



TopGum

# Our Journey Continues

*Strategic binding LOI for the acquisition*

*of "PharmaCo"*

*Jan 21<sup>st</sup>, 2026*



# LEGAL DISCLAIMER

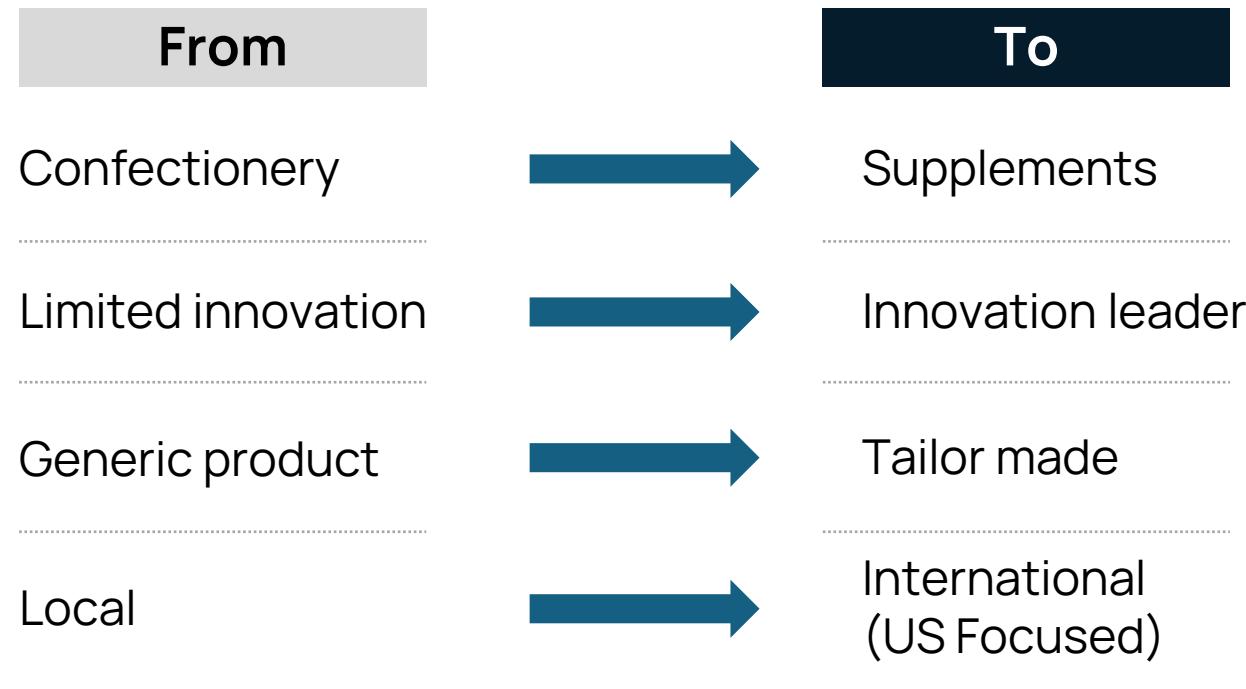
The information included under this presentation (the "Presentation") is for informational purposes only and does not constitute or form any part of any offer to purchase securities and/or an invitation to make offers for their purchase or solicitation of any of the above regarding any securities of Top Gum Industries Ltd. (the "**Company**") and should not be regarded as a recommendation or an opinion. Any such offer or sale will be made on the basis of a prospectus published by the Company after receiving a permit from the Securities Authority and approval from the Tel Aviv Stock Exchange (hereinafter, respectively: "**Securities Authority**" and "**the Stock Exchange**").

