



Q4 2020 Financial Results

As of December 31, 2020 | Reported on March 4, 2021

Safe Harbor Statement

Certain statements contained in this presentation are "forward-looking statements" about future events and expectations. Forward-looking statements are based on our beliefs, assumptions and expectations of industry trends, our future financial and operating performance and our growth plans, taking into account the information currently available to us. These statements are not statements of historical fact. Forward-looking statements involve risks and uncertainties that may cause our actual results to differ materially from the expectations of future results we express or imply in any forward-looking statements, and you should not place undue reliance on such statements. Factors that could contribute to these differences include, but are not limited to, the continuing impact of the COVID-19 outbreak on the economy and our operations (including temporary clinic closures, shortened business hours and reduced patient demand), our failure to develop or acquire company-owned or managed clinics as rapidly as we intend, our failure to profitably operate company-owned or managed clinics, and the other factors described in "Risk Factors" in our Annual Report on Form 10-K as filed with the SEC for the year ended December 31, 2019, as updated or revised for any material changes described in any subsequently-filed Quarterly Reports on Form 10-Q or other SEC filings, and in our Annual Report on Form 10-K for the year ended December 31, 2020 expected to be filed with the SEC on or around March 5, 2021. Words such as, "anticipates," "believes," "continues," "estimates," "expects," "goal," "objectives," "intends," "may," "opportunity," "plans," "potential," "near-term," "long-term," "projections," "assumptions," "projects," "guidance," "forecasts," "outlook," "target," "trends," "should," "could," "would," "will," and similar expressions are intended to identify such forward-looking statements. We qualify any forward-looking statements entirely by these cautionary factors. We assume no obligation to update or revise any forward-looking statements for any reason or to update the reasons actual results could differ materially from those anticipated in these forward-looking statements, even if new information becomes available in the future. Comparisons of results for current and any prior periods are not intended to express any future trends or indications of future performance, unless expressed as such, and should only be viewed as historical data.

Business Structure

The Joint Corp. is a franchisor of clinics and an operator of clinics in certain states. In Arkansas, California, Colorado, District of Columbia, Florida, Illinois, Kansas, Kentucky, Maryland, Massachusetts, Michigan, Minnesota, New Jersey, New York, North Carolina, Oregon, Pennsylvania, Rhode Island, South Dakota, Tennessee, Washington, West Virginia and Wyoming, The Joint Corp. and its franchisees provide management services to affiliated professional chiropractic practices.



Revolutionizing Access to Chiropractic Care

As an essential healthcare service, The Joint Chiropractic's mission is to improve the quality of life through routine and affordable chiropractic care.

**BUILD
BRAND**



**INCREASE
AWARENESS**



**ATTRACT
NEW PATIENTS**



**OPEN
NEW CLINICS**



Disruptive Business Model Continues to Thrive

1.1M

unique patients
treated in 2020

Up from 998k in 2019

8.3M

adjustments
in 2020

Up from 7.7M in 2019

584K

new patients
in 2020

Compared to 585K in 2019

27%

of new patients
were new to
chiropractic¹ in 2020

Approx. 158k patients
had never been to a
chiropractor before

85%

system-wide gross
sales from monthly
memberships in 2020

Up from 80% in 2019

Resilient Business Model Delivers Record Bottom Line

24%

Increase in
system-wide sales
Q4 2020 over Q4 2019

16%

Increase in
comp sales¹ for all clinics
>13 months in operation
Q4 2020 over Q4 2019

10%

Increase in
comp sales¹ for all clinics
>48 months in operation
Q4 2020 over Q4 2019

	Q4 2020	Q4 2019	FY 2020	FY 2019
Revenue	\$17.0M	Up 23%	\$58.7M	Up 21%
Op. Income	\$2.8M	Up 106%	\$5.5M	Up 62%
Adjusted EBITDA ²	\$3.7M	Up 74%	\$9.1M	Up 47%

