



ICR CONFERENCE

JANUARY 2018



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 appendixes 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.

A woman and a young girl are walking on a sandy beach. Both are wearing black wetsuits. The woman is holding a large surfboard under her arm and is holding the girl's hand. They are both smiling and looking towards the right. The background shows the ocean and a small rock formation in the distance. The entire image has a blue tint.

THE COMPANY: LifeVantage (NASDAQ: LFTN)

LifeVantage is a pioneer in Nutrigenomics - a new science dedicated to cracking the human aging code.

We agree with leading researchers that extending human life is inevitable. However, we believe that in order to truly enjoy extreme longevity, we need to biohack both our physical and financial health. That is why we have combined our pioneering nutrigenomics efforts with a powerful entrepreneurial vehicle.

Our products are sold exclusively through that entrepreneurial vehicle - our network of independent distributors.

LifeVantage Factsheet



NASDAQ Ticker	LFVN	Share price¹	\$4.85
Shares outstanding¹	14.2 million	Float¹	13.5 million
Market Capitalization¹	\$68.9 million	Enterprise Value¹	\$63.5 million
Average Daily Volume¹	49,547	Fiscal 2017 Revenue	\$199.5 million
Cash at Sept 30, 2017	\$12.3 million	Fiscal 2017 Adjusted EBITDA²	\$13.1 million
Debt at Sept 30, 2017	\$6.9 million	Fiscal 2017 Adjusted EPS²	\$0.27

(1) As of January 5, 2018

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

I N D U S T R Y

TRENDS





AUGUST 25, 2017

FOX NEWS

“Nutrigenomics...is changing everything. Where we once thought we were powerless is now an area over which we have at least some control. The ability to use nutrition to affect our genes means that we're no longer at the mercy of our DNA. “



SEPTEMBER 12, 2017

THE TODAY SHOW

“The latest trend in nutrition isn't a fad diet or newly discovered supplement; it's your DNA.”

PROJECTED MARKET

NUTRIGENOMICS

“Nutrigenomics market is
expected to reach

\$17,313,500,000

by 2023.”

MARKET RESEARCH
FUTURE





ADDITIONAL TRENDS

Market trends relating to specific LifeVantage products.

ANTI-AGING

Nrf2, NRF1,
TrueScience Skin Care

2015: \$140.3 bn

2021: \$216 bn

SKIN CARE

TrueScience

2015: \$121 bn

2021: \$154 bn

NOOTROPICS (BRAIN HEALTH)

Axio, NRF1

2015: \$2.3 bn

2021: \$11.6 bn

WEIGHT LOSS

PhysIQ

2015: \$158 bn

2021: \$241 bn

TRENDS

The rise of the health activated individual

- ◆ Rapid democratization of genomic and other personalized health data is giving rise to a new wave of health-conscious individuals
- ◆ More than ever, education and understanding of one's own health is becoming widespread
- ◆ Individuals will research, measure and manage their overall health much like their personal finances
- ◆ Millennials have become a major driving force, empowered by ready access to genomic testing, health tools and a social network environment filled with influencers, all with a desire to hack the code to a healthier lifestyle

Biohacking

LifeVantage is a biohacking company. Using nutrigenomics to hack the human body for increased health.

- ◆ These trends have led to the emergence of **“Biohacking”**
 - ◆ The art of hacking your biology using nature's built-in mechanisms to stack the cards in your favor and become the best version of yourself
 - ◆ Bio-hacking is using science and personalized results to take control of and upgrade your body, your mind and your life
- ◆ Our mission is to “Bio-Hack the Aging Code” through the relentless pursuit of science-based, nutrigenomic products with the intent of helping our customers live longer, healthier lives

Premium Products



Patented

Several patents, including our initial patent "Compositions And Methods For Alleviating Inflammation And Oxidative Stress In A Mammal"

Science-backed

Protandim Studies conducted at the following institutions:

The Ohio State University
University of Colorado Denver
Colorado State University

LSU
Virginia Commonwealth University
Texas Tech University

Peer-reviewed Published Research

Research published in the following medical journals:

Free Radical Biology & Medicine

Enzyme Research

Circulation

American Journal of Physiology—Lung Cellular and Molecular Physiology



HOW WE GO TO MARKET



DIRECT SELLING CHANNEL

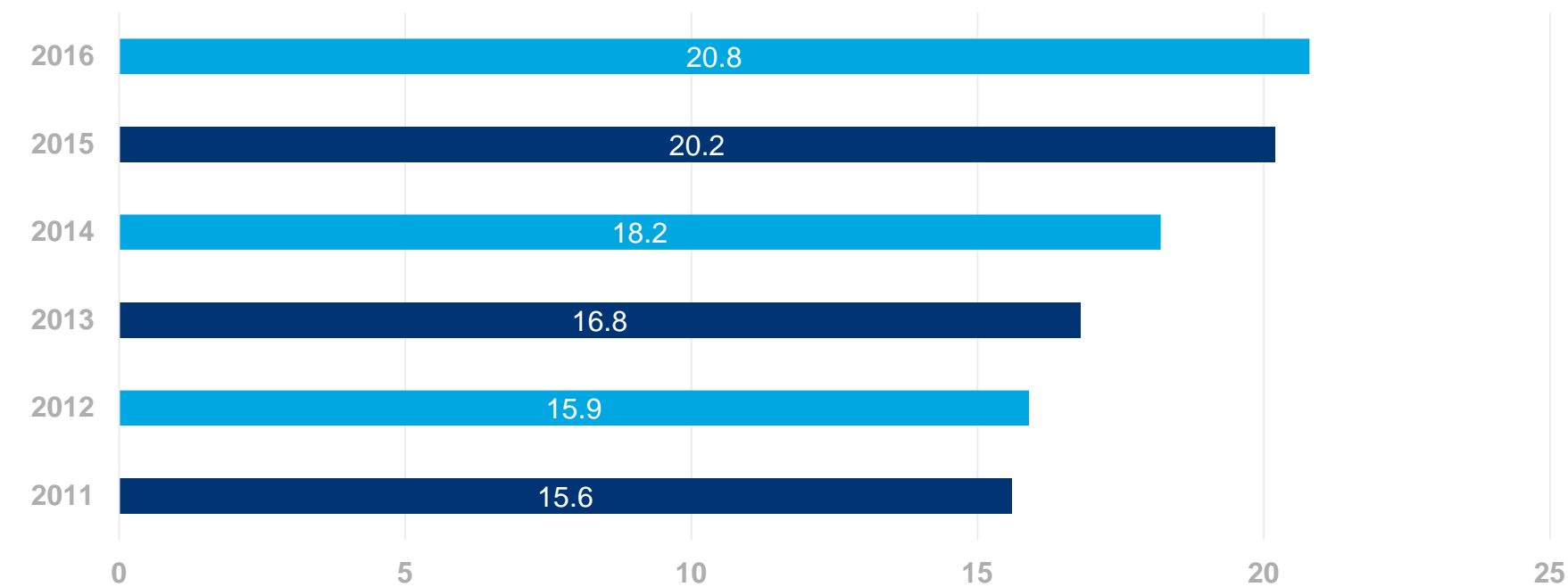
A large global sales channel ideally suited for our products

