

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): November 3, 2022

The Joint Corp.

(Exact name of registrant as specified in its charter)

Delaware
(State or Other Jurisdiction of Incorporation)

001-36724
(Commission File Number)

90-0544160
(I.R.S. Employer Identification No.)

16767 N. Perimeter Drive, Suite 110
Scottsdale, Arizona 85260
(Address of Principal Executive Offices) (Zip Code)

(480) 245-5960
(Registrant's telephone number, including area code)

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.001 Par Value Per Share	JYNT	The NASDAQ Capital Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02. Results of Operations and Financial Condition.

On November 3, 2022, The Joint Corp. (the “Company”) issued a press release announcing its financial results for the quarter ended September 30, 2022. The press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

The information furnished in this Item 2.02 and Exhibit 99.1 shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, nor shall it be incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as expressly set forth by specific reference in such a filing.

Item 7.01. Regulation FD Disclosure.

The Company is posting an earnings presentation to its website at <https://ir.thejoint.com/>. A copy of the earnings presentation is being furnished herewith as Exhibit 99.2. The Company will use the earnings presentation during its earnings conference call on November 3, 2022 and also may use the earnings presentation from time to time in conversations with analysts, investors and others.

The information furnished in this Item 7.01 and Exhibit 99.2 shall not be deemed “filed” for purposes of Section 18 of the Exchange Act, or otherwise subject to the liabilities of that section, nor shall it be incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as expressly set forth by specific reference in such a filing.

The information contained in Exhibit 99.2 is summary information that is intended to be considered in the context of the Company’s filings with the SEC. The Company undertakes no duty or obligation to publicly update or revise the information contained in this report, although it may do so from time to time as its management believes is warranted. Any such updating may be made through the filing of other reports or documents with the SEC, through press releases or through other public disclosure.

Item 9.01. Financial Statements and Exhibits.**(d) Exhibits**

<u>Exhibit Number</u>	<u>Description</u>
<u>99.1</u>	<u>Press Release dated November 3, 2022</u>
<u>99.2</u>	<u>The Joint Corp. Earnings Presentation, November 2022</u>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

The Joint Corp.

Date: November 3, 2022

By: /s/ Peter D. Holt
Peter D. Holt
President and Chief Executive Officer

The Joint Corp. Reports Third Quarter 2022 Financial Results

- Grew Revenue 27%, System-wide Sales 18%, and System-wide Comp Sales 6% vs. Q3 2021 -
- Opened 38 Clinics, Up from 33 in Q3 2021
- Surpassed 800 Clinic Milestone, Closing Q3 2022 with 805 Clinics, Including 115 Company-Owned or Managed Clinics -

SCOTTSDALE, Ariz., Nov. 03, 2022 (GLOBE NEWSWIRE) -- The Joint Corp. (NASDAQ: JYNT), a national operator, manager, and franchisor of chiropractic clinics, reported its financial results for the quarter ended September 30, 2022.

Financial Highlights: Q3 2022 Compared to Q3 2021

- Grew revenue 27% to \$26.6 million.
- Recorded operating income of \$500,000, compared to \$1.3 million.
- Reported net income of \$491,000, compared to \$1.9 million.
- Increased system-wide sales¹ by 18%, to \$110.4 million.
- Reported system-wide comp sales² of 6%.
- Reported Adjusted EBITDA of \$3.1 million, compared to \$3.3 million.

“During the third quarter of 2022, clinic openings were exceptionally strong, with new clinics continuing to perform well, resulting in our achieving the 800th clinic opening during the quarter. Our system-wide sales grew 18% to \$110.4 million, despite this macroeconomic environment,” said Peter D. Holt, President and Chief Executive Officer of The Joint Corp. “The market for chiropractic care continues to increase and is now estimated to be \$19.5 billion. To capture this increasing growth opportunity, we remain focused on key initiatives. We are implementing programs to attract new patients, franchise prospects, and the talent needed to staff our clinics and grow our footprint. To increase the pace of our buildout, we are penetrating underdeveloped and new markets. Overall, we are prioritizing optimizing clinic performance to support growth, profitability and lifetime patient value. Together with our robust underlying business model, we are driving long-term value for all stakeholders, including patients, team members, franchisees, regional developers and investors.”