This presentation does not purport to encompass or contain any information that may be relevant for the purpose of making any decision regarding an investment in the Company's securities and generally. This presentation does not replace independent data collection and analysis, it should be bear in mind that past data does not necessarily indicate future performance. The presentation includes data and statistics and other publications published by third parties, the content of which has not been independently verified by the Company. The presentation was made, for a convenient and concise presentation, and it does not exhaust the full data about the company and its activities and does

not replace the need to perform a full due diligence. The information contained in this presentation is incomplete and all that is stated in it is subject to a full due diligence and is not a substitute for reviewing reports published by the Company to the public and especially in the draft prospectus or final company prospectus, supplementary prospectus and shelf prospectus. The information under this Presentation is not a substitute for public Information and in the event of any conflict between the content of this presentation and the content of any public Information, the content of the Public Information shall prevail. The information in this Presentation should not be relied upon as any representation or warranty, express or implied, of the Company. No reliance should be made on the fairness, accuracy, completeness or correctness of the information or opinions contained herein. No legally binding obligations may be created, implied, or inferred from this Presentation. Various statements in this presentation include information which derives from forecasts, estimates, assessments, and other information pertaining to future events and/or matters, the materialization of which is uncertain and beyond the Company's control, and which constitute "forward-looking information", as defined under the Israeli Securities Law, 1968. Forward-looking statements include descriptions regarding the intent,

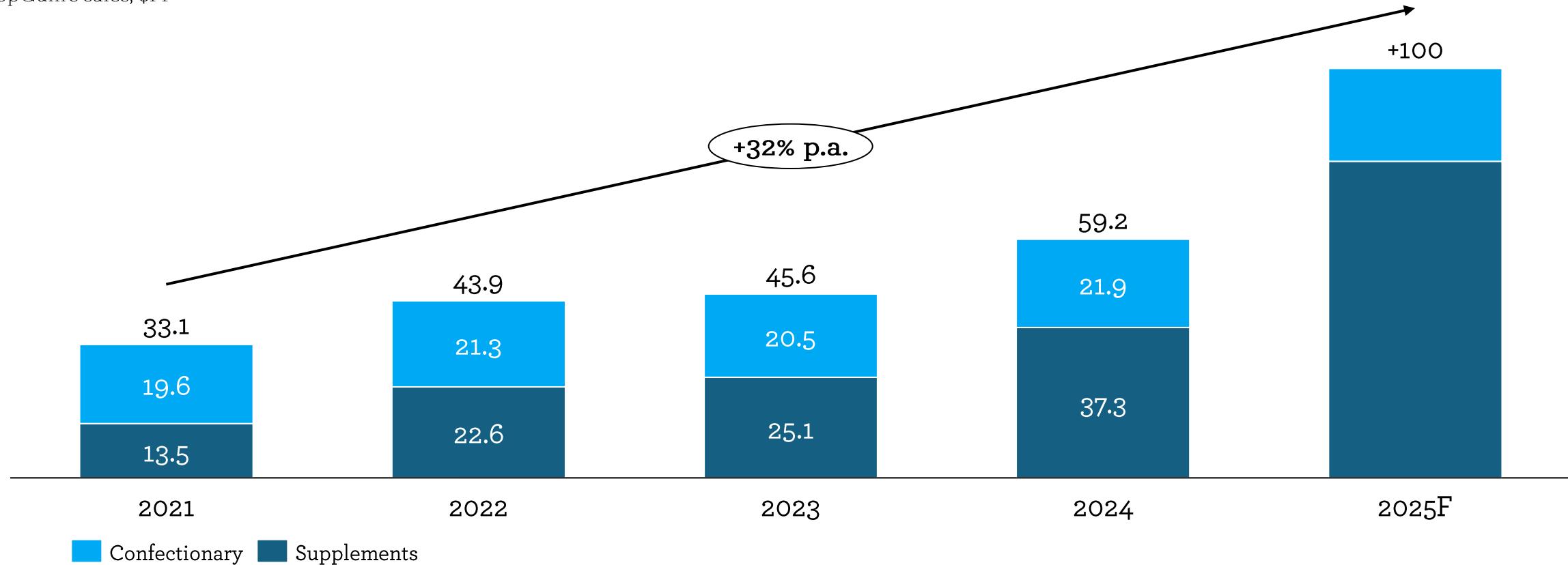
belief, or current expectations of the Company and are not guaranteeing future results, performance, or achievements and are based on current expectations, estimations, and assumptions, involve certain risks and uncertainties which are difficult to predict and are not guarantees of future performance. Therefore, actual future results, performances, or achievements of the Company may differ materially from what is or may be expressed or implied in this presentation due to a variety of factors, many of which are beyond the Company's control, including, without limitation, certain risk factors. The Company does not undertake any obligation to update or revise any of the forward-looking statements, whether as a result of new information, future events, or otherwise. Certain information and factual statements (including relating to markets or trends) contained herein are based on or derived from publicly available documents or independent third-party sources, and therefore the accuracy of such information and the assumptions on which such information is based has not been independently verified. Nothing in this presentation constitutes tax or business advice and does not constitute a substitute consulting appropriate advisors in these aspects. Every potential investor should seek advice and guidance in connection with potential investments, including tax advice is given such investor tax status.

