

## **Element Nutritional Sciences to Report 108% Revenue Growth and Updates Operational Milestones**

- **Element expected to report revenue growth of 108% for the year ended December 31, 2021, with a gross margin between 10% - 20%**
- **First purchase order received from third largest U.S. grocery retailer**
- **Three product launches expected in the near term**

BURLINGTON, Ontario--(BUSINESS WIRE)--March 15, 2022--Element Nutritional Sciences Inc. (CSE:ELMT; OTC:ELNSF; FRANKFURT:93X) (the “Company” or “Element”), is pleased to provide an operational update highlighting preliminary financial results for the year ended December 31, 2021 and progress in the Company’s distribution and product innovation strategy.

“Element made significant progress in its distribution strategy in 2021 and it is evident in our financial results, with the Company expected to increase revenue over 100% for the year. We are still in the early innings of demonstrating our potential, and believe that Element will continue benefiting from recent distribution wins, particularly Sam’s Club. Furthermore, the Company’s entry into the grocery channel and its product innovation pipeline will keep momentum going strong in the first half of 2022. We have a patented and unique product that is entering large consumer markets and the right team in place to seize a global opportunity in changing people’s lives through improved muscle health,” commented **Stuart Lowther, Chief Executive Officer**.

### **Preliminary Financial Results for 2021**

For the year ending December 31, 2021, the Company is expected to earn between \$2.4 and \$2.6 million in revenue, a 108% increase at the mid-point of the range as compared to \$1.2 million for the year ending December 31, 2020. The Company’s expects a gross margin for this period between 10% and 20%. The increase in revenue is attributable to the Company reaching over 16,000 points of distribution in the period, with growth particularly in the U.S. retail pharmacy market.

The Company’s complete financial results are expected to be reported in April 2022.

### **Distribution and Innovation Update**

#### *Entering the U.S. Grocery Channel*

Element’s retail growth strategy continues to advance rapidly, and the Company is set to access the U.S. retail grocery channel in the near term. The Company has received its first purchase order from Woodland Group in connection with the Company recently securing a listing for Rejuvenate™ with the third largest grocery retailer in the U.S. With Rejuvenate™ available at the two largest pharmacies in the U.S., CVS and Walgreens, and recently listing with Sam’s Club, the grocery channel is a natural extension of the Company’s retail distribution strategy.

### *Leveraging Patterns to Accelerate Amazon Sales*

The Company has also received purchase orders and commenced shipments to Pattern Inc. (“Pattern”), the third largest global supplier to Amazon. On February 22, 2022, Element announced that it signed a commercial agreement with Pattern for Pattern to lead global sales of Rejuvenate™ over the Amazon platform. The Company’s current expectation is that the transition of Amazon sales management and fulfillment to Pattern will be complete by the end of March 2022.

### *Product Innovation Leading into the Sport Nutrition Market*

Element is also pleased to announce that its industry-leading JAKTRX™ performance supplement branded products as well as its new patented Promino™ line of sports nutrition products are now available to customers across the United States on the Company’s e-commerce platform, [www.JAKTRX.com](http://www.JAKTRX.com). Deliveries of JAKTRX™ and Promino™ to Pattern are also expected in the coming weeks.

The North American sports nutrition market is estimated to grow at a rate of 7.8% annually to reach over US\$20 billion by 2026<sup>1</sup>. Element’s JAKTRX™ protein supplement products including JAKTRX™ Pro Recovery line of whey protein products and its Promino™ line of products are well positioned within this growing market, utilizing the Company’s patented and proprietary amino acid formulation that is demonstrated to have a superior impact on maintaining muscle health, increasing strength, expediting recovery and preventing muscle loss.

### *Innovation is Good for Immunity*

The Company is also planning the launch of Element’s Rejuvenate Immune Health™ in April 2022. Rejuvenate Immune Health™ will first be available on the Amazon platform with sales supported by Pattern.