Operating Highlights

- Increased total clinics to 805 at September 30, 2022, 690 franchised and 115 company-owned or managed, up from 769 at June 30, 2022.
 - Opened 33 new franchised clinics in Q3 2022, compared to 28 in Q3 2021.
 - Opened five greenfield clinics in Q3 2022, equal to five opened in Q3 2021.
 - Acquired four previously franchised clinics and sold one corporate clinic to a franchisee in Q3 2022, compared to no acquired or sold clinics in Q3 2021.
 - Closed two franchised clinics in Q3 2022, compared to none in Q3 2021.
- Sold 12 franchise licenses in Q3 2022, compared to 44 in Q3 2021.
- Subsequent to quarter end,
 - Reacquired the regional developer (RD) territory rights for the Philadelphia market.
 - Acquired two previously franchised clinics and sold one corporate clinic to a franchisee.
 - Opened two greenfield clinics.

Financial Results: Third Quarter 2022 Compared to Third Quarter 2021

Revenue was \$26.6 million in the third quarter of 2022, compared to \$21.0 million in the third quarter of 2021. The increase reflects a greater number of franchised and corporate clinics and continued organic growth. Cost of revenue was \$2.5 million, compared to \$2.3 million in the third quarter of 2021, reflecting the increased number of franchised clinics, as well as higher RD royalties and commissions.

Selling and marketing expenses were \$3.5 million, up 23%, driven by the increase in the advertising expenses from the larger number of franchised and company-owned or managed clinics. Depreciation and amortization expenses increased for the third quarter of 2022, as compared to the prior year period, primarily due to the depreciation and amortization expenses associated with our continued greenfield development and acquired clinics.

General and administrative expenses were \$17.8 million, compared to \$12.8 million in the third quarter of 2021, reflecting increases in costs to support clinic growth and in payroll to remain competitive in the tight labor market.

Operating income was \$500,000, compared to \$1.3 million in the third quarter of 2021. Income tax benefit was \$16,000, compared to a benefit of \$614,000 in the third quarter of 2021. Net income was \$491,000, or \$0.03 per diluted share, compared to \$1.9 million, or \$0.13 per diluted share, in the third quarter of 2021.

Adjusted EBITDA was \$3.1 million, compared to \$3.3 million in the third quarter of 2021. The company defines Adjusted EBITDA, a non-GAAP measure, as EBITDA before acquisition-related expenses, bargain purchase gain, net (gain)/loss on disposition or impairment, and stock-based compensation expenses. The company defines EBITDA as net income/(loss) before net interest, tax expense, depreciation, and amortization expenses.

Financial Results for the Nine Months Ended September 30: 2022 Compared to 2021

Revenue was \$74.1 million in the first nine months of 2022, compared to \$58.8 million in the first nine months of 2021. Net income was \$630,000, or \$0.04 per diluted share, compared to \$6.9 million, or \$0.46 per diluted share, in the first nine months of 2021. Adjusted EBITDA was \$7.5 million, compared to \$10.5 million in the first nine months of 2021.

Balance Sheet Liquidity

Unrestricted cash was \$10.3 million at September 30, 2022, compared to \$19.5 million at December 31, 2021. During the first nine months of 2022, investing activities of \$14.9 million consisted of the acquisition of RD territory rights, clinic acquisitions, and greenfield developments, which were partially offset by \$5.7 million provided by operating activities, caused the majority of the decrease in unrestricted cash.

2022 Guidance

For 2022, management modified financial guidance and reiterated guidance related to clinics.

- Revenue is now expected to be between \$100.0 million and \$102.0 million, compared to guidance of \$98.0 million to \$102.0 million on August 4, 2022. Revenue for 2021 was \$80.9 million.
- Adjusted EBITDA is now expected to be between \$11.5 million and \$12.5 million, compared to guidance of \$12.0 million to \$14 million on August 4, 2022. 2021 Adjusted EBITDA was \$12.6 million.
- Franchised clinic openings are expected to be between 110 and 130, compared to 110 in 2021.
- Company-owned or managed clinic increases, through a combination of both greenfields and buybacks, are expected to be between 30 and 40; compared to 32 added in 2021.

Conference Call

The Joint Corp. management will host a conference call at 5 p.m. ET on Thursday, November 3, 2022 to discuss the third quarter 2022 financial results. Shareholders and interested participants may listen to a live broadcast of the conference call by dialing (866) 652-5200 or (412) 317-6060 approximately 15 minutes prior to the start time.

The accompanying slide presentation will be in the IR section of the website under Presentations and in Events. A live webcast of the conference call will also be available on the IR section of the company's website at <https://ir.thejoint.com/events>. An audio replay will be available two hours after the conclusion of the call for one week. The replay can be accessed by dialing 877-344-7529 or 412-317-0088 and entering conference ID 4869368.

Commonly Discussed Performance Metrics

This release includes a presentation of commonly discussed performance metrics. System-wide sales include revenues at all clinics, whether operated by the company or by franchisees. While franchised sales are not recorded as revenues by the company, management believes the information is important in understanding the company's financial performance, because these sales are the basis on which the company calculates and records royalty fees and are indicative of the financial health of the franchisee base. Comp sales include the revenues from both company-owned or managed clinics and franchised clinics that in each case have been open at least 13 full months and exclude any clinics that have closed.

