

Yesterday, on 20 February 2024, QuiaPEG published a press release stating that the company had submitted a formal application to Nasdaq in connection with the company's acquisition. The press release contained certain information that was misleading and incorrect. Against this background, this correction is published, where the company has, among other things, clarified that it is an acquisition of intellectual property rights from Rosemonkey Ltd and what will constitute the new business that is acquired. The previous version of the press release also contained a forward-looking statement on expected gross margin, which has been deleted in this version, with the implication that the previous statement should not apply as a forecast provided by the company. The correct version of the press release is shown below.

CORRECTION: QuiaPEG has submitted a formal application to Nasdaq in relation to the company's acquisition of intellectual property rights from Rosemonkey Ltd.

QuiaPEG Pharmaceuticals Holding AB (publ) (the "Company" or "QuiaPEG") announces that the Company on 9 February 2024 submitted an application to Nasdaq for continued listing of the Company's shares in connection with the completion of the announced conditional acquisition of intellectual property rights (the "Transaction") from Rosemonkey Ltd ("Rosemonkey"). The Company hopes that Nasdaq will be able to approve the Company's application within approximately 40 business days from the submission of the application. The Company also wishes to present further details regarding the content of the Transaction.

Through the Transaction, the Company mainly acquires intellectual property rights, know-how and operating assets for the distribution and sale of health products containing omega-3, collagen, and astaxin (the "New Business"). The New Business has been assessed by the Company to have a large growth potential in a fast-growing market for health products that is estimated to be worth billions of dollars.

About Omega 3, collagen and astaxin

Omega 3 is a well-known dietary supplement. Omega 3 is a family of polyunsaturated fatty acids that are important for several functions of the human body. Most of the fats the body needs can be formed from carbohydrates and protein. The exception is, among others, some Omega 3 fats, which we must get from food. Omega 3 has many different roles in the body, including building and repairing cells. It also affects the regulation of blood pressure, the functioning of the kidneys and our immune system. Omega 3 reduces the blood's ability to clot, thus reducing the risk of blood clots. For foetuses and young children, Omega 3 is essential for normal growth and development. Polyunsaturated fats can also help reduce the risk of cardiovascular disease.

Collagen is a protein that is an important component of skin, nails, hair, joints, and bones and one of the main benefits of collagen is that it can help improve skin elasticity and prevent wrinkles and ageing. In addition, collagen can also increase the strength and quality of hair and nails.

Astaxin is an antioxidant found naturally in some microalgae and marine animals. The antioxidant properties of astaxin can help protect the body's cells from oxidative stress and damage. It can also have positive effects on vision and brain health, while reducing inflammation in the body and improving muscle recovery after exercise.

Additional information on acquired business activities

The products that QuiaPEG will receive access to through the Transaction are approved and tested by the Norwegian Food Safety Authority, which is considered an important quality mark in this context. Many players in the global market are able to manufacture products containing Omega 3. However, an important distinguishing feature between the various products on the market is the quality of the raw materials in the products and the design of the product recipes. Through the Transaction, QuiaPEG acquires, among other things, a recipe catalogue for a number

of health food products that will constitute the product range of the New Business. The Transaction also includes unregistered trademarks (which the Company intends to register after the completion of the Transaction) and business-critical know-how. It is further announced that QuiaPEG, after the Transaction, intends to be able to utilise a pre-planned logistics chain presented by Rosemonkey at short notice. The health food products will be based on Omega 3, collagen, and astaxin and will be adapted for different customer groups such as women, men, children, people over 55 years of age, Sports/Active etc.

Market

The global market for Omega 3 is in strong growth and in 2022 the market was estimated to have a turnover of about USD 8.5 billion and the market is expected to grow strongly. The market for collagen is expected to have an annual growth rate of around four per cent and the market value is expected to increase to around USD 2 billion by 2032. The global market for astaxin is expected to reach a market value of USD 3.6 billion by 2023.

Since health supplements are not regulated in the same way as pharmaceuticals, it is considered particularly important to be able to prove the quality and effects of the products during continuous use and thus build strong brands. It is in this strong market growth that the Company wants to take a position based on pre-proven products produced in Norway.

Production

The products will be manufactured in Norway by an experienced contract manufacturer who is able to scale up production without major investments from QuiaPEG. Production will take place in predefined volumes, which means that a certain investment must be made to build up an initial inventory. There are economies of scale and at higher volumes the production cost decreases. Expected gross profit in the initial phase will be reinvested in marketing to build and strengthen the brand and increase awareness of the product portfolio among consumers.

Sales plan for the products

QuiaPEG sees significant potential in the increased trade in retail and sales of, among other things, health food products on digital platforms such as Amazon. If the Transaction is completed, the focus will be on sales in strategic markets, with Europe and the US as primary markets, and Sweden, Germany, Austria, and the UK as secondary markets. The vision is to become one of the leading suppliers of health

food products based on, among other things, Omega 3 to the retail market in Europe. The growth of the business is intended to be created by the Company building up sales networks in the future in the above-mentioned markets and having sales via digital platforms, such as Amazon, in order to be able to quickly create sales without significant investments in its own sales organisation.

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About QuiaPEG Pharmaceuticals Holding AB

QuiaPEG Pharmaceuticals Holding AB is a drug development company which focuses on research, development and commercialization of its proprietary releasable drug-delivery platform Uni-Qleaver®. The company is listed on Nasdaq First North Growth Market (ticker: QUIA). For more information, please visit www.quiapeg.com.

Attachments

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