# TopGum's evolution – 2019-2025



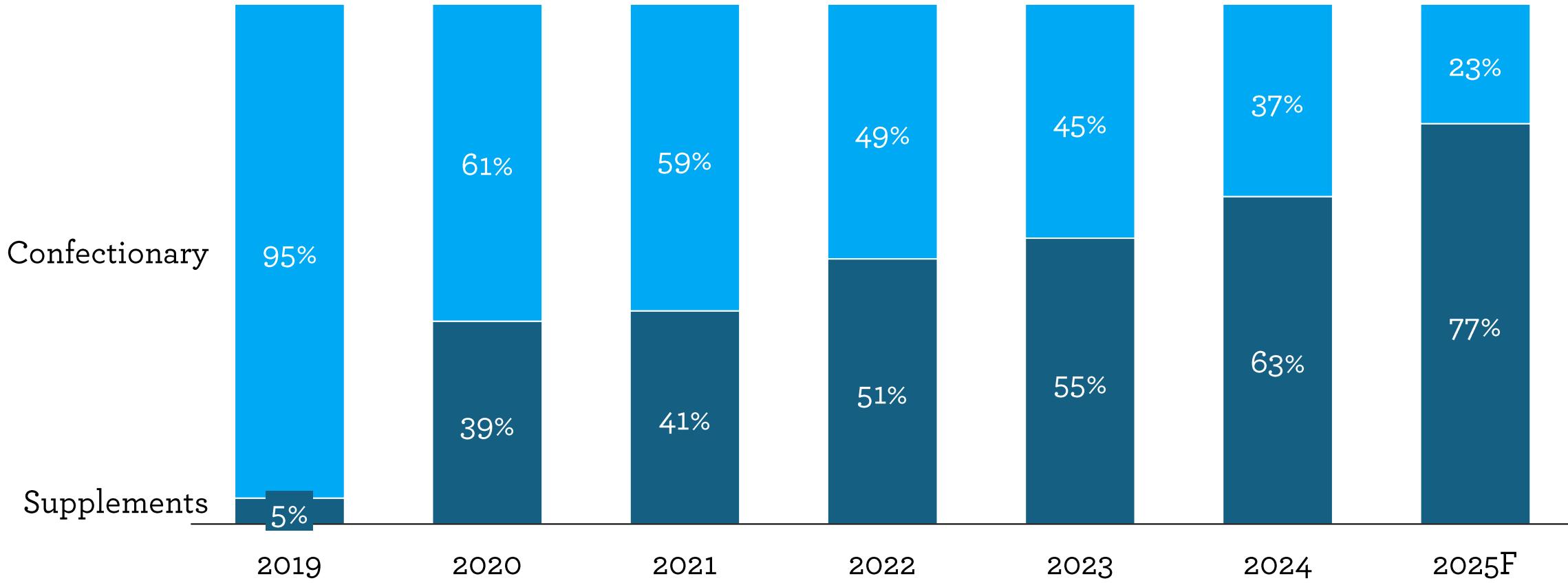
# From confectionary to supplements

TopGum's sales, \$M



# From confectionary to supplements

TopGum's % sales per product group



