



TOPGUM
GUMMICEUTICALS™

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מטרת מצגת זו להציג את פעילות טופ גאם תעשיות בע"מ (להלן: "**החברה**") ולספק אינפורמציה כללית בנוגע לפעילותה. מצגת זאת נועדה אך ורק לשם המחשת מידע הכלול בטיטות תשקיף שפורסמו לציבור ואינה מחליפה את הצורך לבצע בדיקת נאותות מלאה. המצגת אינה מהווה הצעה להשקעה או לרכישה של ניירות ערך של החברה ו/או הזמנה להציע הצעות לרכישתם ובפרט אינה מהווה "הצעה לציבור" או "מכירה לציבור" מכל סוג שהוא. הצעה או מכירה כאמור ככל שתעשה תעשה על בסיס תשקיף שתפרסם החברה לאחר קבלת היתר מרשות ניירות ערך ואישור מהבורסה לניירות ערך בתל אביב (להלן, בהתאמה: "**רשות ניירות ערך**" ו- "**הבורסה**") ככל שיינתן. מצגת זו אינה מתיימרת להקיף או להכיל את כל המידע העשוי להיות רלבנטי לצורך קבלת החלטה כלשהי בנוגע להשקעה בניירות הערך של החברה ובכלל. ככל שקיימת סתירה בין האמור במצגת זו לבין טיטות התשקיף 'גבר האמור בטיטות התשקיף. יש לקחת בחשבון כי נתוני עבר אינם מצביעים בהכרח על ביצועים בעתיד. המצגת עשויה לכלול נתונים שהחברה אספה מצדדים שלישיים, אשר החברה אינה יכולה לערוך לנכונותם היות ולא בדקה את הנתונים בעצמה. המידע הכלול במצגת זו אינו שלם וכל האמור בה כפוף לביצוע בדיקת נאותות מלאה והיא אינה מהווה תחליף לעיון בדיווחים שתפרסם החברה לציבור ובייחוד בטיטות התשקיף או בתשקיף החברה הסופי, תשקיף להשלמה ותשקיף מדף שיפורסמו על ידי החברה לאחר קבלת ההיתר מרשות ניירות ערך ואישור הבורסה. מצגת זו כוללת נתונים ומידע המבוססים בחלקם על הערכות סובייקטיביות, אומדנים וציפיות של החברה ולפיכך, יש להתייחס למידע המפורט בה בהתאם. במצגת זו כללה החברה, בין היתר, מידע הצופה פני עתיד, כהגדרתו בחוק ניירות ערך, תשכ"ח-1968. מידע כאמור כולל, בין היתר, תחזיות, מטרות, הערכות ואומדנים, יעדים, אסטרטגיה עסקית, הן לגבי פעילות החברה והן לגבי השווקים בהם פועלת החברה, לרבות מידע המובא בדרך של איורים ו/או גרפים ו/או טבלאות, המתייחסים לאירועים ו/או עניינים עתידיים אשר התממשותם אינה וודאית ויכול שיושפעו מגורמים אשר לא ניתן להעריכם מראש ושאינם בשליטת החברה. מידע צופה פני עתיד אינו מהווה עובדה מוכחת והוא מבוסס רק על נקודת ראותה והערכתה הסובייקטיבית של הנהלת החברה נכון למועד המצגת, המתבססת בין השאר, על ניתוח מידע כללי, הידוע להנהלת הידוע במועד עריכת מצגת זו, ובכלל זה נתונים סטטיסטיים שפרסמו גופים ורשויות שונות, פרסומים מקצועיים, פרסומים ציבוריים, מחקרים וסקרים אשר לא ניתנה בהם התחייבות לנכונות או לשלמותו של המידע הכלול בהם ונכונותו לא נבחנה על ידי החברה באופן עצמאי. התממשותו או אי התממשותו של מידע צופה פני עתיד תושפע, בין היתר, מגורמי הסיכון המאפיינים את פעילות החברה והשוק בו היא פועלת, וכן מההתפתחויות בסביבה הכללית ובגורמים החיצוניים המשפיעים על פעילות החברה והשוק בו היא פועלת, אשר אינם ניתנים להערכה או ניתנים להערכה באופן חלקי בלבד ובאופיים אינם מצויים בשליטת החברה. אין באמור כדי לגרוע מגורמי סיכון ייחודיים הנוגעים בחברה כפי שפורטו בטיטות התשקיף של החברה ומהווים חלק בלתי נפרד ממידע צופה פני עתיד כאמור על ההסתייגויות הכלולות לעיל ולהלן. לפיכך, קוראי מצגת זו מזהירים בזאת, כי תוצאותיה והישיגיה בפועל של החברה בעתיד עלולים להיות שונים מהותית מאלו שהוצגו במידע צופה פני עתיד המובא במצגת זו. החברה אינה מתחייבת לעדכן או לשנות תחזית או הערכה כאמור ואינה מתחייבת לעדכן מצגת זו. אין באמור במצגת זו כדי להוות ייעוץ מיסוי או עסקי והיא אינה מהווה תחליף להתייעצות עם יועצים מתאימים בהיבטים אלו. על כל משקיע פוטנציאלי לפנות לקבלת ייעוץ והדרכה בקשר עם השקעות פוטנציאליות, לרבות ייעוץ מס בהתחשב בנתוניו ומצבו המיסוי.



