



Q3 2020 Financial Results

As of September 30, 2020 | Reported on November 5, 2020

Safe Harbor Statement

Certain statements contained in this presentation are "forward-looking statements." We have tried to identify these forward-looking statements by using words such as "may," "might," "will," "expect," "anticipate," "believe," "could," "intend," "plan," "estimate," "should," "if," "project," and similar expressions. All statements other than statements of historical facts contained in this presentation, including statements regarding our growth strategies, our vision, future operations, future financial position, future revenue, projected costs, prospects, plans, objectives of management and expected market growth and potential are forward-looking statements. We have based these forward-looking statements on our current expectations and projections about future events. However, these forward-looking statements are subject to risks, uncertainties, assumptions and other factors that may cause our actual results, performance or achievements to be materially different from our expectations and projections. Some of these risks, uncertainties and other factors are set forth in this presentation and in other documents that we file with the United States Securities and Exchange Commission (the "SEC"), including those described in "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2019 filed with the SEC March 6, 2020, as revised or updated for any material changes described in any subsequently-filed Quarterly Reports on Form 10-Q, including the one we anticipate filing with the SEC on November 6, 2020. These risk factors 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, and our failure to profitably operate company-owned or managed clinics. Given these risks and uncertainties, readers are cautioned not to place undue reliance on our forward-looking statements. Projections and other forward-looking statements included in this presentation have been prepared based on assumptions, which we believe to be reasonable, but not in accordance with U.S. Generally Accepted Accounting Principals ("GAAP") or any guidelines of the SEC. Actual results may vary, perhaps materially. You are strongly cautioned not to place undue reliance on such projections and other forward-looking statements. All subsequent written and oral forward-looking statements attributable us or to persons acting on our behalf are expressly qualified in their entirety by these cautionary statements. Except as required by federal securities laws, we disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Any such forward-looking statements, whether made in this presentation or elsewhere, should be considered in the context of the various disclosures made by us.

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**



Return to Accelerating Resilient Business Model

21%

Increase in system-wide sales Q3 2020 over Q3 2019

12%

Increase in comp sales¹ for all clinics >13 months in operation Q3 2020 over Q3 2019

7%

Increase in comp sales¹ for all clinics >48 months in operation Q3 2020 over Q3 2019

	Q3 2020	Q3 2019
Revenue	\$15.4M	Up 21%
Net Income	\$1.6M	Up 160%
Adjusted EBITDA ²	\$2.6M	Up 84%