# From local to global

In the last four years TopGum has continuously expanded its presences worldwide

2020

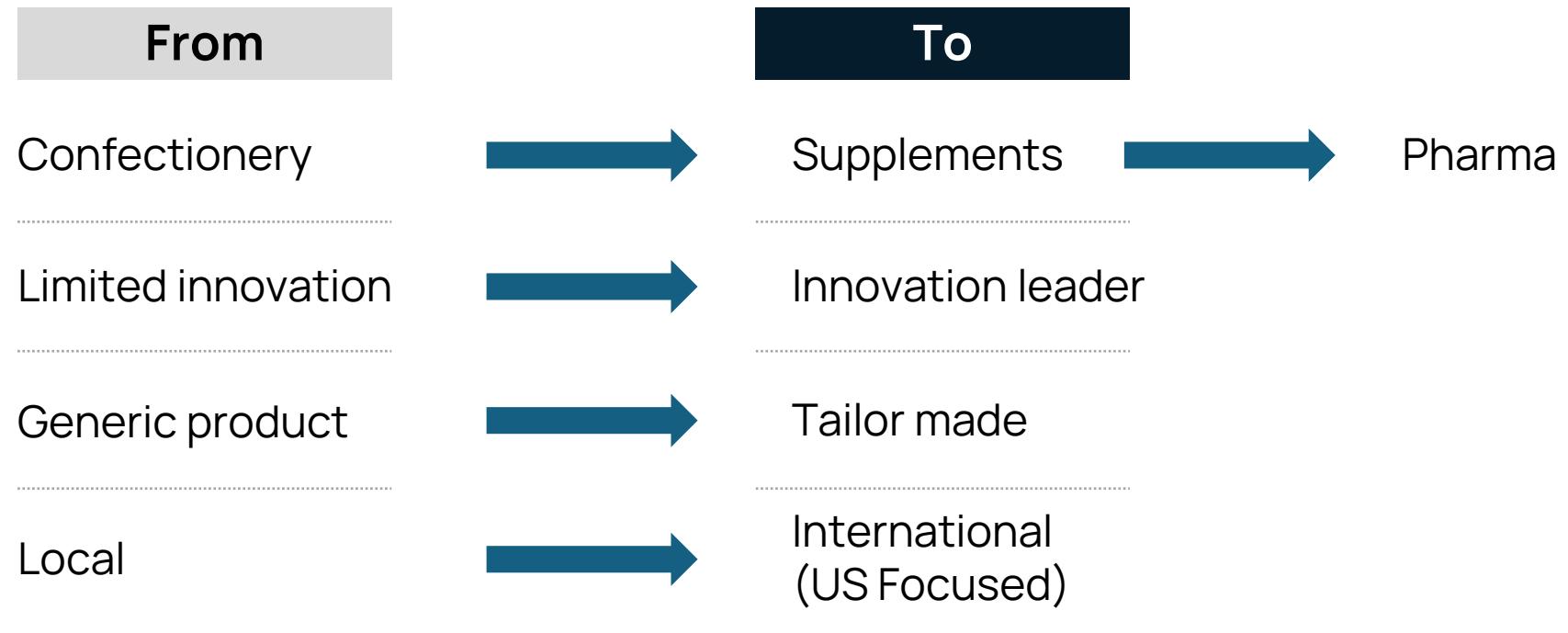


2024