- ◆ Global sales of \$183 billion in 2016
- ◆ CAGR of 5% since 2013
- ◆ More than 107 million direct sellers worldwide

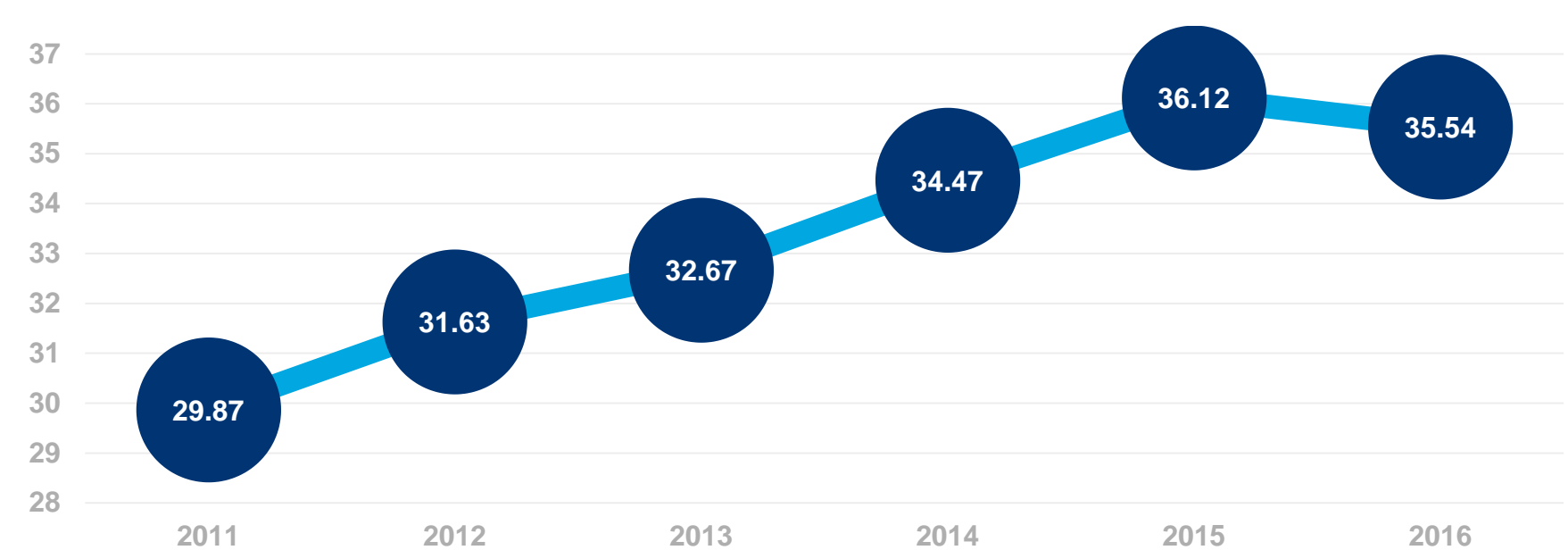


DIRECT SELLING (US)

