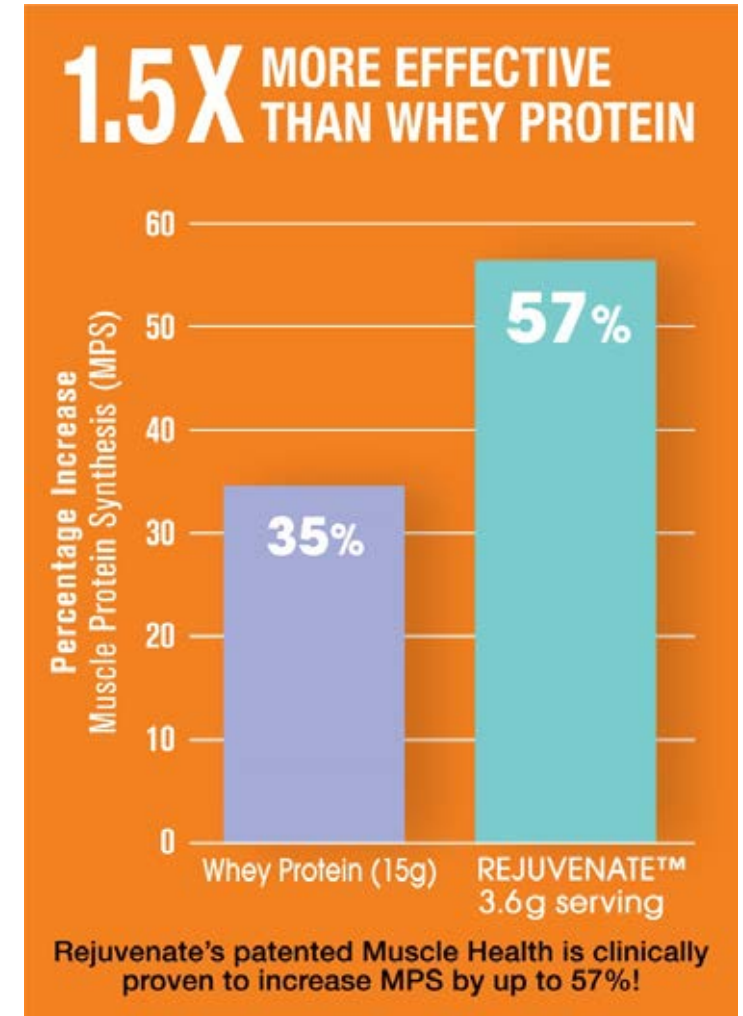
Rejuvenate™ Muscle Activator Ready-To-Drink product enhances gross margin by 20%

# rejuvenate™ your life

## Flag ship brand



- First clinically proven, patented product to enter the US \$48.5B functional beverage market.
- US Patent 9,364,463
- Global PCT Patent WO2019/090061- extends protection into multiple global markets.
- Disrupts the entire protein beverage category.
- More than 1.5X more effective than traditional whey protein.



# rejuvenate™

## your life

### READY TO DRINK TETRA PACKS

- 330ml Tetra Pak-Better for the environment packaging
- 70% renewable
- 100% recyclable
- Citrus Blast, Island Punch, Chocolate Ice Pop

### SINGLE SERVE STICK PACKS

- Convenient on the go powder
- Raspberry and Fruit punch

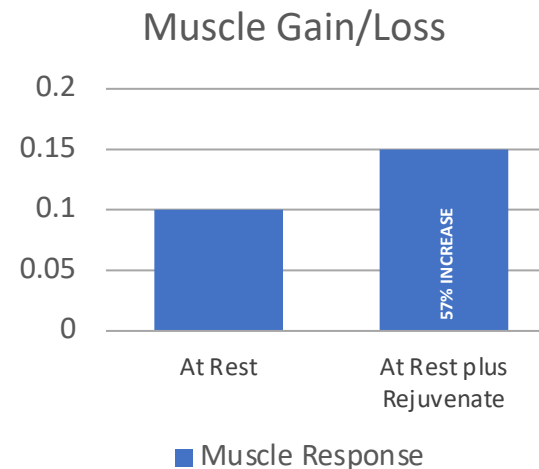
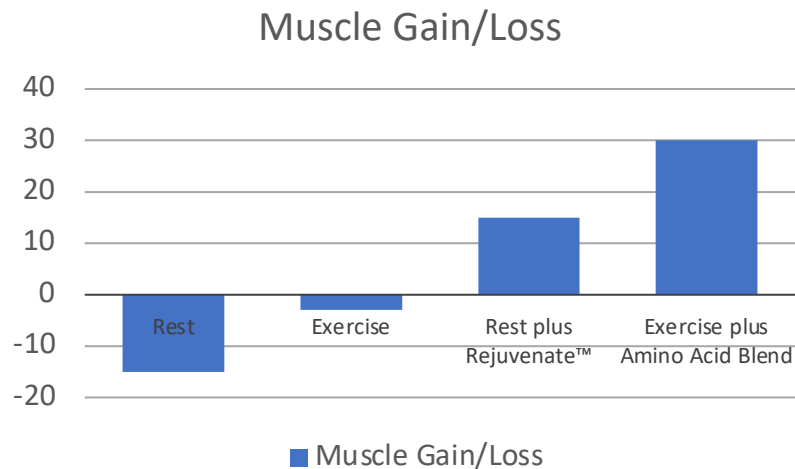
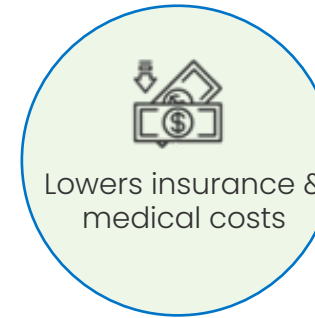