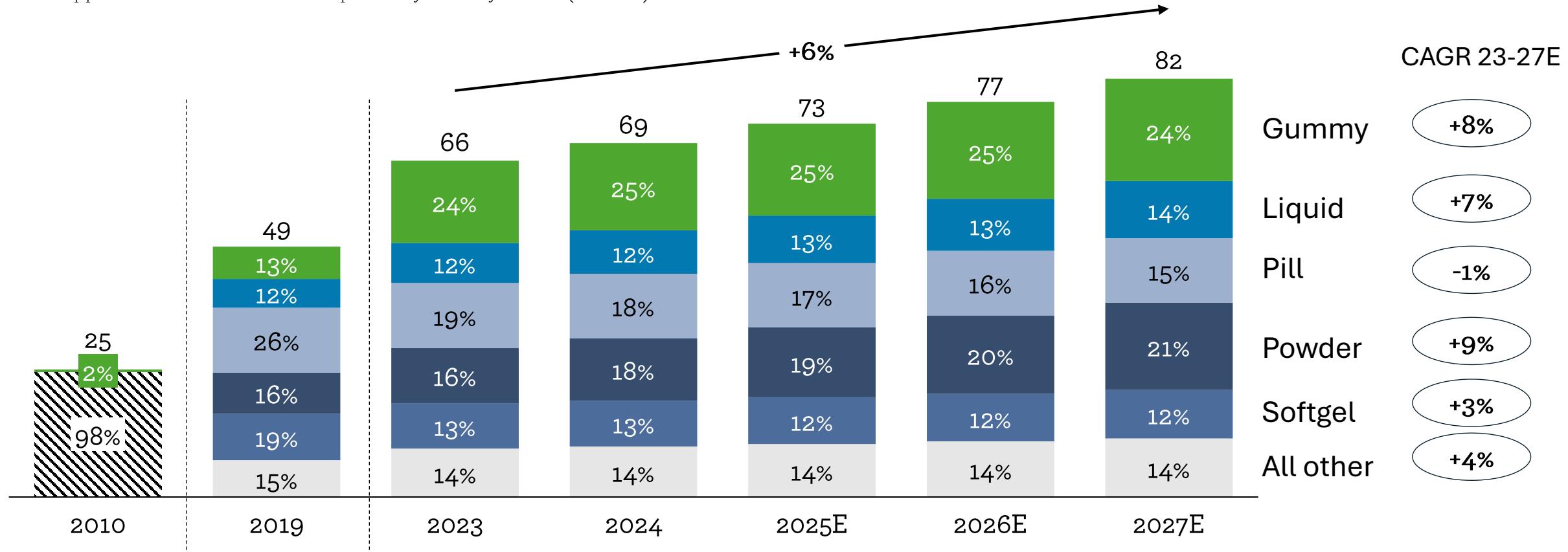
TopGum | 6

# Moving into a new untapped domain



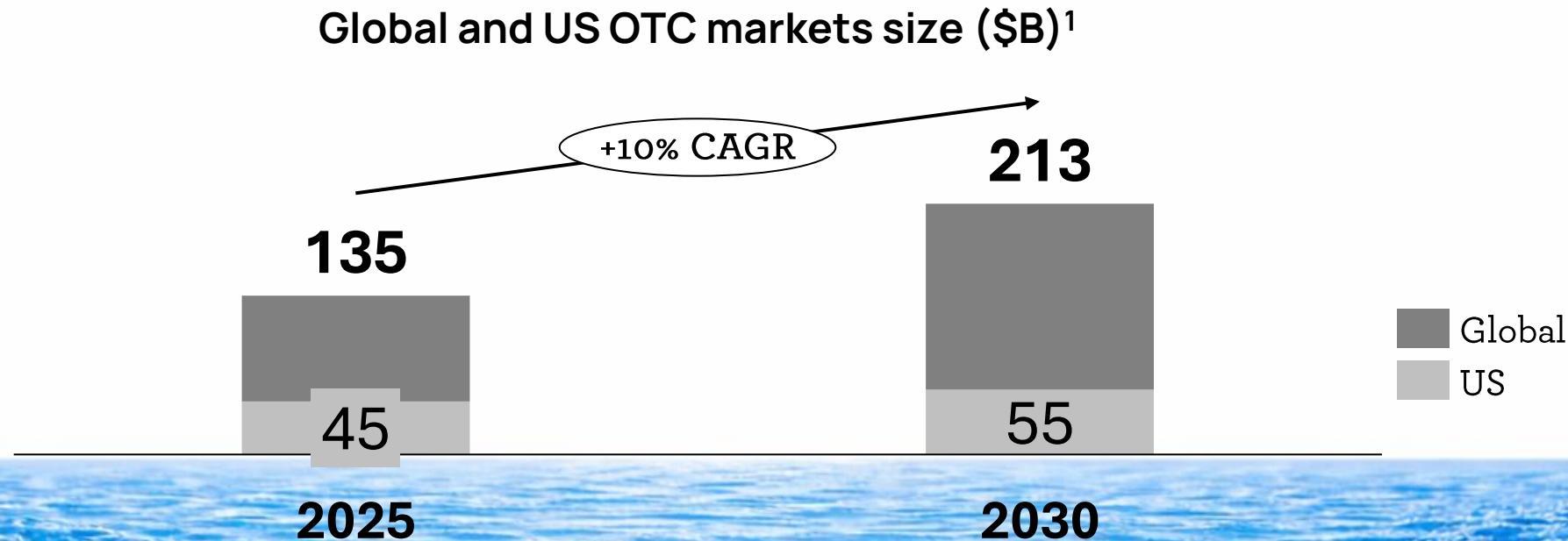
# Gummies evolution as the leading delivery format in the VMS market

