



Unaudited Condensed Consolidated Interim Financial Statements
For the three and six months ended June 30, 2021 and 2020

Table of Contents

Unaudited condensed consolidated interim statements of financial position	1
Unaudited condensed consolidated interim statements of operations and comprehensive income	2
Unaudited condensed consolidated interim statements of changes in shareholders' equity	3
Unaudited condensed consolidated interim statements of cash flows	4
Notes to the unaudited condensed consolidated interim financial statements	5-13

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

	<u>Notes</u>	<u>June 30, 2021</u>	<u>December 31, 2020</u>
Assets			
Current assets			
Cash		4,636	1,166
Accounts receivable	3	109,415	97,951
Inventories	4	117,436	102,645
Derivatives	9	370	-
Prepaid expenses and other current assets		4,180	2,389
Income taxes recoverable		305	-
		236,342	204,151
Non-current assets			
Property, plant and equipment		88,603	83,796
Goodwill		122,975	122,975
Intangible assets		194,586	196,158
Deferred income tax		2,321	2,261
Total assets		644,827	609,341
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities		79,835	73,084
Income taxes payable		-	6,580
Derivatives	9	7,675	8,231
Current portion of other long-term liabilities		2,905	3,115
		90,415	91,010
Long-term liabilities			
Long-term debt	5	170,258	149,058
Post-retirement benefits		3,606	3,538
Deferred income tax		51,699	51,479
Other long-term liabilities		20,634	21,854
Total liabilities		336,612	316,939
Shareholders' equity			
Share capital	6	262,196	255,795
Contributed surplus		14,158	12,986
Retained earnings		36,639	29,023
Accumulated other comprehensive loss		(4,778)	(5,402)
Total shareholders' equity		308,215	292,402
Total liabilities and shareholders' equity		644,827	609,341

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

Approved on behalf of the Board:

Steve Spooner
Director

David Williams
Director

Jamieson Wellness Inc.**Unaudited Condensed Consolidated Interim Statements of Operations and Comprehensive Income**

In thousands of Canadian dollars, except share and per share amounts

	Notes	Three months ended June 30,		Six months ended June 30,	
		2021	2020	2021	2020
Revenue	10, 11	110,556	93,204	208,826	177,727
Cost of sales		72,232	60,263	136,614	113,530
Selling, general and administrative expenses		21,224	20,993	41,990	38,625
Share-based compensation	7	1,057	1,273	3,659	2,538
Earnings from operations		16,043	10,675	26,563	23,034
Foreign exchange loss		117	848	133	99
Interest expense and other financing costs	8	1,371	1,390	2,786	3,318
Earnings before income taxes		14,555	8,437	23,644	19,617
Provision for income taxes		3,083	2,399	6,036	5,568
Net earnings		11,472	6,038	17,608	14,049
Unrealized gain (loss) on amounts to be reclassified net of amounts reclassified to net earnings	9	348	(2,090)	925	2,288
Income tax		(92)	554	(245)	(606)
Total other comprehensive income (loss)		256	(1,536)	680	1,682
Comprehensive income		11,728	4,502	18,288	15,731
Earnings per share attributable to common	12				
Basic, earnings per share		0.29	0.15	0.44	0.36
Diluted, earnings per share		0.28	0.15	0.43	0.34
Weighted average number of shares:	12				
Basic		40,078,646	39,447,020	39,984,741	39,273,066
Diluted		41,428,523	41,178,625	41,315,745	41,003,141

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

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

	<u>Notes</u>	<u>Share capital</u>	<u>Contributed surplus</u>	<u>Retained earnings</u>	<u>Accumulated other comprehensive loss</u>	<u>Total shareholders' equity</u>
As at December 31, 2020		255,795	12,986	29,023	(5,402)	292,402
Net earnings for the period		-	-	17,608	-	17,608
Issuance of treasury shares	6	6,401	(2,321)	-	-	4,080
Common share dividend (\$0.25 per share)		-	-	(9,992)	-	(9,992)
Other comprehensive income		-	-	-	680	680
Currency translation adjustment		-	-	-	(56)	(56)
Share-based compensation	7	-	3,493	-	-	3,493
As at June 30, 2021		262,196	14,158	36,639	(4,778)	308,215