The Company

The Market

The Numbers

The TL;DR

TopGum from 1 to 6



The **1st** Vegan,
Clean Label, Tasty, Sugar
Free/No added Sugar
Gummy



TopGum has **2** main
activities: the legacy
confectionary and the fast
growing supplement



3 main shareholders: 33.3% Owned
by each Hai Hayun and Roi Lusternik;
And 33.3% by AP Partners Fund with
Arkin Holdings and Discount Capital
as Co-Invest



4 dunams of State-of-the-Art
GMP production facility in
Sderot and 3.5 dunams of
warehouse



In last two years TopGum's,
expand its efforts to **5** new
geographies, serving blue chip
market leaders companies



6 top notch R&D professionals, out
of 100 employees, utilizing cutting
edge food-technology, to innovate
the next gummy generation



Who we are...



HAGAI STADLER
Chairman

Joined TopGum: 2020



HAI YAKOV HAYOUN
President

TopGum Co-Founder: 2004



AMICHAİ BAR-NIR
CEO

Joined TopGum: 2019
20+ years of industry experience



ROY BIRMAN
VP Operations

Joined TopGum: 2020
15+ years of industry experience



TZUKI HARUSH
CFO

Joined TopGum: 2018
15+ years of industry experience



DORON DELOUYA
VP Product Foundation

Joined TopGum: 2020
8+ years of industry experience



HADAS RINAT-LUZ
QA/QC Director

Joined TopGum: 2017
20+ years of industry experience



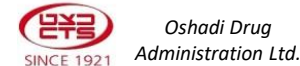
CHRISTOPHER LAMB
VP Sales – North America

Joined TopGum: 2021
20+ years of industry experience



AMIT HYZKIHU
VP R&D and Open Innovation

Joined TopGum: 2018
8+ years of industry experience



JENNIFER TOOMEY
New product Development & Marketing – North America

Joined TopGum: 2021
20+ years of industry experience



Our Story

2004



Established by Hai Hayun and Dov Lusternik TopGum entered the confectionery market

2016



TopGum launched the development of its supplement gummies activity, initiating the development of the **GUMMICEUTICALS™**

2018



Production facilities were upgraded by dozens million NIS investment, with new state-of-the-art production line and additional 3,500m² logistics center

2019



First sales to the supplement market, during Q4. Patent pending for the **GUMMICEUTICALS™**

2020



AP Partners investment, gained 50% of the board of directors. New CEO is nominate, upgrading the managerial infrastructure.

2021



Establishes subsidiary in the U.S; First sale of **GUMMICEUTICALS™**. Reaching to a supply agreement with strategic customers. Working on innovation and R&D projects



AHARON GEDALIA
PHOTOGRAPHY

State of the Art Production Facility



FSSC 22000



<https://www.youtube.com/watch?v=ooq6r94yl4A>

- TopGum has invested significantly over the past three years to implement advanced production and bottling machinery, allowing it to achieve a consistent, homogeneous distribution of nutrients and fulfill all its customer's manufacturing needs.
- Topgum holds 4000 square meter of production facility in Sderot, 3500 square meter of warehouse (owned by the company), and 420 square meters of office in Tel Aviv.

