



ProPhase Labs (NASDAQ: PRPH) is a diversified medical science and technology company. The Company's laboratory testing subsidiary, ProPhase Diagnostics, offers SARS-CoV-2 (COVID-19) and COVID-19 viral mutation PCR tests through both saliva and nasal swab methods at its CLIA certified laboratories. Critical to COVID testing, results are typically provided in under 24 hours. ProPhase Labs also has deep experience with OTC consumer healthcare products and dietary supplements.

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Corporate Overview

- **Robust Acquisition Pipeline:** ProPhase Diagnostics, Inc., ProPhase Labs' wholly owned subsidiary, acquired a Clinical Laboratory Improvement Amendments (CLIA) accredited laboratory in Old Bridge, NJ, followed by the leasing and build out of a second CLIA accredited laboratory in Garden City, NY.
- **ProPhase Labs** provides a wide range of testing for diagnosis, screening and evaluation of diseases, including COVID-19 and Respiratory Pathogen Panel (RPP) Molecular tests with a current capacity to process 60,000 tests per day, resulting in significant revenue growth potential with robust margins.
- **Successful In-House TK Supplements® Brand:** Created dietary supplements product line, sold at CVS, Walgreens, Walmart & more.
- **One of the Leading Lozenge Contract Manufacturers in the U.S.:** State-of-the-art lozenge manufacturer.
- **Strong Revenue Growth:** Restructured manufacturing operations. Reported revenues grew 40% year over year for first 9 months of 2020 vs 2019. Gross margin improved from 24.8% in 2019 to 31.1% in 2020.
- **Improved Cash Position:** Raised \$10 million through the issuance of Promissory Notes in September 2020 and maintain \$15.8 million in working capital as of September 30, 2020. Subsequently, corporate office building sold for \$2.2 million and closed in December 2020. Raised an additional \$43 million in equity in January 2021.
- **Successful Track Record:** Divested Cold-EEZE® brand to Mylan for \$50 million in 2017.



CLIA Lab

- Acquired full service Clinical Laboratory Improvement Amendments (CLIA) accredited lab in New Jersey in October 2020. Built current capacity to process 10,000 tests per day.
- Subsequently built a second CLIA lab in Garden City, NY. 25,000 square feet. Current capacity to process 50,000 tests per day.
- Approved for a wide range of important diagnosis, screening and evaluation of diseases, including:
 - COVID-19 viral and antibody tests
 - Respiratory viruses
 - Respiratory Pathogen Panel (RPP) Molecular tests
 - Pneumonia-causing bacteria
 - Influenza
 - Other infectious diseases
- 24-hour reporting and local same-day molecular lab testing.
- Highly competitive pricing and margins with goal to meet or exceed industry norms.
- CLIA labs equipped with the latest state-of-the-art ThermoFisher Multiplex platforms



Pharmaloz Manufacturing

- **Contract Manufacturing** - 60,000 sq. ft. climate-controlled facility on 12 acres operating under FDA 21 CFR 210 & 211 guidelines provides the ability to offer products for diversified needs.
- **Private Label** - Partners with brokers and retailers to provide superior quality products.
- **Marketing** - Offers the ability to deploy various strategies to help customers market their products successfully.
- **R&D** - Works to develop and formulate customers' unique, best in class products.
- **Quality & Regulatory** - Embraces the importance of both Quality & Regulatory compliance throughout the manufacturing process.



One of the Largest Lozenge Manufacturers in the U.S.

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- We offer a line of dietary supplement products under the **TK Supplements®** brand, including:
 - **LEGENDZ XL®**, for male sexual enhancement
 - **TRIPLE EDGE XL®**, a daily energy and stamina booster
 - **SUPER PROSTAFLW+™**, a supplement to support prostate and urinary health

TK Supplements® is dedicated to promoting better health, energy and sexual vitality.



Legendz XL has distribution in Rite Aid, Walgreens and other retailers, and via ecommerce, and is now achieving broader distribution in Q4 2020 at CVS and Walmart. Triple Edge XL, is now gaining retailer acceptance as well.

Authorized Distribution Platform

Drug Channel

- Walgreens: Sept 2019
- CVS: Oct 2020
- (Authorized BOTH Legendz XL AND Triple Edge XL)**
- Rite Aid: 2018, expanding to full distribution in Jan 2021
- Bartell Drug
- Cardinal Health – Authorized in POG for certain independent pharmacies
- McKesson

Mass

- Walmart: Oct 2020

Food Channel

- Ahold
- Key Regional Chains: Hannaford, Harris Teeter, Weis, Raley's, Bartell Drug, etc.

E-Commerce

- Amazon: Entire TK Supplements available
- LegendzXL.com: Entire TK Supplements available

Growth Drivers

COVID Testing & Lab Processing

- Purchase and build out additional CLIA certified labs for processing. Existing labs are exhibiting explosive growth.
- Longer term vision to leverage COVID testing customer base with additional types of laboratory testing.
- After six months of extensive due diligence, management has uncovered several exciting and timely opportunities in the industry



Manufacturing (CMO)

- Explore different opportunities to expand our current internal and other contract manufacturing capabilities
- This will include different dosage forms (oral, sterile, topical, etc.) for both OTC and Rx market.



