

**LifeVantage®**

# Investor Presentation

May 10, 2023

We offer people around the world a better path to wellness and a healthy, vibrant life.





# Forward Looking Statements

## SAFE HARBOR STATEMENT

This presentation contains forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Words and expressions reflecting optimism, satisfaction or disappointment with current prospects, as well as words such as “believe,” “hopes,” “intends,” “estimates,” “expects,” “projects,” “plans,” “look forward to,” “anticipates” and variations thereof, identify forward-looking statements, but their absence does not mean that a statement is not forward-looking. These forward-looking statements are not guarantees of performance and actual results could differ materially from those contained in such statements. These forward-looking statements are based on our current expectations and beliefs concerning future events affecting us and involve known and unknown risks and uncertainties that may cause our actual results or outcomes to be materially different from those anticipated and discussed herein. These risks and uncertainties are discussed in greater detail in our Annual Report on Form 10-K and Quarterly Report on Form 10-Q under the caption “Risk Factors” and in other documents filed by us from time to time with the Securities and Exchange Commission. We caution you not to place undue reliance on the forward-looking statements contained in this presentation. All forward-looking statements are based on information currently available to us as of today, and we undertake no obligation to revise or update these forward-looking statements to reflect events or circumstances after the date of this document, except as required by law.

## HEALTH CLAIMS DISCLAIMER

Statements made in this presentation and appendices have not been evaluated by the Food and Drug Administration. LifeVantage products are not intended to treat, cure, prevent or mitigate any disease. The statements in this presentation are for investors’ educational purposes only.



# LifeVantage Fact Sheet

<b>NASDAQ Ticker</b>	<b>LFVN</b>	<b>Share price<sup>1</sup></b>	<b>\$3.72</b>
<b>Shares outstanding<sup>1</sup></b>	12.8 million	<b>Float<sup>1</sup></b>	11.4 million
<b>Market Capitalization<sup>1</sup></b>	\$47.6 million	<b>Enterprise Value<sup>1</sup></b>	\$28.1 million
<b>Average Daily Volume<sup>1</sup></b>	14,981	<b>Fiscal 2022 Revenue</b>	\$206.4 million
<b>Cash at March 31, 2023</b>	\$19.5 million	<b>Fiscal 2022 Adjusted EBITDA<sup>2</sup></b>	\$12.8 million
<b>Debt at March 31, 2023</b>	Debt free	<b>Fiscal 2022 Adjusted EPS<sup>2</sup></b>	\$0.41

(1) As of May 5, 2023.

(2) A reconciliation of non-GAAP measures is included in the appendix to this presentation. Fiscal year ends June 30.





# LifeVantage Activating Wellness

## COMPANY AT-A-GLANCE

We inspire the remarkable through wellness products and entrepreneurial programs that help people feel better and fuel their purpose.

- ✦ We are world leaders in using nutrigenomics to activate a healthy body, mind, and mood with science-backed products that include unique combinations of naturally occurring compounds.
- ✦ We activate financial, social, and community wellness by using a direct selling model to offer our premium-quality supplements, energy, and skin-care products through a connected network of independent Consultants around the globe.







# Our Unique Products Attract Wellness Enthusiasts

Our products are nutrigenomically active, proven to work, provide demonstrable benefits, and are delightful to use every day. Each Activation Path features products that empower a consumer's body to work at its best, so they can look and feel vibrantly healthy at any age.

OPTIMIZE HEALTH

ACHIEVE MORE

LOOK RADIANT





# Activation

## Optimize Health



## Achieve More



## Look Radiant





# Building on a History of Activation

PROTANDIM® NRF2 SYNERGIZER®

## PATENTED

Several U.S. and international patents, including “Compositions And Methods For Alleviating Inflammation In A Mammal”

## SCIENCE BACKED

Studies conducted at the following institutions:

- Ohio State University
- Louisiana State University
- University of Colorado Denver
- Virginia Commonwealth University
- Colorado State University
- Texas Tech University
- Auburn University

## PEER-REVIEWED

### PUBLISHED RESEARCH

- Free Radical Biology & Medicine
- Enzyme Research
- Circulation
- American Journal of Physiology—Lung Cellular and Molecular Physiology





# Patented Innovations Support Healthy Aging – Inside, and Out

Patent-pending Protandim® Tri-Synergizer™ addresses prominent theories of aging by activating 3 key natural age-defying processes with Nrf2 Synergizer®, NRF1 Synergizer™, NAD Synergizer™.

Patented Nrf2 Synergizer® ingredients in TrueScience® products activate antioxidant defenses against environmental aggressors for visibly healthier and younger-looking skin.





# Market-Driven Products Made for Social Selling

Introduced in June 2022, TrueScience® Liquid Collagen taps into one of the fastest growing consumer product markets, and the proprietary blend activates, replenishes, and maintains collagen density in as little as 4 weeks. Customers and Consultants are sharing the fast-acting, visible results on social media, rapidly driving demand and increasing revenue to approximately \$3M a month.