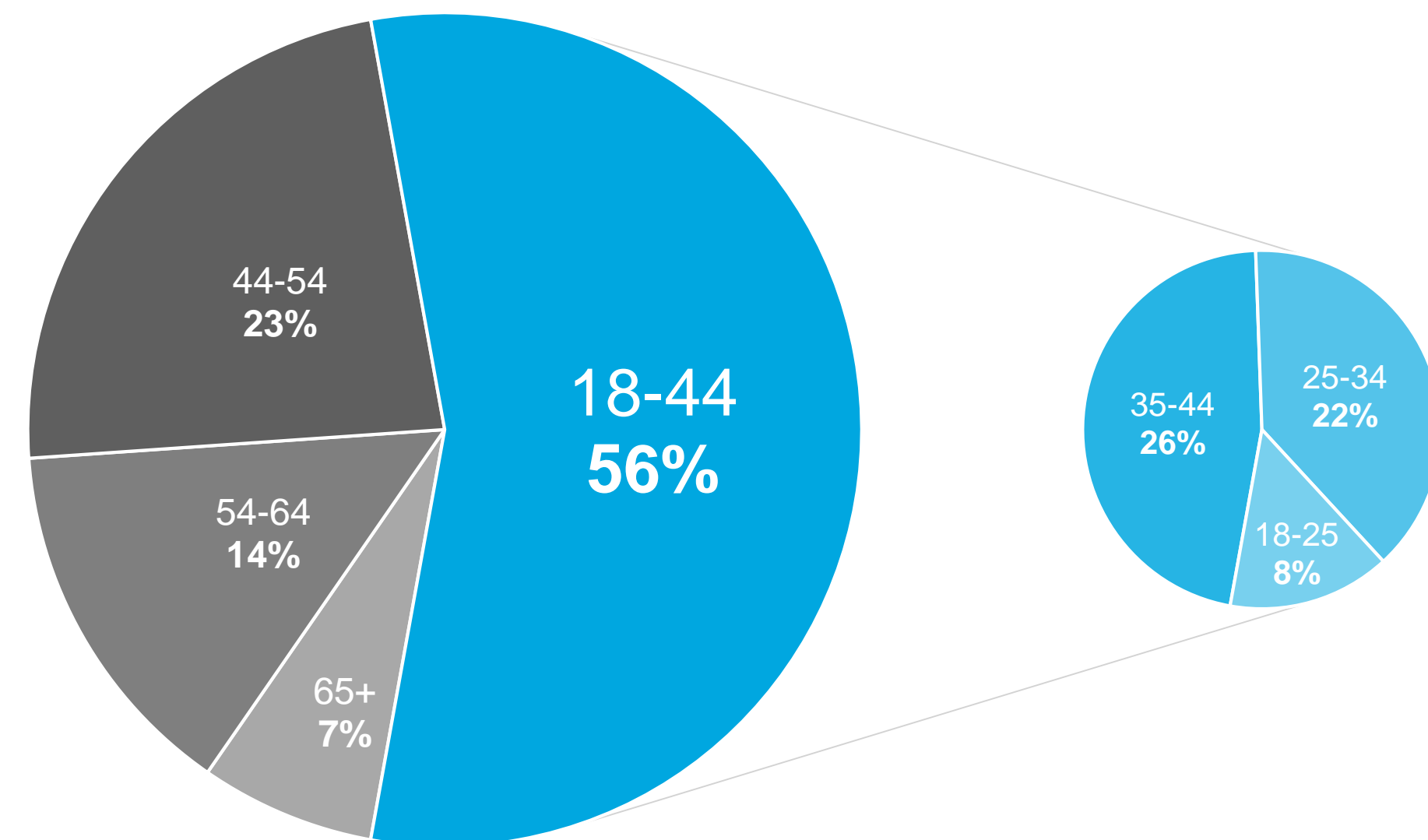
PEOPLE INVOLVED IN DIRECT SELLING
(in millions)



US RETAIL SALES
(in billions)



PEOPLE INVOLVED BY AGE





L I F E V A N T A G E

ROOM FOR GROWTH

Direct selling regional sales and top 3 product categories.

North America: \$37.8 billion

- Wellness: 34%
- Cosmetics & Personal Care: 17%
- Household Goods & Durables: 14%

Western Europe: \$29.5 billion

- Wellness: 34%
- Cosmetics & Personal Care: 16%
- Home Improvement: 13%

South & Central America: \$25.2 billion

- Cosmetics & Personal Care: 62%
- Wellness: 21%
- Clothing & Accessories: 8%

Asia-Pacific: \$84.1 billion

- Wellness: 41%
- Cosmetics & Personal Care: 29%
- Household Goods & Durables: 13%



 Current LifeVantage Market

LifeVantage

Source: Direct Selling News, 2015 data



WHAT IS GOING TO DRIVE GROWTH?

GROWTH OPPORTUNITIES

Geographical

Greater China expansion utilizing
an e-commerce model
Opening of Germany

Expanding Our Distributor base

New Products

Tools and Technologies

CROSS BORDER E-COMMERCE PROGRAM INTO MAINLAND CHINA

Entering Mainland China through an innovative e-commerce and social influencer model

- ◆ Business model is not multi-level marketing
- ◆ Utilizing third party social influencers in China
- ◆ Products already approved for e-commerce
- ◆ Training and commercial pilot kicked off in November 2017



EXPANDING DISTRIBUTOR BASE

RED CARPET PROGRAM

- ◆ Recently deployed an enhanced effort to attract new experienced leaders to LifeVantage through a program focused on creating relationships with developed leaders with access to our corporate leadership team, while providing activity based incentives as they build their business
- ◆ Incentivize experienced sales leaders to attract and retain accomplished salespeople to drive our business

Enhancing the demographics and skillset of our distributor base

- ◆ Focused on enhancing distributor base by attracting a second wave of leaders who are technology adept and social commerce savvy
- ◆ History of success with similar programs, which have demonstrated significant return on investment



NEW PRODUCT INTRODUCTIONS IN 2018

Vitality Stacks

- ◆ Reconfigured product strategy from single products to a regimen that creates integrated product systems
- ◆ Combining several of our powerful nutrigenomic products into a single solution that will become the basis of our bio-hacking protocol
 - ◆ Vitality Stack
 - ◆ Beauty Stack