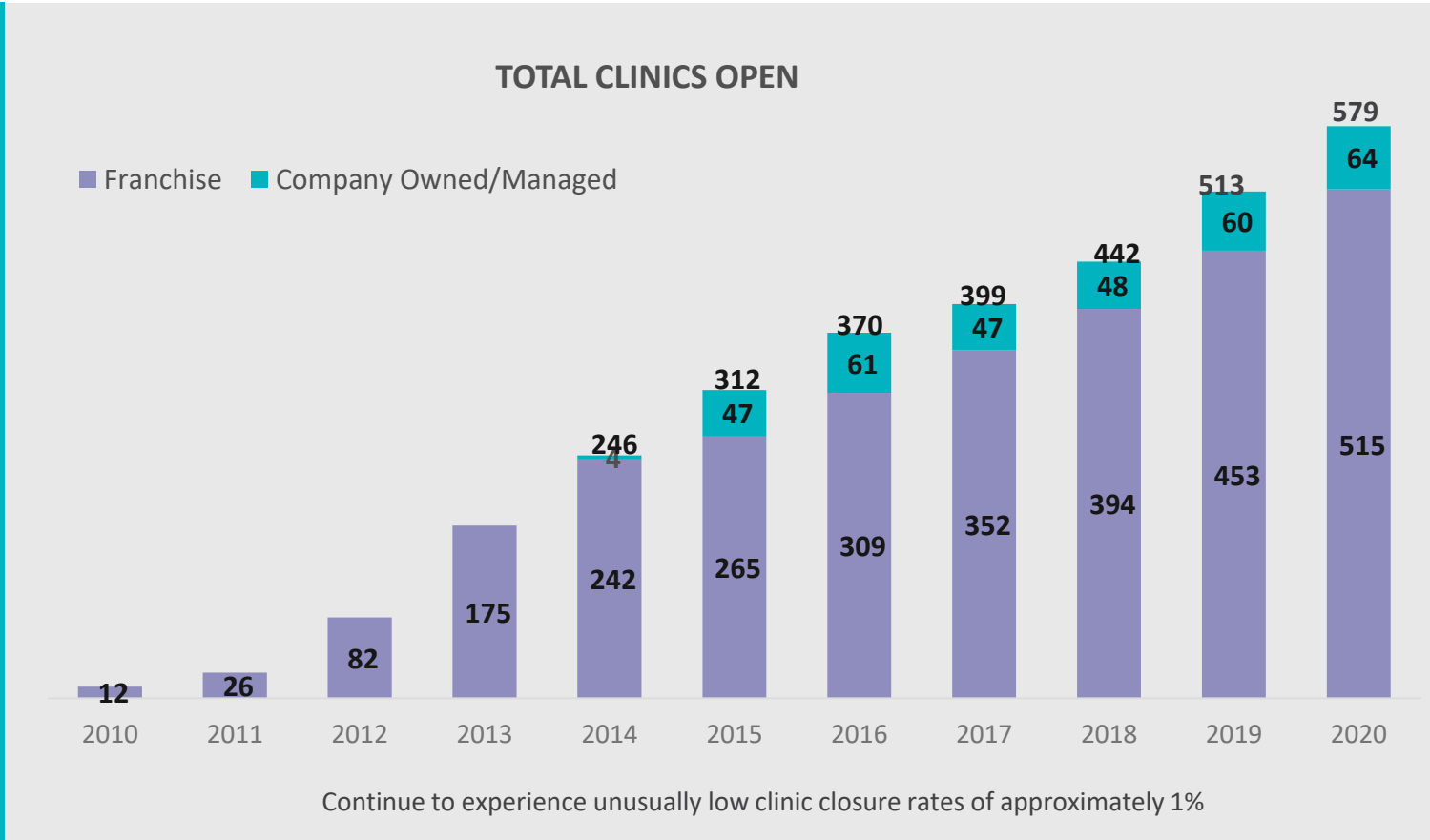
Unrestricted cash \$20.6M at Dec. 31, 2020, compared to \$8.5M at Dec. 31, 2019



¹Comparable sales include only the sales from clinics that have been open at least 13 or 48 full months and exclude any clinics that have permanently closed.
² Reconciliation of Adjusted EBITDA to GAAP earnings is included in the Appendix.

Continuing to Target 1000 Clinics by the End of 2023

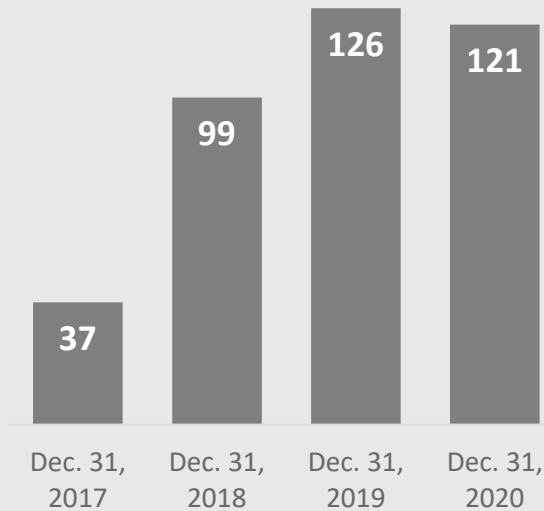
	2019	2020
Franchise Licenses Sold	126	121
Total New Franchised Clinics Opened	71	70
Greenfield Clinics Opened	5	3
Franchised Clinics Acquired	8	1
Clinics in Development	204	253