TopGum's Focus Transformation



From

Confectionary

Sugar

Local

Generic product

Limited innovation



To

Supplements

No-Sugar

International

Tailor made

Market leader

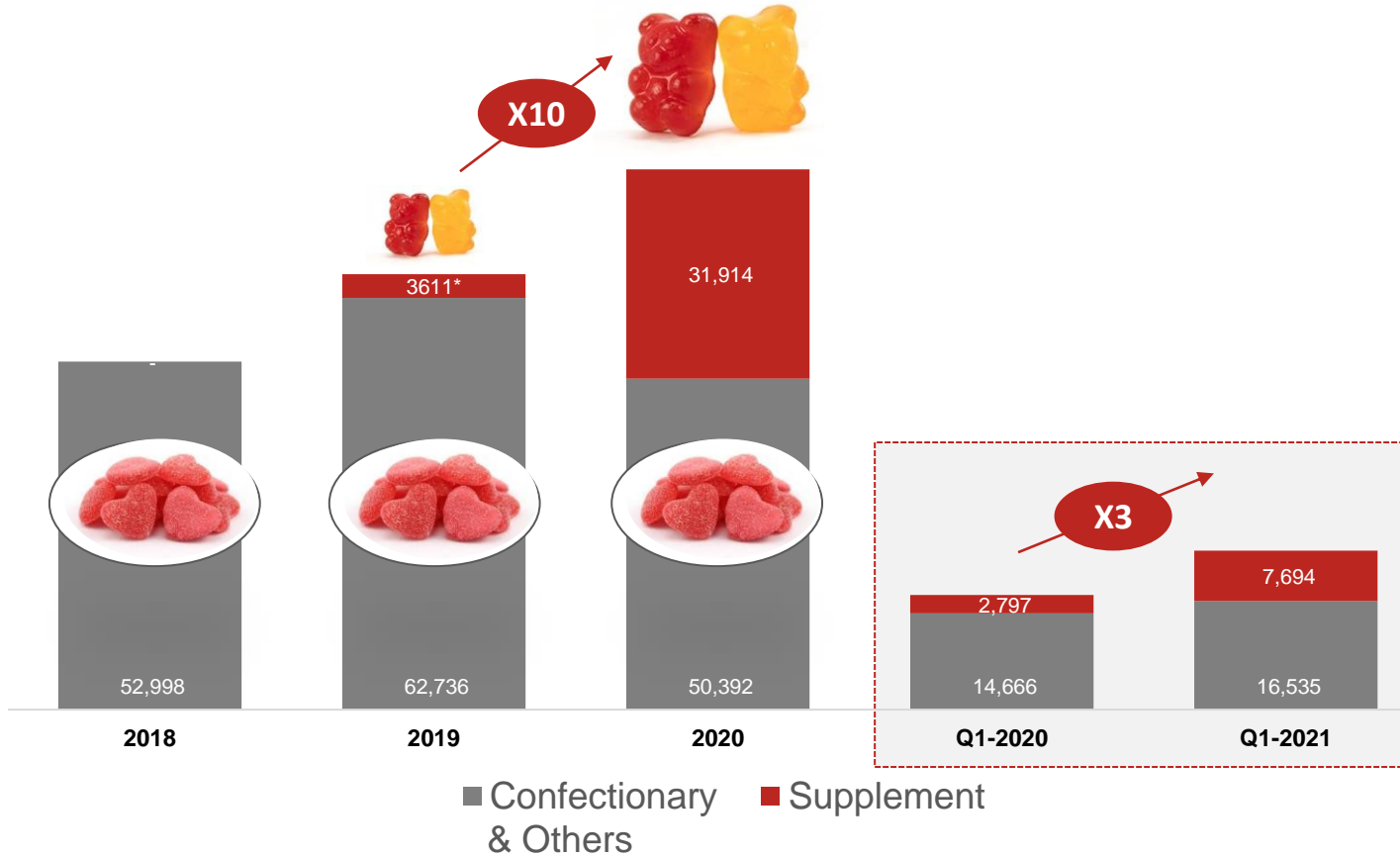


Supplement is Taking The Lead

Confectionary → **Supplements**

All figures are in NIS

Q1 2021 figures are unaudited and with accordance to internal reports



* Supplement sales in 2019 started at Q4

Sugar-Free is The Disruptor Of 6 BUSD Market

Sugar → **Sugar Free**



#1

Sugar is the leading item checked on nutrition labels, surpassing calories, sodium and fat



50%+

Of consumers have actively switched from “traditional” products to low-sugar alternatives

Systemic and Disruptive Low-to-No Sugar Transition Across Ingestible Categories...



... Has Yet to Occur in Chewable Supplements, Where There is Particular Relevance Given Health Motivations

Contains sugar



Sugar-free



Despite the huge consumer demand and the billions of dollars invested in gummy production and new product innovation by large pharma and CPG players, there is a massive opportunity for the intrinsic victory of a sugar-free alternative

Gummiceutical™ is Making an Impact

Sugar Free / No Added Sugar

Unlike its sugar-laden competitors, meets U.S. regulatory requirements for “Sugar-Free” claim

Cost Effective

Competitive pricing based on unique IP, efficient production & scalable supply chain

Great Taste & Texture

Organoleptic criteria meets highest consumer standards and preferences

Multi-Category Line

Portfolio of products across high-growth functional segments (immunity, digestive, mood, etc.)



Intellectual Property

Patent pending* formulation based on proprietary know-how and 15 years of experience

Prebiotic

Formulation rooted in dietary fibers, allowing prebiotic benefits and supported digestive claims

Vegan

Certified Vegan gummy, with no animal based ingredients

Clean Label

No artificial or alcoholic sugars added; vegan formulation with no animal-based ingredients

TopGum's First Steps in New Geographies

Local → International



Case study



Local → International



Jason Brown
Persona former CEO

“Building a company is 20% idea 80% the team of people who execute on the idea. Top Gum has both, a brilliant business model and a devoted team from top to bottom that have proven to deliver on time on budget”.



