



### ProPhase Labs, Inc.

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

**ProPhase Labs (NASDAQ: PRPH)** is a diversified biotech and genomics company that seeks to leverage its CLIA lab services to provide whole genome sequencing and research direct to consumers and build a genomics data base to be used for further research. The Company continues to provide traditional CLIA molecular laboratory services, including COVID-19 testing.

## Corporate Overview

- **ProPhase Diagnostics** Operates two CLIA-accredited laboratories. These labs provide a wide range of testing for diagnosis, screening and evaluation of diseases, including COVID-19 testing, Immunity and Antigen tests, with a current capacity to process up to 60,000 tests per day. With a diverse and growing customer base, in combination with current wave of COVID-19 and variants, Company indicated significant increases in COVID-19 testing in Q4 2021 and Q1 2022.
- **ProPhase Precision Medicine:** Recent acquisition of Nebula Genomics provides a leading position in Whole Genome Sequencing (WGS). It provides access to affordable and secure personalized genetic testing. Whole-Genome Sequencing is a genetic testing technology that obtains comprehensive data on every gene and all of your chromosomes in your DNA. WGS can be used to examine your ancestry, health, diet, rare gene mutations and rare diseases.
- **ProPhase Global Healthcare:** Launched with the goal to develop COVID-19 testing facilities internationally and conduct additional healthcare related initiatives, including sales and distribution of the Sputnik vaccine.
- **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:** For the nine months ended September 30, 2021, net revenue was \$33.9 million as compared to \$9.4 million for the nine months ended September 30, 2020, virtually all attributed to organic growth.
- **Robust Outlook on Record Testing Volumes:** ProPhase announced that testing volumes exceeded 300,000 PCR Covid-19 tests in Q4 2021 vs. previous record levels of 110,000 in Q1 2021. Company anticipates strong year over year growth in revenues, earnings and cash flow for each of the next four quarters.
- **Successful Track Record:** Divested Cold-EEZE® brand to Mylan for \$50 million in 2017.
- **Stock Buyback:** Announced \$6M stock repurchase program on September 8, 2021.

## ProPhase Diagnostics

- Acquired full service Clinical Laboratory Improvement Amendments (CLIA) accredited lab in New Jersey in October 2020. Built current capacity to process up to 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
  - COVID-19 antigen testing with results in 10-15 minutes
  - Respiratory Pathogen Panel (RPP) Molecular tests
  - Polymerase chain reaction (PCR) for Influenza A and B and RSV
  - Respiratory viruses
- Fast turnaround times.
- Highly competitive pricing and margins with goal to meet or exceed industry norms.
- Recently introduced antigen and antibody tests to broaden COVID-19 testing beyond RT-PCR testing.
- Goal to acquire laboratories with a focus on anatomical pathology, toxicology, blood, urine, etc.

## ProPhase Precision Medicine

- Acquisition of Nebula Genomics provides a leading position in Whole Genome Sequencing (WGS). It provides access to affordable and secure personalized genetic testing. WGS is a genetic testing technology that obtains comprehensive data on every gene and all of your chromosomes in your DNA. WGS can be used to examine your ancestry, health, diet, rare gene mutations and rare diseases.
- ProPhase's goal is to integrate this comprehensive genomic testing into the Company's CLIA-certified labs. This would provide faster turnaround time of results and reduced pricing. Company also plans to leverage its distribution in over 40,000 food, drug and mass retail stores. Each of these initiatives could dramatically grow sales going forward.
- ProPhase is planning further acquisitions to expand WGS capabilities and personalized, precision medicine solutions for both consumer and physician markets.
- Nebula Genomics was the first company to bring the cost of sequencing a human genome below \$300 (the cost of the first human genome was \$3 billion) and subsequently became the largest direct-to-consumer Whole Genome Sequencing company.

- 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 at CVS and Walmart. Triple Edge XL, is now gaining retailer acceptance as well.

## Pharmaloz Manufacturing

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

## Growth Drivers

Precision Medicine	Diagnostics & Lab Processing	Global Testing
<ul style="list-style-type: none"> <li>Well positioned for coming wave of personalized genetic testing for both consumers and physicians.</li> <li>Further acquisitions to expand WGS capabilities and personalized, precision medicine solutions.</li> <li>Leverage existing infrastructure of over 40,000 retailers to expand distribution into OTC market.</li> </ul>	<ul style="list-style-type: none"> <li>Diverse and growing customer base, in combination with current wave of COVID-19 and variants, drove significant increases in COVID-19 testing in Q4 2021 and Q1 2022.</li> <li>Purchase and build out additional CLIA certified labs for processing.</li> <li>Leverage COVID testing customer base with additional types of laboratory testing such as pathology, toxicology, blood and urine.</li> </ul>	<ul style="list-style-type: none"> <li>Goal to expand network of CLIA certified labs internationally.</li> <li>Low vaccination rates ensures that COVID testing will remain in high demand in many countries around the world.</li> <li>Support rising interest in personalized genetic testing throughout the world.</li> </ul>

## 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 \$25 million 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 \$50 million 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.