# Clinically Proven Patented Formulation

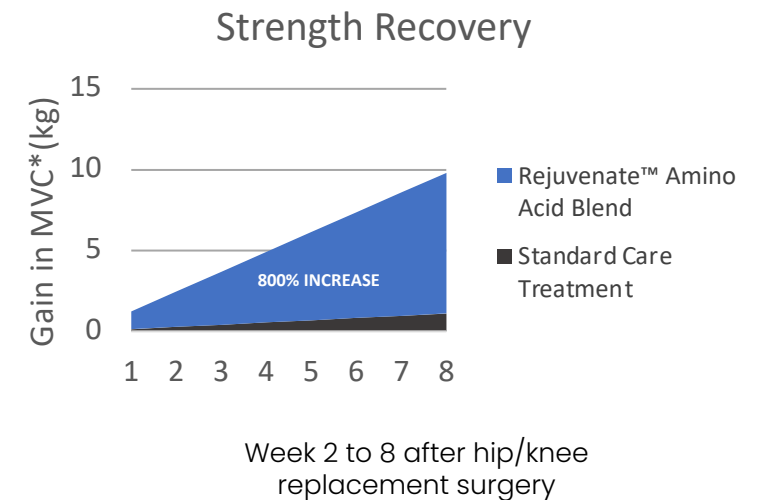
Efficacy backed by 25 peer reviewed clinical studies

**800%**

increase in strength while recovering from surgery



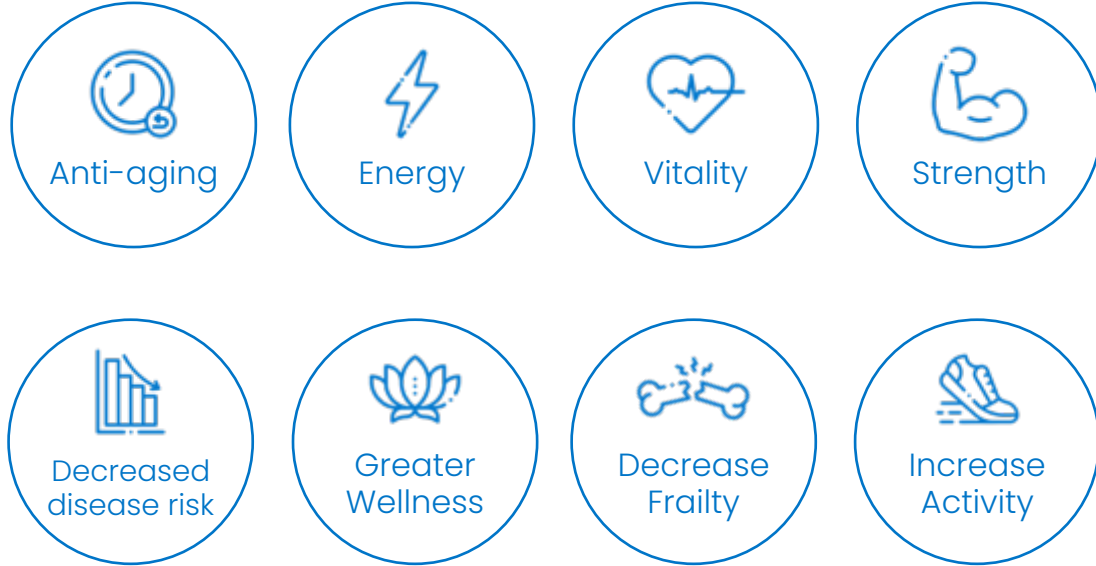
D.D. Church et al. Department of Geriatrics, Donald W. Reynolds Institute on Aging, University of Arkansas for Medical Sciences.