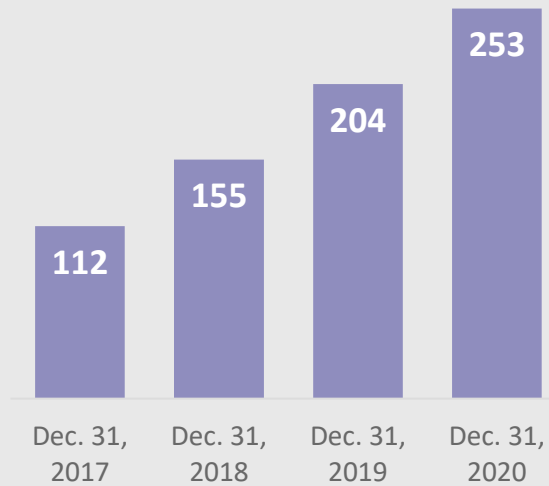
Franchise License Sales Reinvigorate Acceleration

56 Franchise Licenses Sold in Q4 2020 – Quarterly Record

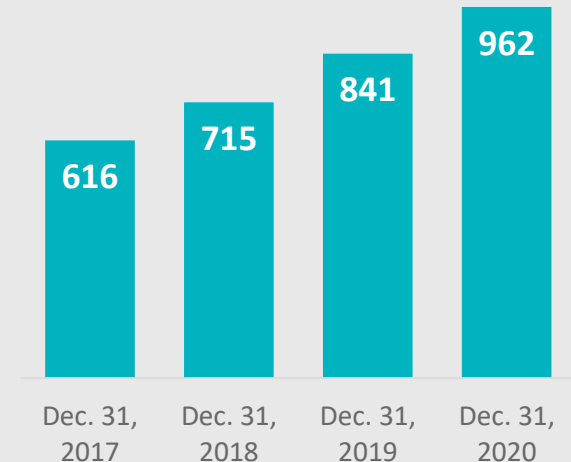
Franchise Licenses Sold Annually



Clinics in Active Development¹



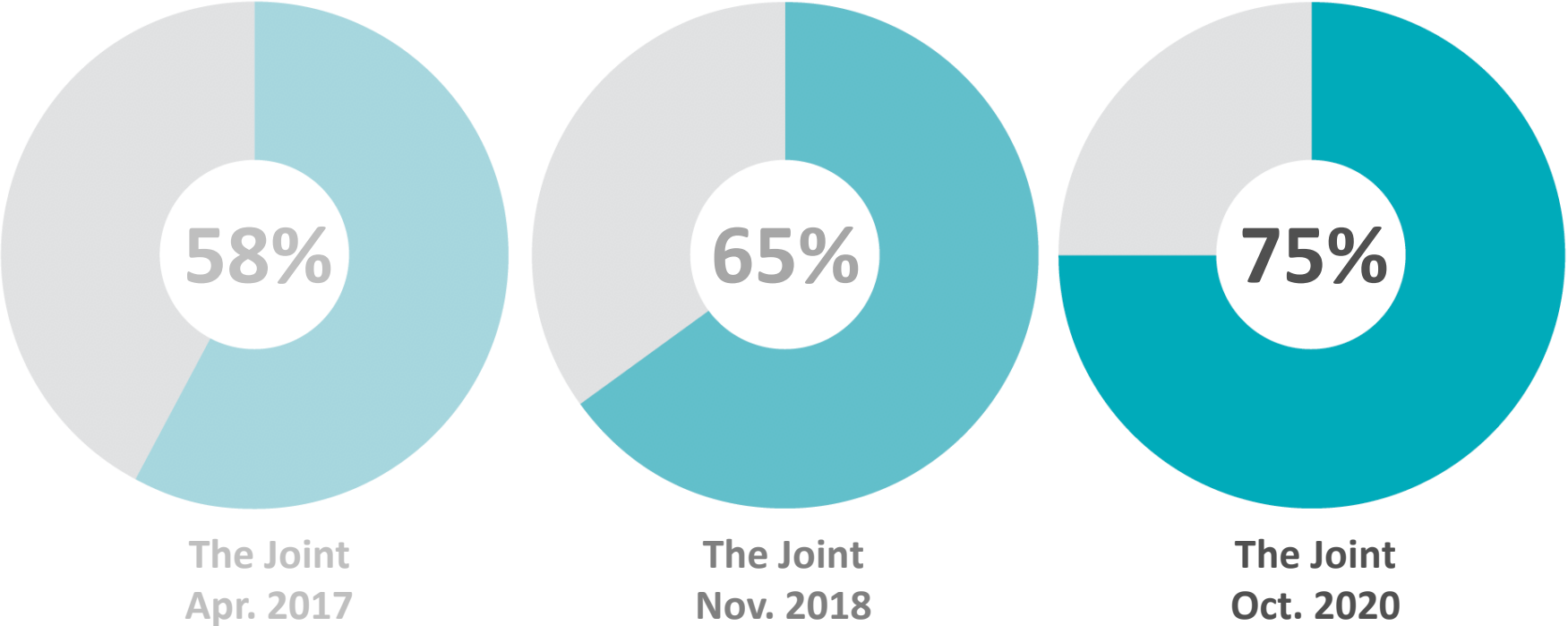
Gross Cumulative Franchise Licenses Sold¹



