



Else Nutrition Holdings Inc.

TSX: **BABY** | OTCQX: **BABYF** | FSE: **OYL**

BABY NUTRITION. REIMAGINED.

September 2023

DISCLAIMER

This confidential presentation of Else Nutrition Holdings Inc. (“Else”) is for information only and shall not constitute an offer to buy, sell, issue or subscribe for, or the solicitation of an offer to buy, sell or issue, or subscribe for any securities in any jurisdiction in which such offer, solicitation or sale would be unlawful. This confidential presentation is not, and under no circumstances is to be construed as, a prospectus, advertisement or prospectus offering of securities. This confidential presentation is for the confidential use of only those persons to whom it is transmitted or provided by Else. By their acceptance of this confidential presentation, recipients agree that they will not transmit, reproduce or make available to any person, other than to their professional advisors, this confidential presentation or any of the information contained herein.

CAUTION REGARDING FORWARD LOOKING STATEMENTS

Certain information included in this confidential presentation, including any information as to future financial or operating performance and other statements that express expectations or estimates of future performance, constitute “forward-looking statements”. Forward-looking statements can be identified by words such as: “will be”, “forecast” “future,” “beyond”, “potential”, “planned” “will” or variations of such words and phrases or similar references to future periods. Forward-looking statements in this document include, but are not limited to, statements with respect to: the growth rate of the infant formula market; the projected market value of organic baby food worldwide in 2025; the number of countries for which patents will be granted; the characteristics of Else’s potential product portfolio; the completion of Pre-Production scale up runs and the timing thereof; the completion of first commercial production and the timing thereof; the launch of a new website and e-store and the timing thereof; the creation of the new product lines in the Functional Foods and Whole Meal Snacks product categories, and the depictions

and descriptions of such products; the completion of Licensing Agreements for the Dairy Product Substitutes and Whole Meal Snacks product categories, and the depictions and descriptions of such underlying products; and the planned expansion into North American and international markets.

Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by management, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Furthermore, forward looking statements involve known and unknown risks, uncertainties and other factors that may cause actual financial results, performance or achievements to be materially different from the estimated future results, performance or achievements expressed or implied by those forward-looking statements, and the forward-looking statements are not guarantees of future performance.

Factors, assumptions and risks that could cause our actual results to differ materially from those indicated in the forward-looking statements include, among others, consumer demand for Else’s products, whether the Else current and future products achieve commercialization, including completing the scale up and, for certain products, regulatory approval, protecting the patents for the baby formula and further IP maintenance, receiving the necessary regulatory approvals to market and distribute the Else products, uncertainty regarding material changes in laws and regulations, including consumer protection and food regulations, retention of key personnel of Else involved in the production, testing and sale of the baby formula, the activities of competitors, and all related matters, including successful integration of the Golden Heart business, Else’s ability to expand into global markets, general economic and political conditions and other more detailed risks, uncertainties and assumptions set out under the heading “Risk Factors” in Else’s filing statement, which is available on www.sedar.com under the issuer profile of Else. Except as required by

law, Else disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, events or otherwise. Readers are cautioned not to put undue reliance on these forward-looking statements, and not to use this document as their sole source for decision making. Readers are encouraged to seek additional information and independent advice. This confidential presentation contains information that is subject to change without notice and is based on publicly available information, internally developed data, and information obtained by Else from third parties, including but not limited to market data and to the biographies of individuals serving as advisors to Else. Else believes such information to be accurate but has not independently verified such information. To the extent such information obtained from third party sources, there is a risk that the assumptions made and conclusions drawn by Else based on such representations are not accurate. No warranties or representations can be made as to the origin, validity, accuracy, completeness, currency or reliability of the information. Else disclaims and excludes all liability (to the extent permitted by law), for losses, claims, damages, demands, costs and expenses of whatever nature arising in any way out of or in connection with the information in this confidential presentation, its accuracy, completeness or by reason of reliance by any person on any of it. This confidential presentation should not be construed as legal, financial or tax advice to any individual. The information contained in this confidential presentation is not directed to persons or entities resident in the United States and does not constitute an offer or solicitation by anyone in the United States or in any other jurisdiction in which such an offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation, unless otherwise exempt from United States securities legislation. Any forward-looking statement made in this confidential presentation, including orally, is based only on information currently available as of the date on which it is made.





