

Else Provides Update on Key Sales Growth Drivers For 2022

- *Fast growth (10% MoM) on amazon.com with 60% repeat purchases.*
- *Rapid sales acceleration on Walmart.com and additional major US online platforms.*
- *Growing to 5,000 natural food, grocery & drug doors, and increasing sales velocity.*
- *Expanding product range from one (Toddler) to 10+ products and 20+ SKUs.*
- *Canadian launch planned for Q1/22.*
- *Steady growth (5% MoM) on www.elsenutrition.com.*
- *Health Care Practitioners (HCP) marketing.*
- *Expanding branding & marketing efforts to include CTV/TV campaigns*

VANCOUVER, British Columbia, Nov. 03, 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 report on its planned key sales drivers for 2022:

US Amazon sales:

In September 2020 Else launched a single SKU (Toddler) on amazon.com, with Kids Shakes launch in July 2021. Monthly sales are growing at a rate of 10% AVG MoM with 60% repeat purchases with 650+ subscribers and are expected to accelerate as the product range grows substantially in 2022.

Sales on major US online platforms:

In the first quarter of 2021 Else launched the Toddler product on Thrive Market and iHerb with solid MoM growth on these important platforms. In the fourth quarter of 2021 Else will start selling on Walmart’s and Kroger’s online platforms expanding its product range to include Kids Shakes on all 4 platforms. Else expects sales from these and from additional online platforms to be a key sales driver in 2022.

Retail presence and sales velocity growth:

In the first quarter of 2021 Else launched its Toddler product in Sprouts Farmers Markets and saw sales velocity grow steadily to over 1.1 UPWPS (Units Per Week Per Store). In the third quarter of 2021 Else was listed with more than a dozen retailers and over 100 independents and co-ops representing 1,200+ doors combined, with majority of these coming online in late summer to early fall. Else continues to add additional products such as Kids Shakes to the currently listed stores and is in discussions for listing with dozens of natural food and grocery retailers representing more than 5,000 additional doors, and with key pharmacy retailers that represent more than 20,000 doors. In 2022 else plans to expand sales to more than 4,000 doors and continue to add to its product range.

Product range:

In 2021 Else started with the launch of a single powder product – Complete Plant Based Nutrition for Toddlers. By mid-year Else added Kids Shakes to its online range which grew

rapidly to reach 30% of all e-store sales.

Kids Shakes in Banana and Mango flavors will be added to retail store SKU's in fourth quarter of 2021, and in 2022 Else will add several new exciting product lines – Super Cereal in flavors for 6+ month babies will launch in first quarter of 2022, in 7 oz package. A non-organic Toddler product with a more affordable price point that will allow more babies to enjoy Else is planned to be launched in the first quarter of 2022. Ready to Drink (RTD), 8 fl. oz bottles, for Kids in multiple flavors will launch soon after. During 2022 the product range will grow to 10+ products and 20+ SKUs in the US and a product range is planned for Canada, Europe and the Far East).

Canada launch:

Based on current interest for Else from Canada in our e-store we know that demand in Canada for Else is very high. Canada regulations required the development of slightly different range of products, starting in the first quarter of 2022 Else plans to launch three products in Canada – Toddler Drink (powder), non-organic; Kids Drinks (powder), non-organic, in flavors; Super Cereal, organic, in flavors.

Launch is planned to include all channels during 2022 – Else e-store, Amazon.ca, grocery and pharmacy retail chains, natural food retailers and independents, which over time is anticipated to grow to 12-15% of sales volume for North America.

Else e-store at www.elsenutrition.com

Else will continue to sell on its e-store and will also add a Canadian e-store. While Amazon and other major online platform will take the lead in online sales, Else e-store sales are expected to continue to grow. Else e-store allows us to collect critical consumer data and to test new products. In the first quarter of 2022 Else plans to add wholesale sales capabilities to the US e-store to serve independent stores, HCP clinics and other wholesale buyers.

Health Care Practitioner (HCP) marketing

Else is building a US based HCP team, led by former Senior Director of Pediatric and Adult nutrition at Abbott Nutrition US, Mr. Mike Glick, that will raise the awareness of the 80,000+ North American pediatric HCPs and create medical support for Else products. To help gain HCP's support Else is conducting several clinical studies to demonstrate scientifically that its line of products support growth and that the products are well tolerated by young children, as well as in pediatric populations those children suffering from health issues. The company is finalizing protocols for a growth study in healthy toddlers and for a hypo allergenicity study in toddlers with cow milk allergy.

Marketing:

Else plans to increase efforts to drive customer awareness, conversion, and sales through:

- Influencer partnerships, to be expanded to mega-star levels
- Grow Instagram to 100,000 brand followers.
- Major paid advertising on paid social channels.
- Major public relations outreach.
- Targeted paid online campaigns to support Else retail stores launch.
- TV and Direct TV advertising.
- Health Care Practitioner (HCP) marketing program

“We are very excited with the plans for continued growth in North America and the launch of Else in additional countries in the upcoming year”, said Hamutal Yitzhak, CEO & Co-Founder of Else Nutrition. “We will continue to add clean whole foods-based products to our range as we look to become a global brand in the Health Nutrition space”, She added.

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 or @elsenutrition on Facebook and Instagram.

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