### Alice Lioi – EVP/Co-CEO – ProPhase Diagnostics, Inc.

Alice oversees all ProPhase lab operations. She ensures accuracy, exemplary medical quality, service delivery, and client satisfaction with the highest compliance standards. She brings more than 18 years of progressive laboratory leadership experience in both clinical and research. Prior to joining ProPhase Labs, she held the position of VP of Lab Operations at Quest Diagnostics. Throughout her career, she also efficiently managed labs at Brookdale Hospital and Medical Center in New York. While there, she served as the Administrative Director of Clinical and Anatomical Pathology Service and AdvantageCare Physicians, covering 36 medical facilities and working with both patients and physicians to optimize care. Earlier in her career, Alice was a Clinical Laboratory Technologist at the Quest Diagnostics Syosset location. Alice graduated from SUNY Stony Brook with a Bachelor of Science in Clinical Laboratory Science. She holds a NY State License as a Clinical Laboratory Technologist.

### Jason Karkus – EVP/Co-CEO – ProPhase Diagnostics, Inc.

Jason was instrumental in the explosive growth of ProPhase Diagnostics by directly generating tens of millions of dollars in revenue in 2021. He leads multiple areas including sales, business development, logistics operations, and account management. In addition, he helped develop two elite CLIA-certified labs, build on new technologies and acquisitions, and sustain the company's reputation for quality and innovation. Jason built and oversees approximately two dozen account managers and customer service reps who provide 24/7 service. Jason and his team exceed expectations for ProPhase's customers with a seamless service experience accomplished through outstanding communication and a results-first mindset. Jason has a background in sales and development with leading real estate firms Douglas Elliman and Newmark Knight Frank. He is a graduate of the University of Maryland.

### Sergio Miralles – EVP/Chief Information Officer - ProPhase Diagnostics, Inc.

Sergio Miralles is an experienced IT Leader, with over 12 years of experience in enterprise level Cybersecurity, Infrastructure, and Architecture. At ProPhase Labs, 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, Sergio 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. Sergio holds several certifications from Cisco, ISC2, and CompTIA.

### Sam Beeler – Chief Strategy Officer – ProPhase Precision Medicine

Sam A. Beeler is an accomplished healthcare executive with over 17 years of extensive leadership experience spanning multiple ecosystems, including hospital-based medicine, multi-specialty private practice, clinical research, and community health. Sam has served in progressive enterprise leadership, strategy, and operations roles for Advantage Care Physicians, The Advisory Board, TeamHealth, PivotHealth and more. He was appointed as Director of Health and Human Services for a municipality in NJ. He is the co-founder of a disruptive clinical research and human performance laboratory with clients that include NFL, NHL, and MLB teams, the United States Navy Seals, Olympic athletes, and high net worth clientele from around the world. He has a global network of professional relationships across healthcare, biotech and government. Sam has studied at Rutgers University, Cornell University and Weill-Cornell Medicine. He has completed executive level coursework at Harvard.

### Kamal Obbad – SVP, Director of Sales and Marketing - ProPhase Precision Medicine

Kamal is co-founder of Nebula Genomics. He received his undergraduate degree at Harvard University and did graduate studies in computer science as a Gates-Cambridge Fellow at the University of Cambridge. Prior to founding Nebula, Kamal led teams at Google. For his work, Kamal has received multiple honors including being named to the Forbes 30 under 30 list.

### Dr. George Church - Advisory Board - ProPhase Precision Medicine

Along with being a co-founder at Nebula Genomics, Dr. George Church is also Professor of Genetics at Harvard Medical School and Director of PersonalGenomes.org. His 1984 Harvard Ph.D. included the first methods for direct genome sequencing, molecular multiplexing & barcoding. This led to the first genome sequence (pathogen, *Helicobacter pylori*) in 1994. His innovations have contributed to nearly all "next-generation" DNA sequencing methods and companies (CGI-BGI, Life, Illumina, Nanopore). His honors include election to NAS & NAE & Franklin Bower Laureate for Achievement in Science. He has co-authored 590 papers, 155 patent publications & one book (Regenesi).