About Persona

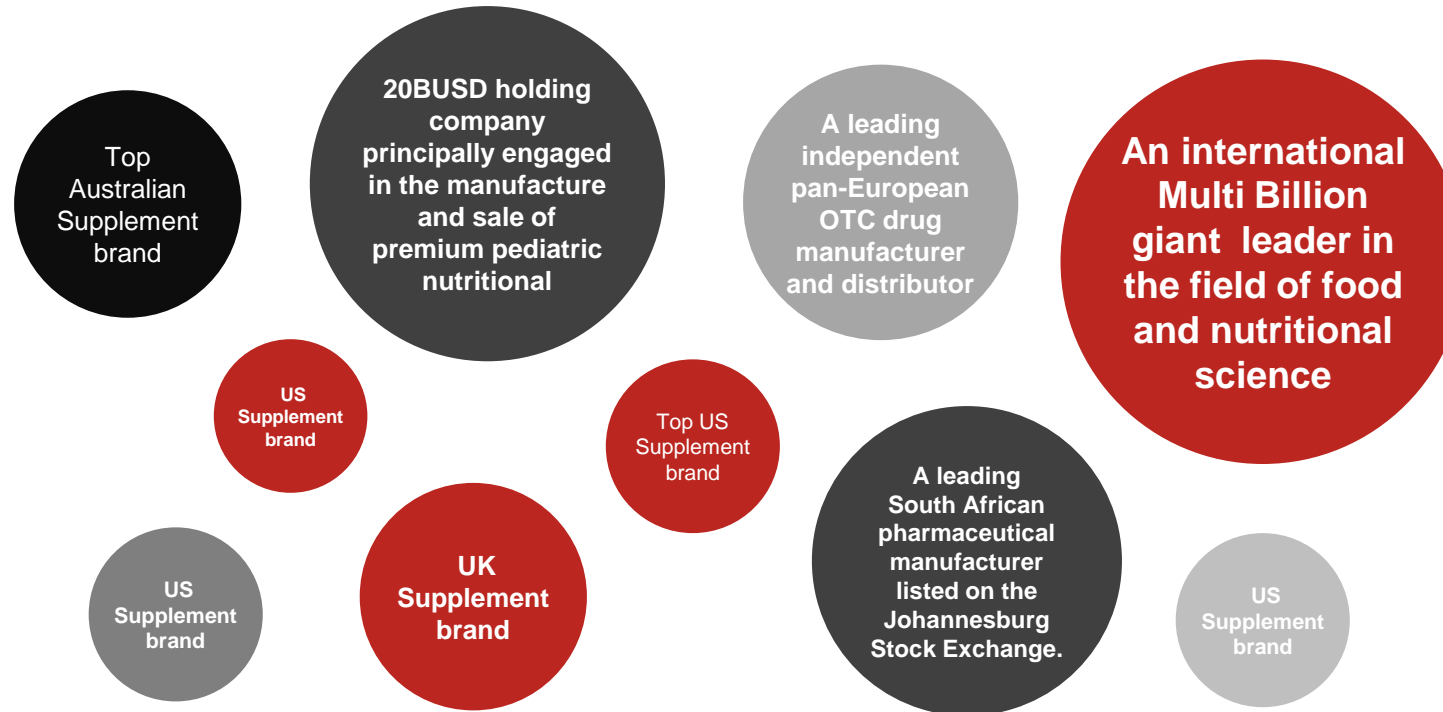
Persona™, a fast growing brand of Nestlé Health Science (NHSc) company, creates science-backed, uniquely personalized vitamin programs. Each customized program uses high-quality, bioavailable ingredients, delivered to customers' doorsteps. The proprietary algorithm used for the Personalized Nutrition assessments is based on scientific research reviewed by the company's team of MDs, RDs and nutritionists, and factors in lifestyle, individual needs, and prescription medications to deliver vitamin and supplement recommendations as unique as the consumer. Persona Nutrition is available in more than 140 countries via worldwide shipping.