\*MVC: Maximum Voluntary Contraction is a measure of strength

# Value Proposition

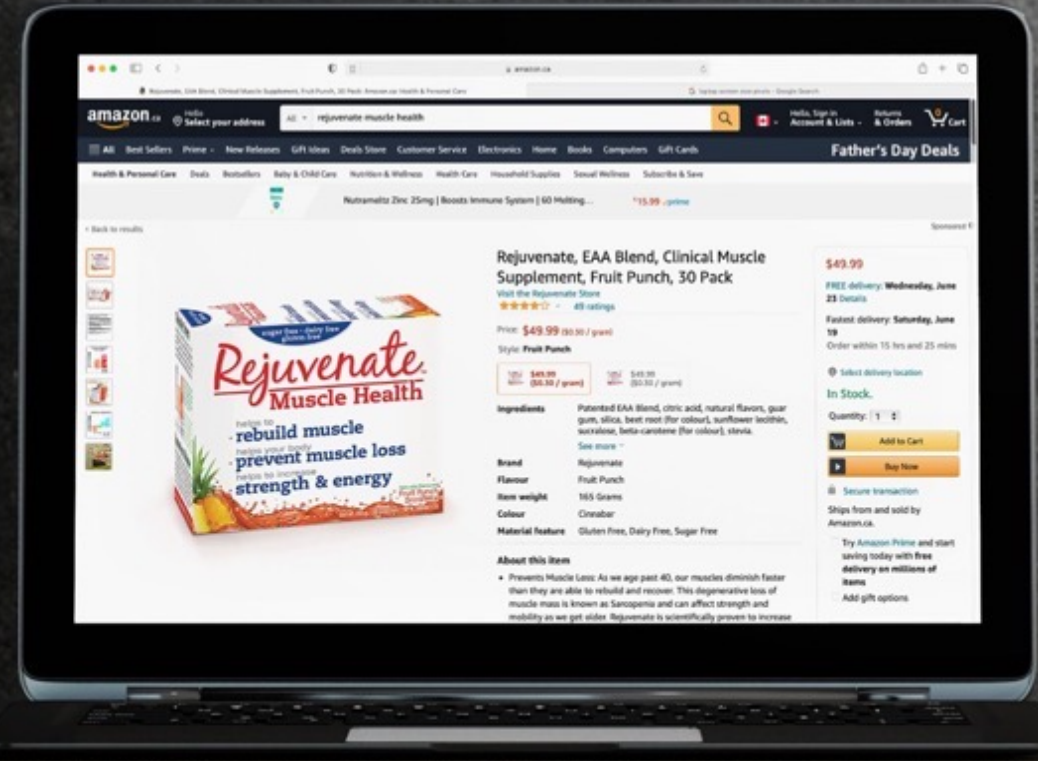
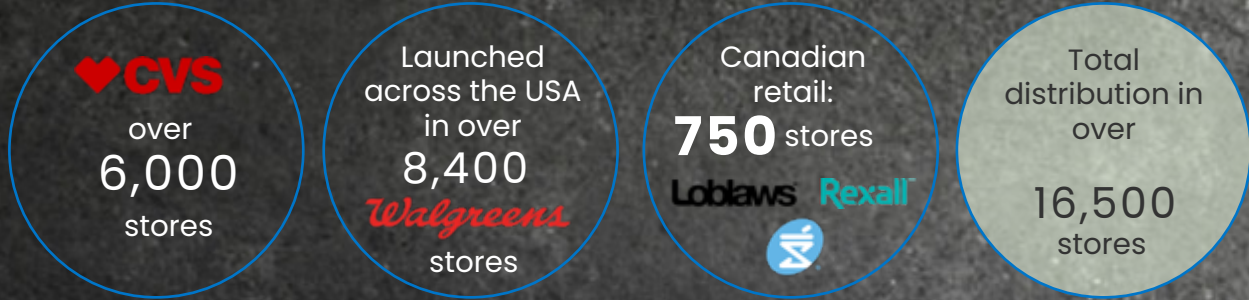
We deliver sustainable quality of life to consumers by preventing age related muscle loss



# Significant Retail Distribution



Publix



# Distribution & Innovation Pipeline

## Distribution Channels

- Vendor status with 10 national retailers in U.S. and Canada
- Direct to consumer via Amazon

