

# Esther Formula USA 5 Year Business Plan

Esther Formula USA  
Lakeport House

# INDEX CONTENT

---

## **1. Business Overview**

1.1 Background

1.2 Objectives

1.3 Product Overview

## **2. Company Overview**

2.1 Company Status

2.1 Organizational Structure

# 1. Business Overview

## 1.1 Background

Since the release of Esther Formula's Glutathione ODFs in Korea in 2021:

- Sales reached **250 MILLION Units** & achieved sales of **₩358.3 BILLION KRW** as of January 2024
- Maintained the **leading position in ODF (Orally Dissolving Films) market** for 3 years

**Health food market is expected to reach ₩6.2 TRILLION KRW in 2024!**

In the past 5 years, there was

- a **27% growth** in the market
- an **81.2% increase** in purchase experience rate

(Source: source: <https://www.medifonews.com/news/article.html?no=185782>)

The introduction of film-type products, and the recent Covid-19 pandemic, has sparked interest in ODFs due to their high absorption rates & convenience in consumption and portability. With the popularity of Esther Formula's Glutathione ODF product, this presents a strategic opportunity to expand our business.

# 1. Business Overview

## 1.2 Objectives

### **Esther Formula plans to take advantage of FDA's more lenient regulations.**

- Esther Formula is limited due to KFDA's strict regulations on dietary ingredients and dosage
- FDA is more **lenient on dietary ingredients and dosage amounts**
  - Esther Formula potential products: CBD, Glutathione, Curcumin, Elastin & Collagen

### **Establish Esther Formula USA**

- Further develop our technology
- Leverage lenient FDA regulations and **increase sales by developing new products**
- Target not only USA but **expand to countries in Asia and EU.**

### **Expand our product range to pet supplements.**

- Growing trend in the pet supplement industry has led to increased pet supplement production.
- Due to ODF's ease of administration and rapid absorption rates has led to the introduction of ODFs into the pet supplement industry.

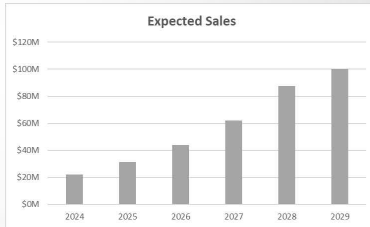
**When compared to KFDA, FDA's lenient regulations provides an opportunity for growth and development for Esther Formula USA.**

# 1. Business Overview

## 1.2 Objectives

### Expected Sales

- Expected sales for **2024 are \$22M USD** and is expected to reach **\$100M USD by 2029**



### Strategic Opportunities

- FDA regulations allows for the production of CBD ODFs** which is in demand not only in the US, but in Asia and EU.
- Glutathione, Curcumin, and Elastin & Collagen ODFs are the most popular Esther Formula products. By establishing Esther Formula USA, we can also **target consumers who prefer Made In USA** products.

# 1. Business Overview

## 1.3 Product Overview

### The ODF technology:

ODFs are thin flexible sheets that dissolve quickly when placed in the mouth.

- Active ingredients are released and absorbed through the oral mucosa
- Rapid absorption (within 1 minute)
- High absorption rate through blood vessels
- Ease of portability and consumption

### Benefits of ODFs compared to tablets, capsules, & softgels:

- No need for water
- No choking hazard
- Easy to carry around
- Better bioavailability



**ODF offers benefits over traditional dosage forms like tablets, capsules, and softgels.**

# 1. Business Overview

## 1.3 Product Overview

### Esther Formula USA Products

Esther Formula USA will focus on producing the following 4 products first:



Once the US facility has established their place within the dietary supplement industry for human consumption, we will expand and enter the pet supplement industry.

### Target Countries

- USA
- Asia
- European Union

Once establishing presence in the dietary supplement for human consumption segment, will expand to penetrate the pet supplement industry.

## 2. Company Overview

### 2.1 Company Status

#### Esther Formula USA

Location: Lakeport, California (Northern California)

Lakeport, California is where Clear Lake, the largest natural lake in California, is located. Known for their wineries, and cultivation of walnut, pear, and vineyard orchards.

The **region is conducive to CBD production** and sales and receives various support from the local government.

#### Facility & Construction Timeline

- **June 2022:** Esther Formula USA Corporation was established.
- **February 2023:** Cannabis Licensed facility was acquired and designing initiated.
- **August 2023:** Facility construction began with country approval.
- Expected **completion of construction March 2024.**
- **Official production to begin in April 2024**



Facility was designed and constructed to reach the daily target production of 1M films.

Facility will meet the highest standard of FDA GMP and will be audited for facility **GMP certification by NSF International**, an internationally recognized organization with one of the strictest standards.