Blue-Chip customer base

Local → International

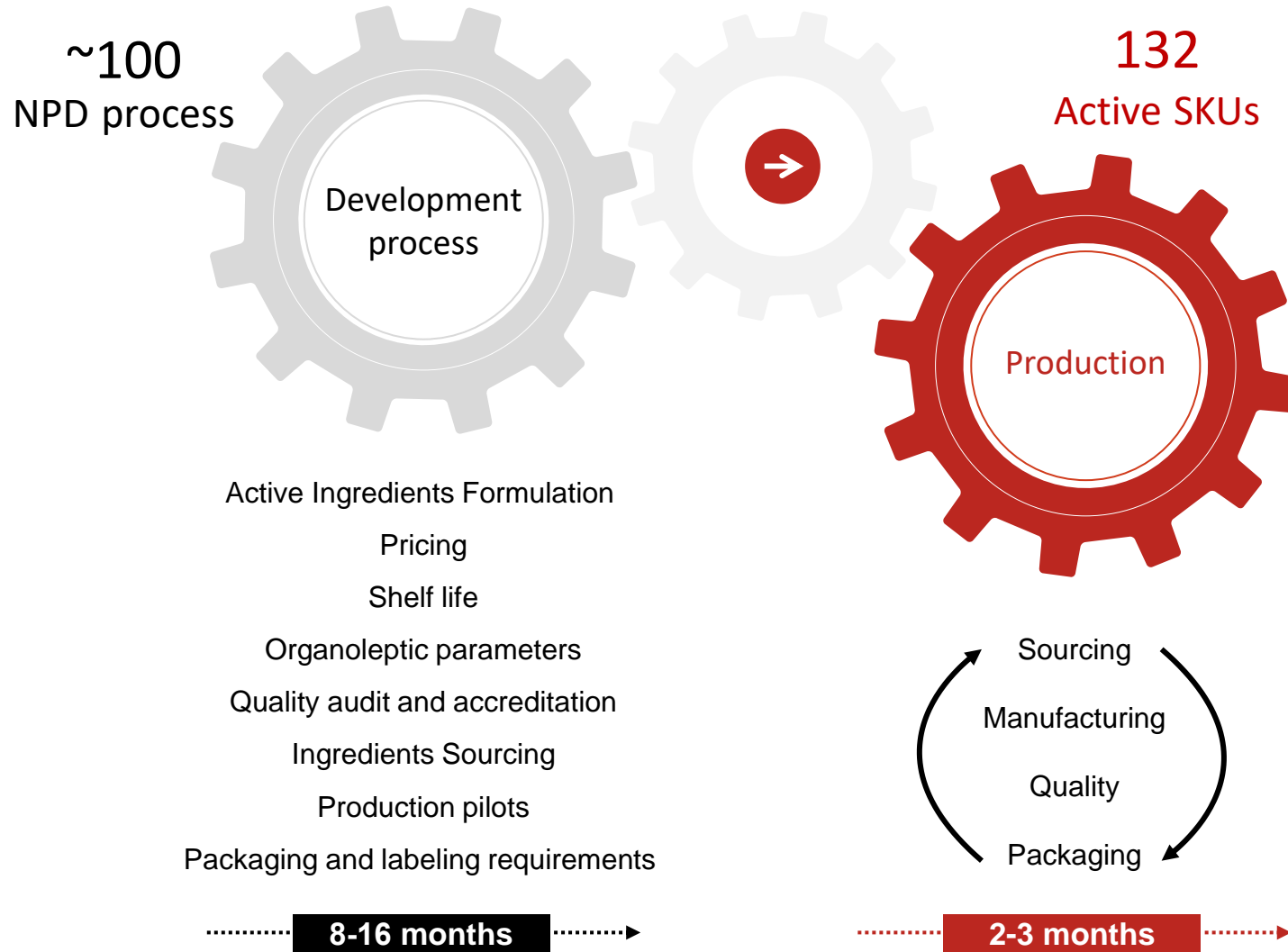
2021 / Near-Term Pipeline



Over 30 new International Customers in NPD process

End to end Solution

Generic product → **Tailor made**



Fully Integrated Manufacturing Capabilities

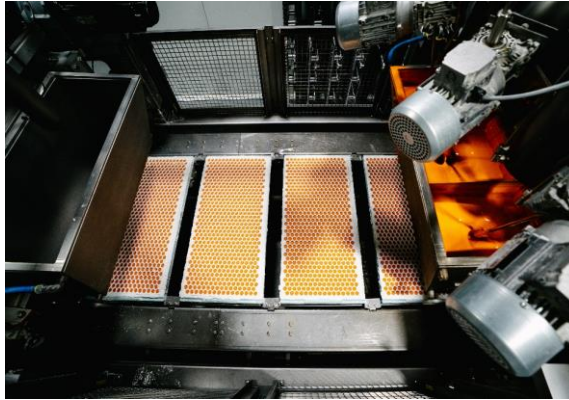
The Kitchen

Best-in-class Chocotech jelly manufacturing system installed in 2018



Gummy Production Mogul

Best-in-class two-headed system for dual production runs



Drying & Coating

Few days process post-gummy production to dry and coat finished molds



Bottling & Packaging

Fully-automated [supplier] bottling line to be implemented in Q3 2021; complements base three-line bulk packaging system