Non-GAAP Financial Information

This release also includes a presentation of 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. Reconciliation of net income/(loss) to EBITDA and Adjusted EBITDA is presented in a table below. The company defines Adjusted EBITDA as EBITDA before acquisition-related expenses, bargain purchase gain, net (gain)/loss on disposition or impairment, and stock-based compensation expenses. The company defines EBITDA as net income/(loss) before net interest, tax expense, depreciation, and amortization 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 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.

Forward-Looking Statements

This press release contains statements about future events and expectations that constitute forward-looking statements. 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), inflation, exacerbated by COVID-19 and the current war in Ukraine, 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, our inability to identify and recruit enough qualified chiropractors and other personnel to staff our clinics, due in part to the nationwide labor shortage, short-selling strategies and negative opinions posted on the internet which could drive down the market price of our common stock and result in class action lawsuits, our failure to remediate the current or future material weaknesses in our internal control over financial reporting, which could negatively impact our ability to accurately report our financial results, prevent fraud, or maintain investor confidence, and other factors described in our filings with the SEC, including in the section entitled

“Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2021 filed with the SEC on March 14, 2022 and subsequently-filed current and quarterly reports. 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.

Management has disclosed in our Form 10-K that our management concluded that our internal controls over financial reporting were not effective as of December 31, 2021, and our auditors expressed an adverse opinion on the Company’s internal control over financial reporting as of December 31, 2021, due to a material weakness. The details of this material weakness were provided in our 10-K filing. We have undertaken remediation measures to address the material weakness, which we expect will be completed prior to the end of fiscal year 2022.

About The Joint Corp. (NASDAQ: JYNT)

The Joint Corp. (NASDAQ: JYNT) revolutionized access to chiropractic care when it introduced its retail healthcare business model in 2010. Today, it is the nation’s largest operator, manager and franchisor of chiropractic clinics through *The Joint Chiropractic* network. The company is making quality care convenient and affordable, while eliminating the need for insurance, for millions of patients seeking pain relief and ongoing wellness. With more than 750 locations nationwide and nearly 11 million patient visits annually, *The Joint Chiropractic* is a key leader in the chiropractic industry. Ranked number one on *Forbes’* 2022 America's Best Small Companies list, number three on *Fortune’s* 100 Fastest-Growing Companies list and consistently named to *Franchise Times’* “Top 400+ Franchises” and *Entrepreneur’s* “Franchise 500[®]” lists, *The Joint Chiropractic* is an innovative force, where healthcare meets retail.

For more information, visit www.thejoint.com. To learn about franchise opportunities, visit www.thejointfranchise.com.

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, 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.

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Investor Contact: Kirsten Chapman, LHA Investor Relations, 415-433-3777, thejoint@lhai.com

– Financial Tables Follow –

THE JOINT CORP. AND SUBSIDIARY AND AFFILIATES CONDENSED CONSOLIDATED BALANCE SHEETS

(unaudited)

	September 30, 2022	December 31, 2021
	(unaudited)	
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 10,272,112	\$ 19,526,119
Restricted cash	696,030	386,219
Accounts receivable, net	3,945,046	3,700,810
Deferred franchise and regional development costs, current portion	1,032,930	994,587
Prepaid expenses and other current assets	2,732,467	2,281,765
Assets held for sale	243,387	—
Total current assets	18,921,972	26,889,500
Property and equipment, net	16,210,051	14,388,946
Operating lease right-of-use asset	19,046,081	18,425,914
Deferred franchise and regional development costs, net of current portion	5,621,297	5,505,420
Intangible assets, net	10,162,506	5,403,390
Goodwill	8,493,407	5,085,203
Deferred tax assets	9,115,231	9,188,634
Deposits and other assets	720,853	567,202
Total assets	<u>\$ 88,291,398</u>	<u>\$ 85,454,209</u>

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities:		
Accounts payable	\$ 1,982,237	\$ 1,705,568

