

Else Nutrition Reports Third Quarter 2021 Results

Hamutal Yitzhak, Else CEO, commented: "Else is a company that should not yet be measured solely by Quarters. We are building a pathway to be a potential global leader in the plant-based nutrition arena and aiming for a multibillion-dollar market in 5 years. We are making great strides each quarter and have achieved significant milestones in this quarter including our Walmart.com and Kroger online partnerships. We also completed the development of two new product lines, and we expect momentum to continue and accelerate throughout the remainder of the year and beyond."

VANCOUVER, British Columbia, Nov. 29, 2021 — **ELSE NUTRITION HOLDINGS INC. (BABY.V) (BABYF) (OYL.F) ("Else" or the "Company")** the plant-based baby, toddler and children nutrition company, today announced results for its third quarter ended September 30, 2021.

Management is pleased to announce it achieved significant progress executing its go-to-market plan in the US market, growing its product range to include 4 flavors of Kid Shakes, expanding online sales to include Walmart.com and Kroger-owned online platforms, and getting listed at more than 1,200 US natural food and grocery retail stores (already on-shelf at close to 1,000 of these stores).

The following summarizes the major achievements in the third quarter of 2021 along with the financial highlights. Full financial results can be found in the Company News section of our website at <https://elsenutrition.com/pages/investor-relations> or on SEDAR.

Q3 2021 Financial Highlights

- Online sales grew by more than 27% compared to Q2 and 77% compared to Q1.
- Successfully listed on Walmart.com and Kroger-owned online platforms and growing its US retail presence to more than 1,200 listed stores. New Q3 listings include Rouses Markets (65 stores), Harmon's Grocery (19), and Roche Bros. (25).
- The Company received conditional approval to graduate to the Toronto Stock Exchange.
- Following success on Amazon in the US, Else was invited by Amazon EU to launch a European unified account that will allow Else to sell its unique products on all of Amazon European marketplaces including the UK, Germany, France, Italy, Spain, the Netherlands, and Sweden representing a market with over 300M people.
- Launch an intensive HCP initiative in the US that includes a dedicated HCP website and a campaign to reach more than 80,000 pediatricians. This effort is led by Mr. Mike Glick' Else North America GM, a former Abbott Senior Director of Pediatric and Adult nutrition.
- Listed Kids Complete Nutritional shake (3+ years; in powder form) in online and retail

channels. The product is available on www.elsenutrition.com, Amazon.com and [iHerb](http://iHerb.com), and soon will be available on Walmart.com, Kroger-owned online platforms, Sprouts Farmers Market, Rouses and Thrive Market.

- Completed the development of two new line of products – Super Cereals, for infants (6+ months) and Toddlers, and a Ready To Drink product for Kids. These products will be launched in early 2022 in the US.
- Prepared to launch a clinical study with Children’s Hospital Colorado and Denver School of Medicine to validate growth benefits of Else’s Plant-Based Nutrition product.
- Quarterly revenues were C\$1,173 thousand, compared to C\$376 thousand in the third quarter of 2020, an increase of 210%.
- Quarterly operating loss was C\$4,551 thousand, compared to C\$2,779 thousand in the third quarter of 2020.
- Quarterly net loss was C\$1,469 thousand, or C\$0.01 per share, compared to C\$3,930 thousand, or C\$0.05 per share in the third quarter of 2020.
- Quarterly cash flow used for operating activities was C\$3,641 thousand, compared to C\$2,965 thousand in the third quarter of 2020.
- Cash position was C\$13.8 million as of September 30, 2021 (including restricted cash and short-term bank deposit).
- The Company had no Loans liability as of September 30, 2021.

Impact of COVID-19

We experience the effect of the pandemic in all areas of our business, from delays in raw material deliveries, to clinical and product development projects and absence of key persons in the company from time to time. Due to lockdowns and other COVID-19 related measures all our business meeting, marketing events, conferences and expos were either canceled or turned virtual, slowing down the pace of our business development efforts.

About Else Nutrition Holdings Inc.

Else Nutrition GH Ltd. is an Israel-based food and nutrition company focused on developing innovative, clean and plant-based food and nutrition products for infants, toddlers, children, and adults. Its revolutionary, plant-based, non-soy, formula is a clean-ingredient alternative to dairy-based formula. Else Nutrition (formerly INDI) won the “2017 Best Health and Diet Solutions” award at the Global Food Innovation Summit in Milan. Else Plant-Based Complete Nutrition for Toddlers was recently ranked as the #1 Top seller in the baby and toddler formula category on Amazon. The holding company, Else Nutrition Holdings Inc., is a publicly traded company, listed as TSX Venture Exchange under the trading symbol BABY and is

quoted on the US OTC Markets QX board under the trading symbol BABYF and on the Frankfurt Exchange under the symbol OYL. Else's Executives includes leaders hailing from leading infant nutrition companies. Many of Else advisory board members had past executive roles in companies such as Mead Johnson, Abbott Nutrition, Plum Organics and leading infant nutrition Societies, and some of them currently serve in different roles in leading medical centers and academic institutes such as Boston Children's Hospital, Pediatrics at Harvard Medical School, USA, Tel Aviv University, Schneider Children's Medical Center of Israel, Rambam Medical Center and Technion, Israel and University Hospital Brussels, Belgium.

For more information, visit: elsenutrition.com or @elsenutrition on Facebook and Instagram.

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TSX Venture Exchange

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This press release contains statements that may constitute "forward-looking statements" within the meaning of applicable securities legislation. Forward-looking statements are typically identified by words such as "will" or similar expressions. Forward-looking statements

in this press release include statements with respect to the anticipated dates for filing the Company's financial disclosure documents. Such forward-looking statements reflect current estimates, beliefs and assumptions, which are based on management's perception of current conditions and expected future developments, as well as other factors management believes are appropriate in the circumstances. No assurance can be given that the foregoing will prove to be correct. Forward-looking statements made in this press release assume, among others, the expectation that there will be no interruptions or supply chain failures as a result of COVID-19 and that the manufacturing, broker and supply logistic agreement with the Company do not terminate. Actual results may differ from the estimates, beliefs and assumptions expressed or implied in the forward-looking statements. Readers are cautioned not to place undue reliance on any forward-looking statements, which reflect management's expectations only as of the date of this press release. The Company disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