Flagship Product Sent to Key Growth Markets

- ◆ Recent launch of Protandim in Mexico and Thailand

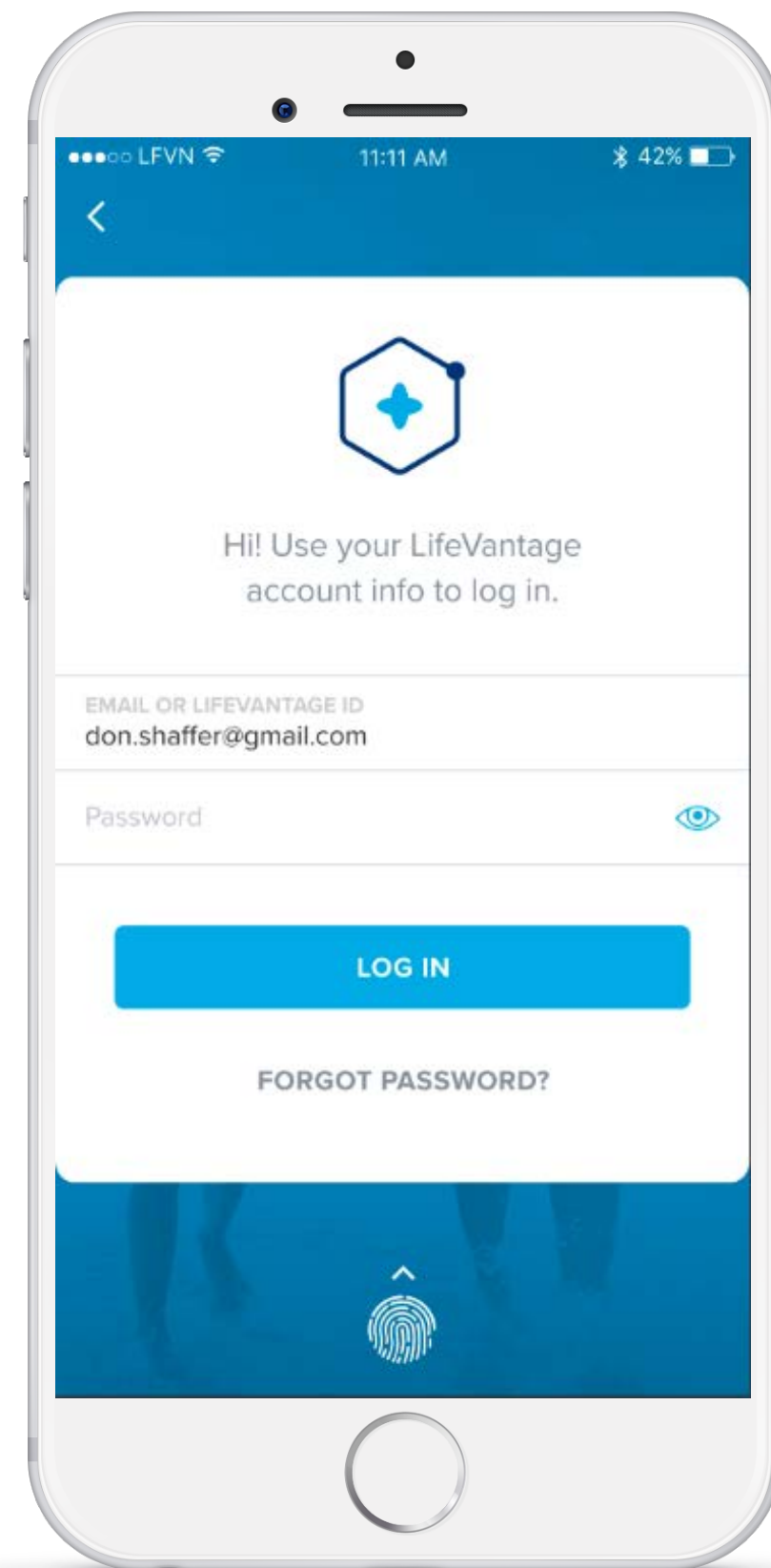
New Product Launches

- ◆ Omega+
 - ◆ Protein Flavor Enhancers
 - ◆ TruScience Hand Cream
-



Tools and Technology

ADDITIONAL EFFORTS TO DRIVE LONG TERM GROWTH



TOOLS

Utilizing artificial intelligence and machine learning to assist our distributor base in selling and empowering them with digital technology with the Lifevantage App.