# Subscriptions for Health Solutions

We offer a wide-range of unique, science-based product solutions & stacks to help our consumers activate wellness:

- + Anti-Aging
- + General Wellness
- + Targeted Concerns
- + Energy
- + Weight Management
- + Skin & Personal Care

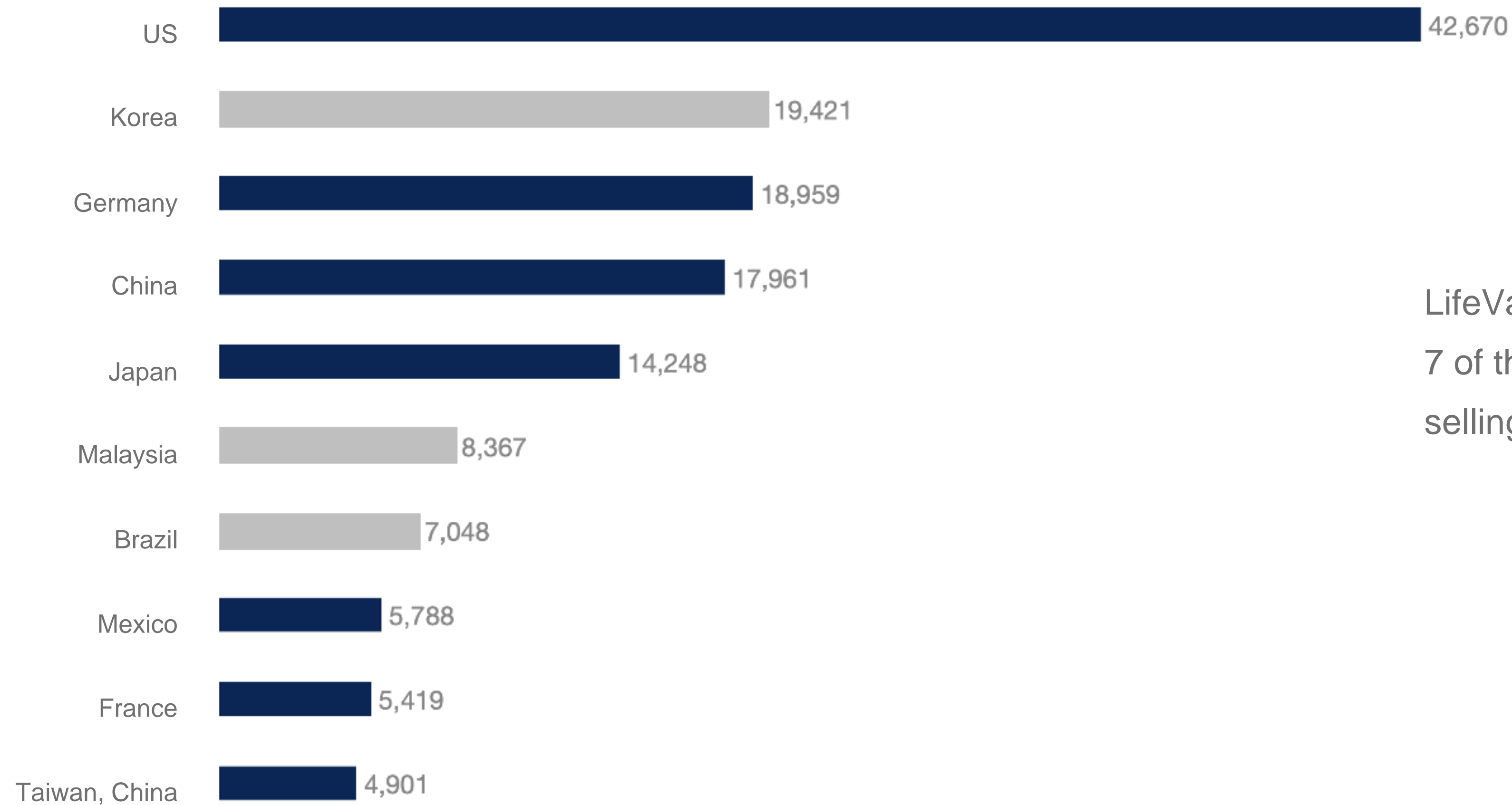
Product subscriptions deliver stable, recurring orders, accounting for 70% of monthly revenue.





# Addressing Global Markets

## TOP 10 DIRECT SELLING MARKETS GLOBALLY



LifeVantage operates in 7 of the 10 largest direct selling markets globally.

Source: World Federation of Direct Selling Associations 2021 Data <https://wfdsa.org/global-statistics/> <https://wfdsa.org/wp-content/uploads/2022/06/Fact-Sheet-2021-A.pdf>