Accrued expenses	1,555,992	1,809,460
Co-op funds liability	696,030	386,219
Payroll liabilities (\$0.8 million and \$0.4 million attributable to VIE)	2,788,058	3,906,317
Operating lease liability, current portion	4,969,470	4,613,843
Finance lease liability, current portion	24,175	49,855
Deferred franchise and regional developer fee revenue, current portion	2,974,993	3,191,892
Deferred revenue from company clinics (\$3.7 million and \$3.5 million attributable to VIE)	5,900,964	5,235,745
Other current liabilities	522,500	539,500
Liabilities to be disposed of	223,287	—
Total current liabilities	21,637,706	21,438,399
Operating lease liability, net of current portion	17,427,096	16,872,093
Finance lease liability, net of current portion	69,713	87,939
Debt under the Credit Agreement	2,000,000	2,000,000
Deferred franchise and regional developer fee revenue, net of current portion	15,604,180	15,458,921
Other liabilities	27,230	27,230
Total liabilities	56,765,925	55,884,582
Commitments and contingencies (Note 10)		
Stockholders' equity:		
Series A preferred stock, \$0.001 par value; 50,000 shares authorized, 0 issued and outstanding, as of September 30, 2022 and December 31, 2021	—	—
Common stock, \$0.001 par value; 20,000,000 shares authorized, 14,561,545 shares issued and 14,529,679 shares outstanding as of September 30, 2022 and 14,451,355 shares issued and 14,419,712 outstanding as of December 31, 2021	14,561	14,450
Additional paid-in capital	45,231,637	43,900,157
Treasury stock 31,866 shares as of September 30, 2022 and 31,643 shares as of December 31, 2021, at cost	(856,642)	(850,838)
Accumulated deficit	(12,889,083)	(13,519,142)
Total The Joint Corp. stockholders' equity	31,500,473	29,544,627
Non-controlling Interest	25,000	25,000
Total equity	31,525,473	29,569,627
Total liabilities and stockholders' equity	\$ 88,291,398	\$ 85,454,209

**THE JOINT CORP. AND SUBSIDIARY AND AFFILIATES
CONDENSED CONSOLIDATED INCOME STATEMENTS
(unaudited)**

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2022	2021	2022	2021
Revenues:				
Revenues from company-owned or managed clinics	\$ 15,836,327	\$ 11,634,009	\$ 42,936,298	\$ 32,537,942
Royalty fees	6,604,653	5,714,637	19,024,799	15,816,500
Franchise fees	642,405	648,598	1,970,256	1,967,680
Advertising fund revenue	1,881,367	1,627,693	5,417,840	4,521,342
Software fees	1,109,753	840,969	3,166,732	2,387,543
Regional developer fees	153,181	209,651	524,923	642,041
Other revenues	375,314	316,064	1,058,008	885,335
Total revenues	26,603,000	20,991,621	74,098,856	58,758,383
Cost of revenues:				
Franchise and regional development cost of revenues	2,141,945	1,907,874	6,219,646	5,319,278
IT cost of revenues	348,331	392,248	1,010,446	784,698
Total cost of revenues	2,490,276	2,300,122	7,230,092	6,103,976
Selling and marketing expenses	3,539,287	2,881,575	10,666,500	8,503,617
Depreciation and amortization	2,011,768	1,662,255	5,341,420	4,275,140
General and administrative expenses	17,796,806	12,812,331	49,703,451	34,513,378
Total selling, general and administrative expenses	23,347,861	17,356,161	65,711,371	47,292,135
Net loss (gain) on disposition or impairment	264,391	(3,540)	360,140	16,967
Income from operations	500,472	1,338,878	797,253	5,345,305
Other expense, net	(25,235)	(16,139)	(60,668)	(54,050)

Income before income tax (benefit) expense	475,237	1,322,739	736,585	5,291,255
Income tax (benefit) expense	(15,876)	(614,356)	106,527	(1,644,496)
Net income	\$ 491,113	\$ 1,937,095	\$ 630,058	\$ 6,935,751
Earnings per share:				
Basic earnings per share	\$ 0.03	\$ 0.13	\$ 0.04	\$ 0.49
Diluted earnings per share	\$ 0.03	\$ 0.13	\$ 0.04	\$ 0.46
Basic weighted average shares	14,512,856	14,388,905	14,474,323	14,286,818
Diluted weighted average shares	14,829,629	14,970,328	14,878,050	14,931,759

THE JOINT CORP. AND SUBSIDIARY AND AFFILIATES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited)

