

## **Else Provides Corporate Update on Growth and Successful U.S. Launch of Kids Product Line**

- *Else Plant-Based Complete Nutrition for Toddlers is listed with 1,100+ retail doors and is available for purchase in more than 800 of these.*
- *Else is coming soon to Walmart.com and to Kroger-owned online platforms, joining iHerb, Thrive Market, Amazon.com and elsenutrition.com online channels.*
- *Else launched its powder form Plant-Based Complete Nutrition for Kids product line, in Chocolate and Vanilla, on Amazon.com and elsenutrition.com.*
- *Else Hired two former Abbott executives, one to lead its growth in the Global Medical Marketing Channels, and the other as North American Subsidiary GM.*

VANCOUVER, British Columbia, Sept. 23, 2021 — **ELSE NUTRITION HOLDINGS INC. (BABY.V) (BABYF) (OYL.F) (“Else” or the “Company”)** the plant-based baby, toddler and children nutrition company, is pleased to announce high market penetration and sales growth rates across online and retail channels:

### **US Product Launch:**

A photo accompanying this announcement is available at <https://www.globenewswire.com/NewsRoom/AttachmentNg/14001b0c-2068-43df-9e55-b740bd4f1c67>

Else Plant-Based Complete Nutrition for Toddlers, available in Sprouts Farmers Markets (350 doors) since February 2021, has extended to many additional natural food and grocery retailers and independent stores, including Big-Y, Raley’s, Natural Grocers AFS, *Haggen, PCC, Mother’s Markets, Huckleberry’s Natural Market, Rouses Markets, Harmons, Roche Bros., and more than 100 independent and co-op stores.*

Else is listed in 1,100+ stores and is sold on the shelves of 800+ of these and continues to grow. In less than six (6) months, Else’s sales velocity in Sprouts crossed the 1 (one) UPSPW KPI (Units per Store per Week) target level ahead of expectations for the category targeted for the first 12 months.

Else onboarded and is shipping product to the 2 largest natural food distributors in North America - UNFI and KeHE Distributors, which together cover almost the entire retail market in the US. Combined they have opened 14 distribution centers to supply retail stores.

Else and its retail brokers, with the active assistance of its distributors, are in discussions with dozens of additional large, small and independents natural food, grocery and drug retail chains, that together represent more than 5,000 stores.

Else started its U.S. online sales in August 2020 on [www.elsenutrition.com](http://www.elsenutrition.com) and in late

September on Amazon.com. Initial online sales on these two channels have demonstrated a good growth trajectory, growing at more than 10% month-over-month, and are expected to accelerate as more products are added to the Else range. Else's Amazon.com monthly sales have grown close to 600% since launch.

Else products are also sold on the iHerb international online retail platform (US, Canada, 180 international markets) and on Thrive Market, a leading U.S. online platform that has 500,000+ subscribers. Else plans to list on additional leading online platforms in the coming months. The Company signed listing agreements and is completing the on-boarding process with Walmart.com and with Kroger-owned online platforms, both expected to significantly boost Else online reach. Launch is expected in Q4 2021.

A photo accompanying this announcement is available at <https://www.globenewswire.com/NewsRoom/AttachmentNg/41e1a850-8fea-4da5-964b-2bd7434f1d2f>

In June 2021, Else launched a new product line – Plant-Powered Complete Nutrition for Kids, 2 years and older. The product is offered initially in vanilla and chocolate flavors, in 16 oz powder cans. This new product line offers a superior, plant-based, low sugar, delicious alternative to milk and soy-based products that are currently in the market. This launch has been extremely successful thus far, with the new line already accounting for 25%+ of total unit sales on [www.elsenutrition.com](http://www.elsenutrition.com).

In Q4 2021, Else Nutrition plans to launch a series of Plant-Based complementary nutrition products for babies 6 months and older, in several flavors.

Early next year, Else plans to launch liquid RTD (Ready-To-Drink) versions of its Complete Nutrition for Kids products, and a non-organic (and more affordable) version of its successful Toddler product.