# A Growing Industry

## DIRECT SELLING TRENDS

↓ 5.2%  
7.3 million

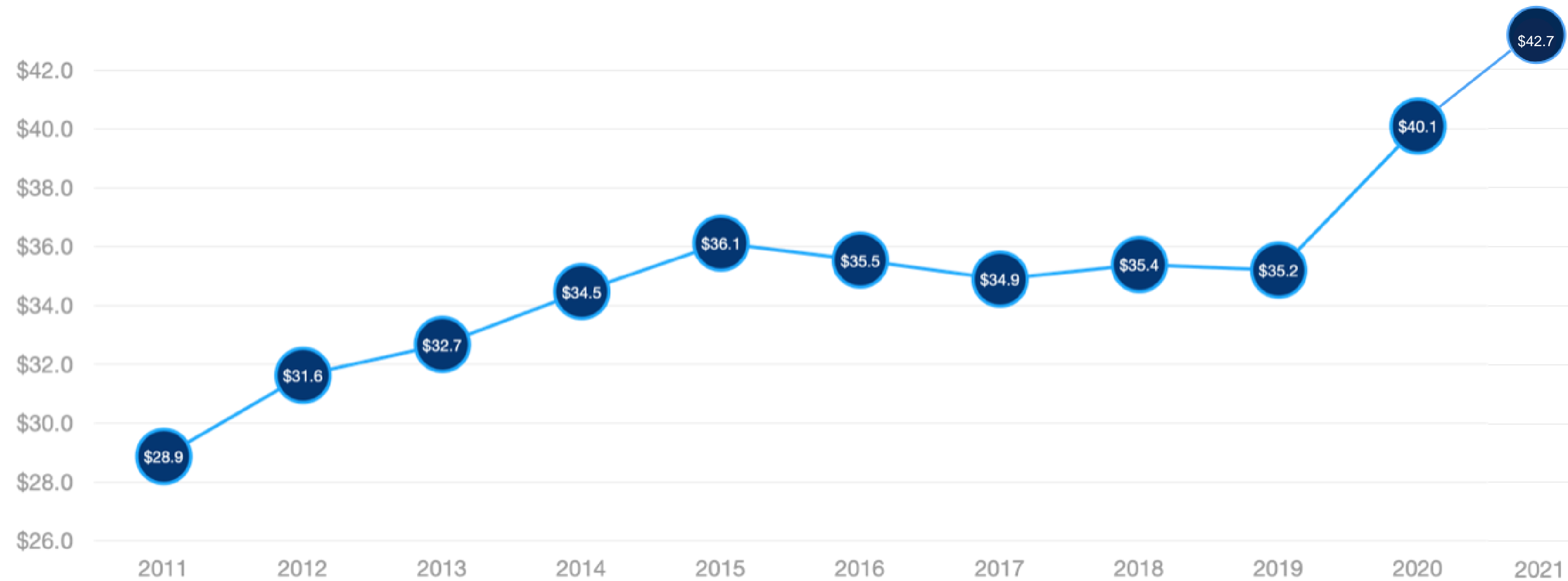
### DIRECT SELLERS

7.3 million direct sellers (a 5.2% decrease over 2020) built a business full-time (30 or more hours/week) or part-time (fewer than 30 hours/week). These people sell products/services to consumers and may sponsor people to join their team.

↑ 7.2%  
44.6 million

### CUSTOMERS

More than 44.6 million customers. This total figure represents a 7.2% increase over 2020. (And this figure excludes those who have not signed an agreement with a direct selling company).



[https://www.dsa.org/docs/default-source/industry-fact-sheets/dsa-2021g-ofactsheetv3.pdf?sfvrsn=51c6d6a5\\_3%27](https://www.dsa.org/docs/default-source/industry-fact-sheets/dsa-2021g-ofactsheetv3.pdf?sfvrsn=51c6d6a5_3%27)







# Accelerating Growth

HISTORY & FOCUS FOR THE FUTURE



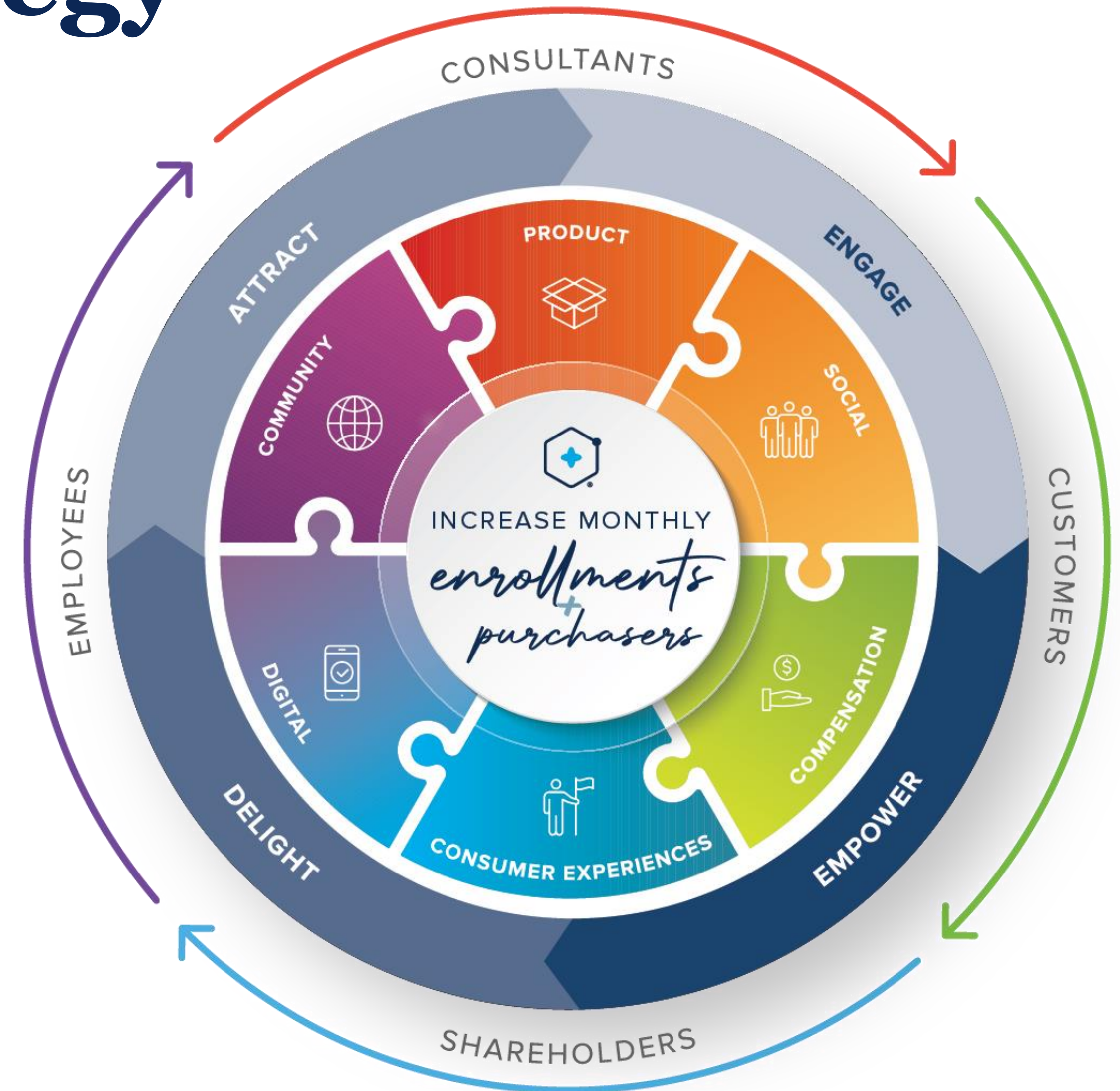
# LV360 Growth Strategy

DRIVING FUTURE MOMENTUM WITH ENHANCEMENTS  
TO EVERY ASPECT OF OUR BUSINESS

We are laser-focused on increasing active monthly purchasers, enrolling new business builders and Customers, and retaining them longer. The key is ensuring every piece of our business fits together to create an excellent experience for everyone.