		<u>Share capital</u>	<u>Contributed surplus</u>	<u>Retained earnings</u>	<u>Accumulated other comprehensive (loss) income</u>	<u>Total shareholders' equity</u>
As at December 31, 2019		243,224	10,727	6,061	(844)	259,168
Net earnings for the period		-	-	14,049	-	14,049
Issuance of treasury shares	6	8,852	(1,665)	-	-	7,187
Common share dividend (\$0.22 per share)		-	-	(8,678)	-	(8,678)
Other comprehensive income		-	-	-	1,682	1,682
Currency translation adjustment		-	-	-	(20)	(20)
Share-based compensation	7	-	2,286	-	-	2,286
As at June 30, 2020		252,076	11,348	11,432	818	275,674

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

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

Cash provided by (used in)	Notes	Three months ended June 30,		Six months ended June 30,	
		2021	2020	2021	2020
Operating activities					
Net earnings		11,472	6,038	17,608	14,049
Items not affecting cash					
Depreciation of property, plant, and equipment and right-of-use assets		2,438	1,932	4,834	3,853
Amortization of intangible assets		1,060	956	2,113	1,892
Deferred income taxes		69	(244)	(85)	203
Share-based compensation	7	999	1,143	3,493	2,286
Others		95	37	99	183
Net change in non-cash working capital		(11,054)	4,560	(28,047)	(5,167)
		5,079	14,422	15	17,299
Investing activities					
Additions to property, plant and equipment, net		(6,463)	(3,774)	(9,729)	(5,695)
Acquisition of intangible assets		(201)	(966)	(541)	(1,455)
		(6,664)	(4,740)	(10,270)	(7,150)
Financing activities					
Proceeds from credit facilities	5	26,772	10,429	48,561	31,064
Repayment to credit facilities	5	(25,572)	(19,634)	(27,361)	(32,082)
Payment of lease liabilities		(778)	(544)	(1,563)	(1,042)
Exercise of stock options and ESPP	6	2,041	5,997	4,080	7,187
Dividends to Common Shareholders		(5,008)	(4,361)	(9,992)	(8,678)
		(2,545)	(8,113)	13,725	(3,551)
(Decrease) Increase in cash		(4,130)	1,569	3,470	6,598
Cash - Beginning of the period		8,766	5,227	1,166	198
Cash - End of the period		4,636	6,796	4,636	6,796
Supplemental disclosure					
Amount of income taxes paid		7,000	2,559	13,000	6,624
Amount of interest paid		1,158	1,172	2,061	2,349

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

Jamieson Wellness Inc.

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

Three and six months ended June 30, 2021 and 2020

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 and six months ended June 30, 2021 (the “Interim Financial Statements”) were authorized for issue by the Board of Directors of the Company on August 4, 2021. 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 and in Toronto, Ontario 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	June 30, 2021 %	December 31, 2020 %	Principal Place of Operations
Jamieson Laboratories Ltd.	100	100	Canada
International Nutrient Technologies Limited	100	100	Canada
Body Plus Nutritional Products Inc.	100	100	Canada
Jamieson Health Products (Shanghai) Co., Ltd.	100	100	China
Jamieson Health Products Australia Pty Ltd.	100	100	Australia
Jamieson Health Products UK Ltd.	100	100	United Kingdom
Jamieson Health Products USA Ltd.	100	100	United States of America
Jamieson Health Products Netherlands B.V.	100	-	Netherlands

2. Summary of significant accounting policies

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 consolidated financial statements for the year ended December 31, 2020 (the “Annual Financial Statements”). The Interim Financial Statements have been prepared using the same accounting policies as disclosed in the Annual Financial Statements. 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.