Extensive Gummies Solutions

Generic product → **Tailor made**

Specific Health Applications



Immunity



Everyday
Nutrition



Cognitive
Health



Blood
Pressure



Heart
Health



Cholesterol
Balance



Digestion



Sleep



Eye Care



Super Foods



Positive
Mood



Beauty From
Within



Blood Sugar
Management



Urinary
Health

VMS



Vitamin C



Vitamin D



Vitamin
B12



Multi-
Vitamin



Magnesium



Zinc



Iron

Herbs and Extracts



Ashwagandha



Echinacea



Spirulina



Elderberry



Curcumin



Chamomile



Beetroot



Lemon Balm



Apple Cider



Passion
Flower



Green tea



Vinegard

Age related



Kids



Teenagers



Adults



Seniors

Strong Pipeline of Next Gummies Generations*

Limited innovation → **Market leader**

USDA Organic Approval*

USDA certified gummy supplements. Pilot trials in process

Revolutionized Functionality*

Highly innovative delivery system. Grant (IIA) received

New Production Technology*

Removal of starch from TopGum gummies

OTC Gummies*

Commercial gummies for OTC applications (e.g. Melatonin)



4 Growth Engines to be backed by IPO Capital

- 1 | New Production Facility in Israel to increase production capacity and later on in the US
- 2 | Launch of new gummies generation and innovative solution
- 3 | New Geographies and Partnerships with New international top Brands
- 4 | Explore M&A opportunities support company strategic targets

TopGum aims to capture approximately 5% of expected B2B supplement in 5 years



The Company

The Market

The Numbers

The TL;DR

Growing ~56BUSD\$ dietary supplement market

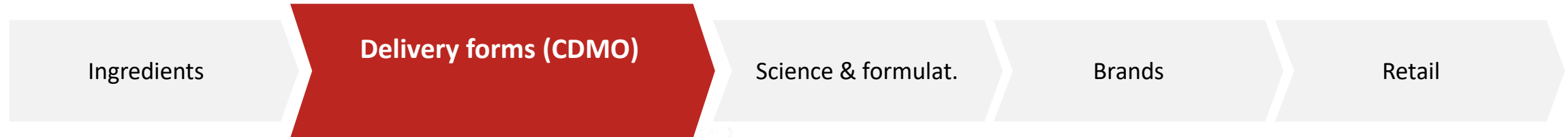
- Supplement market's size of ~56BUSD billion by 2020.
- 6% annual growth (14.5% growth between 2019 to 2020).
- In 4 years market estimated to reach ~66.24BUSD.
- US market is ~50% of the global dietary supplements

The growth of the nutritional supplements market is backed by strong trends:

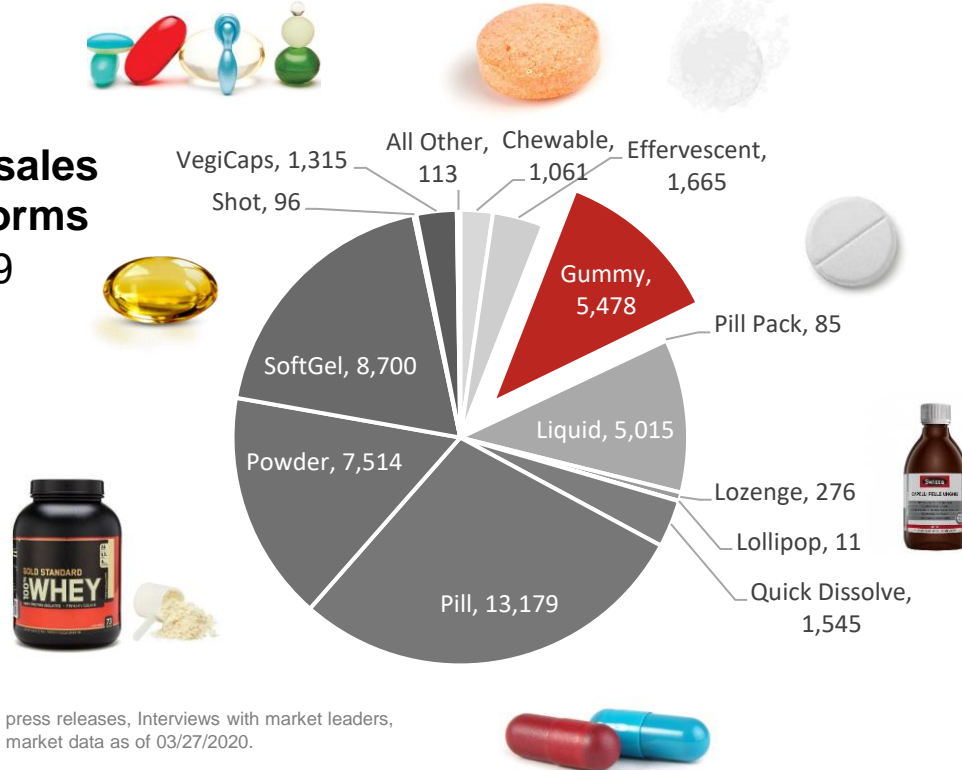
- 1** An aging population
- 2** Increased consumer awareness for preventative healthcare
- 3** The rise of the self-directed consumer
- 4** Life-style