LEADING THE EARLY LIFE PLANT-BASED, CLEAN NUTRITION REVOLUTION

THE WORLD'S FIRST
WHOLE PLANT-BASED
DAIRY & SOY-FREE
INFANT FORMULA
RANGE



TSX: **BABY** | OTCQX: **BABYF** | FSE: **OYL**

*As of the date of this presentation the company is not aware of any additional whole plant based soy free infant formula

ELSE NUTRITION HOLDINGS INC.

TSX: BABY | OTCQX: BABYF | FSE: OYL

The world's first whole plant, soy and dairy free, infant formula

Portfolio of nutritional products for babies (cereals 6mths+), toddlers (12mths+) and kids (3yrs+) currently generating revenues in N.A.



Advancing towards FDA approval on infant formula (<12 mths old)



- **First Mover to Market with Exponential Growth** : The Only Dairy & Soy Free Whole Plant-Based infant formula range. >10X growth in number of brick-and-mortar stores YoY from 1,200 to 13,000 stores in NA. Major growth from CVS (7000 stores) and Walmart (1100 stores). Growing Market Share in a \$80BN (infant) + \$52BN (kids) TAM (Total Addressable Market) with 8.9% and 5.5% CAGR. Global Expansion started in 2022 now focused on strategic partnerships worldwide
- **Strong Industry & Scientific Expertise:** On path to becoming the global scientific leader in the clean nutrition / plant-based infant formula market
- **Expanding Market Share** in the toddler and kids markets while in discussions with the FDA to start clinical studies (12months study) to enter the infant formula market through FDA approval. Else is creating the third global alternative to dairy and soy-based formulas, targeting an untapped market.
- **Sustainable Ingredients** expected to have ~65% lower carbon footprint vs. global dairy brands
- **Global Patent Portfolio** includes 3 different patent families, based on 1) composition, 2) process, and 3) usage



TSX: BABY | OTCQX: BABYF | FSE: OYL

THE CHALLENGE

**All Infant Formulas must meet
the Human-milk nutritional gold standard**

01

**Full essential
amino acid
profile ratio**

02




**Essential
fatty acids
profile ratio**

03

**Exact macronutrients
ratio per 100kcal
and per liquid volume**

Human Milk is a WHOLE FOOD and is digested in its WHOLE form by the baby

CURRENT CORE INGREDIENTS IN INFANT FORMULA ARE ULTRA PROCESSED & PROBLEMATIC

<p>DAIRY FORMULA </p>	<p>SOY PROTEIN FORMULA </p>	<p>PLANT-BASED FORMULA <i>(soy & dairy free)</i> </p>
<p>~95% Market Share</p>	<p>~5% Market Share (decreased ~30% to 5% over last ~20 years)</p>	<p>Increasing Market Share</p>
<p><u>Problems</u></p> <ul style="list-style-type: none"> • Strong allergen • Antibiotics, Hormones, Pesticides • Animal welfare • Major environmental issues • Can not stay in its whole form – must use highly processed derivatives 	<p><u>Problems</u></p> <ul style="list-style-type: none"> • Strong allergen • Controversial and declining • High levels of phytoestrogens (phytic hormones) • GMO (99%) • Chemically extracted Protein • Can not stay in its whole form Protein must be chemically isolated/processed. 	<p><u>Preferred Solution</u></p> <ul style="list-style-type: none"> • Meeting the regulatory standards and desired composition • Free of Antibiotics, Hormones, Pesticides, GMOs , heavy metals • Core ingredients have ~65% lower carbon footprint • ZERO chemical processing. based on minimally processed, whole-food ingredients and intact proteins.



