

Element Nutritional Sciences to Report Record Revenue in Q1 2022

- **Element expected to report revenue between \$2.0 million and \$2.3 million, with a gross margin between 35% and 40%, or 521% growth at the mid-point of the range**
- **Flagship Rejuvenate™ ready-to-drink organic plant protein beverage now on shelves at 1,295 Publix, the third largest grocery chain in the United States¹**
- **JAKTRX™ branded performance supplement product portfolio, now available direct to consumer at www.JAKTRX.com and on Amazon through Pattern partnership**

BURLINGTON, Ontario--(BUSINESS WIRE)--May 16, 2022--Element Nutritional Sciences Inc. (CSE:ELMT; OTC:ELNSF; FRANKFURT:93X) (the “Company” or “Element”), is pleased to provide an update highlighting preliminary financial results for the first quarter ended March 31, 2022 (“Q1 2022”) and recent operational milestones. All amounts are expressed in Canadian dollars.

Stuart Lowther, Chief Executive Officer, commented, “We expect Q1 2022 to be a milestone quarter for Element. We look forward to reporting record revenue, with a year-over-year growth rate of 521%, which is attributable to our significantly expanded distribution footprint. We have also recently secured listings with recognized retailers including Publix and Sam’s Club. Furthermore, we announced the international recognition of our licensed patent, a first in the muscle health industry, for a product that increases muscle protein synthesis, giving our products a distinct competitive edge. We believe that with these foundations in place, Element is well positioned for continued growth in the North American market, to execute on its innovate pipeline and make strategic strides in to new and large consumer markets such as sports nutrition, orthopaedics, immune health and oncology.”

Preliminary Financial Results for Q1 2022

For the first quarter ended March 31, 2022, the Company is expected to earn between \$2.0 million and \$2.3 million in revenue, a 521% increase at the mid-point of the range, as compared to \$346,000 for the first quarter of 2020. The Company expects a gross margin for this period between 35% and 40%. The increase in revenue is attributable to the Company reaching over 16,000 points of distribution in the period across North America, with growth particularly in the U.S. retail pharmacy and e-commerce channels.

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

Distribution and Innovation Update

Entering the U.S. Grocery Channel through Publix Super Markets Inc. (“Publix”)

Element continues to expand its distribution footprint, establishing a firm base within the U.S. retail grocery segment. The Company is pleased to announce that Rejuvenate™ is now on shelves at 1,295 Publix grocery stores. Publix is the third largest grocery retailer in the U.S.

With Rejuvenate™ already 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.

Accelerating Sales on Amazon through Pattern

The Company also provided an update to its previously announced partnership with Pattern Inc. (“Pattern”), the third largest global supplier to Amazon. The transition of Rejuvenate™ to Pattern’s Amazon sales management and fulfillment platform is now complete. Element has also integrated its industry-leading JAKTRX™ performance supplement branded products on Amazon.com, through its partnership with Pattern in addition to on the Company’s direct to consumer e-commerce platform, www.JAKTRX.com.

Element’s new and patented Promino™ line of sports nutrition products is also available on Amazon with sales and fulfillment facilitated through Pattern.

Since partnering with Pattern, sales through the Amazon channel have increased over 75% year-over-year.

Element Engages Financial Research & Publication Ltd.

Element has engaged Financial Research & Publication Ltd. (“Financial Research”), of 20-22 Wenlock Road London N1 7GU, a London-based consulting and media firm, to provide the Company with strategic consulting, brand media, and business development services for the European investor market. The engagement is effective May 16, 2022. Element will pay Financial Research €25,000 monthly over the 20 month contract term. Some services expected to be provided by Financial Research may include investor relations activities, comprised principally of digital and print media advertising, and communication with investors and capital markets participants throughout Europe on the Company’s behalf. Financial Research is arm’s length from the Company, and to the best of the Company’s knowledge does not own or control, directly or indirectly, any securities of the Company.

About Element

Element is an innovative and research driven Canadian nutraceutical company specializing in the development of patented and 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.

More information about *Rejuvenate*™ can be found at: www.rejuvenatemuscle.com

More information about *JAKTRX*™ and *Promino*™ can be found at: 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 expected revenue and profitability in Q1 2022, innovation into new markets, and the expected size and growth of the sports nutrition and immune health supplements market.

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.

¹ <https://www.scrapehero.com/largest-grocery-chains-in-us/>

Contacts

Stuart Lowther
Chairman, CEO and President
ir@elementnutrition.com
416-467-5229

Marc Charbin
Investor Relations
ir@elementnutrition.com
416-467-5229