- 83% sold by RDs in 2020
- 72% of clinics supported by 22 RDs at Dec. 31, 2020
- RDs cover 61% of Metropolitan Statistical Areas (MSAs) at Dec. 31, 2020

¹ Of the 962 franchise licenses sold as of December 31, 2020, 253 are in active development, 579 are currently operating and the balance represents terminated/closed licenses.

Franchise Satisfaction Index Is Above Average



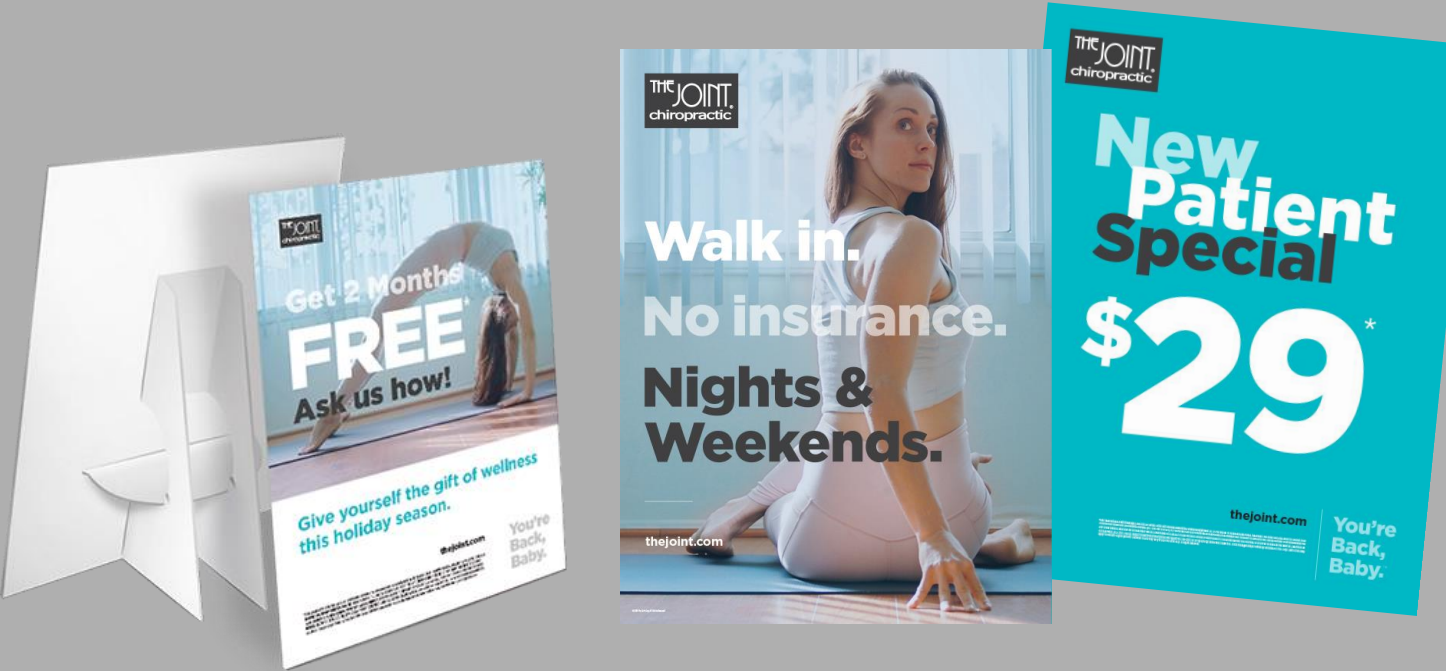
FSI represents a weighted sum of positive responses and discounts negative responses. FSI ratings provide a benchmark to help gauge overall level of franchisee satisfaction and compare it to various franchise industry sectors.

