

NGS Signs Agreement With Leading US Medical Distributor

Highlights

- Vendor Agreement signed with Independent Medical Co-op, Inc. (“IMCO, INC”), a leading US Independent Medical Distributor Cooperative, to distribute Healthy Height® to the medical market in the US
- The Agreement gives NGS access to IMCO, INC’s 134 distributors in 166 locations across the US with over 1,000 sales reps in the field
- The Agreement provides NGS with sales and marketing activities combined with logistics solutions at scale across IMCO, INC’s healthcare network
- NGS’s unique, clinically validated pediatric nutrition products fill a current void for many medical distributors
- New distribution channel through IMCO, INC complements NGS’s existing online sales channels in the US

Nutritional Growth Solutions Ltd. (“the Company” or “NGS”, ASX: NGS) is pleased to announce it has signed a vendor agreement (the “Agreement”) with leading US independent medical distributor cooperative, IMCO, INC. The Agreement term is for a minimum period of two years with an automatic one-year renewal term thereafter, subject to a written notice period provided by either Party.

IMCO, INC member distributors serve all aspects of the healthcare continuum of care, including home care and independent pharmacies. There are approximately 22,000 independent pharmacies in the United States representing 36% of all retail pharmacies¹. Under the terms of the Agreement, NGS will also have access to IMCO, INC’s expertise in relation to sales and marketing activities to drive product awareness amongst their member network.

¹ Source: NCPA



As a cooperative association of independent medical supply distributors, IMCO, INC aims to provide its distribution network with access to cutting edge and innovative products. NGS anticipates that its unique, clinically validated pediatric nutrition products have the potential to fill a current gap for many medical distributors' product offering. In addition, NGS's premier product, Healthy Height®, has already been assigned an insurance billing code in the US, which will facilitate the submission of claims for reimbursement to health insurers, an important requirement for a number of consumers and providers.

The agreement with IMCO, INC provides a new sales channel which complements NGS's existing US sales through online channels. The Company is looking forward to further developing the relationship with IMCO, INC, who has been operating in the US for almost 40 years, with annual sales currently over US \$4 billion.

At this stage, the Company expects Healthy Height® will be available for distribution under the Agreement in calendar Q1 2021.

Ms Liron Fendell, Managing Director and CEO commented:

"We are very pleased to announce our non-exclusive distribution agreement with IMCO, INC. The US is a key growth market for NGS and having access to IMCO INC's established distribution network along with their expertise for sales and marketing activities, provides another important pathway to market for our products."

Mr Brian Leedman, Chairman said:

"The partnership with IMCO, INC is in keeping with our strategy to grow the business through new sales channels to complement our growing online sales presence in the US region".

This announcement has been authorised for release by the CEO of Nutritional Growth Solutions Ltd.

For more information, please contact:

Ms Liron Fendell, CEO & MD
liron@ngsolutions.co
+972 73 2482618

Mr Brian Leedman, Chairman
bleedman@ngsolutions.co
+61 (0) 412 281 780



About Independent Medical Co-op Inc.

IMCO, INC was founded in 1981 to give the Independent Medical Distributor the same purchasing power as large national medical supply distribution companies and provide the support they need to grow. IMCO, INC believes the Independent Medical Distributor is a vital link in the healthcare supply chain, and we are committed to their success. Our goal is to unite the best medical supply manufacturers in the industry with the best group of Independent Medical Supply Distributors. The leading medical supply manufacturers recognize that independent, regional distributors are an efficient and effective way of selling to and servicing the healthcare industry.

About Nutritional Growth Solutions

Nutritional Growth Solutions is a global nutritional health company focused on the well-being of children. NGS develops, produces and sells clinically tested nutritional supplement formulae for children following 20 years of medical research into pediatric nutrition at Schneider Children's Medical Centre, Israel's largest pediatric hospital. The nutritional supplements market has experienced tremendous growth in recent years, but most attention has been focused on adult users and children under three years of age. The three to twelve year old consumers represent a larger market opportunity and NGS is highly differentiated from its competitors with clinically tested products and an expanding product portfolio to capture this market opportunity.