These new SKUs will grow Else's product range and are expected to further accelerate sales in all channels. These products (in different SKUs and minor variations) will be offered in the U.S., Canada, Europe and in other markets.

### **International Product Launch Plans**

Else plans to offer Canadian tailored products for sale in Canada, online and in retail channels. Launch is planned for Q1 2022.

After developing a series of products which comply with the European Directive, Else is progressing towards distribution agreement in France with H&H Group.

Additionally, Else is in discussions with H&H group with regards to distribution of its product line via H&H cross-border China platform.

Else plans to start selling its products in Europe early next year.

## **Marketing:**

The Company continued to drive customer awareness, conversion, and sales at scale through:

- Leveraging key and targeted influencer partnerships including integrated programs with Tori Spelling (mom of 5, including a lactose intolerant child), Alicia Silverstone (vegan mom and actor), Jade Roper Tolbert and Ali Fedotowsky, both known from ABC's hit show "The Bachelorette."
- Added retail store influencer activities to support retail sales
- Growing the Company's Instagram follower presence to a highly engaged 20,000 dedicated brand followers.
- Major paid advertising on paid social channels, as well as a maiden campaign flight of streaming/connected TV campaign (over 5,000,000 impressions).
- Sampling of its new Plant-Powered Kids Nutrition to 6,000 moms across the U.S. through the Mom's Meet Network.

A photo accompanying this announcement is available at

<https://www.globenewswire.com/NewsRoom/AttachmentNg/e5d82f38-0895-4298-8e64-cdb3d8b7a249>

- Launching a dedicated Else branded storefront on Amazon.com.
- Major public relations outreach, including: a dedicated Instagram Live series featuring celebrity/nutritionist conversations about Plant-Based parenting, leading to over 560,000 unique impressions; branded partnerships with ECOS, environmentally safe cleaning products.
- Targeted paid online campaigns supporting the launch of Else Nutrition at different retail stores.
- A targeted partnership with the Plant-Based Network, which will include video spots on the network during Q3 and Q4, as well as editorial and print coverage.
- An integrated partnership with Kids with Food Allergies Association, a division of Asthma and Allergy Foundation of America. The partnership will enable the brand to reach over 70,000 families with little ones with food allergies, and thousands more through sponsored content.
- Plans to Test local TV advertising and add it to the marketing mix where suitable
- Launch a comprehensive Health Care Practitioner (HCP) marketing program

## **Production:**

The company completed its 8th commercial manufacturing run since July last year, and successfully built inventory to service the online and retail expansion in the U.S. market and

beyond.

“In the last few months, we improved our manufacturing processes and product quality, to consistently produce a high quality easily dissolved tasty product,” said Mrs. Hamutal Yitzhak, CEO and Co-Founder of Else. “Our new kid’s products can be prepared in a cup or a shaker with cold water, something both kids and parents love and appreciate.” She added.

### **U.S. Operations and Medical Marketing/Scientific Affairs:**

The Company hired a former Divisional VP at Abbott Nutrition EMEA, Mr. Simeon Saunders, who will spearhead growth in the Key Global Medical Marketing Channels as well as lead the scientific & clinical global affairs of the Company.

The Company also hired a former Senior Director of Pediatric and Adult Nutrition at Abbott Nutrition US, Mr. Mike Glick, as North America General Manager, to lead its HCP (Health Care Practitioner) marketing strategy and operations. Under Mike’s leadership, the Company launched a new website targeting the HCP community and has launched a long term HCP marketing & educational program targeting over 80,000 North American pediatricians.

The company is conducting several clinical studies to obtain marketing permits for infant formula in USA and EU and to demonstrate scientifically that Else line of products supports growth and that the products are well tolerated by young children, either healthy or with different sensitivities. The company is in final preparations for a growth study in healthy toddlers and finalizing protocols for a hypo-allergenicity study in toddlers with cow milk allergy.

### **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. 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 include 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](http://elsenutrition.com) or @elsenutrition on Facebook and Instagram.

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