The Company has combined its patented Rejuvenate™ formulation with additional key nutrients to create a unique product that supports and optimizes immune function, Rejuvenate Immune Health™. The global immune health supplements market is expected to reach of US\$27 billion by 2026, increasing at a rate of 8.4% between 2020 and 2026<sup>2</sup>.

### **About Element**

Element is an innovative and research driven Canadian nutraceutical company specializing in the development of science-based products for the global consumer packaged goods market, with a portfolio focused specifically on men and women over the age of 50. Element’s lead product, Rejuvenate™, is a proprietary formulation that is clinically proven to assist in the rebuilding, restoration and rejuvenation of natural loss of muscle mass due to aging or other medical conditions. Element also offers JAKTRX™, an elite brand of performance supplements. Element was founded in 2015 and is located in Burlington, Ontario.

To learn more about Element, visit [elmtinc.com](http://elmtinc.com).

More information about *Rejuvenate*<sup>TM</sup> can be found at: [www.rejuvenatemuscle.com](http://www.rejuvenatemuscle.com)

More information about *JAKTRX*<sup>TM</sup> and *Promino*<sup>TM</sup> can be found at: [www.jaktrx.com](http://www.jaktrx.com)

## **Forward Looking Statements**

This news release contains "forward-looking information" and "forward-looking statements" (collectively, "forward looking statements") within the meaning of the applicable Canadian securities legislation. All statements, other than statements of historical fact, are forward-looking statements and are based on expectations, estimates and projections as at the date of this news release. Any statement that involves discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as "expects", or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "budget", "scheduled", "forecasts", "estimates", "believes" or "intends" or variations of such words and phrases or stating that certain actions, events or results "may" or "could", "would", "might" or "will" be taken to occur or be achieved) are not statements of historical fact and may be forward-looking statements. In this news release, forward looking statements relate, among other things, to: the launch of JAKTRX<sup>TM</sup>, Promino<sup>TM</sup> and Rejuvenate Immune Health<sup>TM</sup>, and the expected size and growth of the sports nutrition and immune health supplements market.

In addition, certain information herein regarding revenue estimates may constitute "future oriented financial information" within the meaning of the applicable Canadian securities legislation. The Company cautions that any future oriented financial information herein relies on a number of good faith management assumptions and is disclosed only to provide a summary of approximate revenues received during the year ended December 31, 2021 and may not be appropriate for any other purpose.

These forward-looking statements are based on reasonable assumptions and estimates of management of the Company at the time such statements were made. Actual future results may differ materially as forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to materially differ from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors, among other things, include: fluctuations in general macroeconomic conditions; expectations regarding the size of the United States and Canadian health, nutraceutical and wellness markets and changing consumer habits; the viability of the Company's products; availability of distribution channels for the Company's product offerings; the ability of the Company to successfully achieve its business objectives; plans for expansion; successful development of the Company's proposed products; the presence of laws and regulations that may impose restrictions or recalls on the sale of the Company's products in the United States and Canada; customer and distributor relations; fluctuations in securities markets; and the inability of the Company to obtain adequate insurance to cover risks and hazards. Although the forward-looking statements contained in this news release are based upon what management of the Company believes, or believed at the time, to be reasonable assumptions, the Company cannot assure shareholders that actual results will be consistent with such forward-looking statements, as there may be other factors that cause results not to be as

anticipated, estimated or intended. Readers should not place undue reliance on the forward-looking statements and information contained in this news release. The Company assumes no obligation to update the forward-looking statements of beliefs, opinions, projections, or other factors, should they change, except as required by law.

No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein.

<sup>1</sup> North America Sports Nutrition Market | 2021 - 2026 | US, Canada, Mexico  
([marketdataforecast.com](http://marketdataforecast.com))

<sup>2</sup> Global Immune Health Supplements Market to Reach \$27.6 Billion by 2026 ([prnewswire.com](http://prnewswire.com))

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