GROWTH CATALYSTS

GLOBAL INFANT FORMULA MARKET

2020
US\$79.3 Billion



By 2026
US\$132.4 Billion
Global CAGR: 8.9%

GROWTH SUPPORTED BY
CONSUMERS LOOKING FOR CLEANER, MORE
SUSTAINABLE ALTERNATIVES

**IN 2020, 40% OF INFANT MILK FORMULA SOLD
IN THE U.S. WAS SPECIALTY COW'S MILK
FORMULA, CATERING TO ALLERGIES /
INTOLERANCES**

Sources: Mordor Intelligence; Else annual information form;
[US market data Euromonitor 2020](#)

GLOBAL PLANT-BASED FOOD MARKET

For plant-based dairy, meat and other plant-based products

2020
US\$29.4 Billion



By 2030
US\$161.9 Billion
Global CAGR: ~18%

GROWTH SUPPORTED BY
ADOPTION OF ALTERNATIVE FOOD OPTIONS
BY RESTAURANT CHAINS, PLANT-BASED
MARKET LEADERS, AND HEALTH AND
SUSTAINABILITY BENEFITS



**ELSE IS CREATING A SUSTAINABLE
PLANT-BASED ALTERNATIVE INFANT
FORMULA – AN UNTAPPED MARKET**

Source: [Bloomberg](#)

SUSTAINABILITY

ELSE CORE INGREDIENTS VS. STANDARD DAIRY FORMULAS

**~65%
lower
carbon
footprint**

Else Nutrition formula			Dairy formula			
Almond butter	Tapioca Maltodextrin	Buckwheat	Whey protein, 80% protein	Lactose	Skimmed milk powder	Vegetable oils
Climate footprint:	Climate footprint:	Climate footprint:	Climate footprint:	Climate footprint:	Climate footprint:	Climate footprint:
5.3 kg CO ₂ e/kg	1.7 kg CO ₂ e/kg	2 kg CO ₂ e/kg	10 kg CO ₂ e/kg	1.1 kg CO ₂ e/kg	10 kg CO ₂ e/kg	6.1 kg CO ₂ e/kg
Gate: at factory gate	Gate: at factory gate	Gate: at factory gate	Gate: on store-shelf	Gate: at factory gate	Gate: at factory gate	Gate: at factory gate
*as calculated by carboncloud.com						

AVG: 3.65 Kg CO₂e/Kg

AVG: 10 Kg CO₂e/Kg



TSX: **BABY** | OTCQX: **BABYF** | FSE: **OYL**

PRIMARY PLAYERS IN INFANT FORMULA MARKET

<p>CATEGORY</p>	<p>NOTABLE COMPANIES & BRANDS GLOBALLY</p>			
<p>DAIRY FORMULA SOY PROTEIN FORMULA</p> 	  	 	  	  
<p>WHOLE PLANT-BASED FORMULA* <i>(soy & dairy free)</i></p> 				



*Pending FDA approval

THE ULTIMATE SOLUTION

We have globally patented the world's first
**Whole Plant-based,
Non-Dairy, Non-Soy, Clean label**
Infant Formula.*



Baby Cereal



*Additional patent applications are being filed to protect new recent developments and innovations

OUR IN-MARKET PRODUCTS



INFANT FORMULA PENDING FDA APPROVAL



OUR SECRET SAUCE

A two-fold paradigm shift:

Novel protein source
& Ingredient processing method

Avoiding controversial proteins
& highly processed ingredients

- ✓ All natural
- ✓ Core ingredients kept in their natural composition
- ✓ Composition meets the Infant formula global standards
- ✓ Free of hormones, antibiotics, gluten, Hexane, GMO
- ✓ Sustainable: minor ecological footprint
- ✓ Cleanest Label

The only infant formula brand to use clean whole food ingredients



TSX: **BABY** | OTCQX: **BABYF** | FSE: **OYL**

ELSE'S DISRUPTIVE GAME CHANGING PROCESS

Beyond Organic | Whole foods | All Natural



The world's only formula maintaining the natural way of nutrients digestion as **intact proteins in their natural food matrix**