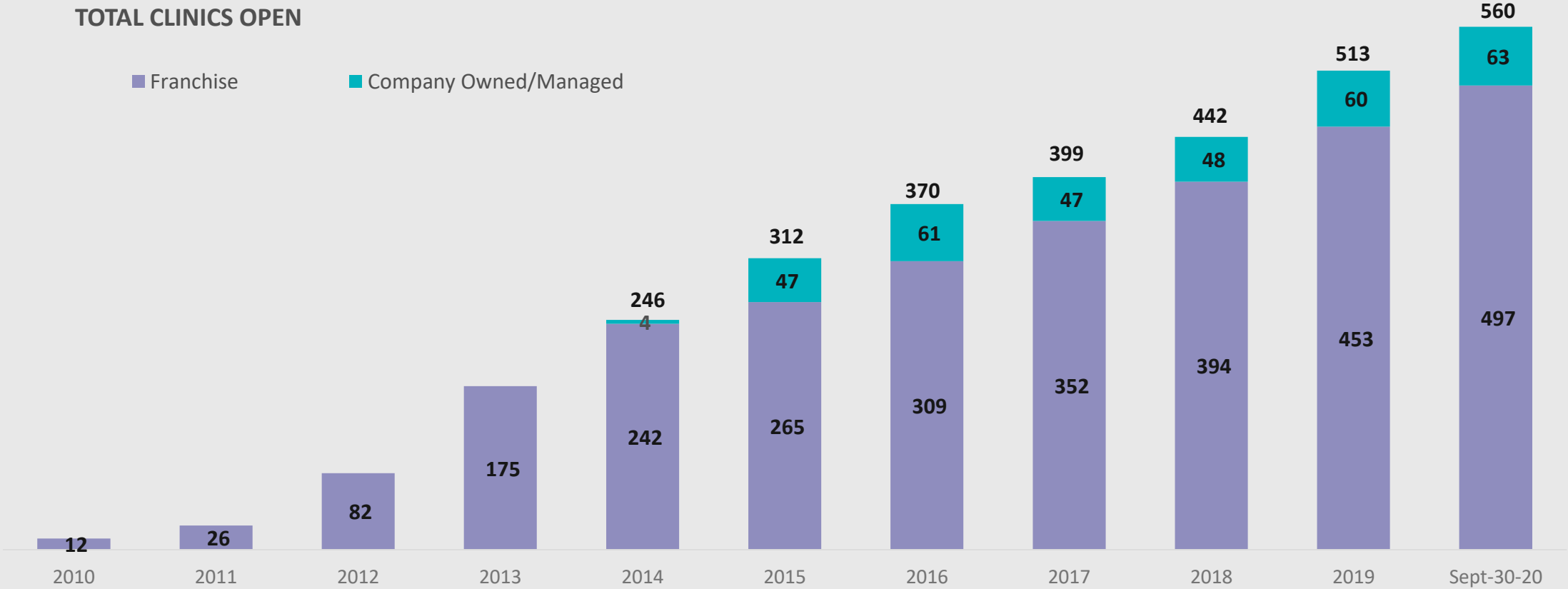
Unrestricted cash \$18.3M at Sept. 30, 2020, compared to \$8.5M at Dec. 31, 2019



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.

New Clinic Openings Accelerated in Q3 2020

22 new clinics opened in Q3 2020, equal to Q3 2019 and compared to 13 in Q2 2020

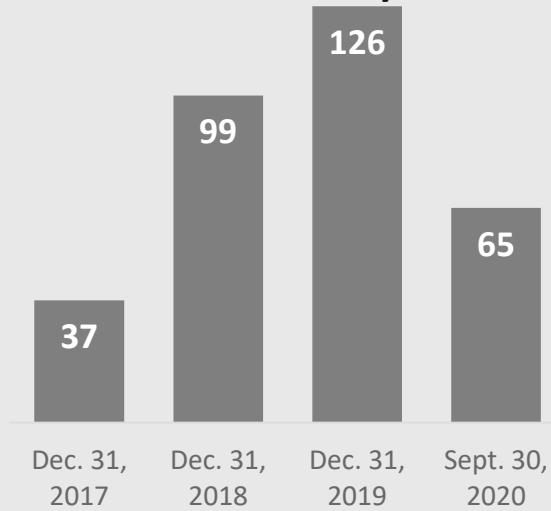


Franchise License Sales Accelerated in Q3 2020

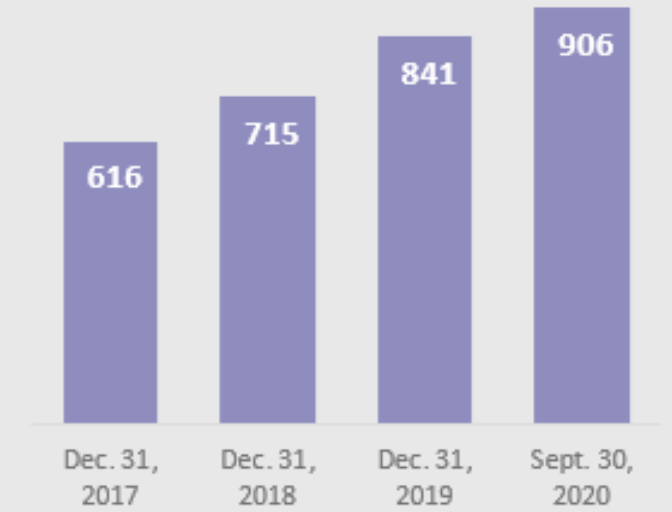
Targeting 1,000 clinics opened by the end of 2023