Jamieson Wellness Inc.
Notes to the Unaudited Condensed Consolidated Interim Financial Statements
Three and six months ended June 30, 2021 and 2020

3. Accounts receivable

As at	June 30, 2021	December 31, 2020
	<u>\$</u>	<u>\$</u>
Trade	108,523	96,647
Other miscellaneous receivables	995	1,407
Allowance for expected credit losses	(103)	(103)
	<u>109,415</u>	<u>97,951</u>

The Company determines the allowance based on lifetime expected credit losses at each reporting date.

4. Inventories

As at	June 30, 2021	December 31, 2020
	<u>\$</u>	<u>\$</u>
Raw material and packaging	48,644	52,565
Bulk product and work in process	25,319	18,269
Packaged finished goods	46,216	34,605
Inventory provision	(2,743)	(2,794)
	<u>117,436</u>	<u>102,645</u>

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 condensed consolidated interim statements of operations and comprehensive income.

5. Long-term debt

On September 27, 2019, Jamieson Laboratories Ltd. (“JLL”) amended and restated its credit agreement to add Jamieson Health Products USA Ltd. (collectively with JLL the “Borrowers”) as a co-borrower and to provide a secured revolving facility of \$275,000 (including a \$10,000 swingline facility) with the option to increase the revolving facility by \$200,000 (collectively, the “Credit Facilities”). The Credit Facilities mature on September 27, 2024 with the outstanding principal repayable in full on this date.

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

	<u>Three months ended June 30,</u>		<u>Six months ended June 30,</u>	
	2021	2020	2021	2020
	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
<u>Credit Facilities</u>				
<i>Drawings</i>	26,772	10,429	48,561	31,064
<i>Repayments</i>	(25,572)	(19,634)	(27,361)	(32,082)
	<u>1,200</u>	<u>(9,205)</u>	<u>21,200</u>	<u>(1,018)</u>

For the three and six months ended June 30, 2021, the weighted average interest rate on the Credit Facilities was 2.7% (2020 – 3.5%).

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.

Jamieson Wellness Inc.
Notes to the Unaudited Condensed Consolidated Interim Financial Statements
Three and six months ended June 30, 2021 and 2020

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 4.00:1.00. The Borrowers are in compliance with all covenants as at the date of the Interim Financial Statements.

6. Share capital

	Common Shares	
	#	\$
As at December 31, 2020	39,872,912	255,795
Exercise of share-based awards	277,491	6,121
Employee stock purchase plan	8,155	280
As at June 30, 2021	40,158,558	262,196

	Common Shares	
	#	\$
As at December 31, 2019	38,989,942	243,224
Exercise of share-based awards	656,455	8,620
Employee stock purchase plan	9,417	232
As at June 30, 2020	39,655,814	252,076

As at June 30, 2021 and 2020, 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.

7. 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") or 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 six month period ended June 30, 2021 and year ended December 31, 2020 is presented below:

	June 30, 2021				December 31, 2020			
	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	2,546,553	256,894	9,000	-	2,919,776	187,903	18,000	-
Granted	450,146	39,909	-	16,090	515,862	68,991	-	-
Exercised	(181,785)	(95,706)	-	-	(858,301)	-	(9,000)	-
Forfeited	-	-	-	-	(30,784)	-	-	-
Outstanding awards, end of period	2,814,914	201,097	9,000	16,090	2,546,553	256,894	9,000	-
Awards exercisable, end of period	1,304,375	-	-	-	1,274,953	-	-	-

Jamieson Wellness Inc.

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

Three and six months ended June 30, 2021 and 2020

The Company's share-based compensation expense for the three and six months ended June 30, 2021 is \$1,057 and \$3,659, respectively (2020 - \$1,273 and \$2,538), of which \$999 and \$3,493 (2020 - \$1,143 and \$2,286) is classified as contributed surplus in the Company's consolidated financial statements and \$58 and \$166, respectively (2020 - \$130 and \$252) is related to employment taxes paid on exercise of options. In the current year, the Company accelerated \$1,498 of share-based compensation expense in relation to the Company's CEO transition.