Immediate Target Market Size: ~1.5BUSD



Supplement sales by delivery forms MUSD in 2019



Gummies
B2C in 2020
~6 BUSD

Gummies B2B
in 2020 (delivery form)
~1.5 BUSD

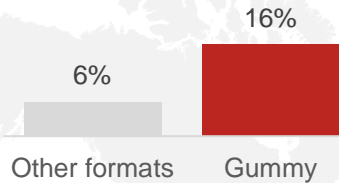


SOURCE: Rothchild Co. filings, press releases, Interviews with market leaders, company presentations, Factset market data as of 03/27/2020.

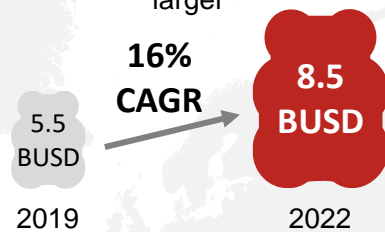
Double Digit Growth Back By Strong Factors

US gummy market growing at **>2X other formats** despite ongoing supply constraints

2015-2020 US Sales CAGR



Gummy supplement market is expected to **exceed \$9B of gummy sales by 2023**, with global opportunity multiples larger



Sugar is the **leading item checked on nutrition labels**, surpassing calories, sodium and fat



Main factors of gummies supplement market



Food experience



Pill-fatigue



Ease of swallowing



High sugar content

Of gummy consumers are adults; category **well-proven to be not just for kids**



80%

Chewable vitamins are now the **leading way** that US adults age 35 and under consume supplements



Of consumers have **difficulty swallowing pills**, particularly Baby Boomers, the largest nutritional supplements demographic