Today

- Vendor status new retailers; international distribution
- JAKTRX™ and Promino™ to U.S. market

Next 12 months

- Oncology and orthopedic
- Retirement homes/long-term care

3 to 5 year plan

## Product Innovations

- Rejuvenate™ sachets – 2 SKUs
- Ready to drink beverage – 3 SKUs
- JAKTRX™ – 7 SKUs

- Rejuvenate™ Omega, Immune, Rejuvenate Muscle Activator

- Higher dosage Rejuvenate™
- Bars, powders, gummies
- Snack food



# Management Team

**Stuart Lowther**  
BSc.,MSc. President/CEO/Founder

- Proven business leader and entrepreneur
- Built and divested award-winning company
- Start-up; high growth; M&A and exit experience
- Brand building, marketing and sales specialist
- MSc. Nutrition and Human Metabolism

**Vito Sanzone**  
Chief Marketing Officer

- Expertise in nutritional supplement brands and retailers
- Previously CEO of Complete Nutrition, where he led the launch of its e-commerce platform
- Experience in the revitalization of a sports nutrition brand

**Stephen Brown**  
Chief Operating Officer

- High growth operational leader
- Business development and operational expertise
- Product development; supply chain; manufacturing
- \$500M+ revenue management
- BA Honors, Economics and Business

**Dean Mosca**  
Marketing Director

- B2B proprietary ingredient experience
- Start-up and business development
- Strategic planning and product launch
- Marketing and PR execution
- BBA, Marketing Schulich School of Business

**Dean Pipher**  
Chief Sales Officer

- 29 years experience profitable sales growth in CPG
- 25 years with Iovate Health Sciences, owner of MuscleTech™ brand, helped grow sales to over \$680 million in over 150 countries

**John Duffy**  
VP Sales, United States

- 22 years VP Coca Cola Company
- Strategic planning, selling and marketing
- Business development and client acquisition
- MBA, Marketing. Suffolk U-School of Management

**Shaun Power**  
Chief Financial Officer

- CPA
- 25 years experience as a tax specialist
- Former equity partner at Deloitte and BDO

Experienced leaders from leading companies



# Board of Directors



Stuart Lowther  
Chairman, Chief Executive  
Officer, President and Director

- Honors Degree and Masters Degree in Nutritional Sciences and Human Metabolism—University of Guelph and McMaster University
- **30**-year industry executive in nutrition CPG internationally
- Built and sold one of Canadas top 10 fastest growing companies
- Two-time nominee of entrepreneur of the year



Shaun Power  
Chief Financial Officer,  
Corporate Secretary and  
Director

- **25** years of accounting Experience
- Former equity partner at Deloitte and BDO
- Specializes in finance, taxation and strategic planning
- Frequent speaker at the Ontario Tax Conference and the Canadian Tax Conference
- Board Member at Ronald McDonald House



Sean Bromley  
Director

- Bachelor of Commerce Degree specializing in Finance at the University of Calgary
- Former investment advisor and expert in Capital markets
- Assisted in raising over \$100 million for companies in which he serves on the board of directors
- Director of the Fortuna Foundation, Vancouver based charity



Lino Fera, CPA  
Director

- **25** years experience in accounting and public markets
- Finance executive specializing in start-ups to large organizations within healthcare and marketing
- Bachelor of Commerce from the University of Windsor
- BA from University of Toronto



Greg Cochran  
Director

- Current Managing Partner of VRG Capital, a private equity family office
- Extensive experience in CPG brand management with General Electric and SC Johnson
- MBA from Queen's University

# Capitalization Structure

<b>Basic shares outstanding<sup>1</sup></b>	<b>111,573,916</b>
Options	8,400,000
Warrants	8,355,460
Performance warrants <sup>2</sup>	24,000,000
<b>Fully diluted shares outstanding</b>	<b>152,329,376</b>

Most recent financing: May 6, 2022 closed short form prospectus offering raising gross proceeds of \$3.5 million through the issuance of 14,000,000 common shares at a price of \$0.25 per share.

1. 56,383,161 shares subject to 12-36 month escrow.

2. 7,200,000 warrants vest upon achieving \$10 million in revenue and positive net profit; 8,400,000 warrants vest upon achieving \$25 million in revenue and \$2.5 million in EBITDA; and 8,400,000 warrants vest upon achieving \$50 million in revenue and \$5 million in EBITDA. All warrants subject to 36 month escrow.



# Thank you!

**ELEMENT**  
NUTRITIONAL  
SCIENCES

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