	Nine Months Ended September 30,	
	2022	2021
Cash flows from operating activities:		
Net income	\$ 630,058	\$ 6,935,751
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	5,341,420	4,275,140
Net loss on disposition or impairment	360,140	109,871
Net franchise fees recognized upon termination of franchise agreements	(15,218)	(98,196)
Deferred income taxes	73,403	(1,909,241)
Stock based compensation expense	969,562	826,908
Changes in operating assets and liabilities, net of acquisitions:		
Accounts receivable	(244,236)	(1,069,864)
Prepaid expenses and other current assets	(450,702)	13,079
Deferred franchise costs	(186,618)	(1,245,049)
Deposits and other assets	(153,651)	(95,176)
Accounts payable	50,702	(49,415)
Accrued expenses	(571,447)	164,866
Payroll liabilities	(1,118,259)	1,329,785
Deferred revenue	636,470	2,410,202
Other liabilities	360,791	852,926
Net cash provided by operating activities	<u>5,682,415</u>	<u>12,451,587</u>
Cash flows from investing activities:		
Acquisition of AZ clinics	(6,861,256)	(1,925,000)
Acquisition of NC clinics	(1,105,000)	(2,568,028)
Purchase of property and equipment	(4,322,673)	(5,382,857)
Reacquisition and termination of regional developer rights	(2,650,000)	(1,388,700)
Net cash used in investing activities	<u>(14,938,929)</u>	<u>(11,264,585)</u>
Cash flows from financing activities:		
Payments of finance lease obligation	(43,907)	(59,285)
Purchases of treasury stock under employee stock plans	(5,804)	(707,728)
Proceeds from exercise of stock options	362,029	1,480,634
Repayment of debt under the Paycheck Protection Program	—	(2,727,970)
Net cash provided by (used in) financing activities	<u>312,318</u>	<u>(2,014,349)</u>
Decrease in cash, cash equivalents and restricted cash	(8,944,196)	(827,347)
Cash, cash equivalents and restricted cash, beginning of period	19,912,338	20,819,629
Cash, cash equivalents and restricted cash, end of period	<u>\$ 10,968,142</u>	<u>\$ 19,992,282</u>
	September 30,	September 30,
	2022	2021
Reconciliation of cash, cash equivalents and restricted cash:		
Cash and cash equivalents	\$ 10,272,112	\$ 19,542,685
Restricted cash	<u>696,030</u>	<u>449,597</u>

\$	10,968,142	\$	19,992,282

THE JOINT CORP. AND SUBSIDIARY AND AFFILIATES
RECONCILIATION FOR GAAP TO NON-GAAP
(unaudited)

Non-GAAP Financial Data:	Three Months Ended September 30,		Nine Months Ended	
	September 30,		September 30,	
	2022	2021	2022	2021
Net income	\$ 491,113	\$ 1,937,095	\$ 630,058	\$ 6,935,751
Net interest expense	25,235	16,139	60,668	54,050
Depreciation and amortization expense	2,011,768	1,662,255	5,341,420	4,275,140
Tax (benefit) expense	(15,876)	(614,356)	106,527	(1,644,496)
EBITDA	2,512,240	3,001,133	6,138,673	9,620,445
Stock compensation expense	305,815	296,850	969,562	826,908
Acquisition related expenses	46,712	3,000	78,298	48,346
Loss (gain) on disposition or impairment	264,391	(3,540)	360,140	16,967
Adjusted EBITDA	\$ 3,129,158	\$ 3,297,443	\$ 7,546,673	\$ 10,512,666

¹ System-wide sales include revenues at all clinics, whether operated or managed by the company or by franchisees. While franchised sales are not recorded as revenues by the company, management believes the information is important in understanding the company's financial performance, because these revenues are the basis on which the company calculates and records royalty fees and are indicative of the financial health of the franchisee base.

² Comp sales include the revenues from both company-owned or managed clinics and franchised clinics that in each case have been open at least 13 full months and exclude any clinics that have closed.



The Joint Corp. | NASDAQ: JYNT | thejoint.com



Q3 2022 Financial Results

As of September 30, 2022 | Reported on November 3, 2022

Safe Harbor Statements

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), inflation, exacerbated by COVID-19 and the current war in Ukraine, 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, our inability to identify and recruit enough qualified chiropractors and other personnel to staff our clinics, due in part to the nationwide labor shortage, short-selling strategies and negative opinions posted on the internet which could drive down the market price of our common stock and result in class action lawsuits, our failure to remediate the current or future material weaknesses in our internal control over financial reporting, which could negatively impact our ability to accurately report our financial results, prevent fraud, or maintain investor confidence, and other factors described in our filings with the SEC, including in the section entitled "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2021 filed with the SEC on March 14, 2022 and subsequently filed current and quarterly reports. 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.



The Joint

Our mission is to improve quality of life through routine and affordable chiropractic care.

The Joint is revolutionizing care by making it affordable, convenient and accessible.