USA supplement market share development by delivery format (USD Bn)



# Global and US OTC market

a ~\$135B market with 10% CAGR, mainly based on tablets/capsules without gummy products



# OTC gummies regulation processes

There are 3 types of OTC gummies, each with a different regulatory process

## Monograph (Chewable)

- Contains an FDA-approved active ingredient that follows established FDA rules, with no need for individual premarket FDA approval
- Approval process cost - none
- Approval time - months
- No exclusivity/protection

## NDA (New Drug Application) 505(b)(2)

- An approval process for a modified version of an existing drug (e.g., dosage form)
- Approval process cost - ~\$5 (will be paid by the customer)
- Approval time - ~2-4 year
- 3 years exclusivity/protection

## ANDA (Abbreviated New Drug Application)

- The FDA approval pathway for generic drugs (exactly the same as an existing drug - no OTC gummies exist)
- Approval process cost - \$3-5m (will be paid by the customer)
- Approval time - ~1-2 year

A strategic deal  
taking TopGum to a  
new era



# Deal strategic rational and benefits

Strategic deal that will add significant capabilities to TopGum beyond OTC

CPG

Contracts  
with major  
pharma  
companies



Gummy  
capacity in  
the US

\$

~\$60m  
Pipeline



OTC  
gummies  
capabilities



TGA  
compliance

*Walgreens*

**Walmart** \*

Packaging  
solutions

Access to  
retail channels

# Seller's overview

## One of the biggest OTC healthcare manufacturer in the US

A developer, manufacturer, packager, and distributor of consumer healthcare products

- **Main products:** generic OTC drugs in variety of delivery formats
- **Expertise:** R&D, scaled manufacturing, packaging, logistics, and regulatory excellence
- **Primary channels/customers:** US retailers (via store brands) and CPGs



Examples of US retailers and CPGs (for illustration only)