- Transforming 3 real whole food plants in their natural form using an all-natural Enzymatic / Mechanical process that **creates a formula with a whole complex of nutrients similar to the nutritional matrix Human Milk in that sense.**
- **NO** Chemicals / Acids / Solvents involved
- **NO** Protein Isolates / Hydrolysates / Ingredient Derivatives
- **NO** Alteration of the Ingredients' Chemical Structure



TSX: **BABY** | OTCQX: **BABYF** | FSE: **OYL**

N.A. RETAIL DISTRIBUTION MILESTONES

1Q21- 1Q23



DISTRIBUTORS

Engaged with the two largest US natural food distributors (60,000 potential doors)

UNITED STATES



CANADA



RETAILERS

UNITED STATES

CANADA

Retail Stores

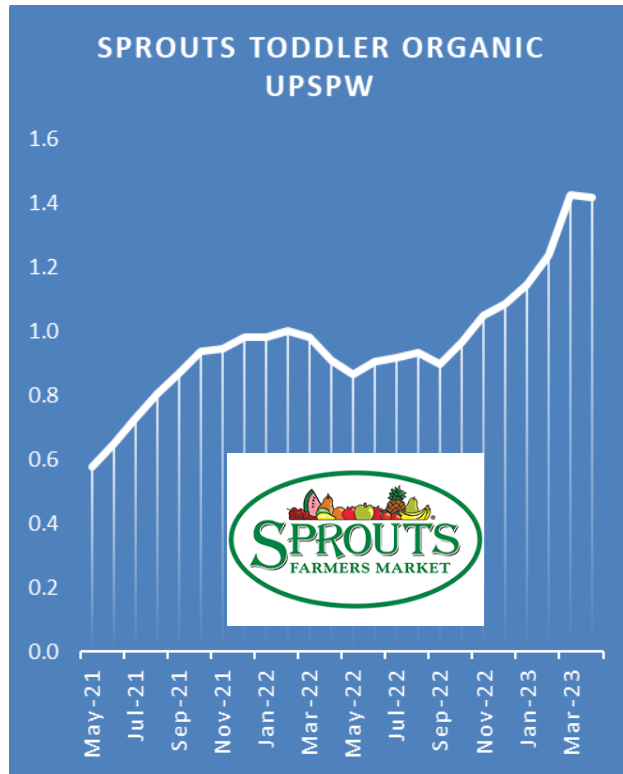


Online

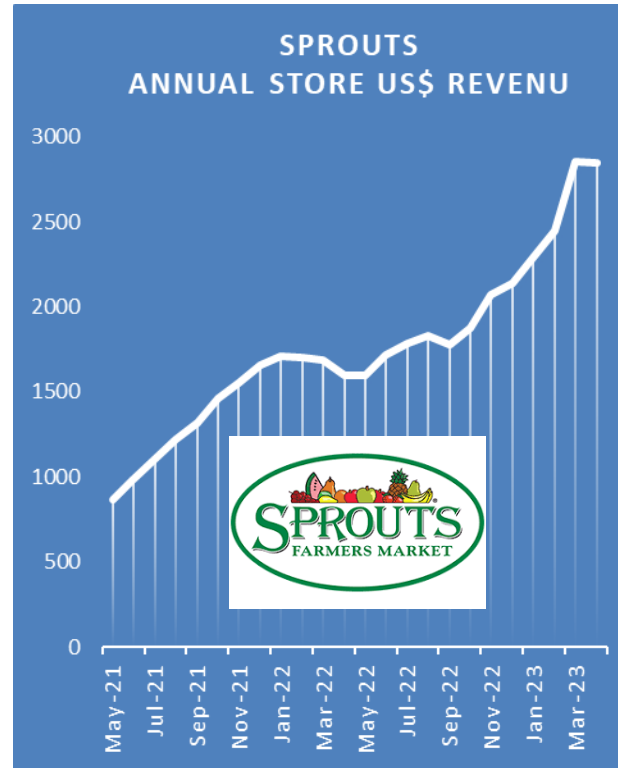


IN-STORE VELOCITY / GROWTH NATURAL GROCERS CHANNEL

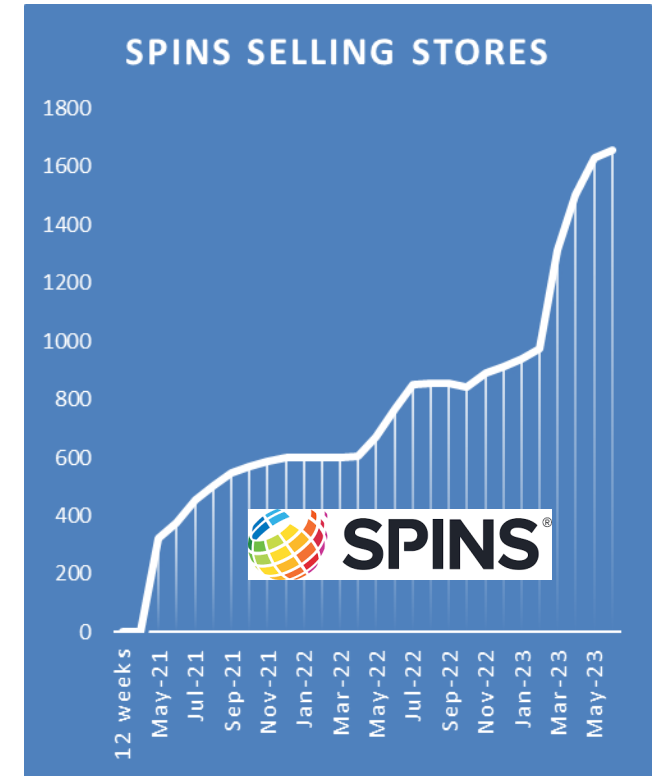
2x UPSPW (units per store per week - Toddler Organic)
(Else 1.5 vs Category Standard 1)



3x ANNUAL REVENUE / STORE
Natural Food Target of \$3,000*



STORES Reported
on SPINS



* The revenue per store reflects retailer's revenue, Elses' revenue is 60% of that figure.



TSX: **BABY** | OTCQX: **BABYF** | FSE: **OYL**

Growth catalysts Next 12 months: Kids RTD nutritional shakes launch 4Q23 (USA and CA)

NORTH AMERICA

- RTD (ready-to-drink) kids' nutritional shake launch in USA & Canada 4Q 23

Global Kids nutrition market size: \$52BN
NA accounts for 43.4% of this market (\$22 BN).
Expected to reach \$86BN by 2030

Initial launch will start on line.

Canada - The reception is very strong ,already have buying of a few big retailers,