Leadership
Culture
Chiropractic



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Performance Overcomes Macroeconomic Pressures

18%

Increase in system-wide sales Q3 2022 over Q3 2021

6%

Increase in comp sales¹ for all clinics >13 months in operation Q3 2022 over Q3 2021

2%

Increase in comp sales¹ for all clinics >48 months in operation Q3 2022 over Q3 2021

	Q3 2022	Q3 2021
Revenue	\$26.6M	\$21.0M
Operating Income	\$500k	\$1.3M
Net Income	\$491k	\$1.9M
Adjusted EBITDA ²	\$3.1M	\$3.3M

Unrestricted cash \$10.3M at Sept. 30, 2022, compared to \$19.5M at December 31, 2021, reflecting continued investment strategy

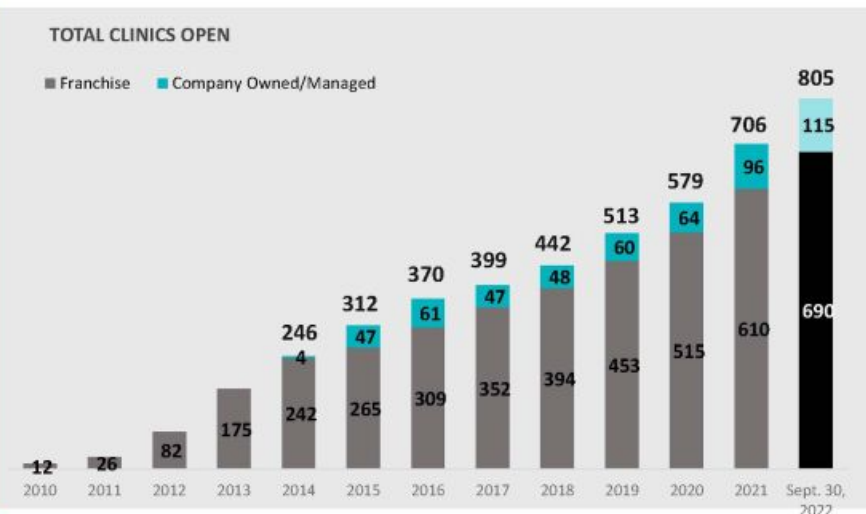


¹Comparable sales include only the sales from clinics that have been open at least 13 or 48 full months and exclude any clinics that have permanently closed.

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

Opened 38 Clinics in Q3 2022, Up from 33 in Q3 2021

	Q3 2021	Q3 2022
Franchise Licenses Sold	44	12
Total New Franchised Clinics Opened	28	33
Greenfield Clinics Opened	5	5
Franchised Clinics Acquired, Net	0	3
Clinics in Development	295	252

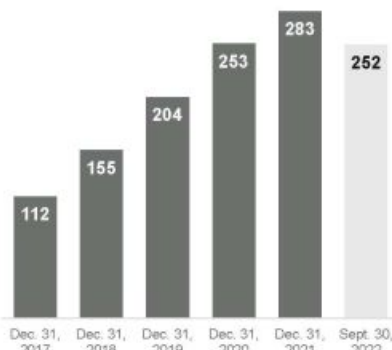


Pipeline for Clinic Openings Remains Strong

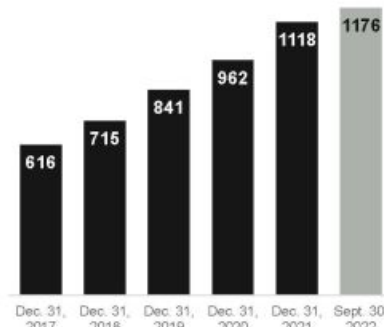
Franchise Licenses Sold Annually



Clinics in Active Development¹



Gross Cumulative Franchise Licenses Sold¹



62% sold by RDs in Q3 2022

69% of clinics supported by 19 RDs as of Sept. 30, 2022

RDs cover 55% of Metropolitan Statistical Areas (MSAs) as of Sept. 30, 2022



¹ Of the 1,176 franchise licenses sold as of September 30, 2022, 252 are in active development, 690 are currently operating and the balance represents terminated/closed licenses.

Marketing Co-ops: The Joint is the Official Chiropractor for Professional and Collegiate Athletic Organizations

As of 9/30/2022



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Q3 2022 Financial Results

\$ in M ¹	Q3 2022	Q3 2021	Differences	
Revenue	\$26.6	\$21.0	\$5.6	27%
• Corporate clinics	15.8	11.6	4.2	36%
• Franchise fees	10.8	9.4	1.4	15%
Cost of revenue	2.5	2.3	0.2	8%
Sales and marketing	3.5	2.9	0.6	23%
Depreciation and amortization	2.0	1.7	0.3	21%
G&A	18.1	12.8	5.3	41%
Operating Income	0.5	1.3	(0.8)	(63)%
Tax Expense/(Benefit)	(0.0)	(0.6)	0.6	100%
Net Income	0.5	1.9	(1.4)	(75)%
Adj. EBITDA ²	3.1	3.3	(0.2)	(5)%



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.

