Unaudited Condensed Consolidated Interim Financial Statements

For the three months ended March 31, 2025 and 2024

Table of Contents

Jamieson Wellness Inc.
Unaudited Consolidated Interim Statements of Financial Position
In thousands of Canadian dollars as at

	Notes	March 31, 2025	December 31, 2024
Assets			
Current assets			
Cash		41,113	44,787
Accounts receivable	**5**	128,113	228,031
Inventories	**6**	177,947	154,658
Derivatives	**13**	1,441	2,661
Prepaid expenses and other current assets		8,757	6,803
Income taxes recoverable		4,037	-
		361,408	**436,940**
Non-current assets			
Property, plant and equipment		102,294	103,591
Goodwill		287,454	287,503
Intangible assets		375,684	377,214
Deferred income tax		3,855	3,545
Total assets		**1,130,695**	**1,208,793**
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities		97,284	137,653
Income taxes payable		990	4,373
Derivatives	**13**	2,688	2,982
Current portion of other long-term liabilities	**3**	27,740	27,673
		128,702	**172,681**
Long-term liabilities			
Long-term debt	**7**	295,000	308,285
Post-retirement benefits		1,238	1,209
Deferred income tax		62,601	64,467
Redeemable preferred shares	**8**	100,410	98,138
Other long-term liabilities	**3**	14,334	15,633
Total liabilities		**602,285**	**660,413**
Equity			
Share capital	**9**	325,426	326,219
Warrants	**10**	14,705	14,705
Contributed surplus		24,029	23,835
Retained earnings		80,521	99,109
Accumulated other comprehensive income		40,576	41,313
Total shareholders' equity		**485,257**	**505,181**
Non-controlling interests		43,153	43,199
Total equity		**528,410**	**548,380**
Total liabilities and equity		**1,130,695**	**1,208,793**

(see the accompanying notes to the unaudited condensed consolidated interim financial statements)
Approved on behalf of the Board:

Tania Clarke	*Tim Penner*
Director	***Director***

Jamieson Wellness Inc.
Unaudited Consolidated Interim Statements of Operations and Comprehensive Income
In thousands of Canadian dollars, except share and per share amounts

	Notes	Three months ended March 31, 2025	2024
Revenue	**14, 15**	145,963	128,038
Cost of sales		90,743	85,253
Gross profit		55,220	42,785
Selling, general and administrative expenses		49,587	39,558
Share-based compensation	**11**	2,087	1,749
Earnings from operations		3,546	1,478
Foreign exchange loss (gain)		504	(771)
Accretion on preferred shares	**8**	2,272	2,219
Interest expense and other financing costs	**12**	4,908	4,873
Loss before income taxes		(4,138)	(4,843)
Recovery of income taxes		(1,624)	(1,124)
Net loss		**(2,514)**	**(3,719)**
Unrealized loss on amounts that may be reclassified to net earnings on cash flow hedges	**13**	(929)	(855)
Income tax		245	227
Net of tax		(684)	(628)
Unrealized (loss)/gain on amounts that may be reclassified to net earnings on translation of foreign operations		(31)	8,341
Total other comprehensive (loss)/income		**(715)**	**7,713**
Comprehensive (loss)/income		**(3,229)**	**3,994**
Net loss attributable to:			
Shareholders		(2,446)	(4,113)
Non-controlling interests		(68)	394
		(2,514)	(3,719)
Comprehensive (loss)/income attributable to:			
Shareholders		(3,183)	1,881
Non-controlling interests		(46)	2,113
		(3,229)	3,994
Loss per share attributable to common shareholders:	**18**		
Basic, earnings per share		**(0.06)**	(0.09)
Diluted, earnings per share		**(0.06)**	(0.09)
Weighted average number of shares:	**18**		
Basic		**41,979,827**	41,479,861
Diluted		**41,979,827**	41,479,861

(see the accompanying notes to the unaudited condensed consolidated interim financial statements)

Jamieson Wellness Inc.
Unaudited Consolidated Interim Statements of Changes in Shareholders' Equity
In thousands of Canadian dollars

	Notes	Share capital	Warrants	Contributed surplus	Retained earnings	Accumulated other comprehensive income	Total shareholders' equity	Non-controlling interests	Total equity
As at December 31, 2024		**326,219**	**14,705**	**23,835**	**99,109**	**41,313**	**505,181**	**43,199**	**548,380**
Net earnings for the period		-	-	-	(2,446)	-	(2,446)	(68)	(2,514)
Issuance of treasury shares	9	2,110	-	(1,839)	-	-	271	-	271
Dividends to common shareholders ($0.21 per share)		-	-	-	(8,846)	-	(8,846)	-	(8,846)
Repurchase of common shares	9	(2,903)	-	-	(7,296)	-	(10,199)	-	(10,199)
Other comprehensive loss		-	-	-	-	(684)	(684)	-	(684)
Unrealized foreign currency (loss)/gain on translation of foreign operations		-	-	-	-	(53)	(53)	22	(31)
Share-based compensation	11	-	-	2,033	-	-	2,033	-	2,033
As at March 31, 2025		**325,426**	**14,705**	**24,029**	**80,521**	**40,576**	**485,257**	**43,153**	**528,410**