TK Supplements Business

- Legendz XL distribution is growing with Triple Edge XL now beginning to gain acceptance.
- New and innovative products already under development and on the horizon.



Management

Ted Karkus - Chairman & CEO

Mr. Karkus is the CEO and Chairman of the Board of Directors of ProPhase Labs, Inc. As CEO, he directly manages and oversees corporate strategy, product development, sales and marketing, and R&D. Mr. Karkus has long focused his career on investing, management consulting and managing emerging growth companies. He started his career on Wall Street working for a variety of investment banks. Mr. Karkus financed and advised ID Biomedical, a biotech/vaccine company, when it was valued at approximately \$25M and near bankruptcy. He successfully persuaded the board of directors into making difficult but necessary changes to management, including the replacement of the CEO, and helped to redirect their strategic focus. Seven years later, the company was sold to GlaxoSmithKline for more than \$1.4 billion. While advising ID Biomedical, he began a similar decade-long engagement with ProPhase Labs. After years of declining revenues, increasing losses and questionable management activities, the Company's direction was in dire need of change -- and the shareholders' interests in need of protection. Mr. Karkus initiated a highly risky but successful proxy contest in 2009 that led to his position as CEO. After inheriting a severely declining brand portfolio, he restructured the go to market strategy for the flagship Cold-EEZE brand and grew revenues significantly. The net result: in 2017, ProPhase Labs sold the Cold-EEZE brand for \$50M to Mylan, a multibillion-dollar pharmaceutical company. Mr. Karkus graduated Tufts University with a BS in Psychology and Magna Cum Laude Honors in 1981 and Columbia University School of Business with an MBA in Finance and Beta Gamma Sigma Honors in 1984.

Monica Brady - Chief Financial Officer

Ms. Brady has over 15 years of experience with two public companies. She currently serves as the Company's Chief Financial Officer at the Company since January 2019 and previously served as its Chief Accounting Officer from September 2017 to January 2019 and Director of Finance from October 2009 through September 2017. Prior to joining the Company, Ms. Brady served as senior accountant at iDNA Inc. from June 2003 through September 2009 which focused on corporate communications. Ms. Brady is a registered CPA in the state of New York.

Steve Kamalic - Chief Operating Officer, ProPhase Diagnostics

Mr. Kamalic is a veteran operations executive with decades of experience building and growing lab processing units. At ProPhase Diagnostics, he is responsible for ensuring the Company meets its stated goal of 60,000 tests per day between its New York lab and New Jersey lab. Prior to joining the Company, he served as COO and Sales Director at a substantial regional lab. He oversaw a lab business that significantly grew its annual revenues, worked at several startups, and has a vision for growth and expansion. Mr. Kamalic has an AAS in medical technology and a BS in Health Administration.

Carlos D. Brewster - Chief Molecular Scientist, ProPhase Diagnostics

Mr. Brewster has over 18 years of experience in the Molecular Biology field, which started with an internship with the Federal Government in Washington DC. His current responsibilities encompass assay design, validation, implementation and training. Prior to joining the Company, he served as a R&D Specialist. Since the onset of the pandemic he has received several FDA Emergency Use Authorizations for the COVID-19 Assay, which is now utilized within the industry by numerous laboratories and generated millions of dollars in revenue. He holds a BS in Biology and holds a New York State License as a Clinical Laboratory Technologist.

Sergio Miralles - Chief Information Officer, ProPhase Diagnostics

Mr. Miralles is an experienced IT Leader, with over 12 years of experience in enterprise level Cybersecurity, Infrastructure, and Architecture. At ProPhase Diagnostics, Sergio is responsible for ensuring a complete end-to-end technology solution that links its lab customers' patient data via interface to efficiently process and report results. Previously, he founded and led a successful IT consulting firm overseeing 18 IT consultants. For the last 5 years, his primary focus has been on the medical, lab, and diagnostics business. Mr. Miralles holds several certifications from Cisco, ISC2, and CompTIA.

Amanda Vasquez - Director of Molecular Science, ProPhase Diagnostics

Prior to joining ProPhase, Ms. Vasquez worked as a clinical molecular technologist at Acupath Laboratories, Acutis Diagnostics, and Advanced Clinical Lab Solutions. Her expertise includes research design and data analytics, infectious disease testing, and molecular diagnosis of a range of diseases including COVID-19. During the pandemic, she has also aided in obtaining FDA Emergency Use Authorizations. She earned a MS in Forensic Science with a concentration in Molecular Biology from John Jay College of Criminal Justice and holds a New York State clinical laboratory technologist restricted license. She also serves as an adjunct lab instructor at John Jay College, York College, New York Institute of Technology, and Molloy College.