- License sales catching up to pre-COVID levels
- Franchisees continue to locate sites and negotiate leases

Franchise Licenses Sold Annually



Gross Cumulative Franchise Licenses Sold¹



- 80% sold by RDs in Q3 2020
- 81% of clinics supported by 23 RDs at Sept. 30, 2020
- RDs cover 61% of Metropolitan Statistical Areas (MSAs) at Sept. 30, 2020

Fourth Quarter Promotions

Black Friday

BLACK FRIDAY
BUY 10 VISITS
GET 2 VISITS
FREE

THE JOINT.
chiropractic
NOV. 23 - NOV. 30

NEW PATIENT SPECIAL
Consultation, Exam,
and Adjustment
\$29*

Walk-Ins Welcome
Open Evenings & Weekends
No Insurance Needed

THE JOINT.
chiropractic

Membership Drive

THE JOINT.
chiropractic

Walk in.
No insurance.
Nights &
Weekends.

thejoint.com

THE JOINT.
chiropractic

New
Patient
Special
\$29*

thejoint.com | You're
Back,
Baby.

Returning Focus to AXIS, New IT Platform

- Improving capabilities: POS, financial systems, business intelligence, marketing automation, and patient feedback
- Implement robust training and certification
- Rollout to be completed in the first half of 2021



Q3 2020 Financial Results

<i>\$ in M¹</i>	Q3 2020	Q3 2019	Differences	
Revenue	\$15.4	\$12.7	\$2.7	21%
• Corporate clinics	8.4	6.8	1.6	23%
• Franchise fees	7.0	5.9	1.1	19%
Cost of revenue	1.7	1.4	0.3	20%
Sales and marketing	1.8	1.8	0.0	3%
Depreciation and amortization	0.7	0.5	0.2	33%
G&A	9.4	8.3	1.1	13%
Net Income / (Loss)	1.6	0.6	1.0	160%
Adj. EBITDA ²	2.6	1.4	1.2	84%



¹ Due to rounding, numbers may not add up precisely to the totals.

² Reconciliation of Adjusted EBITDA to GAAP earnings is included in the Appendix.

Year-to-Date September 30, 2020 Financial Results

<i>\$ in M¹</i>	YTD 2020	YTD 2019	Differences	
Revenue	\$41.6	\$34.6	\$7.1	20%
• Corporate clinics	22.5	18.2	4.3	24%
• Franchise fees	19.1	16.3	2.8	17%
Cost of revenue	4.6	3.9	0.6	16%
Sales and marketing	5.7	5.1	0.6	12%
Depreciation and amortization	2.1	1.3	0.8	58%
G&A	26.6	22.2	4.4	20%
Net Income / (Loss)	2.5	2.0	0.5	25%
Adj. EBITDA ²	5.4	4.1	1.3	33%

\$18.3M unrestricted cash at September 30, 2020, compared to \$8.5M at December 31, 2019.



¹ Due to rounding, numbers may not add up precisely to the totals.

² Reconciliation of Adjusted EBITDA to GAAP earnings is included in the Appendix.