F I N A N C I A L

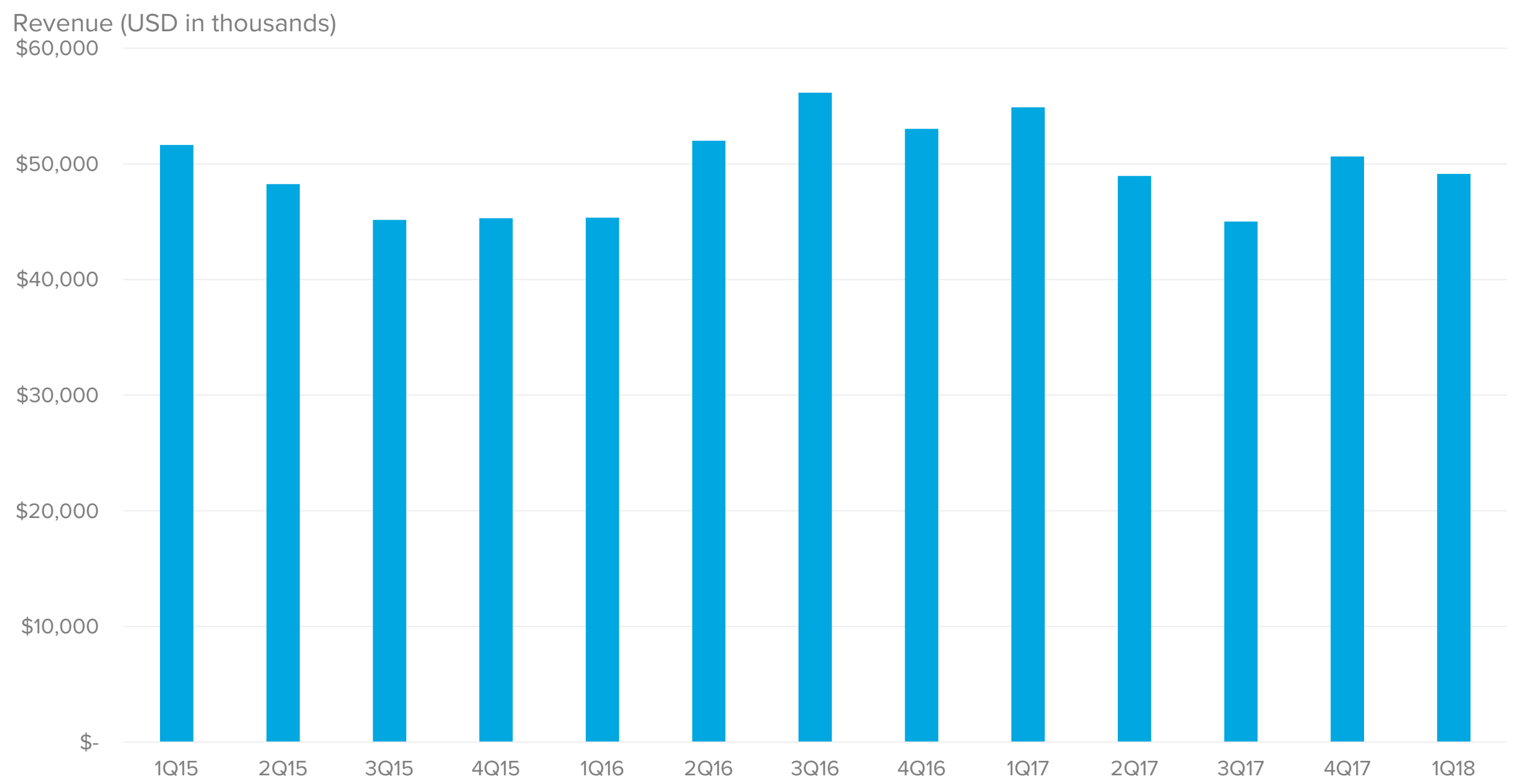
OVERVIEW





L I F E V A N T A G E

SALES HISTORY



May 2015 New CEO

- Began to implement growth initiatives

September 2016 Disruption

- Review of cross boarder sales resulted in policy and procedure adjustments that interrupted sales momentum

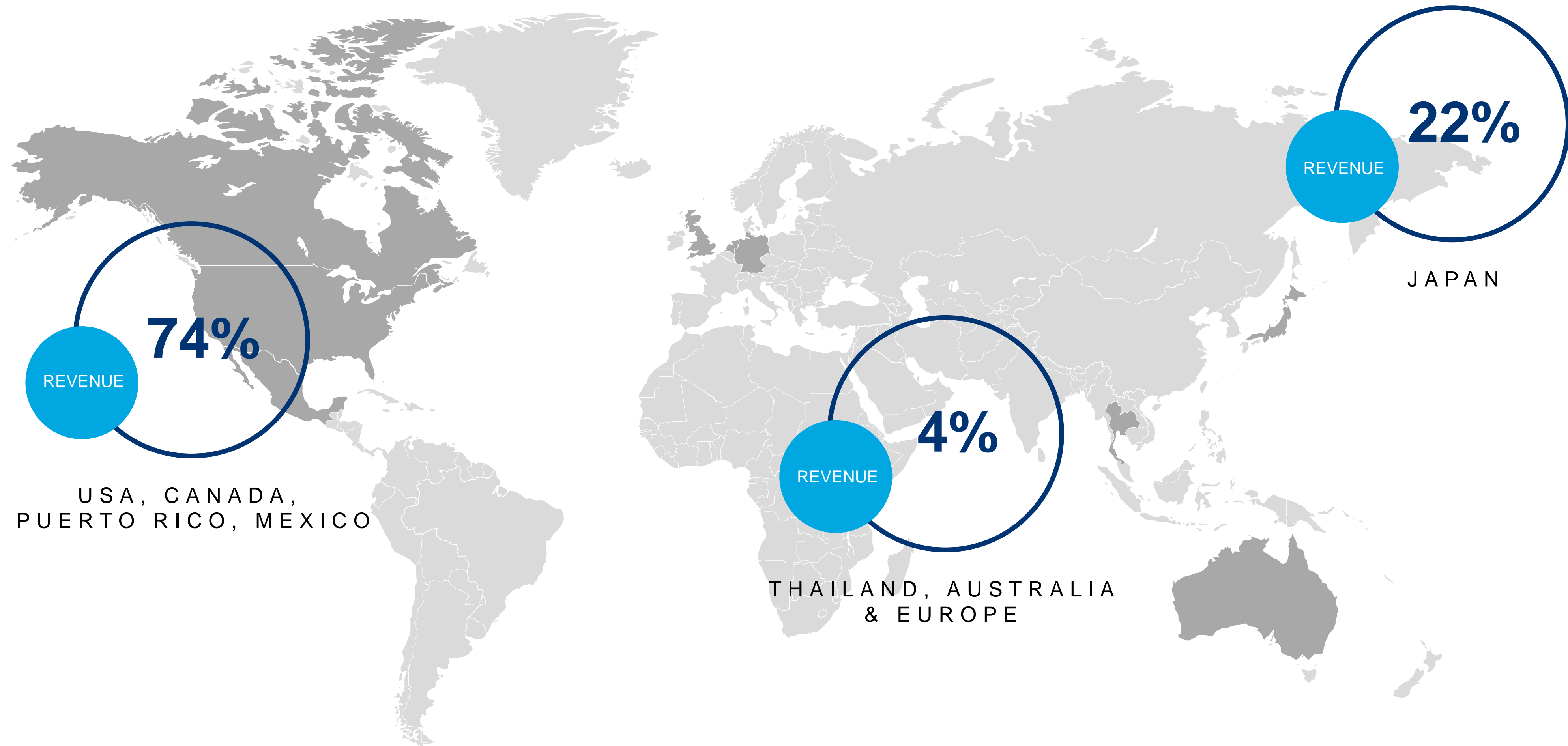
March 2017 Management Enhancements

- New CFO
- New COO

L I F E V A N T A G E

GLOBAL REACH

Distribution of sales by sales area.





