
MUSHROOMS INC. UPDATES

February 2024 Outstanding Shares: 39,435,760 / Restricted: 30,736,303 / Unrestricted: 8,699,457

Welcome to Our February Recap

We're excited to share this month's journey with you through a special format. To kick off our February newsletter, we've prepared a brief video message from our CEO, Kimberly Carlson, that encapsulates the essence of our latest developments and the strides we're making at Mushrooms Inc.

[Watch Now: A Message from Our CEO - February Highlights](#)



In this video, Kimberly discusses:

- The groundbreaking developments from our partnership forming in Germany.
- The innovative bacterial detection bandage prototype and its market potential.
- Our ongoing commitment to revolutionizing healthcare with sustainable solutions.

This visual briefing not only sets the stage for the detailed updates to follow but also brings you closer to the heart of our operations, directly from our leadership.

As you continue through this newsletter, we invite you to reflect on the themes introduced in the video and explore how our collective efforts are shaping the future of healthcare and biotechnology.

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A Message on Market Movements: As part of our ongoing commitment to transparency and communication, we wish to address the recent fluctuations in our stock price. These movements, influenced in part by the conversion of legacy shares, signify a natural maturing of market participation. We understand that volume needs to increase, share price needs to reflect the true valuation of our innovation related to our filed utility patent technology and income generation and investments need to support that valuation. Importantly, we wish to reassure our shareholders that Mushrooms Inc. has not issued any additional shares, underscoring our commitment to maintaining a strong and stable share structure during our time of growth. Our foundation remains unwavering, bolstered by strategic maneuvers that are meticulously designed to enhance shareholder value without diluting equity.

We deeply appreciate the continued trust and partnership of our shareholders as we navigate these dynamic market conditions. Your support is instrumental in our journey, and we remain dedicated to making decisions that are in the best interest of our company and its valued shareholders.

Product Development and Commercialization:

Advancing Through Partnerships: The German Connection

In our quest to launch our innovation, we're excited to share progress on the development of our bacterial detection bandage. We are solidifying our partnership with a renowned German scientific team centered around our patented technology, leveraging mycelium-based hydrogels for groundbreaking applications in textile and transdermal health solutions. Our lead chemist's pioneering work with this team in the past, specific to the creation of bacterial detection films, lays the foundation for this venture.

By working with the group that has been innovating the bacterial detection technology for over 10 years, we unite the power of mushrooms with experts in executing similar technology successfully.



Medical Mycellius Market Potential:

We have been asked to expand on our tech specific to the market potential of the bacterial detection and nutrient delivery bandage. This information has been essential in fostering the current pathways for investment and we feel it will help in garnering shareholder confidence in our current pursuits:

Innovation at the Forefront: Mushrooms Inc. is pioneering a healthcare revolution with Medical Mycellius, our Bacterial Detection Bandage. This innovation signifies a leap in how we detect and manage bacterial infections, changing colors at the wound site to signal bacterial presence. It's not just a product; it's a paradigm shift in patient safety and sustainable healthcare, backed by a full-utility-patent filed in October 2023.

Addressing a Global Crisis: The rise of antibiotic-resistant bacteria, such as E. coli and MRSA, presents a dire challenge, with WHO projecting 10 million annual deaths by 2050. Our mycelium-based technology positions us as a beacon of hope, offering a sustainable alternative to combat this escalating crisis.

Market Potential Unleashed:

- **SURGICAL MARKET POTENTIAL:** Globally, major surgical procedures volume reaches approximately 310 million annually, with the United States contributing a robust 50 million major surgeries. Our strategic aim is to capture 2% of the U.S. surgical market, translating to 1 million surgeries. This ambition is underpinned by the necessity for an average of five bandage changes per surgery during the healing process, with a pricing strategy of \$5 per bandage, culminating in a projected revenue of \$25 million annually.
- **WOUND CARE MARKET POTENTIAL:** With a global projection set to reach \$16.7 billion by 2030, we've adjusted our sights to account for the U.S. holding 10% of this global market share. This adjustment pegs the U.S. wound care market size at approximately \$1.67 billion. By targeting a 2% capture of the U.S. market, we anticipate generating potential revenue of around \$33.4 million annually.

This strategic outlook not only underscores our intent to secure significant portions of these markets but also reflects the adjustments made to align with realistic U.S. market share projections.

As we navigate these sectors, our focus remains on leveraging these insights to carve out substantial revenue streams, demonstrating our commitment to tapping into the expansive growth potential of both the surgical and wound care markets.

Strategic Expansion:

- **Elderly Care:** The aging population and the prevalence of chronic wounds in senior care facilities present a ripe market. Targeting just 2% of U.S. facilities suggests a significant uptick in demand for Medical Mycellius, aligning with our vision to lead in advanced wound care.
- **Florida's Strategic Advantage:** Home to a substantial senior population and a leading state for surgeries, Florida represents a key strategic market for Mushrooms Inc., from plastic surgeries to outpatient and assisted living facilities.

Combined Market Potential: Factoring in surgeries and wound care, we foresee a combined potential of \$25 million to \$58 million in annual revenue by capturing market shares. This showcases the broad, untapped potential of Medical Mycellius across multiple healthcare sectors.

Conclusion: Mushrooms Inc.'s Medical Mycellius stands at the convergence of innovation, market need, and strategic opportunity. We're not just creating a product; we're setting the stage for a healthier future, with Mushrooms Inc. leading the way in biotechnology and healthcare solutions.



Launching Innovations: LONGEVITY & SPORT+

We're thrilled to announce the official launch of two groundbreaking products: LONGEVITY and SPORT+. Each product is a testament to our commitment to innovation, harnessing the power of mushrooms infused with targeted ingredients for unparalleled health benefits. They can be purchased on our site here: [SHOP](#).

Expansion and Accessibility: Our products are now available through multiple channels, including our website, Amazon, and Range Me (the go-to source for major retailers to purchase wholesale), ensuring easy access for all customers. Additionally, our affiliate program offers a 20% sales incentive, inviting our community to share in our success as they promote wellness and vitality.



LONGEVITY: A Leap in Wellness

Our LONGEVITY supplement is a unique blend, distinguishing itself from market counterparts by not only focusing on the potent benefits of mushrooms but also incorporating synergistic ingredients for holistic wellness. From Organic Lion's Mane for cognitive function to Pomegranate for heart health, LONGEVITY is crafted for those seeking a comprehensive approach to aging gracefully and healthily.

SPORT+: Fueling Athletic Excellence

SPORT+ is designed for athletic lifestyles, combining the adaptogenic power of mushrooms with a robust B-vitamin complex and essential minerals to support energy, recovery, and performance. Whether it's pre-workout energy or post-exercise recovery, SPORT+ aligns with your body's rhythms to support your athletic journey every step of the way.

In Closing:

As we conclude this month's journey, we hope that the insights and updates shared have illuminated the exciting path we're forging together at Mushrooms Inc. Our dedication to innovation, sustainability, and healthcare excellence is not just about what we do; it's about the impact we make together with you — our valued partners, stakeholders, and community.

Your support fuels our continued exploration and drives us to achieve greater heights. We invite you to stay engaged with our mission and share your thoughts, as your feedback is the cornerstone of our growth and evolution.

Stay Connected:

- For more information, visit our [website](#).
- Follow us on [Twitter](#) for real-time updates and discussions.
- Reach out directly with insights, inquiries, or feedback at [contact information](#).

Thank you for being an integral part of our journey. Here's to a month of growth, innovation, and shared success.

Warmest regards,

The Mushrooms Inc. Team



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