		Share capital	Warrants	Contributed surplus	Retained earnings	Accumulated other comprehensive income	Total shareholders' equity	Non-controlling interests	Total equity
As at December 31, 2023		312,593	14,705	19,089	80,654	11,892	438,933	42,262	481,195
Net earnings for the year		-	-	-	(4,113)	-	(4,113)	394	(3,719)
Issuance of treasury shares	9	348	-	(38)	-	-	310	-	310
Dividends to common shareholders ($0.19 per share)		-	-	-	(7,847)	-	(7,847)	-	(7,847)
Other comprehensive loss		-	-	-	-	(628)	(628)	-	(628)
Unrealized foreign currency gain on translation of foreign operations		-	-	-	-	6,622	6,622	1,719	8,341
Share-based compensation	11	-	-	1,733	-	-	1,733	-	1,733
As at March 31, 2024		312,941	14,705	20,784	68,694	17,886	435,010	44,375	479,385

(see the accompanying notes to the unaudited condensed consolidated interim financial statements)

Jamieson Wellness Inc.
Unaudited Consolidated Interim Statements of Cash Flows
In thousands of Canadian dollars

		Three months ended March 31,	
Cash provided by (used in)	**Notes**	**2025**	2024
Operating activities			
Net loss		(2,514)	(3,719)
Items not affecting cash			
Depreciation of property, plant, and equipment and right-of-use assets		3,255	3,516
Amortization of intangible assets		1,500	1,384
Deferred income taxes		(1,931)	(586)
Accretion on redeemable preferred shares	**8**	2,272	2,219
Share-based compensation	**11**	2,033	1,733
Others		78	100
Net change in non-cash working capital	**16**	26,865	(11,938)
		31,558	**(7,291)**
Investing activities			
Additions to property, plant and equipment, net		(1,993)	(1,394)
Acquisition of intangible assets		(19)	(44)
		(2,012)	**(1,438)**
Financing activities			
Proceeds from credit facilities	**7**	25,000	25,753
Repayment to credit facilities	**7**	(38,285)	(10,468)
Payment of lease liabilities		(1,373)	(1,399)
Exercise of stock options and ESPP	**9**	271	310
Dividends to common shareholders		(8,846)	(7,847)
Repurchase of common shares	**9**	(9,999)	(949)
		(33,232)	**5,400**
Effect of foreign currency translation on cash		**12**	**616**
Decrease in cash		**(3,674)**	**(2,713)**
Cash - Beginning of the period		**44,787**	**36,863**
Cash - End of the period		**41,113**	**34,150**
Supplemental disclosure			
Amount of income taxes paid		7,757	5,819
Amount of interest paid		3,505	5,029

(see the accompanying notes to the unaudited condensed consolidated interim financial statements)

1. Company overview

1.1 Description of the business and consolidated financial statements

Jamieson Wellness Inc. (“Jamieson” or the “Company”) is a Canadian public company with common shares (“Common Shares”) listed on the Toronto Stock Exchange under the stock symbol “JWEL”.

The unaudited condensed consolidated interim financial statements of Jamieson and its subsidiaries for the three months ended March 31, 2025 (the “Interim Financial Statements”) were authorized for issue by the Board of Directors of the Company on May 7, 2025. Jamieson is a company continued under the *Business Corporations Act* (Ontario) and resident in Canada. Jamieson’s registered office is located at 66 Wellington Street West, Suite 5300, TD Bank Tower, Toronto, ON, M5K 1E6.

The Company has manufacturing facilities located in Windsor, Ontario, Toronto, Ontario and Irvine, California and is principally engaged in the manufacturing, development, distribution, sales and marketing of branded and customer branded health products for humans including vitamins, herbal and mineral nutritional supplements.

1.2 Subsidiaries

The table below provides a summary of the Company’s subsidiaries. Unless otherwise stated, the subsidiaries as listed below have share capital consisting solely of common shares, which are held directly or indirectly by the Company.