Reestablished 2020 Guidance

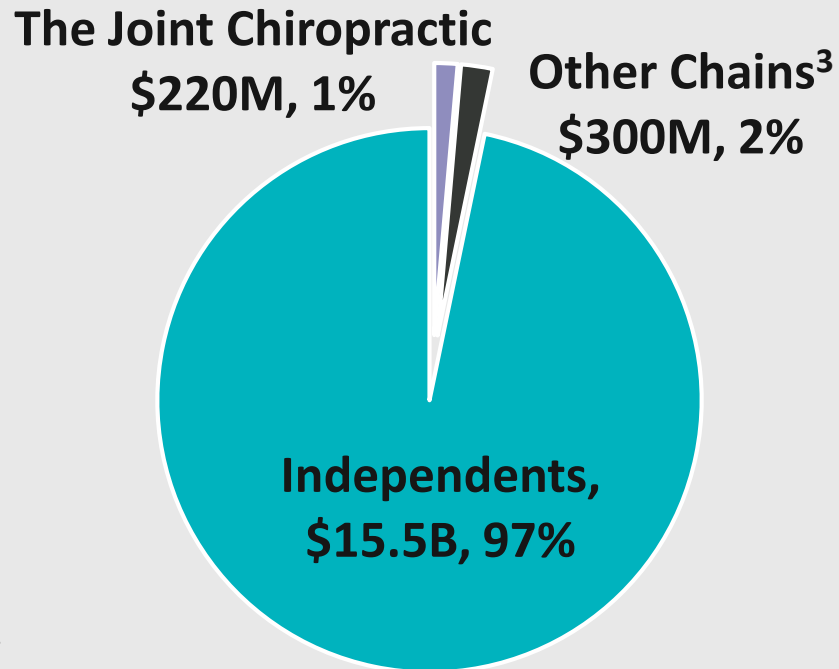
<i>\$ in M</i>	2019 Actual	Low Guidance	High Guidance
Revenues	\$48.5	\$58	\$59
Adjusted EBITDA ¹	\$6.2	\$8.5	\$9.0
New Franchised Clinic Openings	71	65	72
New Company-owned/Managed Clinics ²	13	4	7



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, in dentistry chains (DSOs) account for nearly 12%⁴



Chiropractic Is a Natural Solution

- Chiropractic is a part of the first line of therapy⁵
- Patients who visit a chiropractor are 49% less likely to receive an opioid prescription⁶
- Patients who visit a chiropractor first had 90% decreased odds of early and long-term opioid use⁷

¹ Bureau of Labor Statistics, U.S. Department of Labor, Occupational Outlook Handbook, 2016-17 Edition; ² IBIS US Industry Report, Chiropractors in the US, April 2020; ³ Internal Chiropractic Competitive Analysis, August 2019; ⁴ Apex Reimbursement Specialists, Inc., 2018 ⁵American College of Physicians and Journal of American Medical Association; ⁶ Yale Center for Medical Informatics, presented at American Academy of Pain Medicine's 2019 Annual Meeting and reported in *Medscape Medical News*; ⁷ American Chiropractic Association on low back pain, 2019

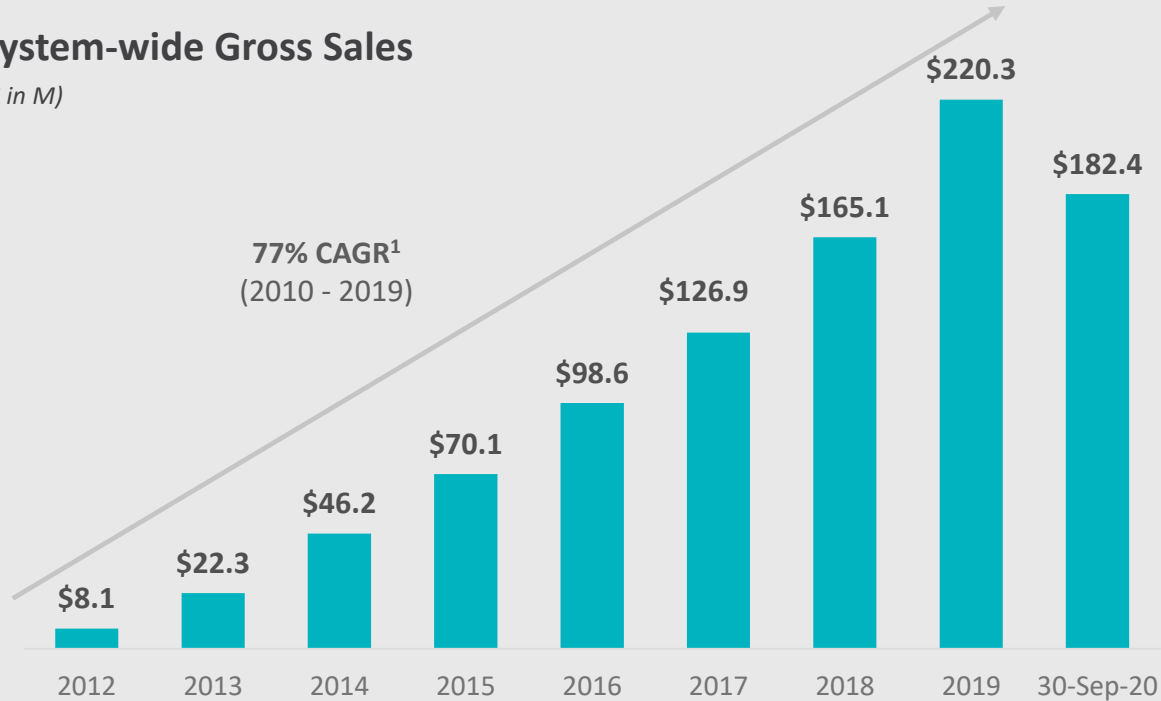
Resilient Business Model Drives Long-term Growth