8. Interest expense and other financing costs

	Three months ended June 30,		Six months ended June 30,	
	2021	2020	2021	2020
	\$	\$	\$	\$
Interest on debt and borrowings	1,145	1,250	2,326	3,043
Interest on lease liabilities	226	140	460	275
	1,371	1,390	2,786	3,318

9. Financial instruments and risk management activities

Financial instruments

Fair value measurement

All derivative instruments have been classified as Level 2 in the fair value hierarchy.

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

	June 30, 2021				December 31, 2020			
	Notional Amount	Notional Amount	Fair Value		Notional Amount	Notional Amount	Fair Value	
			Asset	Liability			Asset	Liability
	SCAD	USD	\$	\$	SCAD	USD	\$	\$
Foreign currency forward contract designated as hedging instruments (forecast purchases)	-	87,000	-	(7,675)	-	117,000	-	(6,811)
Interest rate swaps designated as hedging instruments	130,000	-	370	-	140,000	-	-	(1,420)
	130,000	87,000	370	(7,675)	140,000	117,000	-	(8,231)

On June 5, 2020, the Company entered into an interest rate swap with an effective date of October 1, 2020 to September 27, 2024 with a notional principal of \$140,000 and an annual amortization of \$10,000 on the first business day of each year. The notional principal of the interest rate swap is \$130,000 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 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 value of long-term debt as at June 30, 2021 and December 31, 2020 approximates its fair value. The fair value of the Company's long-term debt was estimated based on discounted future cash flows using current rates for similar financial instruments subject to similar risks and maturities. The fair value of long-term debt is considered a Level 2 fair value measurement.

For the three and six month period June 30, 2021 there were no transfers between levels.

Jamieson Wellness Inc.

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

Three and six months ended June 30, 2021 and 2020

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.

The Company uses foreign exchange forward contracts to manage foreign exchange transaction exposure. As of June 30, 2021, \$115,647 (December 31, 2020 - \$156,124) of anticipated foreign currency denominated purchases have been hedged with underlying foreign exchange forward contracts settling at various dates in the 18 months preceding the unaudited condensed consolidated interim statement of financial position date.

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.

Jamieson Wellness Inc.
Notes to the Unaudited Condensed Consolidated Interim Financial Statements
Three and six months ended June 30, 2021 and 2020

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 June 30, 2021	100	109
Six months ended June 30, 2021	100	208
Three months ended June 30, 2020	100	439
Six months ended June 30, 2020	100	879

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.

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 June 30, 2021, the Company had \$109,378 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	June 30, 2021 \$	December 31, 2020 \$
Amounts payable in more than 12 months	197,894	178,377
Amounts payable in less than 12 months	83,571	77,089
	281,465	255,466

Impact of COVID-19

The COVID-19 pandemic continued to impact businesses globally throughout the first half of 2021. The progress on vaccinations in Canada has resulted in the gradual lifting of restrictions, permitting the reopening of retail channels. As the Canadian government and public health officials work towards a full reopening, there is a continuing risk that COVID-19 and variants of concern may impact the Company's results of operations or financial condition. Any prolonged retail or manufacturing closures could impact the Company's ability to service its customers and consumers. An outbreak within the Company's operating facilities could result in absenteeism or a plant closure for an extended duration. The Company's suppliers may experience a

Jamieson Wellness Inc.

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

Three and six months ended June 30, 2021 and 2020

business disruption which could impact the supply of raw materials or components required for production. Limitations on transportation or border closures may result in shipment delays from the Company's suppliers or to its customers.

The Company has implemented and continues to refine its safety protocols to ensure the health and wellness of its employees and business partners. The Company's safety measures include the use of personal protective equipment, physical distancing, and shift gaps to avoid congestion during production changeovers. In response to the province of Ontario's third wave and government mandated lockdowns during the quarter, the Company performed a voluntary plant closure of one of its facilities and established rapid antigen testing on a rotational basis at each of its manufacturing facilities in order to reduce the risk of COVID-19. The Company continued to provide shift premiums for its essential hourly staff who maintain production during government mandated measures and provided additional incentives to encourage vaccination. The Company continues to discourage non-essential travel for business and prioritizes work-from-home to conduct business where possible. As a result of the policies and procedures implemented, the Company's operations to date have been largely uninterrupted by the COVID-19 pandemic. The Company will consider the removal of certain COVID-19 safety measures in accordance with Canadian government and public health recommendations.