As at Entity	**March 31, 2025** **%**	December 31, 2024 %	Principal Place of Operations
Jamieson Laboratories Ltd.	**100.0**	100.0	Canada
International Nutrient Technologies Limited	**100.0**	100.0	Canada
Body Plus Nutritional Products Inc.	**100.0**	100.0	Canada
Jamieson Health Products Australia Pty Ltd.	**100.0**	100.0	Australia
Nutrawise UK Ltd.	**100.0**	100.0	United Kingdom
Jamieson Health Products UK Ltd.	**100.0**	100.0	United Kingdom
Jamieson Health Products USA Ltd.	**100.0**	100.0	United States of America
Nutrawise Health & Beauty LLC	**100.0**	100.0	United States of America
Jamieson Health Products Netherlands B.V.	**100.0**	100.0	Netherlands
Nutrawise Japan GK	**100.0**	100.0	Japan
Jamieson Health Products (Cayman Islands) Limited	**66.7**	66.7	Cayman Islands
Jamieson Health Products (Hong Kong) Limited	**66.7**	66.7	China
Jamieson Health Products (Shanghai) Co., Ltd.	**66.7**	66.7	China
Jamieson Health Products (Hong Kong) Trading Limited	**66.7**	66.7	China
Jamieson Health Products (Hong Kong) Operating Limited	**66.7**	66.7	China

2. Summary of accounting policies

2.1 Basis of preparation and statement of compliance

The Interim Financial Statements have been prepared in accordance with IAS 34, “Interim Financial Reporting”. They do not include all of the information required for full annual financial statements and should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2024 (the “Annual Financial Statements”). The Interim Financial Statements have been prepared using the same accounting policies as disclosed in the Annual Financial Statements.

Several amendments apply for the first time in 2025, but do not have an impact on the Interim Financial Statements. The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

The Interim Financial Statements are presented in Canadian dollars and all values are rounded to the nearest thousand ($000), except share and per share amounts and when otherwise indicated. Certain supplementary information in U.S. dollars is rounded to the nearest thousand where applicable.

2.2 Future changes to accounting standards

The IASB issued IFRS 18 “Presentation and Disclosure in the Financial Statements” ("IFRS 18"), which sets out requirements and guidance on presentation and disclosure in financial statements, including:

- presentation in income statement of income and expenses within five defined categories: operating, investing, financing, income taxes, and discontinued operations
- presentation in the income statements of new defined subtotals for operating profit and profit before financing and income taxes
- enhanced guidance on aggregation and disaggregation of information and whether to provide information in the financial statements or in the notes
- disclosure of specified expenses by nature
- disclosure of explanations of management-defined performance measures

IFRS 18 will replace IAS 1 “Presentation of Financial Statements” but carries forward many requirements from IAS 1 without any change. The standard is effective for the annual reporting periods beginning on or after January 1, 2027, with early application permitted. The Company is currently assessing the impact of this new standard on its consolidated financial statements.

3. Contingent consideration

On July 19, 2022, Jamieson Health Products USA Ltd. (“Jamieson USA”) acquired Nutrawise Health & Beauty Corporation (“Nutrawise” or “youtheory”), and Nutrawise became a wholly owned subsidiary of Jamieson USA. Pursuant to the purchase agreement, the former owners are entitled to additional payments up to USD $190,000 subject to meeting specific earnings before interest expense, income taxes, depreciation and amortization (EBITDA) targets up to 2025.

The following table shows the carrying amounts of the contingent consideration with respect to the Nutrawise acquisition and the movements during the period.

	March 31, 2025 **$**	December 31, 2024 $
Balance, beginning of period	**22,831**	22,623
Fair value adjustment	**-**	(1,620)
Foreign currency translation	**(6)**	1,828
Balance, end of period	**22,825**	22,831
Current	**22,825**	22,831

The fair value of contingent consideration is estimated based on expected cash outflow calculated on the terms of the purchase agreement and is revalued at the end of each reporting period, with any changes in fair value recognized in the consolidated statements of operations and comprehensive income. The fair value for the contingent consideration is an estimate requiring judgment and subject to fluctuations in key assumptions, including EBITDA forecasts until 2025.

4. China Operations Strategic Partnership

On May 16, 2023, the Company completed its strategic partnership with DCP Capital ("DCP") in respect of the Company's operations in China. The transaction involved DCP's contribution of $47,096 (USD $35,000) in capital in exchange for a 33% minority interest in Jamieson Health Products (Cayman Islands) Limited ("Jamieson-DCP Partnership"), which in turn holds Jamieson Health Products (Shanghai) Co., Ltd., Jamieson Health Products (Hong Kong) Trading Limited, and Jamieson Health Products (Hong Kong) Limited (together with Jamieson-DCP Partnership, "China Operations"), less transaction costs of $2,682.

The Jamieson-DCP Partnership is subject to an exit mechanism for DCP and various termination clauses. Exit mechanisms may include a sale to Jamieson or third party, a public offering or a mutually agreed upon termination of the agreement. Between the fourth and fifth anniversary of the Jamieson-DCP Partnership agreement (which period is subject to delay in specified circumstances), the Company has the right, but not the obligation, to repurchase DCP's 33% minority interest at a pre-determined multiple of net revenues of the China Operations (less net debt). If the Company does not execute its right to repurchase the 33% minority interest by the fifth anniversary of the Jamieson-DCP Partnership agreement, a USD $10,000 charge is due to DCP. DCP also has the right to negotiate and execute an exit event including the potential sale of the entire Jamieson-DCP Partnership to a third party. The Company has a right of first refusal should DCP propose a sale of its shares in the Jamieson-DCP Partnership.