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

We will be ready to treat them.

The Joint Corp. 9-yr. CAGR 77%¹ vs. Industry CAGR 1.4%^{2*}

System-wide Gross Sales
(\$ in M)



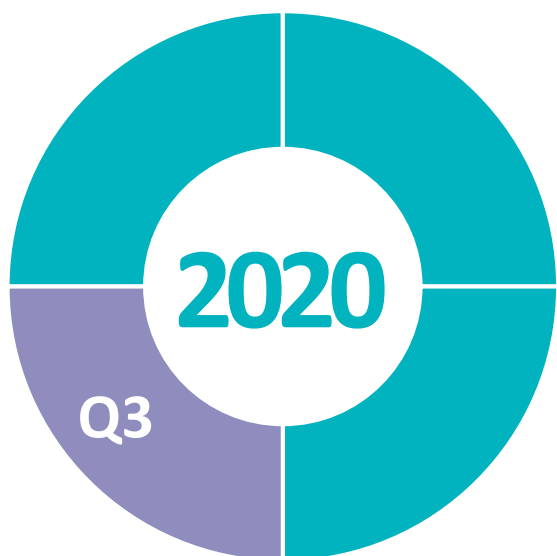
¹ For the period ended Dec. 31, 2019 | ² IBIS US Industry Report, Chiropractors in the US, April 2020 - CAGR projected 2020-2025.

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.

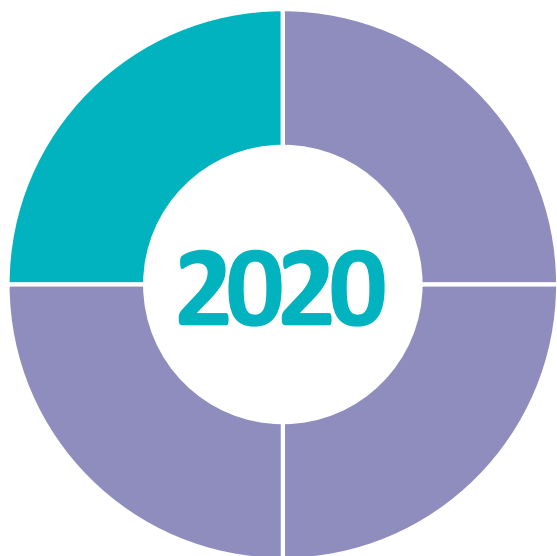
Q3 2020 Segment Results



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
	\$ 8,404	\$ 7,006	\$ 1	\$ 15,411
	(7,090)	(3,601)	(3,014)	(13,705)
	<u>1,314</u>	<u>3,405</u>	<u>(3,013)</u>	<u>1,705</u>
	(3)	1	(23)	(26)
	<u>1,311</u>	<u>3,406</u>	<u>(3,037)</u>	<u>1,680</u>
	-	-	76	76
	<u>1,311</u>	<u>3,406</u>	<u>(3,112)</u>	<u>1,604</u>
	3	(1)	23	26
	-	-	76	76
	637	0	77	714
	<u>1,950</u>	<u>3,405</u>	<u>(2,936)</u>	<u>2,420</u>
	-	-	212	212
	-	-	-	-
	-	-	-	-
	-	-	-	-
	<u>1,950</u>	<u>3,405</u>	<u>(2,724)</u>	<u>2,632</u>