## GUIDING VALUES

- Attract through wellness innovation
- Engage through connections and trust
- Empower each other to achieve the remarkable
- Delight with every experience





# #1 Product

Attract and retain new consumers with modern branding and exciting products that fit current industry trends, meet a true health need, and are socially shareable.

## HIGHLIGHTS

- TrueScience® Liquid Collagen activates, replenishes, and maintains collagen to deliver visible results that drive demand on social media, capitalizing on one of the fastest growing supplement categories.
- LifeVantage® Rise AM™ & Reset PM™ feature unique Timewise Nutrient Delivery™ to supply the right nutrients, in the right amounts, at the right time, capturing market share of the largest supplement category globally – multivitamins.
- LifeVantage® D3+ is designed to address one of the largest nutrient insufficiencies and gain market share from the second largest supplement category, globally.
- Refreshed look and feel to attract new consumers





## #2 Social

Inspire a growing, engaged social community that encourages wellness enthusiasts to continuously feel better, fuel their purpose, and celebrate what it means to live activated. LifeVantage shares performance-driven digital content that creates conversations and attracts and delights consumers with the right message at the right time.

### HIGHLIGHTS

- Attracted new customers with targeted ads
- Connected community to a greater purpose through True Confidence Collective
- Educated about health topics and our products with Activate Thursdays Facebook Live events

TrueConfidence *Collective*

CHALLENGE WEEK 1

*Personal Challenge:*

Get 10 people (strangers and friends) to smile this week by greeting or acknowledging them





# #3 Compensation

Modernized Evolve Compensation Plan helps new Consultants earn faster, rewards them for any way they want to work, and gives them the flexibility to earn only on sales to Customers or also through building a team of Consultants.

## HIGHLIGHTS

- Fully redesigned Evolve Compensation Plan and product pricing structure supports profitability for the Company and the Consultants
- Evolve drives the right business-building behaviors at each stage of the Consultant Path, progressing through Share, Build & Grow, then Lead to create long-term product sales and leadership development
- Rewards Circle loyalty program supports Consultants' ability to retain Customers longer
- Business incentives, including MVP builder and Run to Pro 4, create excitement and engagement