The Company's right to purchase DCP's 33% minority interest in the Jamieson-DCP Partnership at a pre-determined multiple of net revenues represents a call option whose value will be driven by the difference, if any, between the fair value of DCP's interest in the China Operations compared to the pre-determined net revenue multiple calculation. The Company will assess the fair value of the call option at each reporting period and has determined the fair values to be $nil at inception and as at March 31, 2025.

The Company has determined that the USD $10,000 potential charge for not executing its right to repurchase the 33% minority interest is not a present obligation for the Company, and therefore continues not to be recognized in the Interim Financial Statements.

In conjunction with DCP's $47,096 investment in the Company's China Operations on May 16, 2023, DCP also completed its subscription for certain preferred shares and warrants of the Company. Please refer to Note 8 for details of the preferred shares and Note 10 for details of the warrants.

5. Accounts receivable

As at	**March 31, 2025**	December 31, 2024
	$	$
Trade	**126,544**	227,260
Other miscellaneous receivables	**1,732**	934
Allowance for expected credit losses	**(163)**	(163)
	128,113	228,031

The Company maintains an allowance for expected credit losses that represents its estimate of uncollectible amounts based on the Company's historical credit loss experience, adjusted for forward-looking factors specific to the customers and the economic environment.

6. Inventories

As at	**March 31, 2025**	December 31, 2024
	$	$
Raw material and packaging	**78,999**	72,577
Bulk product and work in process	**19,439**	18,747
Packaged finished goods	**86,270**	70,081
Inventory provision	**(6,761)**	(6,747)
	177,947	154,658

An inventory provision is estimated by management based on historical sales, inventory aging and expiry, and expected future sales and is included in cost of sales. Subsequent changes to the provision are recorded in cost of sales in the unaudited consolidated interim statements of operations and comprehensive income.

7. Long-term debt

On July 19, 2022, Jamieson Laboratories Ltd. ("JLL") amended and restated its credit agreement to add Nutrawise Health & Beauty LLC as a Borrower and to provide a secured revolving facility of $500,000, plus an expanded accordion feature of up to $250,000 (collectively, the "Credit Facilities"), with an extended maturity to July 19, 2027.

The table below illustrates the drawings and repayments applied against the Credit Facilities.

	Three months ended March 31,	
	2025	2024
	$	$
Credit Facilities		
Drawings	**25,000**	25,753
Repayments	**(38,285)**	(10,468)
	(13,285)	15,285

For the three months ended March 31, 2025, the weighted average interest rate on the Credit Facilities was 5.7% (2024 – 5.6%) and is composed of variable rates. A portion of the Credit Facilities outstanding is fixed through the interest rate swap (refer to Note 13).

The Credit Facilities are collateralized by security agreements and first charges over the assets including property, plant and equipment and intellectual property of the Borrowers and certain other subsidiaries of JLL, subject to permitted liens.

Under the terms of the Credit Facilities, the Borrowers are subject to restrictive covenants and must maintain an interest coverage ratio of not less than 3.00:1.00 and a leverage ratio not greater than 4.50:1.00.

The Borrowers are in compliance with all covenants as at the date of the Interim Financial Statements.

8. Preferred shares

	March 31, 2025	December 31, 2024
	$	$
Balance, beginning of period	**98,138**	89,409
Accretion expense	2,272	8,729
Balance, end of period	**100,410**	98,138

In conjunction with DCP's $47,096 investment in the Company's China Operations on May 16, 2023, DCP also completed its subscription for 2,527,121 Series A Preference Shares of the Company ("Preferred Shares") and 2,527,121 warrants ("Warrants") (refer to Note 10) to purchase common shares of the Company for proceeds of $101,565 (US$75,000). The Preferred Shares carry a nominal annual dividend of $0.01 per share and are redeemable at $101,565 by DCP between May 15, 2025 and May 15, 2028, representing the second and fifth anniversary from the completion of the agreement.

The Company estimated the fair value of the Preferred Shares by fair valuing the warrants first and assigned the residual value to the Preferred Shares. The Preferred Shares accrete at approximately 9.6% for two years to its redeemable value of $101,565 as at May 15, 2025. The Preferred Shares accretion expense is $2,272 for the three months ended March 31, 2025 and $8,729 for the year ended December 31, 2024.