As a result of COVID-19, consumers have continued to prioritize their health and wellness which has resulted in higher demand for both immunity and general health supplements. In response to the demand and continued global supply chain challenges, the Company ensured continuity of supply through securing additional and alternate sources of raw materials, expanding operating capacity, and carrying additional inventory.

The duration and impact of the COVID-19 pandemic remains unknown. This includes the rate and manner in which vaccines are distributed, as well as vaccine efficacy against future COVID-19 variants and strains. The Company will continue to review its safety protocols to reflect new government or public health recommendations. The Company has not benefited from nor applied for any government financial aid or relief fund relating to the COVID-19 pandemic.

Capital

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 and equity, the Company uses leases as additional sources of financing.

There have been no material changes to the Company's risk management activities since the inception of the Company's operations.

Jamieson Wellness Inc.
Notes to the Unaudited Condensed Consolidated Interim Financial Statements
Three and six months ended June 30, 2021 and 2020

10. Segment information

The Company has two reportable operating segments with all material operations carried out in Canada:

- 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.

	For the three month period ended June 30, 2021		
	Jamieson Brands	Strategic Partners	Total
	\$	\$	\$
Revenue	82,391	28,165	110,556
Earnings from operations	14,184	1,859	16,043
Foreign exchange loss			117
Interest expense and other financing costs			1,371
Provision for income taxes			3,083
Net earnings			11,472

	For the three month period ended June 30, 2020		
	Jamieson Brands	Strategic Partners	Total
	\$	\$	\$
Revenue	74,292	18,912	93,204
Earnings from operations	12,373	(1,698)	10,675
Foreign exchange loss			848
Interest expense and other financing costs			1,390
Provision for income taxes			2,399
Net earnings			6,038

	For the six month period ended June 30, 2021		
	Jamieson Brands	Strategic Partners	Total
	\$	\$	\$
Revenue	158,286	50,540	208,826
Earnings from operations	23,359	3,204	26,563
Foreign exchange loss			133
Interest expense and other financing costs			2,786
Provision for income taxes			6,036
Net earnings			17,608

Jamieson Wellness Inc.
Notes to the Unaudited Condensed Consolidated Interim Financial Statements
Three and six months ended June 30, 2021 and 2020

	For the six month period ended June 30, 2020		
	Jamieson Brands	Strategic Partners	Total
	\$	\$	\$
Revenue	144,086	33,641	177,727
Earnings from operations	24,327	(1,293)	23,034
Foreign exchange loss			99
Interest expense and other financing costs			3,318
Provision for income taxes			5,568
Net earnings			14,049

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

11. 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 June 30,		Six months ended June 30,	
	2021	2020	2021	2020
	\$	\$	\$	\$
Domestic sales	65,959	59,044	129,966	121,180
International sales	16,432	15,248	28,320	22,906
Total revenue from contracts with customers	82,391	74,292	158,286	144,086

International sales are primarily denominated in U.S. dollars and subject to fluctuations in foreign exchange (see Note 9 – Financial instruments and risk management activities) on the conversion to Canadian dollars.

12. 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 and DSUs.

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

Three months ended June 30,	2021			2020		
	Net earnings available to common shareholders	Weighted average number of shares	EPS \$	Net earnings available to common shareholders	Weighted average number of shares	EPS \$
<i>Basic</i>						
Continuing operations	11,472	40,078,646	0.29	6,038	39,447,020	0.15
<i>Diluted</i>						
Continuing operations	11,472	41,428,523	0.28	6,038	41,178,625	0.15
Six months ended June 30,						
<i>Basic</i>						
Continuing operations	17,608	39,984,741	0.44	14,049	39,273,066	0.36
<i>Diluted</i>						
Continuing operations	17,608	41,315,745	0.43	14,049	41,003,141	0.34