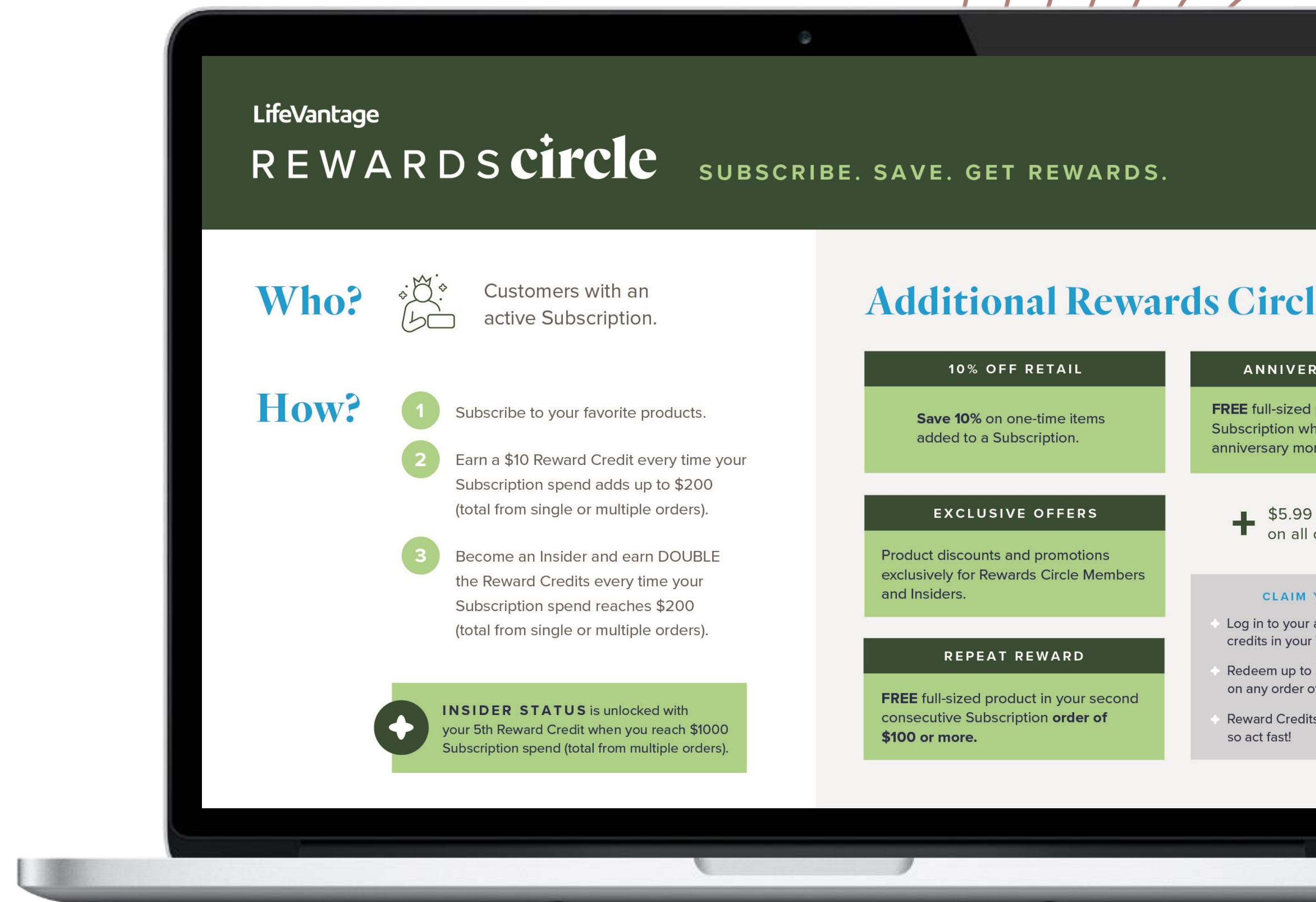


# #4 Consumer Experience

Build trust, create positive experiences, and provide compelling motivators for placing repeat orders.

## HIGHLIGHTS

- Created LifeVantage® Rewards Circle loyalty program in which Customers can earn credits to use for future orders when they order products on Subscription and also receive gifts for meeting spending thresholds
- Offered tailored promotions to active Subscribers
- Started an automated welcome series of emails for Customers to encourage repeat orders through education and special offers for additional purchases





# #5 Digital

Create a connected, digital-first culture to enhance customer relationships and support the Consultant experience.

## HIGHLIGHTS

- Improved website experience and Shop by Solution functionality
- Streamlined subscription and order management
- Enhanced global LifeVantage App to help Consultants build their business with shareable coupons and sample tracking





# #6 One LifeVantage Community

Grow the community of those positively impacted by LifeVantage through entering new markets and leaving a legacy of a better world for all.

## HIGHLIGHTS

- Opened Philippines market in 2022, quickly grew to one of the largest markets.
- Focused on benchmarking and creating future goals for environmental, social, and governance priorities
- Support LifeVantage Legacy through service hours and by providing donations to those in need





# Financial Overview





# Business Model

LIFEVANTAGE

(as % of revenue)	FY 2019	FY 2020	FY 2021	FY 2022	Long-term Target
Gross Margin	83.2%	83.7%	82.7%	81.5%	82.0%
Commissions and Incentives	48.1%	47.9%	47.0%	47.1%	45.0%
SG&A*	30.3%	28.6%	26.9%	30.7%	28.0%
Operating Margin*	4.8%	7.2%	8.7%	3.7%	9.0%
Adjusted EBITDA Margin*	8.1%	10.3%	11.3%	6.2%	12.0%

\*A reconciliation of non-GAAP items, including Adjusted EBITDA, Adjusted Net Income and Adjusted Earnings per Diluted Share, is included in the appendix of this presentation.