9. Common shares

	Common Shares	
	#	**$**
As at December 31, 2024	**41,950,837**	**326,219**
Exercise of share-based awards	102,492	1,997
Employee stock purchase plan	3,634	113
Repurchase of shares	(348,160)	(2,903)
As at March 31, 2025	**41,708,803**	**325,426**

	Common Shares	
	#	$
As at December 31, 2023	41,551,485	312,593
Exercise of share-based awards	4,933	211
Employee stock purchase plan	28,242	137
Repurchase of shares	(150,200)	-
As at March 31, 2024	41,434,460	312,941

As at March 31, 2025 and 2024, the authorized share capital consisted of:

a) Unlimited number of Common Shares. The holders of Common Shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company.
b) Unlimited number of Preference Shares, issuable in series.

<u>Normal Course Issuer Bid</u>

On November 3, 2023, the Toronto Stock Exchange ("TSX") accepted the Company's notice of intention to make a normal course issuer bid ("NCIB"). The NCIB permitted Jamieson to repurchase for cancellation, at its discretion, up to 4,165,201 common shares of the Company ("Common Shares") in accordance with the NCIB procedures of the TSX. Under the NCIB, Jamieson was entitled to repurchase up to 25,729 Common Shares through the TSX during each trading day (excluding any purchases made pursuant to the block purchase exception in accordance with TSX rules).

The NCIB commenced on November 7, 2023 and remained in effect until November 6, 2024. Purchases under the NCIB were made by means of open market transactions through the facilities of the TSX and through alternative trading systems in Canada. The price paid by the Company for any such repurchased Common Shares was the market price at the time of acquisition or such other price as a securities regulatory authority may permit. All Common Shares repurchased under the NCIB were cancelled.

In connection with the NCIB, the Company also entered into an automatic share purchase plan (“ASPP”) with a designated broker, to allow for purchases of its Common Shares during certain pre-determined black-out periods, subject to certain parameters. The ASPP constitutes an “automatic securities purchase plan” under applicable Canadian securities laws, was approved by the TSX and implemented effective December 14, 2023.

As at December 31, 2023, Jamieson accrued for cancellation 150,200 Common Shares under its ASPP program. These Common Shares were settled during the three months ended March 31, 2024.

On January 30, 2025, TSX accepted the Company’s notice of intention to renew the NCIB (the “Renewed NCIB”). The Renewed NCIB permits Jamieson to repurchase for cancellation, at its discretion, up to 3,502,925 Common Shares in accordance with the NCIB procedures of the TSX. Under the Renewed NCIB, Jamieson is entitled to repurchase up to 11,744 Common Shares through the TSX during each trading day (excluding any purchases made pursuant to the block purchase exception in accordance with TSX rules).

The Renewed NCIB commenced on February 3, 2025 and remains in effect until the earlier of February 2, 2026 and the date on which the Company has either acquired the maximum number of Common Shares permitted under the NCIB or otherwise decided not to make any further repurchases. In connection with the Renewed NCIB, the Company entered into another ASPP with a designated broker to allow for purchases of its Common Shares during certain pre-determined black-out periods, subject to certain parameters.

During the period ended March 31, 2025, Jamieson purchased for cancellation 348,160 Common Shares under its NCIB program for an aggregate consideration of $9,999 at an average price per Common Share of approximately $28.71.

10. Warrants

The 2,527,121 Warrants are exercisable by DCP beginning May 15, 2025 and expire on May 15, 2028. The exercise price of the Warrants is $40.19 per share representing a 10% premium to the 20-day volume weighted average common share price as of the signing of the subscription agreement on February 23, 2023.

At closing, the Warrants were fair valued at $14,962, less transaction costs of $257, and classified as equity in the unaudited consolidated interim statements of financial position.

The fair value of the Warrants was estimated using a Binomial tree model at the inception date. Key assumptions include the risk-free interest rate of 3.5%, volatility of 30.0%, and the expected dividend yield of 2.4%.

11. Share-based compensation

Senior employees and directors' plan

The Company has an equity-based compensation plan providing for the issuance of securities under which grants will be made by the Company. Under the long-term incentive plan, the Board of Directors, at its discretion may grant share options, restricted shares, restricted share units in the form of time-based restricted share units ("RSUs"), performance-based share units ("PSUs"), deferred share units ("DSUs") and stock appreciation rights. The awards are settled in Common Shares with a cash settlement alternative available to the Company.

A summary of the status of the Company's outstanding share-based awards and changes during the three months ended March 31, 2025 and year ended December 31, 2024 is presented below:

	March 31, 2025				December 31, 2024			
	Options (number of shares)	**PSUs (number of shares)**	**RSUs (number of shares)**	**DSUs (number of shares)**	Options (number of shares)	PSUs (number of shares)	RSUs (number of shares)	DSUs (number of shares)
Outstanding awards, beginning of period	**2,173,390**	**272,589**	**182,063**	**75,170**	2,469,873	198,915	57,964	42,346
Granted	**294,129**	**93,514**	**107,817**	**26,733**	266,785	116,583	133,934	32,824
Exercised	**(7,837)**	**(54,421)**	**(3,772)**	**-**	(529,353)	(39,343)	(780)	-
Forfeited	**-**	**-**	**(5,280)**	**-**	(33,915)	(3,566)	(9,055)	-
Outstanding awards, end of period	**2,459,682**	**311,682**	**280,828**	**101,903**	2,173,390	272,589	182,063	75,170
Awards exercisable, end of period	**1,911,755**	**-**	**-**	**75,729**	1,626,629	-	-	44,435

The Company's share-based compensation expense for the three months ended March 31, 2025 is $2,087 (2024 - $1,749), of which $2,033 (2024 - $1,733) is classified as contributed surplus in the Company's unaudited consolidated interim statements of financial position and $54 (2024 - $16) is related to employment taxes paid on exercise of options.

