

ImmunoPharma 

ImmunoPharma Newsletter

JUNE
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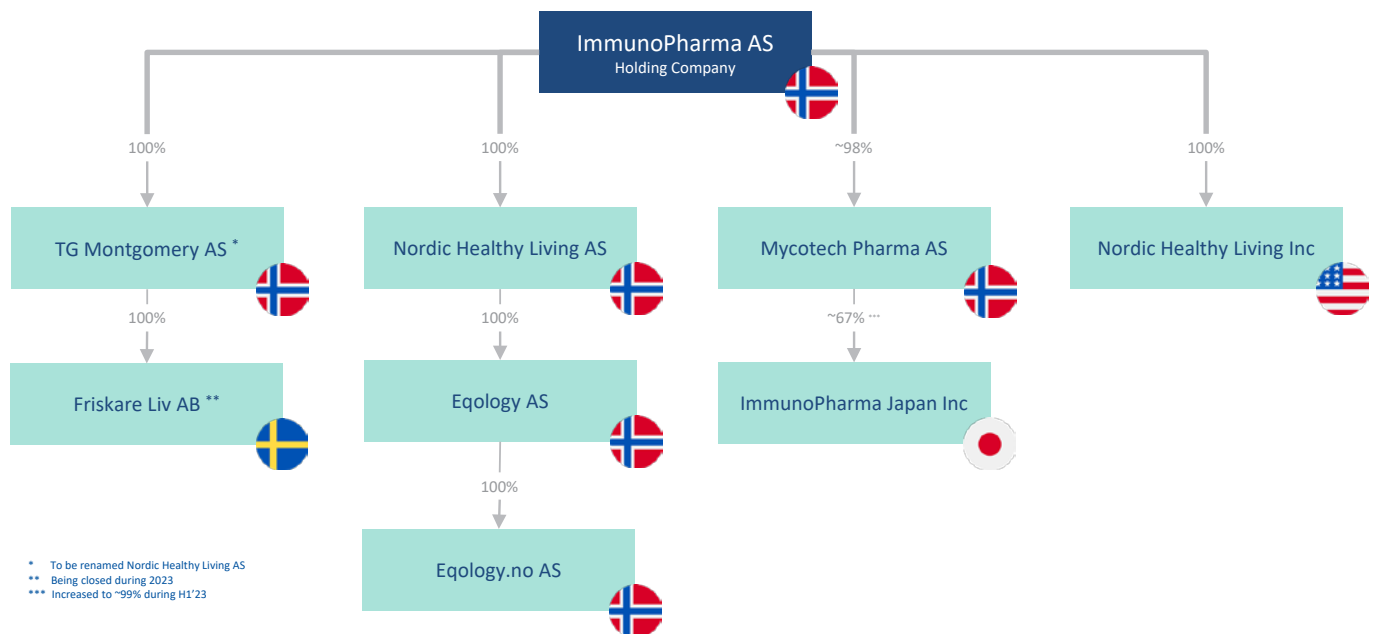
ImmunoPharma Group

The ImmunoPharma Group closed out 2022 with strong growth and operational performance in all market segments. As you can read more about in the separate sections below, we made good progress with our new investments and we saw a very strong performance in Eqology. This development is also continuing into 2023.

During 2022 we continued the process of streamlining the group for future growth. In that process, we reorganized the internal structure, merging dormant entities with the operating units to focus the structure on our core activities. The below overview represents the company structure as we move into 2023.

The total revenue for the Group was MNOK 482.1 compared to MNOK 390.9 in 2021, which is an increase of 23%. The Earnings Before Interest, Tax & Depreciation (EBITDA) was MNOK 14.3 compared to MNOK 16.1 in 2021, a decrease of 11 %. Adjusted for the operational loss in Nordic Healthy Living Inc and Mycotech Pharma AS, which the board considers largely investments for future growth financed directly through operating cash, the EBITDA for 2022 ended at MNOK 37.1. You can read the full annual accounts by downloading the Annual Report from our homepage, immunopharma.net.

Eqology is currently the largest contributor to the ImmunoPharma Groups total revenues. In 2022 Eqology delivered revenues of MNOK 432.7, up 26% from 2021 revenues of MNOK 343.4.



Eqology

EQOLOGY continues to demonstrate robust growth in 2023, achieving record-breaking sales for five consecutive months from January to May. In May alone, the company attained a remarkable turnover of 64 MNOK (5.5 million euros), reflecting a substantial growth rate of 96% compared to May of the previous year. Year-to-date, EQOLOGY has maintained an impressive growth rate of 83% compared to the corresponding period last year.