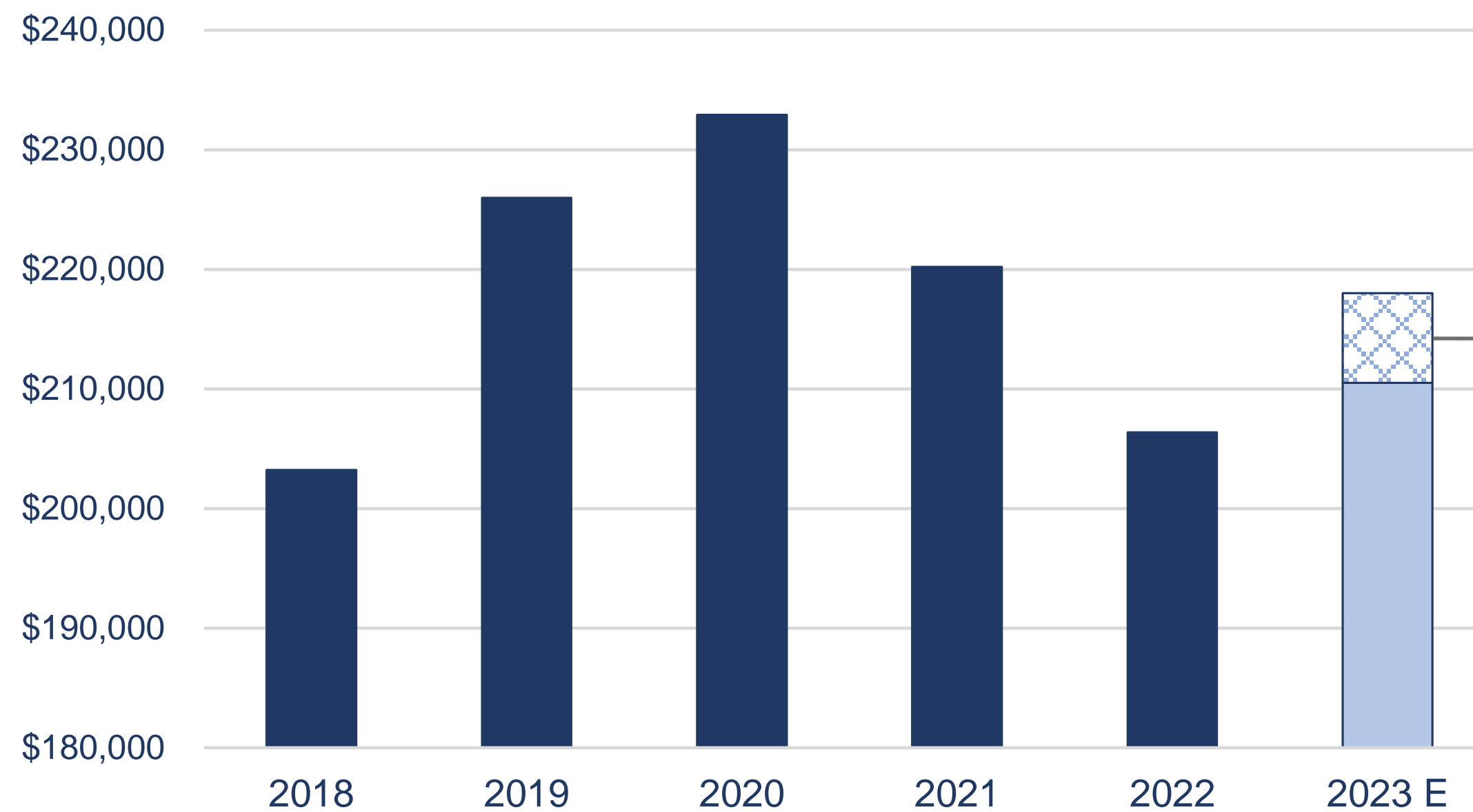




# Revenues

LIFEVANTAGE

Revenue (USD in thousands)



- Q3 revenue of \$53.7M, 7.5% YOY increase
- 4 consecutive quarters of sequential revenue increase
- Estimated \$7.5M of negative FX impact in FY23
- Estimated constant currency growth of 6% vs. FY22

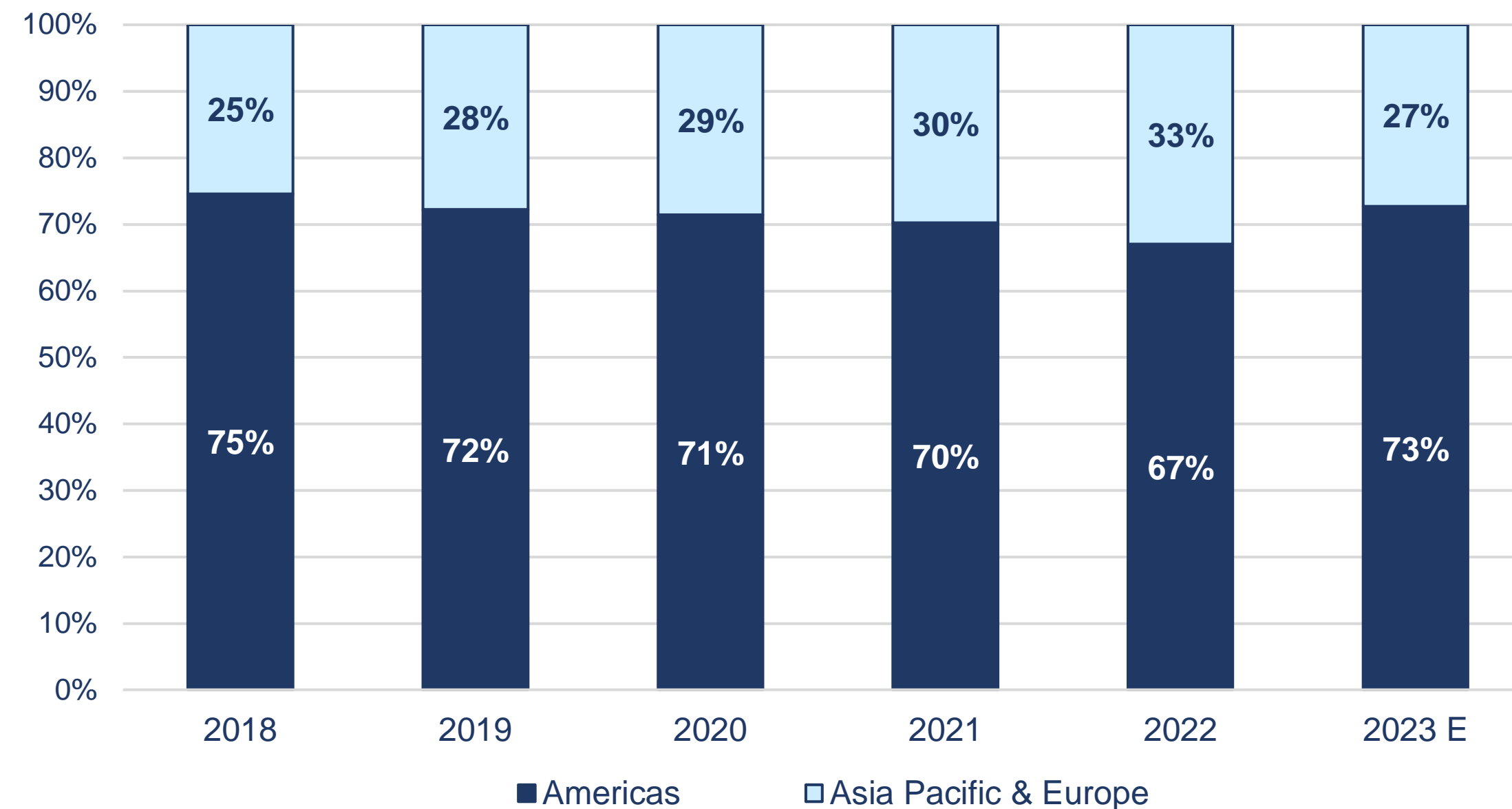




# Revenues by Geography

LIFEVANTAGE

Percent of Total Revenue



- Currently selling products in 21 countries
- USA largest market at 70%
- Japan next largest at 15%
- Launched Philippines in November 2021, currently 4<sup>th</sup> largest market





# Strong Balance Sheet

LIFEVANTAGE

(USD in thousands)	March 31, 2023	June 30, 2022
Cash	\$ 19,529	\$ 20,190
Inventory	18,452	16,472
Current Assets	44,342	46,957
<b>Total Assets</b>	<b>\$ 67,082</b>	<b>\$ 70,706</b>
Current Liabilities	21,402	25,728
<b>Total Liabilities</b>	<b>\$ 33,640</b>	<b>\$ 39,190</b>
Stockholders Equity	33,442	31,516
<b>Total Liabilities and Stockholders Equity</b>	<b>\$ 67,082</b>	<b>\$ 70,706</b>