PROGRESS ON 2018 INITIATIVES

- Initiated commercial testing and training of a new ecommerce business model utilizing independent in-market social influencers that has been developed for entry into Mainland China
- Introduced the tools and training to support and integrate key messaging around our biohacking and nutrigenomics stories across our field sales force
- Launched several products: Omega+, Vitality Stack, Beauty Stack, TruScience Hand Cream and Protein Flavor Enhancers
 - Stacks, including future introductions, will become the primary protocol to support our biohacking culture
- Launched beta test of the LifeVantage App technology platform
- Accelerated deployment of the Red Carpet program to attract new and experienced direct sales leaders to LifeVantage
- Began process of upgrading corporate ERP system, deploying Microsoft Dynamics 365



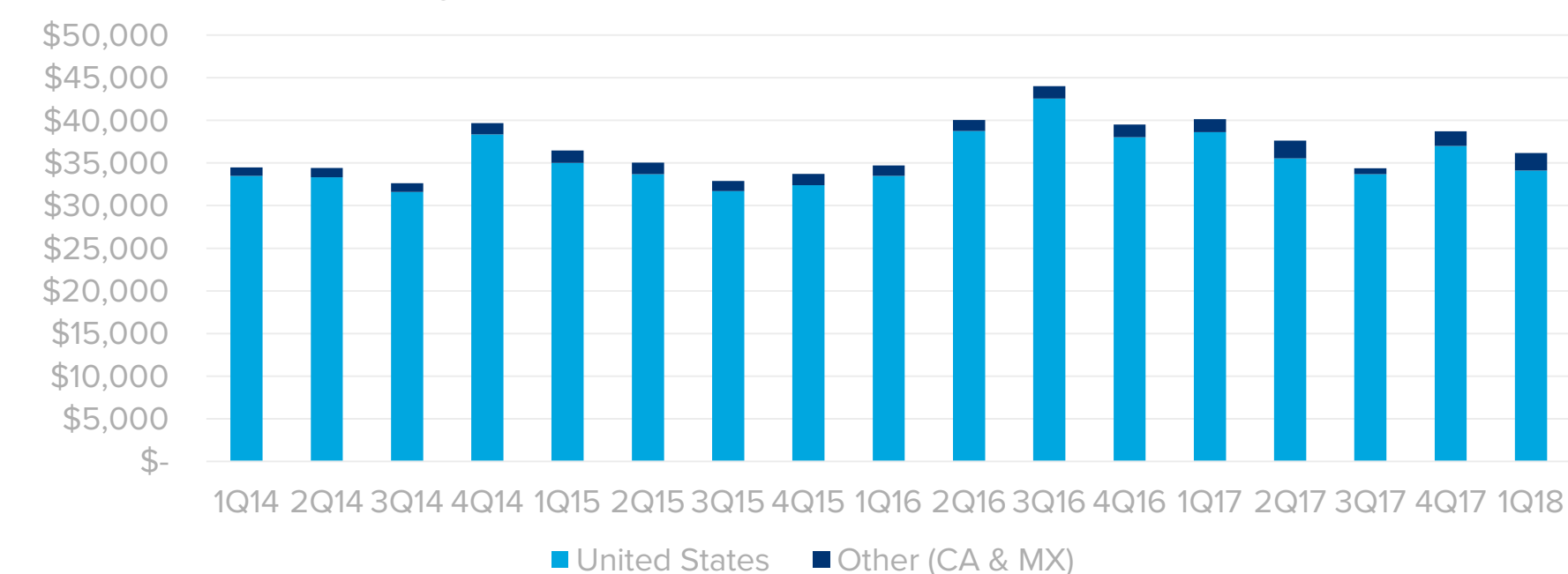
AMERICAS MARKET



74% OF SALES

- Launched Protandim NRF2 in Mexico
- Successful Canada Leadership Academy in Vancouver and Elite Academy events in Orlando