In June, EQOLOGY organized its corporate health event, the European Summer Rally, in Warsaw, which attracted over 300 distributors. The company unveiled its latest innovation, the Eqology Collagen Booster during this event. This third-generation, ready-to-drink formulation features highly effective Norwegian marine collagen with Hyaluronic Acid+ and Astaxanthin, all of which are MSC-certified. Clinical studies have demonstrated that consistent product consumption for seven days can reduce wrinkle depth and improve skin hydration by 22.6%.

EQOLOGY has established its presence in 32 European countries, further expanding its market reach.



Mycotech

Mycotech has experienced great progress throughout the year, with rapid advancements in many aspects of the business. The management team is thrilled about the upcoming phase for AndoSan as we prepare to enter international markets with two product launches scheduled for 2024.

In collaboration with our research partners in Germany, we have conducted extensive cell studies on AndoSan over the past six months. These studies have provided valuable insights into the underlying mechanisms responsible for the observed effects in human trials. Building upon this knowledge, our company has strategically chosen two pathways for our flagship product:

1. The findings from Q4 2022 and subsequent research, gives a strong indication that AndoSan has the ability to inhibit viral entry into host cells, particularly against SARS viruses like COVID-19, has laid the foundation for a new combined anti-viral oral spray. This innovative product will offer protection against various viruses, including COVID-19. We have established a close relationship with an Asian manufacturer and plan to do a pilot launch of the product in Norway in Q1 of next year, using our already established distribution channels. We believe that the momentum surrounding this product is strong, and its potential is significant. A patent has been filed to protect this innovative new product.
2. Since 2004, AndoSan has been used in pilot research as a supportive treatment for cancer patients, yielding promising results. We believe that now is the opportune time to capitalize on this success and anticipate launching AndoSan to support cancer cachexia/ cancer fatigue patients in Q3 of 2024, as discussed in our previous newsletter. The company has initiated the required regulatory preparations for the upcoming product launch, which are anticipated to take approximately one year. It's important to note that the timeline for these preparations is not entirely within the company's control. Consequently, the launch of the product is projected to occur in the third or fourth quarter of 2024

Considering that 50% of all cancer patients are affected by this debilitating condition and 90 % experience severe fatigue, the market potential for AndoSan in this field is enormous. Currently, there is no known effective treatment for these conditions, making our target market even more attractive.

As part of our commercialization plan, we have strengthened our control over the production and supply chain by establishing full process control. We are delighted to announce the appointment of Jennifer Furtmann as our new Supply Chain Manager, who will join the company in September. With her extensive experience as Global Supply Manager for Evonik Industries and Head of Supply and Demand Management at Kappa

Bioscience, Jennifer brings valuable expertise to further enhance our supply chain operation and contributions to the success of Mycotech.

Funding

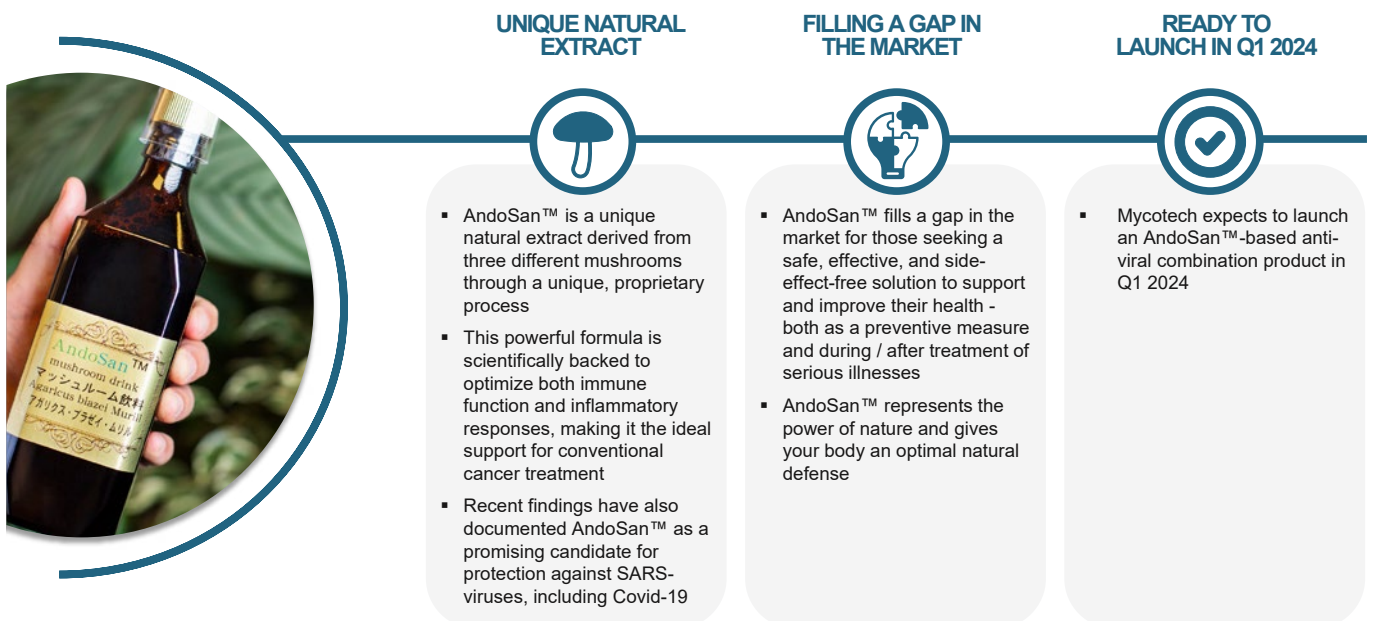
We are pleased to inform that the equity raise, as announced in our previous newsletter, is currently in process of raising between NOK 50 million to NOK 100 million within the third quarter. This is done in cooperation with ABG Sundal Collier who has also supported us in finalizing our new company presentation. With this material now ready we have begun approaching potential investors both in Norway and internationally. Should you be interested in this equity investment, please contact us for more information.