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YTD 2022 Financial Results as of Sept. 30, 2022

\$ in M ¹	First 9 Mos. 2022	First 9 Mos. 2021	Differences	
Revenue	\$74.1	\$58.8	\$15.3	26%
• Corporate clinics	42.9	32.5	10.4	32%
• Franchise fees	31.2	26.2	4.9	19%
Cost of revenue	7.2	6.1	1.1	18%
Sales and marketing	10.7	8.5	2.2	25%
Depreciation and amortization	5.3	4.3	1.1	25%
G&A	50.1	34.5	15.5	45%
Operating Income	0.8	5.3	(4.5)	(85)%
Tax Expense/(Benefit)	0.1	(1.6)	1.7	(106)%
Net Income	0.6	6.9	(6.3)	(91)%
Adj. EBITDA ²	7.5	10.5	(3.0)	(28)%



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.

Tightening 2022 Financial Guidance

\$ in M	2021 Actual	2022 Low Guidance	2022 High Guidance
Revenues	\$80.9	\$100.0	\$102.0
Adjusted EBITDA ¹	\$12.6	\$11.5	\$12.5
New Franchised Clinic Openings	110	110	130
New Company-owned/Managed Clinics ²	32	30	40



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

Driving Long-term Stakeholder Value

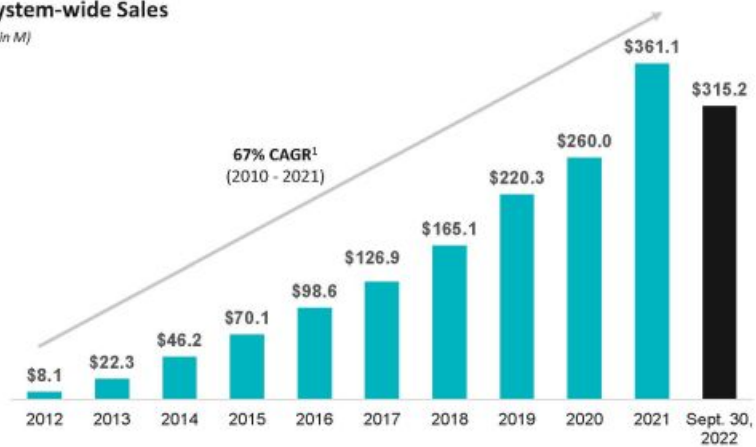
People will continue to seek more noninvasive, holistic ways to manage their pain.

We'll be there to treat them.

The Joint Corp. 11-yr. CAGR 67%¹ vs. Industry CAGR 5.4%^{2*}

System-wide Sales

(*\$ in M*)



¹ For the period ended Dec. 31, 2021 | ² June 2021 Kentley Insights Chiropractic Care Market Research Report

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Performance Metrics and Non-GAAP Measures

This presentation includes commonly discussed performance metrics. System-wide sales include sales at all clinics, whether operated by the company or by franchisees. While franchised sales are not recorded as revenues by the company, management believes the information is important in understanding the company's financial performance, because these sales are the basis on which the company calculates and records royalty fees and are indicative of the financial health of the franchisee base. Comp sales include the sales from both company-owned or managed clinics and franchised clinics that in each case have been open at least 13 full months and exclude any clinics that have closed.

This presentation includes 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.



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Q3 2022 Segment Results as of Sept. 30, 2022

\$ in 000s



Total Revenues	\$ 15,836
Total Operating Costs	(16,128)
Operating Income (Loss)	(292)
Other Income (Expense), net	(1)
Loss Before Income Tax Expense	(293)
Total Income Taxes	-
Net Income (Loss)	(293)
Net Interest	1
Income Taxes	-
Total Depreciation and Amortization Expense	1,737
EBITDA	1,445
Stock Based Compensation Exp	-
Bargain Purchase Gain	-
Loss on Disposition/Impairment	264
Acquisition Expenses	-
Adjusted EBITDA	1,709

	Corporate Clinics	Franchise Operations	Unallocated Corporate	The Joint Consolidated
Total Revenues	\$ 15,836	\$ 10,765	\$ 1	\$ 26,603
Total Operating Costs	(16,128)	(5,570)	(4,404)	(26,103)
Operating Income (Loss)	(292)	5,196	(4,403)	500
Other Income (Expense), net	(1)	-	(24)	(25)
Loss Before Income Tax Expense	(293)	5,196	(4,427)	475
Total Income Taxes	-	-	(16)	(16)
Net Income (Loss)	(293)	5,196	(4,412)	491
Net Interest	1	-	24	25
Income Taxes	-	-	(16)	(16)
Total Depreciation and Amortization Expense	1,737	189	86	2,012
EBITDA	1,445	5,385	(4,318)	2,512
Stock Based Compensation Exp	-	-	306	306
Bargain Purchase Gain	-	-	-	-
Loss on Disposition/Impairment	264	-	0	264
Acquisition Expenses	-	-	47	47
Adjusted EBITDA	1,709	5,385	(3,965)	3,129