Americas Sales History





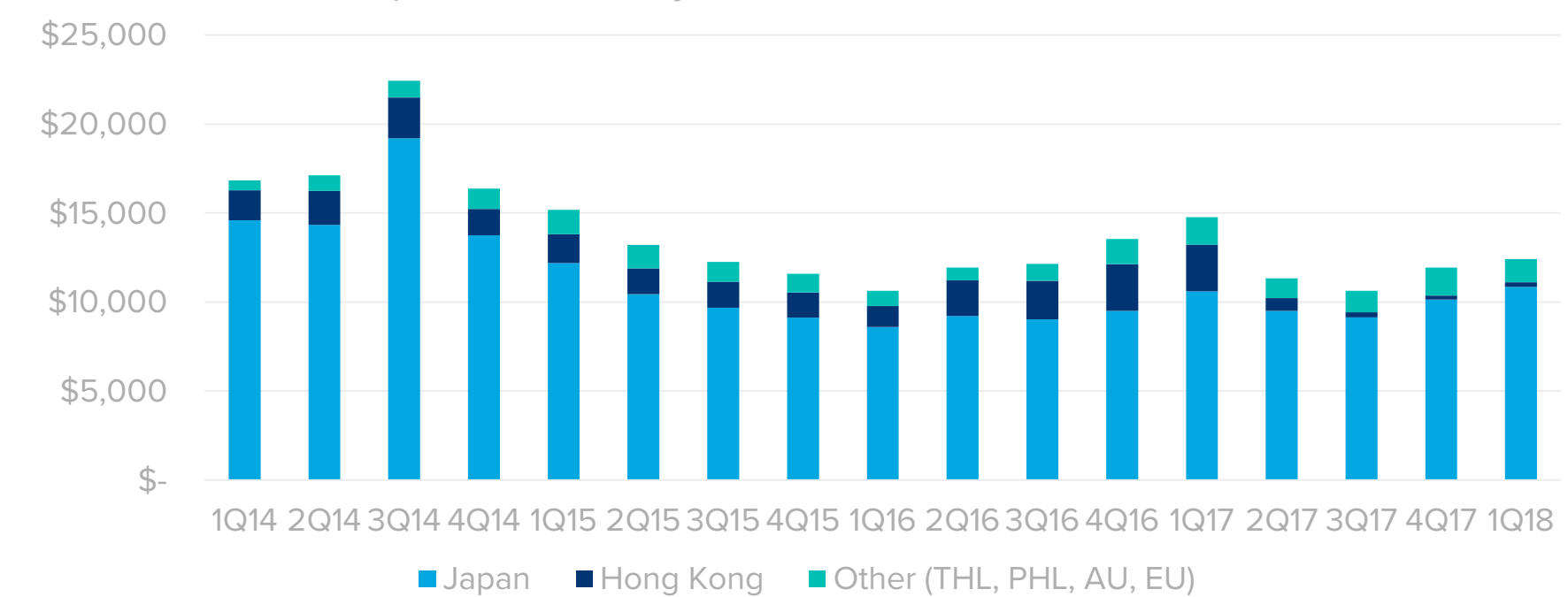
ASIA PACIFIC & EUROPE MARKETS

26% OF SALES

- Japan has turned
 - 7.0% YOY growth during Q1:2018
- Launched Germany on September 1st
- Introduced NRF2 in Thailand
- Targeting China and Taiwan launches during fiscal 2018
- Successful Leadership Academy in Japan, Australia, and Europe



Asia/Pacific & Europe Sales History





L I F E V A N T A G E

BUSINESS MODEL

Long-term				
(as % of revenue)	FY 2015	FY 2016	FY 2017	Target
Gross Margin ¹	84.2%	83.6%	83.2%	84.0%
Commissions and Incentives	47.8%	49.9%	48.5%	48.0%
SG&A ²	29.4%	26.3%	30.4%	24.0%
Operating Margin ²	7.0%	7.3%	4.4%	12.0%
Adjusted EBITDA Margin ²	9.2%	9.5%	6.6%	14.5%

Robust gross margin and highly variable cost structure produces strong incremental margins approaching 36%

A reconciliation of non-GAAP items is included at the appendix of this presentation

¹ Non-GAAP adjustments to FY 2015 gross margin to exclude recall insurance recovery

² Non-GAAP adjustments to FY 2015 to 2017 SG&A, operating margin and adjusted EBITDA to exclude expenses associated with the Audit Committee review, class action expenses, non-recurring legal expenses, reverse split fees and recruiting, severance and management transition fees

INVESTMENT SUMMARY



Well positioned with on-trend scientific products in a growing, global sales channel

Highly efficient business model with strong cash flow and high incremental margins

Continuous focus on product innovation and international market opportunities position us for growth

Demonstrated ability to drive accelerated revenue growth



APPENDIX

Recent Operating Results Comparison



LIFEVANTAGE CORPORATION AND SUBSIDIARIES CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(Unaudited)

(In thousands, except per share data)

	Most Recent Quarter	Previous Sequential Quarter	Sequential Change	Prior Year Period	Year over Year Change
	Q1 of Fiscal 2018	Q4 of Fiscal 2017	%	Q1 of Fiscal 2017	%
Revenue, net	\$ 49,127	\$ 50,641	(3.0%)	\$ 54,894	(10.5%)
Cost of sales	8,739	8,891		8,832	
Gross profit	40,388	41,750	(3.3%)	46,062	(12.3%)
Commissions and incentives	23,409	23,984		26,296	
Selling, general and administrative	15,581	16,226		17,780	
Total operating expenses	38,990	40,210		44,076	
Operating income	1,398	1,540	(9.2%)	1,986	(29.6%)
Interest expense	(162)	(164)		(137)	
Other income (expense), net	22	(616)		(171)	
Total other income (expense)	(140)	(780)		(308)	
Income before income taxes	1,258	760		1,678	
Income tax expense	(441)	(676)		(498)	
Net income	817	84	nmf	1,180	(30.8%)
EPS (Net income per share, basic)	\$ 0.06	\$ 0.01	nmf	\$ 0.09	(33.3%)
EPS (Net income per share, diluted)	\$ 0.06	\$ 0.01	nmf	\$ 0.08	(25.0%)
Weighted average shares, basic	13,963	13,952		13,820	
Weighted average shares, diluted	14,080	14,085		14,466	
Non-GAAP Items					
Adjusted EBITDA*	2,662	3,259	(18.3%)	4,348	(38.8%)
Adjusted Net Income*	1,006	525	91.6%	1,891	(46.8%)
Adjusted EPS (Net income per share, diluted)*	\$ 0.07	\$ 0.04	75.0%	\$ 0.13	(46.2%)

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

Historical Income Statements



LIFEVANTAGE CORPORATION AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(Unaudited)

(In thousands, except per share data)