Fourth Quarter 2020 Promotions

Black Friday



Membership Drive



Returning Focus to AXIS, New IT Platform

- Improving capabilities: POS, financial systems, business intelligence, marketing automation, and patient feedback
- Implement robust training and certification
- Formal rollout to begin in the early summer of 2021



Q4 2020 Financial Results

<i>\$ in M¹</i>	Q4 2020	Q4 2019	Differences	
Revenue	\$17.0	\$13.9	\$3.2	23%
• Corporate clinics	9.2	7.6	1.7	22%
• Franchise fees	7.8	6.3	1.5	24%
Cost of revenue	1.9	1.6	0.3	19%
Sales and marketing	2.1	1.8	0.3	15%
Depreciation and amortization	0.7	0.6	0.1	14%
G&A	9.5	8.5	1.0	13%
Operating Income	2.8	1.3	1.4	106%
Tax Benefit ²	7.9	0.0	7.9	na
Net Income / (Loss)	10.6	1.3	9.3	715%
Adj. EBITDA ³	3.7	2.1	1.6	74%



¹ Due to rounding, numbers may not add up precisely to the totals. ² Recognized the reversal of the tax valuation allowance of \$8.9 million.

³ Reconciliation of Adjusted EBITDA to GAAP earnings is included in the Appendix.

Full Year 2020 Financial Results

Unrestricted cash \$20.6M at Dec. 31, 2020, compared to \$8.5M at Dec. 31, 2019

\$ in M ¹	2020	2019	Differences	
Revenue	\$58.7	\$48.5	\$10.2	21%
• Corporate clinics	31.8	25.8	6.0	23%
• Franchise fees	26.9	22.6	4.3	19%
Cost of revenue	6.5	5.6	0.9	17%
Sales and marketing	7.8	6.9	0.9	13%
Depreciation and amortization	2.7	1.9	0.8	44%
G&A	36.2	30.7	5.5	18%
Operating Income	5.5	3.4	2.1	61%
Tax Benefit ²	7.9	0.0	7.9	na
Net Income / (Loss)	13.2	3.3	9.9	296%
Adj. EBITDA ³	9.1	6.2	2.9	47%



¹ Due to rounding, numbers may not add up precisely to the totals. ² Recognized the reversal of the tax valuation allowance of \$8.9 million.

³ Reconciliation of Adjusted EBITDA to GAAP earnings is included in the Appendix.