sam's club

Walmart

CVS pharmacy

COSTCO  
WHOLESALE

Walgreens

WHOLE  
FOODS  
MARKET

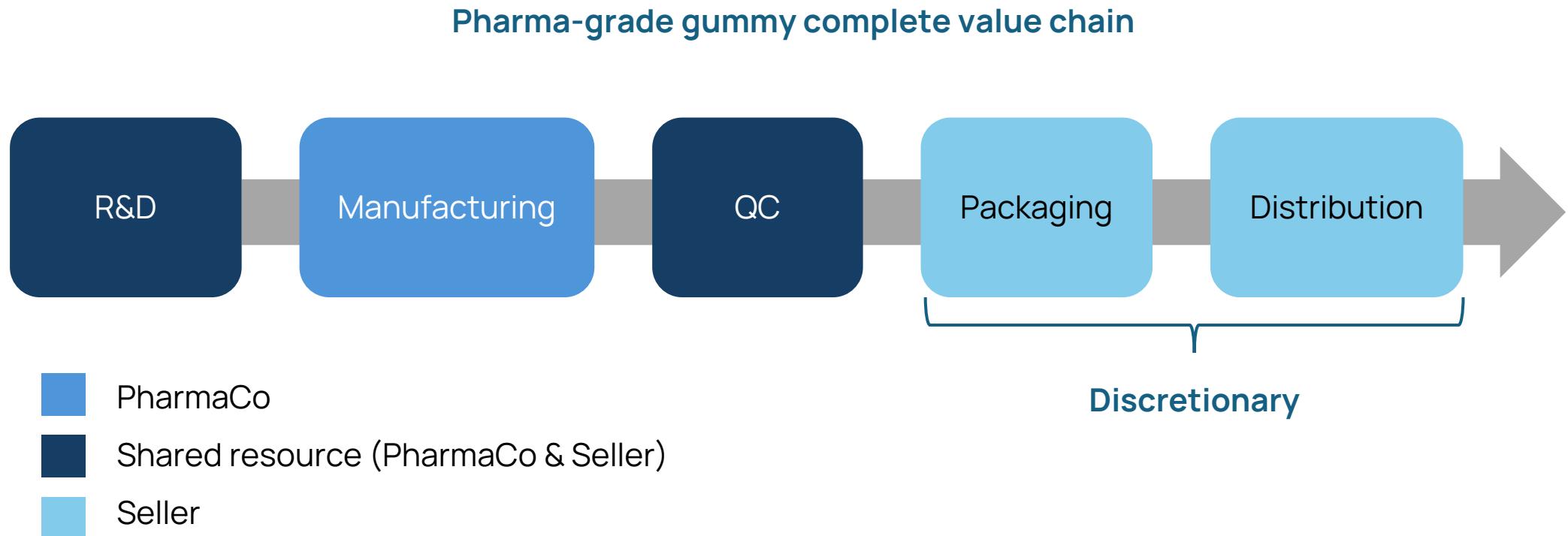
Nestlé

kenvue

P&G

# Seller's OTC value chain

Seller is the owner of PharmaCo, a Pharma-gummy activity initiated in 2021



# Existing VMS/OTC R&D and manufacturing with option to expand capacity significantly

## R&D formulation

- State-of-the-art R&D lab – serving Seller's entire business lines
- Capabilities to develop Nutritional, Drug and ANDA Drug Gummies

## Manufacturing

- Several state-of-the-art production lines with potential expansion – both suitable for VMS and OTC gummies
- 1 pilot line and QC lab
- Compliance - 21 CFR Part 210 and 211 compliant (FDA regulated compliance)
- GDUFA approved campus allowing for the manufacture and packaging of Nutritional, Drug and ANDA Drug Gummies