>30%





The Company

The Market

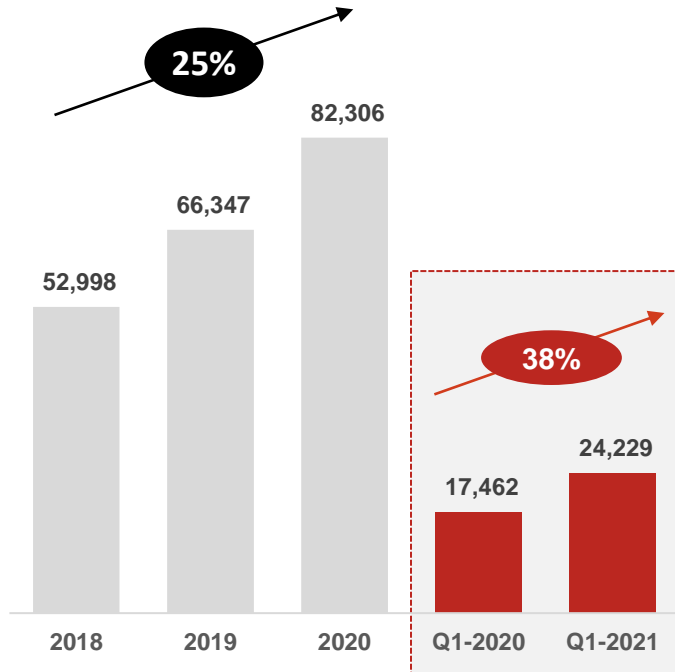
The Numbers

The TL;DR

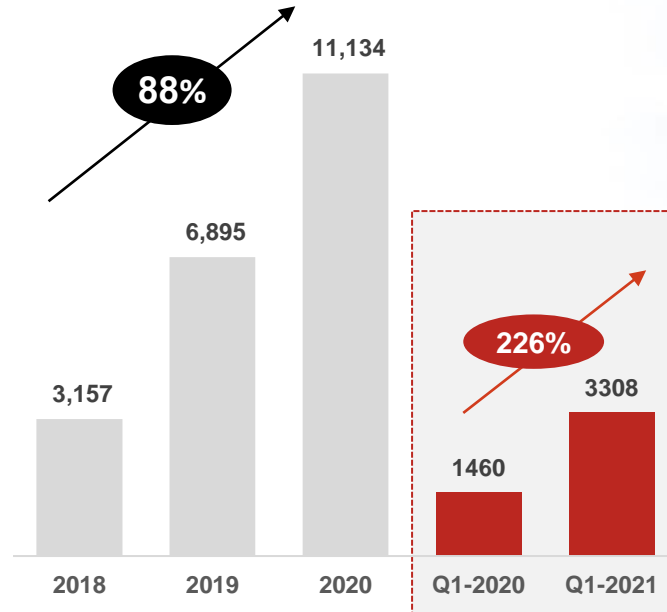
Strong Double Digit Organic Growth

* Q1 2021 figures are unaudited and with accordance to internal reports

Revenues (K NIS)*



EBITDA (K NIS)*



Main Forecasts updates

New supply agreement with a strategic customer

TopGum recently signed a supply agreement with one of the largest dietary supplement conglomerate in West Europe, which owns above dozen of different brands (customer name can not be disclose, due to confidentiality agreement).

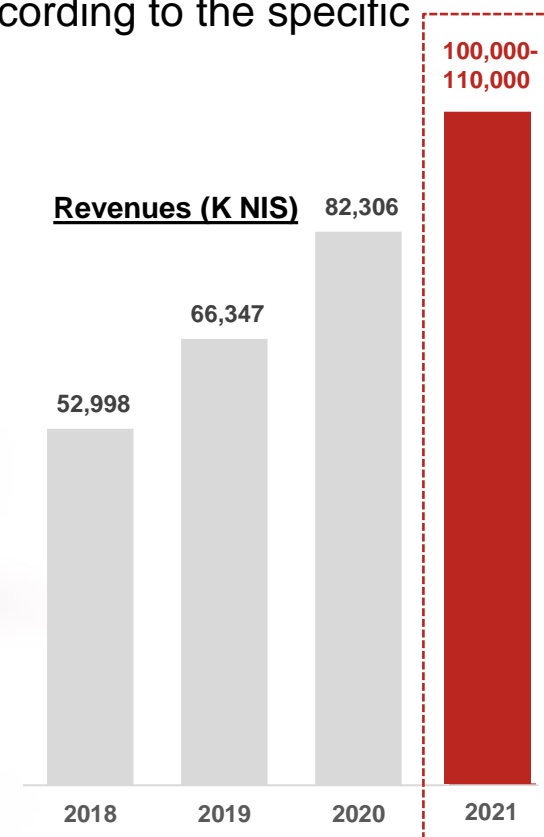
The supply agreement regulates the party's responsibilities and the purchasing process of supplement gummies without added sugar containing unique formulations of active ingredients that TopGum will develop according to the specific customer requirements.

Purchase Order backlog

The company updates that in the period between July 6, 2021 (the date of the first draft of the prospectus) and the date of the publication of this draft, the purchase order backlog increased to approximately 10 million NIS, compared to 7 million NIS as previously reported.

Short-term revenue forecast

As of the date of the publication of this draft, one of the company's goals for 2021 is to reach sales targets in the range of 100-110 million NIS, with an improved EBITDA rate, compare to previous years.



P&L 2018-2020

000' NIS	2018	2019	2020
Revenues	52,998	66,347	82,306
Cost of goods sold	38,657	47,776	57,089
Gross profit	14,341	18,571	25,217
GP%	27%	28%	31%
SG&A	16,130	16,121	18,970
Operating profits	-1,789	2,450	6,427
Net profits	-3,050	-588	2,684
EBITDA	3,157	6,895	11,134
EBITDA %	6%	10%	14%

BS 2019-2020



000' NIS	2019	2020
Current assets	37,263	48,279
Non current assets	43,352	44,131
Total assets	80,615	92,410
Current liabilities	69,619	32,287
Non current liabilities	6,266	13,328
Equity	4,730	46,795
Total Liabilities and Equity	80,615	92,410
Working capital	-32,356	15,992
Net debt	49,014	14,489
Equity	4,730	46,795



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TopGum Summary

Best-in-class production capabilities

GMP-certified state-of-the-art plant, labs and warehouses headquartered in Israel, leveraging over a decade of gummy production experience and know-how.

Diverse range of Nutritional Solutions

Holistic product portfolio consisting of 40+ efficacious, healthy and proprietary formulas that target some of the fastest-growing categories of the nutritional supplement industry.

Blue Chip Customer Base

Serving some of the largest global nutrition companies that are seeking to provide unique gummy-based delivery formats.

Superior Gummy Products

Excellent organoleptic properties providing great texture, flavors and consumer experience; proprietary Gummiceutical™ fiber base matrix completely free of sugar, sweeteners and sugar alcohols.

Proven Rapid Development Process

By utilizing the Company's advanced food technology capabilities, TopGum is able to provide a differentiated and curated selection while enabling a rapid commercialization process.

Ongoing Focus on science and Innovation

Currently in development new advanced gummies, designed to support expansion across a range of regulated industries and geographies.



Thank you.