YTD September 30, 2020 Segment Results



	Corporate Clinics	Franchise Operations	Unallocated Corporate	The Joint Consolidated
Total Revenues	\$ 22,555	\$ 19,088	\$ 2	\$ 41,645
Total Operating Costs	(19,892)	(10,310)	(8,726)	(38,928)
Operating Income (Loss)	2,663	8,779	(8,724)	2,717
Other Income (Expense), net	(7)	6	(54)	(55)
Income (Loss) Before Income Tax Expense	2,655	8,784	(8,777)	2,662
Total Income Taxes	-	-	128	128
Net Income (Loss)	2,655	8,784	(8,905)	2,534
Net Interest	7	(6)	54	55
Income Taxes	-	-	128	128
Total Depreciation and Amortization Expense	1,829	1	232	2,062
EBITDA	4,491	8,780	(8,492)	4,779
Stock Based Compensation Exp	1	5	673	679
Bargain Purchase Gain	-	-	-	-
(Gain) Loss on Disposition/Impairment	(53)	-	-	(53)
Acquisition Expenses	-	-	-	-
Adjusted EBITDA	4,439	8,784	(7,818)	5,405

GAAP – Non-GAAP Reconciliation

	Q1-19	Q2-19	Q3-19	Q4-19	FY19	Q1-20	Q2-20	Q3-20	FY20
Total Revenue	10,679	11,170	12,726	13,875	48,451	13,644	12,590	15,411	41,645
Total Cost of Revenue	1,206	1,299	1,427	1,634	5,566	1,486	1,368	1,712	4,566
Gross Profit	\$ 9,473	\$ 9,871	\$ 11,300	\$ 12,241	\$ 42,885	\$ 12,158	\$ 11,222	\$ 13,698	\$ 37,079
Sales & Marketing	1,506	1,769	1,793	1,845	6,914	2,055	1,784	1,846	5,685
Depreciation/Amortization Expense	366	404	538	591	1,899	654	693	714	2,062
Other Operating Expenses	6,658	7,209	8,324	8,465	30,656	8,695	8,487	9,433	26,615
Total Other Income (Expense)	8	(15)	(20)	(16)	(43)	(4)	(25)	(26)	(55)
Total Income Taxes	(1)	10	7	33	49	(66)	118	76	128
Net Income (Loss)	\$ 953	\$ 462	\$ 617	\$ 1,292	\$ 3,324	\$ 815	\$ 116	\$ 1,604	\$ 2,534
Net Interest	12	15	17	18	62	4	25	26	55
Income Taxes	(1)	10	7	33	49	(66)	118	76	128
Depreciation and Amortization Expense	366	404	538	591	1,899	654	693	714	2,062
EBITDA	\$ 1,329	\$ 892	\$ 1,179	\$ 1,934	\$ 5,333	\$ 1,408	\$ 952	\$ 2,420	\$ 4,779
Stock Based Compensation	172	179	186	184	721	250	216	212	679
Bargain Purchase Gain	(19)	-	-	-	(19)	-	-	-	-
(Gain) Loss on Disposition/Impairment	105	(18)	30	(2)	114	1	(55)	-	(53)
Acquisition Expenses	(0)	3	33	11	47	-	-	-	-
Adjusted EBITDA	\$ 1,586	\$ 1,056	\$ 1,428	\$ 2,126	\$ 6,196	\$ 1,659	\$ 1,113	\$ 2,632	\$ 5,405

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