The funds raised through this emission will be utilized to facilitate our planned market entries, expand our production capacity, invest in further research and development initiatives, and strengthen our working capital position.

ABG Sundal Collier, is a leading Norwegian investment bank, renowned for its expertise in the Nordic countries. Their involvement is a testament to the confidence they have in our company and its potential for growth.

Additionally, we are pleased to share that we have recently applied for grants from the European Union and support from the Norwegian Research Council. These applications amount to a total of up to EUR 2.5 million. If successful, this additional funding will further bolster our resources, enabling us to accelerate our business objectives and enhance our research and development efforts.

We are excited about the opportunities ahead and remain committed to driving our company's growth and success.



Nordic Healthy Living

Our Direct-to-Consumer (DTC) business has up until now been organized under different company structures and names. Going forward we will re-name the legal entities so that those operating in the DTC segment all are branded under the common name – **Nordic Healthy Living**. By doing this, we can benefit from strong global brand recognition for our consumer products and develop marketing assets that corroborate all markets, building a strong product identity.

Due to market differences, we are not going to start promoting the same products in all markets, such as the US and Scandinavia/Europe, but we are going to develop a common identity and overarching website where all products in the different markets can be presented.

This new strategy will not impact our MLM business (Eqology) and will continue its journey on the path it so successfully has embarked on.

Nordic Healthy Living AS (former TGM) has gained strong momentum with the launch of its latest product, Quramin. Within the first half of this year alone, Nordic Healthy Living AS has sold more than 3,000 subscriptions for Quramin, demonstrating the demand for this distinctive product that addresses specific vitamin deficiencies, illnesses, and health opportunities. The introduction of Quramin has expanded Nordic Healthy Living AS's product offerings and positioned the company for further growth.