- No debt
- Initiated dividend in Q3 FY22
- Recently increased dividend by 16.7% to \$0.035 per share (3.8% current yield)
- \$27.7M remaining on stock repurchase authorization





# Summary

## LIFEVANTAGE

- Well-positioned with on-trend, scientific products in a growing, global sales channel
- Continuous focus on product innovation, international market expansion, and positive experiences
- Subscription-based business model with strong cash flow and high incremental margins
- Four Activation Paths—3 paths offering health solutions plus 1 Consultant path—allows us to grow our Active Monthly Purchasers by meeting them where they are and serving them both equally as a company focused on the needs of Consultants AND Customers





# Appendix





# Recent Operating Results Comparison

## LIFEVANTAGE

### CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(Unaudited)

(In thousands, except per share data)

	Most Recent Quarter	Prior Year Period	Year over Year Change	Previous Sequential Quarter	Sequential Change
	Q3 of Fiscal 2023	Q3 of Fiscal 2022	%	Q2 of Fiscal 2023	%
<b>Revenue, net</b>	\$ 53,741	\$ 50,004	7.5%	\$ 53,662	0.1%
Cost of sales	10,618	9,657		11,758	
<b>Gross profit</b>	<b>43,123</b>	<b>40,347</b>	6.9%	<b>41,904</b>	2.9%
Commissions and incentives	23,816	23,206		23,556	
Selling, general and administrative	17,708	15,316		19,580	
Total operating expenses	41,524	38,522		43,136	
<b>Operating income (loss)</b>	<b>1,599</b>	<b>1,825</b>	(12.4%)	<b>(1,232)</b>	(229.8%)
Interest income (expense)	59	(5)		(3)	
Other income (expense), net	7	(69)		160	
Total other income (expense)	66	(74)		157	
Income (loss) before income taxes	1,665	1,751		(1,075)	
Income tax benefit (expense)	(643)	(610)		17	
<b>Net income (loss)</b>	<b>1,022</b>	<b>1,141</b>	(10.4%)	<b>(1,058)</b>	(196.6%)
EPS (Net income (loss) per share, basic)	\$ 0.08	\$ 0.09	(6.3%)	\$ (0.08)	(196.0%)
EPS (Net income (loss) per share, diluted)	\$ 0.08	\$ 0.09	(7.0%)	\$ (0.08)	(194.9%)
Weighted-average shares outstanding:					
Weighted average shares, basic	12,615	13,195		12,543	
Weighted average shares, diluted	12,770	13,257		12,543	
<b>Non-GAAP Items</b>					
<b>Adjusted EBITDA*</b>	<b>3,291</b>	<b>3,400</b>	(3.2%)	<b>794</b>	314.5%
<b>Adjusted Net income (loss)*</b>	<b>1,026</b>	<b>1,645</b>	(37.6%)	<b>(823)</b>	(224.7%)
<b>Adjusted EPS (Net income (loss) per share, diluted)*</b>	<b>\$ 0.08</b>	<b>\$ 0.12</b>	(35.3%)	<b>\$ (0.07)</b>	(214.8%)

\*A reconciliation of non-GAAP items, including Adjusted EBITDA, Adjusted Net Income and Adjusted Earnings per Diluted Share, is included in the appendix of this presentation.





# Historical Income Statements

## LIFEVANTAGE

### CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(Unaudited)

	Fiscal Year ended June 30,			Nine Months ended March 31,	
	2020	2021	2022	2022	2023
(In thousands, except per share data)					
<b>Revenue, net</b>	\$ 232,915	\$ 220,181	\$ 206,360	\$ 155,418	\$ 159,177
Cost of sales	37,964	38,187	38,097	28,765	32,318
<b>Gross profit</b>	<b>194,951</b>	<b>181,994</b>	<b>168,263</b>	<b>126,653</b>	<b>126,859</b>
Commissions and incentives	111,571	103,541	97,263	72,760	71,185
Selling, general and administrative	67,914	60,838	63,425	47,813	54,018
Total operating expenses	179,485	164,379	160,688	120,573	125,203
<b>Operating income</b>	<b>15,466</b>	<b>17,615</b>	<b>7,575</b>	<b>6,080</b>	<b>1,656</b>
Interest income (expense)	(120)	(17)	(10)	(10)	91
Other expense, net	(685)	(366)	(669)	(385)	(304)
Impairment of investment	—	—	(2,205)	—	—
Total other expense, net	(805)	(383)	(2,884)	(395)	(213)
Income before income taxes	14,661	17,232	4,691	5,685	1,443
Income tax expense	(3,112)	(4,338)	(1,571)	(1,149)	(869)
<b>Net income</b>	<b>11,549</b>	<b>12,894</b>	<b>3,120</b>	<b>4,536</b>	<b>574</b>
EPS (Net income per share, basic)	\$ 0.82	\$ 0.92	\$ 0.24	\$ 0.34	\$ 0.05
EPS (Net income per share, diluted)	\$ 0.79	\$ 0.90	\$ 0.24	\$ 0.34	\$ 0.05
Weighted-average shares outstanding:					
Weighted average shares, basic	14,105	14,070	12,886	13,261	12,538
Weighted average shares, diluted	14,599	14,268	13,069	13,312	12,555
<b>Non-GAAP Items</b>					
<b>Adjusted EBITDA*</b>	<b>23,968</b>	<b>24,847</b>	<b>12,832</b>	<b>11,106</b>	<b>6,904</b>
<b>Adjusted Net income*</b>	<b>12,488</b>	<b>14,292</b>	<b>5,303</b>	<b>5,397</b>	<b>901</b>
<b>Adjusted EPS (Net income per share, diluted)*</b>	<b>\$ 0.86</b>	<b>\$ 1.00</b>	<b>\$ 0.41</b>	<b>\$ 0.41</b>	<b>\$ 0.07</b>

\*A reconciliation of non-GAAP items, including Adjusted EBITDA, Adjusted Net Income and Adjusted Earnings per Diluted Share, is included in the appendix of this presentation.