12. Interest expense and other financing costs

	Three months ended March 31,	
	2025	2024
	$	$
Interest on debt and borrowings	**4,729**	4,643
Interest on lease liabilities	**179**	230
	4,908	4,873

13. Financial instruments and risk management activities

Financial instruments

Fair value measurement

The fair values and notional amounts of derivative financial instruments shown below are as at:

	March 31, 2025					December 31, 2024				
				Fair Value					Fair Value	
	Notional Amount $CAD	Notional Amount $USD	Notional Amount RMB	Asset $	Liability $	Notional Amount $CAD	Notional Amount $USD	Notional Amount RMB	Asset $	Liability $
Foreign currency forward contract designated as hedging instruments (forecast purchases)	-	27,000	-	226	-	-	9,000	-	771	-
Foreign currency forward contract designated as hedging instruments (forecast sales)	-	(38,000)	(296,040)	1,215	-	-	(6,000)	(165,600)	1,890	(257)
Interest rate swaps designated as hedging instruments	225,000	-	-	-	(2,688)	225,000	-	-	-	(2,725)
	225,000	(11,000)	(296,040)	1,441	(2,688)	225,000	3,000	(165,600)	2,661	(2,982)

On January 19, 2024, the Company entered into an interest rate swap with an effective date of February 1, 2024 to December 30, 2025 with a notional principal of $150,000, which increased to $250,000 on October 1, 2024 and reduced to $225,000 on December 31, 2024. The notional principal of the interest rate swap is $225,000 as at the end of this reporting period. The interest rate swap is a derivative measured at fair value and meets hedge accounting requirements. The fair values of the derivative financial instruments and interest rate swaps have been classified as Level 2 in the fair value hierarchy.

The carrying values of financial assets and liabilities measured at amortized cost (excluding long-term debt) approximate their fair values due to their short-term nature.

The carrying values of the Preferred Shares and long-term debt as at March 31, 2025 and December 31, 2024 approximate their fair value. The fair values of the Company's Preferred Shares and long-term debt were estimated based on discounted future cash flows using current rates for similar financial instruments subject to similar risks and maturities. The fair values of the Preferred Shares and long-term debt have been classified as Level 2 in the fair value hierarchy.

The call option entered into as part of the China Operations (refer to Note 4) has been valued using the discounted cash flow approach and a methodology that incorporates similar recent market transactions and market multiples of comparable peer companies. The Company's estimates include projected future sales and earnings, capital investments consistent with strategic plans and discount rates consistent with external industry information reflecting the risk associated with the specific cash flows.

The fair values of the contingent consideration related to the Nutrawise acquisition (refer to Note 3) and the call option entered into as part of the China Operations have been classified as Level 3 in the fair value hierarchy.

For the three months ended March 31, 2025, there were no transfers between levels.

Financial instrument risk management objectives and policies

The Company is exposed to credit risk, market risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's financial instruments and policies for managing these risks are detailed below.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations, resulting in financial loss to the Company. The Company is exposed to credit risk from its customers (primarily related to trade accounts receivable) in the normal course of business. The Company has adopted a policy of only dealing with creditworthy counterparties.

To mitigate this risk, the Company carries out regular credit evaluations and purchases credit insurance for international customers, where appropriate, as a means of mitigating the risk of financial loss from defaults.

The Company is also exposed to counterparty credit risk inherent in its financing activities, trade receivable insurance, foreign currency derivatives and interest rate derivatives. The Company has assessed these risks as minimal.

Market risk

Foreign exchange risk
Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily from transactions in U.S. dollars such as a portion of trade accounts payable, trade accounts receivable and cash. Revenue from our China operations are primarily in Chinese Renminbi ("RMB").

The Company uses foreign exchange forward contracts to manage foreign exchange transaction exposure in U.S. dollars and RMB. As at March 31, 2025, $38,349 (December 31, 2024 - $12,135) of anticipated foreign currency denominated purchases have been hedged and $115,039 (December 31, 2024 - $42,869) of anticipated foreign currency denominated sales have been hedged with underlying foreign exchange forward contracts.

Interest rate risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's accounts receivable and accounts payable are non-interest bearing. The Company's exposure to the risk of changes in market interest rates arises from long-term debt obligations issued at fixed rates that create fair value interest rate risk and variable rate borrowings that create cash flow interest rate risk.