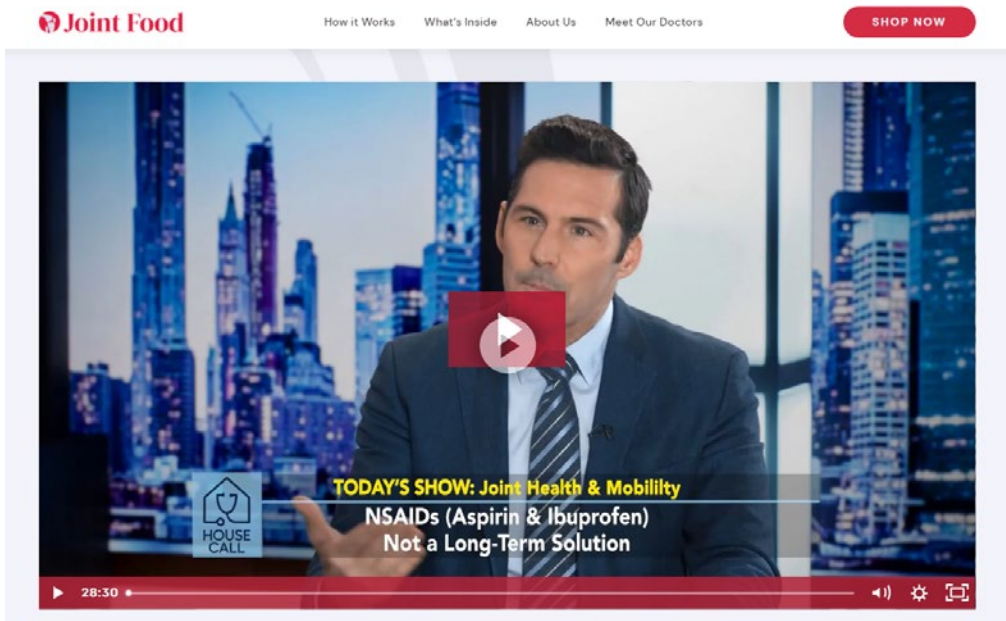
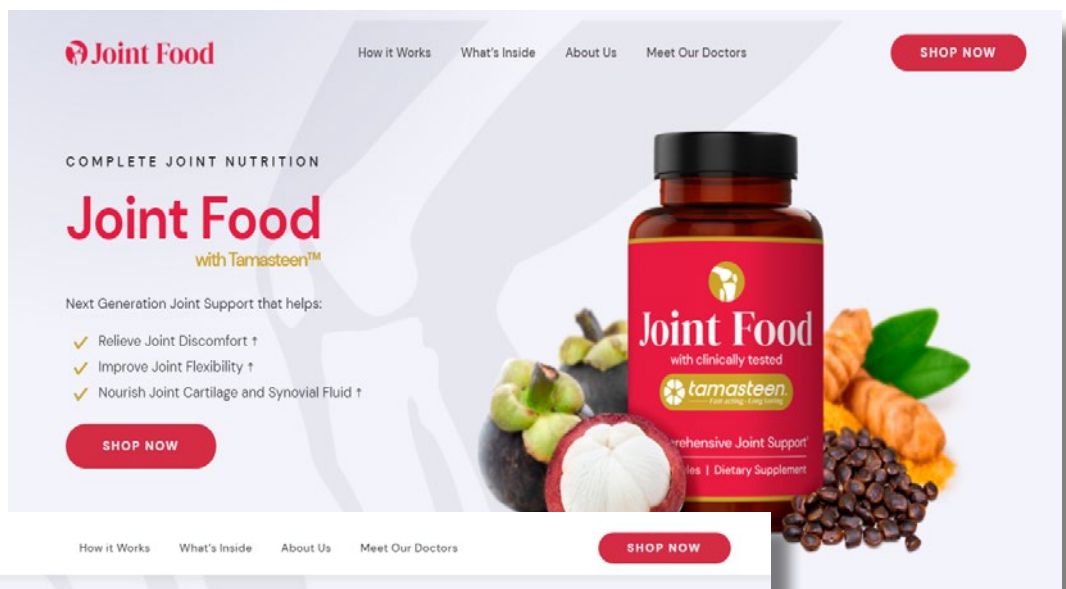
Looking ahead, Nordic Healthy Living AS remains committed to its focus on expanding the product range and capitalizing on new market opportunities. We are currently working diligently on the development and upcoming launch of an additional product, which will further augment our lineup of supplements. This new product will be in alignment with our mission to provide innovative and efficacious solutions that promote the well-being of our customers.

Through **Nordic Healthy Living Inc.**, ImmunoPharma continues to make strategic investments in the US market, capitalizing on successfully launching its JointFood and BoneFood products into the largest dietary supplement market globally. The Centers for Disease Control and Prevention (CDC) reports that nearly 1 in 4 US adults has been diagnosed with arthritis, making it the leading cause of disability among adults for over 15 years. This trend indicates a growing number of consumers seeking vitamins and supplements not only to alleviate their current pain but also to maintain the overall health of their bones and joints.

In the first eight months of its launch, JointFood with Tamasteen™ and BoneFood has already reached an impressive client base of more than 40,000 customers, and more

than 15,000 active subscribers. The company continues to attract an increasing number of subscribers every month. Since its introduction in September 2022, JointFood with Tamasteen™ has been the flagship product, but BoneFood is also gaining traction as a complementary offering. The interdependence of joint mobility and bone health underscores the necessity for a product like BoneFood, which supports bone structure alongside joint function.

The total turnover of these two products amounts to more than USD 6 million from the start of the campaign in September 2022. Nordic Healthy Living aims to achieve a total turnover of USD 15 million by the end of 2023. If this goal is met, the investments made in the US market could turn cash positive as early as 2024. This signifies the company’s commitment to expanding its presence and capturing the significant market opportunity in the US.





ImmunoPharma



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