# Historical Balance Sheet and Cash Flows

## LIFEVANTAGE

### SUMMARIZED BALANCE SHEET AND CASH FLOW METRICS

(Unaudited, in thousands, except per share data)	As of June 30,			As of March 31,	
	2020	2021	2022	2022	2023
Cash and Cash Equivalents	\$ 22,138	\$ 23,174	\$ 20,190	\$ 17,796	\$ 19,529
Current Portion of Long-term Debt, net	-	-	-	-	-
<b>Net Cash</b> (Cash and equivalents less total Debt)	<b>22,138</b>	<b>23,174</b>	<b>20,190</b>	<b>17,796</b>	<b>19,529</b>
<b>Net Cash per share, diluted</b>	<b>\$ 1.52</b>	<b>\$ 1.62</b>	<b>\$ 1.54</b>	<b>\$ 1.34</b>	<b>\$ 1.56</b>
Total Assets	58,877	78,732	70,706	72,215	67,082
Total Stockholders' Equity	33,254	36,807	31,516	34,031	33,442
<b>Book Value per share, diluted</b>	<b>\$ 2.28</b>	<b>\$ 2.58</b>	<b>\$ 2.41</b>	<b>\$ 2.56</b>	<b>\$ 2.66</b>

(Unaudited, in thousands, except per share data)	Fiscal Year ended June 30,			Nine Months ended March 31,	
	2020	2021	2022	2022	2023
Net Cash Provided by Operating Activities	\$ 18,326	\$ 16,273	\$ 7,959	\$ 5,179	\$ 3,065
Capital Expenditures	2,681	3,741	1,530	1,264	2,554
Free Cash Flow	15,645	12,532	6,429	3,915	511
<b>Free Cash Flow per share, diluted</b>	<b>\$ 1.07</b>	<b>\$ 0.88</b>	<b>\$ 0.49</b>	<b>\$ 0.29</b>	<b>\$ 0.04</b>





# Non-GAAP Reconciliations

## LIFEVANTAGE

### Adjusted Net Income

(Unaudited, in thousands, except per share data)

	Fiscal Year ended June 30,			Three Months ended March 31,		Nine Months ended March 31,	
	2020	2021	2022	2022	2023	2022	2023
GAAP net income	\$11,549	\$12,894	\$3,120	\$1,141	\$1,022	\$4,536	\$574
Adjustments:							
Executive team recruiting and transition expenses	—	534	31	—	—	31	—
Class-action lawsuit expenses, net of recoveries	703	(144)	(456)	590	(145)	539	(141)
Executive team litigation and severance expenses, net	—	269	531	63	147	529	147
Other nonrecurring legal and accounting expenses	103	—	—	—	—	—	—
Accelerated depreciation related to change in lease term	456	101	—	—	—	—	116
Lease abandonment	—	830	—	—	4	—	322
Impairment of investment	—	—	2,205	—	—	—	—
Tax impact of adjustments	(323)	(192)	(128)	(149)	(2)	(238)	(117)
Total adjustments, net of tax	939	1,398	2,183	504	4	861	327
<b>Non-GAAP Net income:</b>	<b>12,488</b>	<b>14,292</b>	<b>5,303</b>	<b>1,645</b>	<b>1,026</b>	<b>5,397</b>	<b>901</b>
Diluted earnings per share, as reported	0.79	0.90	0.24	0.09	0.08	0.34	0.05
Total adjustments, net of tax	0.06	0.10	0.17	0.04	0.00	0.06	0.03
<b>Diluted earnings per share, as adjusted*</b>	<b>0.86</b>	<b>1.00</b>	<b>0.41</b>	<b>0.12</b>	<b>0.08</b>	<b>0.41</b>	<b>0.07</b>





# Non-GAAP Reconciliations

## LIFEVANTAGE

### EBITDA and Adjusted EBITDA

(Unaudited, in thousands)

	Fiscal Year ended June 30,			Three Months ended March 31,		Nine Months ended March 31,	
	2020	2021	2022	2022	2023	2022	2023
GAAP Net income	\$11,549	\$12,894	\$3,120	\$1,141	\$1,022	\$4,536	\$574
Interest (income) expense	120	17	10	5	(59)	10	(91)
Provision for income taxes	3,112	4,338	1,571	610	643	1,149	869
Depreciation and amortization	2,777	3,460	3,261	838	869	2,443	2,678
<b>Non-GAAP EBITDA:</b>	<b>17,558</b>	<b>20,709</b>	<b>7,962</b>	<b>2,594</b>	<b>2,475</b>	<b>8,138</b>	<b>4,030</b>
Adjustments:							
Stock compensation expense	4,919	2,036	1,768	(38)	817	1,362	2,242
Other (income) expense, net	685	366	669	69	(7)	385	304
Impairment of investment	—	—	2,205	—	—	—	—
Other adjustments	806	1,736	228	775	6	1,221	328
Total adjustments	6,410	4,138	4,870	806	816	2,968	2,874
<b>Non-GAAP Adjusted EBITDA:</b>	<b>23,968</b>	<b>24,847</b>	<b>12,832</b>	<b>3,400</b>	<b>3,291</b>	<b>11,106</b>	<b>6,904</b>





**Thank You**