	Fiscal Year			Fiscal 2017	Fiscal 2018
	2015	2016	2017	Q1 17	Q1 18
	(as revised)	(as revised)			
Revenue, net	\$ 190,336	\$ 206,540	\$ 199,489	\$ 54,894	\$ 49,127
Cost of sales	28,010	33,932	33,456	8,832	8,739
Gross profit	162,326	172,608	166,033	46,062	40,388
Commissions and incentives	91,074	103,120	96,662	26,296	23,409
Selling, general and administrative	57,353	56,074	64,922	17,780	15,581
Total operating expenses	148,427	159,194	161,584	44,076	38,990
Operating income	13,899	13,414	4,449	1,986	1,398
Interest expense	(3,087)	(3,321)	(570)	(137)	(162)
Other income (expense), net	(159)	(1,409)	(969)	(171)	22
Total other income (expense)	(3,246)	(4,730)	(1,539)	(308)	(140)
Income before income taxes	10,653	8,684	2,910	1,678	1,258
Income tax expense	(3,528)	(2,578)	(1,302)	(498)	(441)
Net income	7,125	6,106	1,608	1,180	817
EPS (Net income per share, basic)	\$ 0.51	\$ 0.44	\$ 0.12	\$ 0.09	\$ 0.06
EPS (Net income per share, diluted)	\$ 0.50	\$ 0.42	\$ 0.11	\$ 0.08	\$ 0.06
Weighted average shares, basic	13,899	13,730	13,881	13,820	13,963
Weighted average shares, diluted	14,150	14,531	14,118	14,466	14,080
Non-GAAP Items					
Adjusted EBITDA*	17,436	19,650	13,087	4,348	3,259
Adjusted Net Income*	6,755	9,235	3,933	1,891	525
Adjusted EPS (Net income per share, diluted)*	\$ 0.48	\$ 0.64	\$ 0.27	\$ 0.13	\$ 0.04

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

Historical Balance Sheet and Cash Flows



LIFEVANTAGE CORPORATION AND SUBSIDIARIES

SUMMARIZED BALANCE SHEET AND CASH FLOW METRICS

(Unaudited, in thousands, except per share data)

	Fiscal Year ended June 30,			Quarter ended September 30,	
	2015	2016	2017	2016	2017
Cash and Cash Equivalents	\$ 13,905	\$ 7,883	\$ 11,458	\$ 10,225	\$ 12,288
Current Portion of Long-term Debt	11,141	2,000	2,000	2,000	2,000
Long-term Debt, Net of Discount	9,631	7,409	5,440	6,916	4,948
Total Debt	20,771	9,409	7,440	8,916	6,948
Net Cash (Cash and equivalents less total Debt)	(6,866)	(1,526)	4,018	1,309	5,340
Net Cash per share, diluted	\$ (0.49)	\$ (0.10)	\$ 0.28	\$ 0.09	\$ 0.38
Total Assets	41,163	50,857	45,249	49,796	44,793
Total Stockholders' Equity	1,806	10,650	14,528	14,082	15,772
Book Value per share, diluted	\$ 0.13	\$ 0.73	\$ 1.03	\$ 0.97	\$ 1.12
Net Cash Provided by Operating Activities	13,221	6,036	6,597	2,880	2,503
Capital Expenditures	1,159	562	1,055	94	1,176
Free Cash Flow	12,062	5,474	5,542	2,786	1,327
Free Cash Flow per share, diluted	\$ 0.85	\$ 0.38	\$ 0.39	\$ 0.19	\$ 0.09

Non-GAAP Reconciliations



LIFEVANTAGE CORPORATION AND SUBSIDIARIES

Adjusted Net Income

(Unaudited, in thousands, except per share data)

	Fiscal Year			Fiscal 2017	Fiscal 2017	Fiscal 2018
	2015	2016	2017	Q1	Q4	Q1
Period ended	6/30/15	6/30/16	6/30/17	9/30/16	6/30/17	9/30/17
GAAP Net income	\$7,126	\$6,106	\$1,608	\$1,180	\$84	\$817
Adjustments:	—	—	—	—	—	—
Recall related expenses	(2,000)	—	—	—	—	—
Executive team recruiting and transition expenses	880	928	744	—	203	44
Audit committee independent review expenses	—	—	2,742	1,011	—	—
Class-action lawsuit expenses	—	—	170	—	84	196
Executive Team Severance Expenses, Net	565	632	39	—	—	—
Reverse Split Fees	—	159	—	—	—	—
Write-Off of Deferred Debt Offering Costs	—	1,544	—	—	—	—
Write-off of intangible assets	—	—	350	—	350	—
Jenkon Write-Off	—	1,186	—	—	—	—
Other nonrecurring legal and accounting expenses	—	—	160	—	160	51
Tax impact of adjustments	184	(1,320)	(1,881)	(300)	(356)	(102)
Total adjustments, net of tax	(371)	9,235	2,324	711	441	210
Non-GAAP Net Income:	6,755	9,235	3,933	1,891	525	1,006
Diluted earnings per share, as reported	0.50	0.42	0.11	0.08	0.01	0.06
Total adjustments, net of tax	(0.02)	0.22	0.16	0.05	0.03	0.01
Diluted earnings per share, as adjusted	0.48	0.64	0.27	0.13	0.04	0.07

Non-GAAP Reconciliations



LIFEVANTAGE CORPORATION AND SUBSIDIARIES

EBITDA and Adjusted EBITDA

(Unaudited, in thousands)

	Fiscal Year			Fiscal 2017	Fiscal 2017	Fiscal 2018
	2015	2016	2017	Q1	Q4	Q1
Period ended	6/30/15	6/30/16	6/30/17	9/30/16	6/30/17	9/30/17
GAAP Net income	\$7,126	\$6,106	\$1,608	\$1,180	\$84	\$817
Interest Expense	3,087	3,321	570	137	164	162
Provision for income taxes	3,527	2,578	1,302	498	676	441
Depreciation and amortization	2,285	1,895	1,643	412	418	350
Non-GAAP EBITDA:	16,025	13,900	5,123	2,227	1,342	1,770
Adjustments:						
Stock compensation expense	1,806	2,621	2,647	939	855	623
Other (income) expense, net	159	1,409	969	171	616	(22)
Other adjustments	(554)	1,720	4,348	1,011	446	291
Total adjustments	1,411	5,750	7,964	2,121	1,917	892
Non-GAAP Adjusted EBITDA	17,436	19,650	13,087	4,348	3,259	2,662