## Packaging

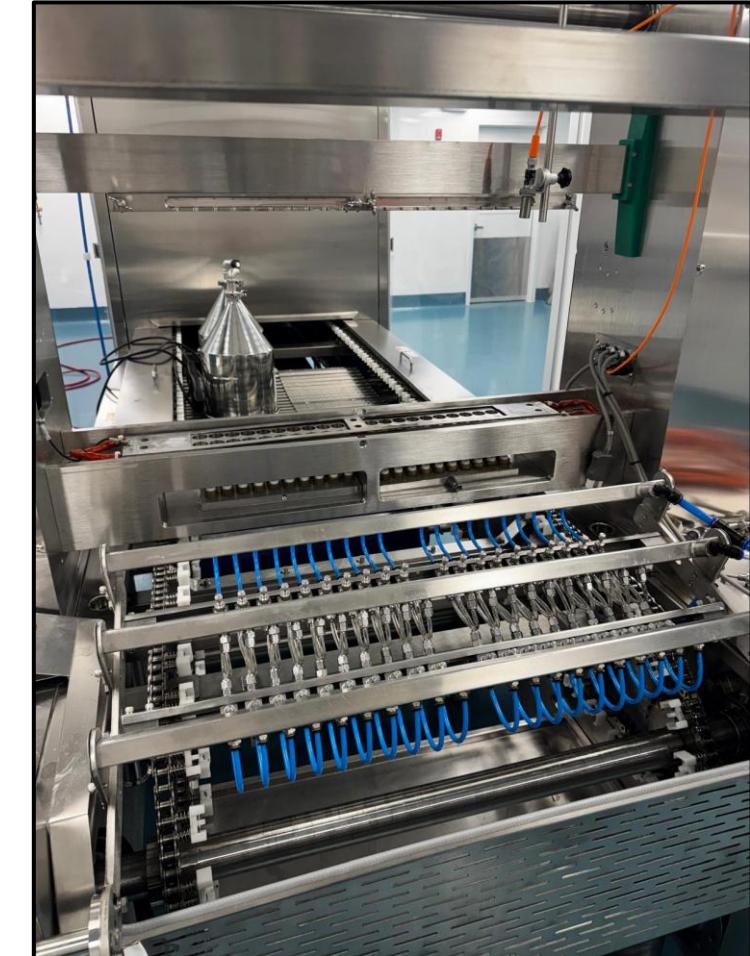
- Logistics and packaging facilities with numerous packaging solutions



# One of its kind state-of-the-art pharma gummy facility



# One of its kind state-of-the-art pharma gummy facility



# One of its kind state-of-the-art pharma gummy facility



# Deal strategic rational and benefits

Strategic deal that will add significant capabilities to TopGum beyond OTC

CPG

Contracts  
with major  
pharma  
companies



Gummy  
capacity in  
the US

\$

~\$60m  
Pipeline



OTC  
gummies  
capabilities



TGA  
compliance

*Walgreens*

**Walmart** \*

Packaging  
solutions

Access to  
retail channels

# Deal structuring and financing

Transaction  
Framework

- Asset deal
- Cash free-debt free (no debt)
- Tangible assets value – USD ~10M

Guaranteed  
Payment

- USD 25M payable as follows:
  - USD 12M payable in cash at closing
  - USD 13M payable TopGum's shares (share price NIS13)

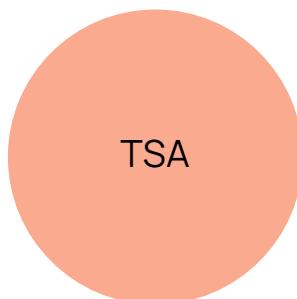
Earn Out

- USD 7 M payable in TopGum's shares (share price NIS13) – USD 2M sales of OTC gummies within 20 months from closing
- USD 5 M payable in TopGum's shares (share price NIS13) – USD 10M sales of VMS & OTC gummies within 20 months closing

# Deal structuring and financing



- From company's own resources and available unutilized bank credit lines



- Non-pharma related services (IT, HR, supply chain and other services ) - up to 18 months (+extension option)
- Pharma related services (mainly R&D, regulation, and QC) - up to 60 months (+extension option)



- OTC gummies – by Seller's R&D center
- VMS gummies – by TopGum R&D center (Israel/Canada/US (new))
- Seller to provide packaging and related services for OTC Gummies, and possibly other products

# Potential Synergies and Opportunities

## From sales through technology to operations



- A New growth engine beyond VMS
- Accelerates US market penetration
- Strengthens retail channel strategy
- Diversifying and strengthening Tier-1 customer base
- Cross-selling opportunities - creating broader offerings



- Entry into pharma-grade manufacturing & TGA compliance
- Supports future OTC / Rx / 505(b)(2) ambitions
- Creates a multi-site, U.S.-Canada-Israel manufacturing network
- Leveraging Seller's bottling capabilities



- Enables pharma gummies (Rx + OTC)
- Expands TopGum's tech capabilities beyond nutraceuticals
- Supports innovation in drug-delivery formats



Thank you



TopGum