Introducing 2021 Guidance

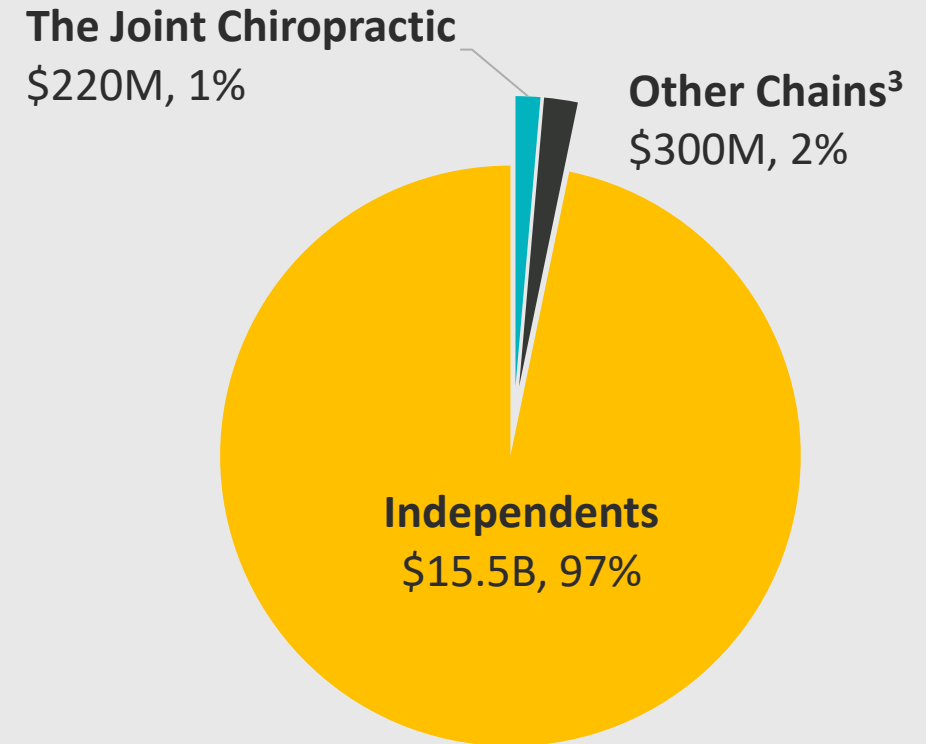
<i>\$ in M</i>	2020 Actual	Low Guidance	High Guidance
Revenues	\$58.7	\$73	\$77
Adjusted EBITDA ¹	\$9.1	\$10.5	\$12.0
New Franchised Clinic Openings	70	80	100
New Company-owned/Managed Clinics ²	4	20	30



¹Reconciliation of Adjusted EBITDA to GAAP earnings is included in the appendix. | ²Through a combination of both greenfields and buybacks.

Substantial Opportunity for Market Share Growth

- Annual spending on back pain: \$90B¹
- Chiropractic care: \$16B²
- Total chains make up ~3% of chiropractic³
- By contrast, dentistry chains (DSOs) account for nearly 12%⁴



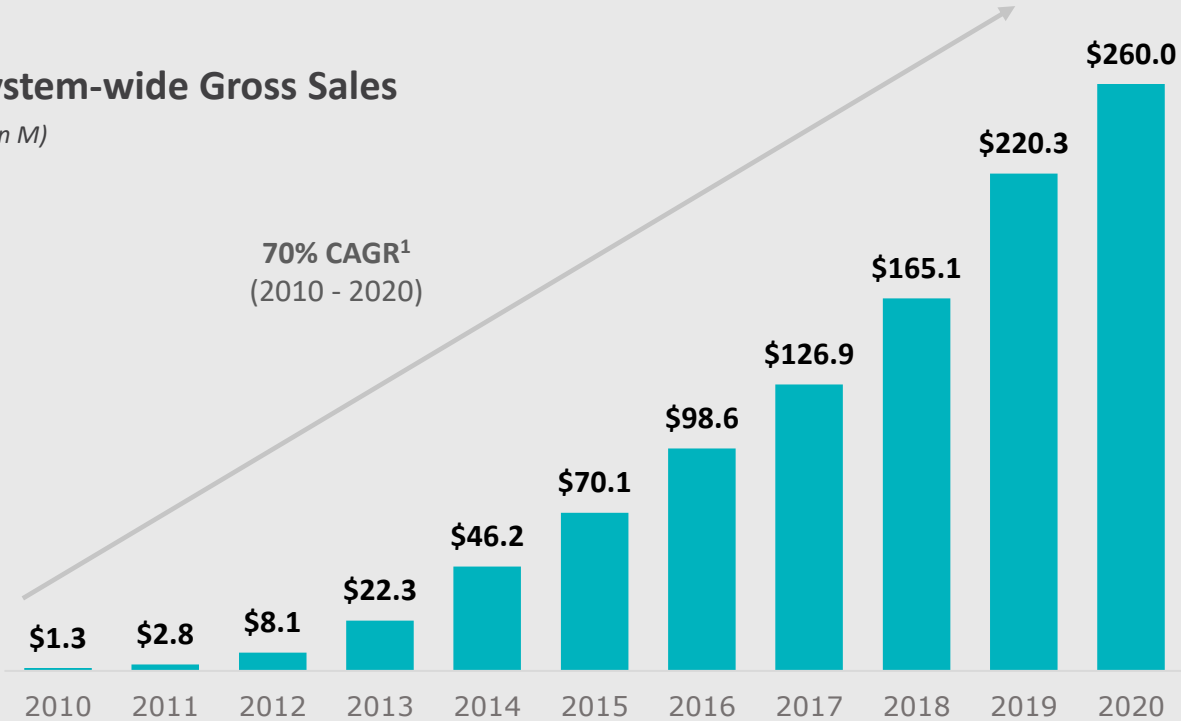
Resilient Business Model Drives Long-term Growth

People will continue to seek more noninvasive, holistic ways to manage their pain.

