

UPDATE - Else Nutrition Enters the Chinese Market, via a Signed Agreement with Baozun, a Leading E-Commerce Distributor in China

- Increasing demand for premium infant nutrition solutions in China, which accounts for approximately 40% of the global infant formula market, showing Else's substantial potential for continued growth

VANCOUVER, British Columbia, June 07, 2022 — **ELSE NUTRITION HOLDINGS INC. (BABY) (BABYF) (OYL.F) ("Else" or the "Company")**, the plant-based baby, toddler, and children nutrition company, announced today that Baozun, a leading e-commerce solutions provider in China, the Company expects to start selling Else products in China in Q3 of this year.

The global infant formula market in 2021 accounted for approximately \$77 billion. The market is expected to grow and reach around 110 billion by 2026, China will remain the market leader with about 40% of the global market share. China's infant formula market is projected to grow at a CAGR of 8%, from \$30 Billion in 2021 to \$40 Billion by 2025.

With Baozun's e-commerce, end-to-end solutions, the Company would have direct access to retail buyers in China, starting in Q3 2022, through a wide range of online shopping platforms such as Tmall, JD.com, Kuaishou, WeChat Mini programs, and many others. With the recent distribution agreement signing, the Company expects to start operating on China's cross-border e-commerce platforms as early as August 2022.

"Selling our innovative plant-based clean pediatric nutrition products in China is a key milestone in the company's strategic plan to become a player in the global infant nutrition market. Following our recent growth in North America, we are on track for expansion globally. We are happy to help fulfill the increasing demand in China for a dairy & soy-free pediatric nutrition alternative, especially considering the very high rate of lactose intolerant population in China of about 22.4%, the additional suspected lactose intolerant population of about 25%, and the proportion of infants and toddlers under 2 years who claim to experience allergic symptoms is as high as 40.9% (3.7 million infants/toddlers).

Another indicator of the need for plant-based alternatives is Chinese consumers' rising awareness of health and sustainability which has led to the increasing consumption of plant-based milk, especially among Gen Z and Gen Y consumers. The average annual growth rate of the Chinese plant-based milk industry is expected to remain above 20% in the next few years, and the market size is expected to reach 300 billion Yuan (\$56.65 billion CDN) by 2025" said Hamutal Yitzhak, the CEO and Co-Founder of Else.

About Baozun

Baozun is the leading brand E-commerce solutions provider in China, Baozun's integrated capabilities encompass all aspects of the E-commerce value chain covering IT solutions, store

operations, digital marketing, customer services, warehousing, and fulfillment. Baozun helps brands execute their E-commerce strategies by selling goods directly to customers online or by providing services to assist with E-commerce operations.

Baozun was listed on NASDAQ (NASDAQ: BZUN) in May, 2015 and completed the secondary dual-listing on HKEX in September, 2020. According to iResearch, Baozun is the leader and a pioneer in the brand e-commerce service industry in China.

With a leading international vision and pragmatic localization implementation expertise, Baozun has successfully empowered brand partners in executing e-commerce strategies and won reputation. Currently, Baozun serves 333 brand partners across 8 categories.

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 Milan’s Global Food Innovation Summit. 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 Company recently received the World Plant-Based Award for “Best dairy alternative product” in New York at World Plant-Based Expo in late 2021. The holding company, Else Nutrition Holdings Inc., is a publicly traded company listed on the Toronto Stock 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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A photo accompanying this announcement is available at
<https://www.globenewswire.com/NewsRoom/AttachmentNg/07ecf5fc-a0c6-47b3-963d-d8fa24684e74>