YTD 2022 Segment Results as of Sept. 30, 2022

\$ in 000s



Total Revenues	\$ 42,937
Total Operating Costs	(43,354)
Operating Income (Loss)	(417)
Other Income (Expense), net	(4)
Income (Loss) Before Income Tax Expense	(421)
Total Income Taxes	-
Net Income (Loss)	(421)
Net Interest	4
Income Taxes	-
Total Depreciation and Amortization Expense	4,543
EBITDA	4,126
Stock Based Compensation Exp	-
Bargain Purchase Gain	-
(Gain) Loss on Disposition/Impairment	360
Acquisition Expenses	-
Adjusted EBITDA	4,486

	Corporate Clinics	Franchise Operations	Unallocated Corporate	The Joint Consolidated
Total Revenues	\$ 42,937	\$ 31,160	\$ 2	\$ 74,099
Total Operating Costs	(43,354)	(17,356)	(12,591)	(73,302)
Operating Income (Loss)	(417)	13,804	(12,589)	797
Other Income (Expense), net	(4)	-	(57)	(61)
Income (Loss) Before Income Tax Expense	(421)	13,804	(12,646)	737
Total Income Taxes	-	-	107	107
Net Income (Loss)	(421)	13,804	(12,753)	630
Net Interest	4	-	57	61
Income Taxes	-	-	107	107
Total Depreciation and Amortization Expense	4,543	549	249	5,341
EBITDA	4,126	14,353	(12,340)	6,139
Stock Based Compensation Exp	-	-	970	970
Bargain Purchase Gain	-	-	-	-
(Gain) Loss on Disposition/Impairment	360	-	0	360
Acquisition Expenses	-	-	78	78
Adjusted EBITDA	4,486	14,353	(11,292)	7,547



GAAP – Non-GAAP Reconciliation

\$ in 000s

	Quarter Ending 03/31/2021	Quarter Ending 06/30/2021	Quarter Ending 09/30/2021	Quarter Ending 12/31/2021	FY21	Quarter Ending 03/31/2022	Quarter Ending 06/30/2022	Quarter Ending 09/30/2022	Q4-22	FY22
Total Revenue	17,548	20,219	20,992	22,101	80,860	22,439	25,057	26,603	-	74,099
Total Cost of Revenue	1,765	2,039	2,300	2,410	8,514	2,313	2,427	2,490	-	7,230
Gross Profit	\$ 15,783	\$ 18,180	\$ 18,691	\$ 19,691	\$72,346	\$ 20,126	\$ 22,630	\$ 24,113	\$ -	\$66,869
Sales & Marketing	2,489	3,133	2,882	2,921	11,424	3,287	3,840	3,539	-	10,667
Depreciation/Amortization Expense	1,170	1,443	1,662	1,814	6,089	1,629	1,700	2,012	-	5,341
Other Operating Expenses	10,186	11,611	12,812	14,936	49,546	15,379	16,589	18,056	-	50,023
Total Other Income (Expense)	13	25	(13)	(29)	(4)	(23)	(48)	(30)	-	(101)
Total Income Taxes	(364)	(666)	(614)	351	(1,293)	13	109	(16)	-	107
Net Income (Loss)	\$ 2,315	\$ 2,684	\$ 1,937	\$ (360)	\$ 6,576	\$ (206)	\$ 345	\$ 491	\$ -	\$ 630
Net Interest	22	16	16	16	70	16	19	25	-	61
Income Taxes	(364)	(666)	(614)	351	(1,293)	13	109	(16)	-	107
Depreciation and Amortization Expense	1,170	1,443	1,662	1,814	6,089	1,629	1,700	2,012	-	5,341
EBITDA	\$ 3,142	\$ 3,477	\$ 3,001	\$ 1,821	\$11,441	\$ 1,453	\$ 2,174	\$ 2,512	\$ -	\$ 6,139
Stock Based Compensation	246	284	297	229	1,056	324	340	306	-	970
Bargain Purchase Gain	-	-	-	-	-	-	-	-	-	-
(Gain) Loss on Disposition/Impairment	65	(44)	(4)	10	27	-	89	264	-	353
Acquisition Expenses	6	39	3	20	69	(0)	32	47	-	78
Adjusted EBITDA	\$ 3,459	\$ 3,756	\$ 3,297	\$ 2,080	\$12,593	\$ 1,783	\$ 2,635	\$ 3,129	\$ -	\$ 7,547



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