We will be ready to treat them.

The Joint Corp. 10-yr. CAGR 70%¹ vs. Industry CAGR 1.4%^{2*}

System-wide Gross Sales
(\$ in M)



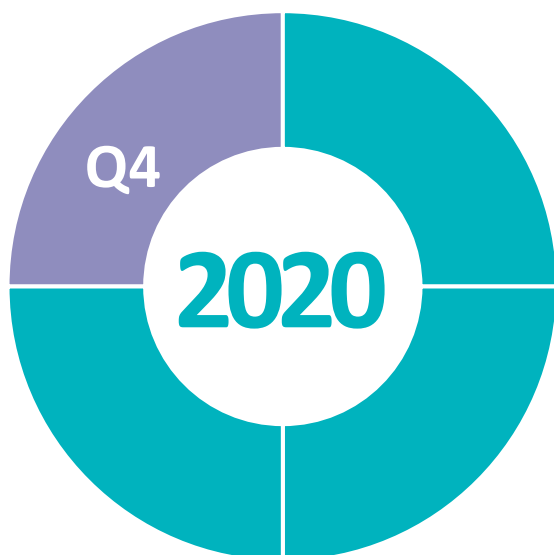
¹ For the period ended Dec. 31, 2020 | ² IBIS US Industry Report, Chiropractors in the US, April 2020 - CAGR projected 2020-2025.

Non-GAAP Measure Definition

This presentation includes a presentation of EBITDA and Adjusted EBITDA, which are non-GAAP financial measures. EBITDA and Adjusted EBITDA are presented because they are important measures used by management to assess financial performance, as management believes they provide a more transparent view of the Company's underlying operating performance and operating trends than GAAP measures alone. Reconciliations of net loss to EBITDA and Adjusted EBITDA are presented where applicable. The Company defines EBITDA as net income/(loss) before net interest, tax expense, depreciation, and amortization expenses. The Company defines Adjusted EBITDA as EBITDA before acquisition-related expenses, bargain purchase net gain, gain/(loss) on disposition or impairment, and stock-based compensation expenses.

EBITDA and Adjusted EBITDA do not represent and should not be considered alternatives to net income or cash flows from operations, as determined by accounting principles generally accepted in the United States, or GAAP. While EBITDA and Adjusted EBITDA are frequently used as measures of financial performance and the ability to meet debt service requirements, they are not necessarily comparable to other similarly titled captions of other companies due to potential inconsistencies in the methods of calculation. EBITDA and Adjusted EBITDA should be reviewed in conjunction with the Company's financial statements filed with the SEC.

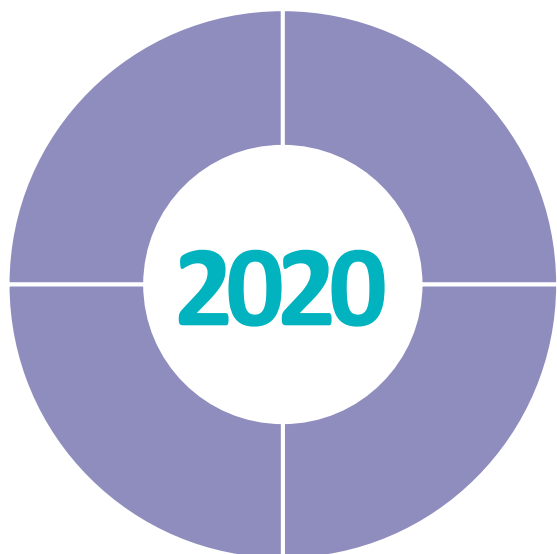
Q4 2020 Segment Results



Total Revenues	
Total Operating Costs	
Operating Income (Loss)	
Other Income (Expense), net	
Loss Before Income Tax Expense	
Total Income Taxes	
Net Income (Loss)	
Net Interest	
Income Taxes	
Total Depreciation and Amortization Expense	
EBITDA	
Stock Based Compensation Exp	
Bargain Purchase Gain	
Loss on Disposition/Impairment	
Acquisition Expenses	
Adjusted EBITDA	