The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. To further reduce the long-term interest rate exposure and gain predictability over future cash flows, the Company uses interest rate swaps, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount.

With all other variables held constant, the sensitivity to a reasonably possible change in interest rates on floating rate borrowings of the Company would have the following impact to net earnings before taxes:

	Increase/decrease in basis points +/-	**Effect on earnings before tax $**
Three months ended March 31, 2025	**100**	**231**
Three months ended March 31, 2024	100	232

Changes in market interest rates cause the fair value of long-term debt with fixed interest rates to fluctuate but do not affect net earnings, as the Company's debt is carried at amortized cost and the carrying value does not change as interest rates change.

Commodity price risk
The Company is exposed to price risk related to purchases of certain commodities used as raw materials. The Company may use fixed price contracts with suppliers to mitigate commodity price risk. Concentration in any one raw material is not significant to the Company.

The most recent actions between the U.S. and Canada with respect to potential import tariffs, the threat of associated retaliatory measures, and the possibility of a prolonged trade war may affect consumer behaviour and require price adjustments to respond to increasing input costs, all of which may adversely affect our business. A trade war could cause severe disruption to the Canadian and U.S. economies, impacting markets, gross-domestic product growth, foreign exchange rates, inflation and employment rates and could trigger a broader economic slowdown affecting consumer discretionary spending and purchasing behaviour, ultimately affecting demand. In addition, if tariffs or other trade restrictions are imposed, the Company may face higher input costs which could reduce margins or require product price adjustments that may also affect consumer demand. Management is actively assessing the potential financial and operational implications and is exploring strategies to mitigate risks.

Liquidity risk

Liquidity risk is the risk the Company will not be able to meet its financial obligations associated with financial liabilities. The Company is exposed to this risk mainly in respect of its accounts payable and accrued liabilities, various long-term debt agreements, obligations under its post-retirement benefits plan and lease commitments.

The Company manages its liquidity risk through continuous monitoring of its forecast and actual cash flows and through the management of its capital structure. The Company continually revises its available liquid resources as compared to the timing of the payment of liabilities to manage its liquidity risk.

As at March 31, 2025, the Company had $246,113 in cash and available revolving and swingline facilities. The contractual undiscounted principal cash flows payable in respect of financial liabilities as at the date of these Interim Financial Statements, were as follows:

As at	**March 31, 2025** **$**	December 31, 2024 $
Amounts payable in more than 12 months	**311,653**	326,207
Amounts payable in less than 12 months	**125,635**	165,971
	437,288	492,178

Emerging markets risk

Jamieson Shanghai is an operating subsidiary of the Company located in China. Operating in China may expose the Company to a certain degree of political, economic and other risks and uncertainties. The Company's business, financial condition and financial performance may be influenced by the political, economic and legal environments in China. The Company's business operations in China are subject to oversight and regulation by various Chinese government authorities, including the State Administration for Market Regulation, particularly with respect to advertising and promotional activities. The regulatory landscape in China is dynamic, with new laws and regulations being adopted periodically. Substantial uncertainties exist regarding the interpretation and enforcement of current and future Chinese laws and regulations applicable to the Company's operations. Changes in investment policies or shifts in political attitude in China may also adversely affect the Company's business, results of operations and financial condition. Operations may be affected in varying degrees by government regulations with respect to, but not limited to price controls, income taxes, restrictions on production, foreign investment, bank lending, intellectual property, export controls, and usage and costs of state-controlled transportation services and nationalization or expropriation of property or business. Any events resulting in an adverse impact on the Chinese economy may have an adverse effect on the Company's profitability and prospects.

<u>Impact of geopolitical tensions</u>

The continued risk surrounding the Eastern Europe and Middle East conflicts may have an adverse impact on the Company's business, financial condition, and results of operations. The Company does not conduct direct business operations in regions affected by these conflicts, however, the Company has a sales presence within the broader Eastern Europe and Middle East regions. At current, the Company has not had any measurable disruption to its supply of raw materials and ability to service its customers.

Over the past few years, international markets have experienced heightened inflation and fluctuations in consumer sentiments. These challenges have notably affected the Company's international business operations, particularly in neighbouring Eastern European and Middle Eastern regions where the Company conducts business. The Company continues to monitor the environment to respond rapidly to the evolving economic landscape and to ensure the continued stability of its business.

Additionally, the most recent actions between the U.S. and Canada with respect to potential import tariffs and the possibility of a prolonged trade war may affect consumer behaviour and require price adjustments to respond to increasing input costs, all of which may adversely affect the Company's business.

<u>Capital</u>

The Company's objective is to maintain a cost-effective capital structure that supports its long-term growth strategy, supports the business and maximizes shareholder value. The Company typically uses leverage in its capital structure to reduce the cost of capital. The Company's goal is to maintain its primary credit ratios and leverage at levels that are designed to provide continued access to investment-grade credit pricing and terms.