Corporate Clinics	Franchise Operations	Unallocated Corporate	The Joint Consolidated
\$ 9,216	\$ 7,821	\$ 1	\$ 17,038
(7,370)	(4,038)	(2,855)	(14,263)
1,846	3,783	(2,854)	2,775
(3)	0	(22)	(24)
1,844	3,783	(2,876)	2,751
-	-	(7,882)	(7,882)
1,844	3,783	5,006	10,633
3	(0)	22	24
-	-	(7,882)	(7,882)
675	0	(2)	673
2,521	3,783	(2,857)	3,447
(1)	(4)	212	207
-	-	-	-
4	-	(1)	2
1	-	40	42
2,525	3,779	(2,605)	3,698

2020 Segment Results



Total Revenues	\$ 31,771
Total Operating Costs	(27,262)
Operating Income (Loss)	4,509
Other Income (Expense), net	(10)
Income (Loss) Before Income Tax Expense	4,499
Total Income Taxes	-
Net Income (Loss)	4,499
Net Interest	10
Income Taxes	-
Total Depreciation and Amortization Expense	2,503
EBITDA	7,012
Stock Based Compensation Exp	-
Bargain Purchase Gain	-
(Gain) Loss on Disposition/Impairment	(50)
Acquisition Expenses	1
Adjusted EBITDA	6,964

Corporate Clinics	Franchise Operations	Unallocated Corporate	The Joint Consolidated
\$ 31,771	\$ 26,909	\$ 2	\$ 58,683
(27,262)	(14,348)	(11,581)	(53,191)
4,509	12,561	(11,578)	5,492
(10)	6	(75)	(79)
4,499	12,567	(11,653)	5,413
-	-	(7,755)	(7,755)
4,499	12,567	(3,899)	13,167
10	(6)	75	79
-	-	(7,755)	(7,755)
2,503	1	230	2,734
7,012	12,563	(11,348)	8,227
-	0	886	886
-	-	-	-
(50)	-	(1)	(51)
1	-	40	42
6,964	12,563	(10,424)	9,103

GAAP – Non-GAAP Reconciliation

	Q1-19	Q2-19	Q3-19	Q4-19	FY19	Q1-20	Q2-20	Q3-20	Q4-20	FY20
Total Revenue	10,679	11,170	12,726	13,875	48,451	13,644	12,590	15,411	17,038	58,683
Total Cost of Revenue	1,206	1,299	1,427	1,634	5,566	1,486	1,368	1,712	1,941	6,507
Gross Profit	\$ 9,473	\$ 9,871	\$ 11,300	\$ 12,241	\$ 42,885	\$ 12,158	\$ 11,222	\$ 13,698	\$ 15,097	\$ 52,176
Sales & Marketing	1,506	1,769	1,793	1,845	6,914	2,055	1,784	1,846	2,120	7,804
Depreciation/Amortization Expense	366	404	538	591	1,899	654	693	714	673	2,734
Other Operating Expenses	6,658	7,209	8,324	8,465	30,656	8,695	8,487	9,433	9,527	36,142
Total Other Income (Expense)	8	(15)	(20)	(16)	(43)	(4)	(25)	(26)	(26)	(82)
Total Income Taxes	(1)	10	7	33	49	(66)	118	76	(7,882)	(7,755)
Net Income (Loss)	\$ 953	\$ 462	\$ 617	\$ 1,292	\$ 3,324	\$ 815	\$ 116	\$ 1,604	\$ 10,633	\$ 13,167
Net Interest	12	15	17	18	62	4	25	26	24	79
Income Taxes	(1)	10	7	33	49	(66)	118	76	(7,882)	(7,755)
Depreciation and Amortization Expense	366	404	538	591	1,899	654	693	714	673	2,734
EBITDA	\$ 1,329	\$ 892	\$ 1,179	\$ 1,934	\$ 5,333	\$ 1,408	\$ 952	\$ 2,420	\$ 3,447	\$ 8,227
Stock Based Compensation	172	179	186	184	721	250	216	212	207	886
Bargain Purchase Gain	(19)	-	-	-	(19)	-	-	-	-	-
(Gain) Loss on Disposition/Impairment	105	(18)	30	(2)	114	1	(55)	-	2	(51)
Acquisition Expenses	(0)	3	33	11	47	-	-	-	42	42
Adjusted EBITDA	\$ 1,586	\$ 1,056	\$ 1,428	\$ 2,126	\$ 6,196	\$ 1,659	\$ 1,113	\$ 2,632	\$ 3,698	\$ 9,103

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