The Company measures its credit profile using a number of metrics, some of which are non-IFRS measures, primarily cash, less long-term debt and bank indebtedness ("net cash (debt)") to earnings before interest, income taxes, depreciation, amortization, restructuring and other related costs and interest coverage. Additionally, the Company maintains a cash flow reserve to service obligations as they come due.
In addition to Credit Facilities, Preferred Shares and equity, the Company uses leases as additional sources of financing.

There have been no material changes to the Company's risk management activities.

The Company is subject to capital requirements under the credit facility agreement, as described in Note 7.

14. Segment information

The Company has two reportable operating segments:

- The Jamieson Brands segment's principal activity is the manufacturing, distribution and marketing of branded natural health products including vitamins, minerals and supplements; and

- The Strategic Partners segment's principal activity is providing contract manufacturing services to consumer health companies and retailers worldwide.

The Company's chief operating decision maker evaluates segment performance on the basis of earnings from operations, as reported to internal management, on a periodic basis.

Inter-segment revenues and expenses are eliminated upon consolidation and relate mainly to sales from the Strategic Partners segment to the Jamieson Brands segment.

			Three months ended March 31, 2025
	Jamieson Brands	**Strategic Partners**	**Total**
	$	**$**	**$**
Revenue	**131,381**	**14,582**	**145,963**
Cost of sales	**77,591**	**13,152**	**90,743**
Selling, general and administrative expenses	**48,040**	**1,547**	**49,587**
Share-based compensation	**2,087**	**-**	**2,087**
Earnings from operations	**3,663**	**(117)**	**3,546**
Foreign exchange loss			**504**
Accretion on preferred shares			**2,272**
Interest expense and other financing costs			**4,908**
Recovery of income taxes			**(1,624)**
Net loss			**(2,514)**

			Three months ended March 31, 2024
	Jamieson Brands	Strategic Partners	Total
	$	$	$
Revenue	115,348	12,690	128,038
Cost of sales	74,217	11,036	85,253
Selling, general and administrative expenses	38,062	1,496	39,558
Share-based compensation	1,749	-	1,749
Earnings from operations	1,320	158	1,478
Foreign exchange gain			(771)
Accretion on preferred shares			2,219
Interest expense and other financing costs			4,873
Recovery of income taxes			(1,124)
Net loss			(3,719)

Share-based compensation is allocated to the Jamieson Brands operating segment.

15. Revenue from contracts with customers

The following table sets forth the disaggregation of the Company's revenue from contracts with customers in the Jamieson Brands operating segment:

	Three months ended March 31,	
	2025	**2024**
	$	$
Domestic operations	**69,550**	60,866
U.S. operations	**26,465**	30,408
China operations	**28,497**	18,741
International operations	**6,869**	5,333
Total revenue from contracts with customers	**131,381**	115,348

Revenue from international operations and U.S. operations are primarily denominated in U.S. dollars. Revenue from China operations are primarily denominated in RMB. Both are subject to fluctuations in foreign exchange (refer to Note 13 - Financial instruments and risk management activities) on the conversion to Canadian dollars.

16. Net change in non-cash working capital

	Three months ended March 31, 2025	2024
	$	$
Change in:		
Accounts receivable	**99,918**	32,319
Inventories	**(23,289)**	(13,897)
Prepaid expenses and other current assets	**(1,954)**	1,116
Accounts payable and accrued liabilities	**(40,390)**	(25,227)
Taxes	**(7,420)**	(6,249)
Net change in non-cash working capital	**26,865**	(11,938)

17. Business seasonality

Interim period revenues and earnings historically reflect seasonality. As such, the operating results for any interim period are not necessarily indicative of full-year performance. The first quarter is typically the softest as retailers purchase for spring demand, while the fourth quarter has typically been the strongest primarily driven by the cold and flu season.

18. Earnings per share

Basic earnings per share amounts are calculated by dividing the net earnings attributable to common shareholders of the Company by the weighted average number of shares outstanding during the period.

Diluted earnings per share amounts are calculated by dividing the net earnings attributable to common shareholders of the Company by the weighted average number of shares outstanding during the period, adjusted for the effects of potentially dilutive share options, PSUs, RSUs, DSUs and warrants.

The following table sets forth the calculation of basic and diluted earnings per share:

	2025			2024		
Three months ended March 31,	**Net earnings available to common shareholders**	**Weighted average number of shares**	**EPS $**	Net earnings available to common shareholders	Weighted average number of shares	EPS $
Basic						
Continuing operations	**(2,446)**	**41,979,827**	**(0.06)**	(3,719)	41,479,861	(0.09)
Diluted						
Continuing operations	**(2,446)**	**41,979,827**	**(0.06)**	(3,719)	41,479,861	(0.09)