USA - the cycle for range review is longer ,in discussions with several big retailers.
Expect US\$3-5 M in revenues from that range in 2024

- Adult nutrition RTD should be launched in H1 2024



Growth catalysts Next 12 months: ELSE FIRST EUROPEAN COUNTRY LAUNCH 4Q23 - UNITED KINGDOM

EUROPE

- **H2 2023-2024:**
Launch into the largest EU markets starting with UK to be followed by additional countries in 2024 (**Toddler formula**)

Already engaged with 2 natural grocery distributors: one local in greater London area and the other is the largest nationwide distributor in that space



The screenshot shows the Else website's landing page for the UK launch. At the top, a navigation bar includes the Else logo, "Shop Now", and links for "Baby", "Toddlers", "Kids", "Why Else", "Learn", "Investors", "Customer Reviews", "Where To Buy", and "For Healthcare Professionals". A banner at the top reads "LEADING THE EARLY LIFE PLANT BASED, CLEAN NUTRITION REVOLUTION" with the subtext "With the world's first whole plant, dairy & soy free babies and kids nutrition". Below this is a large image of a smiling toddler sitting on a blue sofa next to a Paddington Bear plush toy, with a can of Else Toddler plant-based complete nutrition toddler drink and a sippy cup nearby. A section titled "Hello, United Kingdom!" features a milk splash graphic with the Else logo and a speech bubble saying "Available now!". Text on the left states: "With more than 100,000 customers in the U.S., we are happy to be here!". At the bottom, a white bar contains the text "Toddler 12 months+".



Growth catalysts Next 12 months: ELSE FIRST INFANT FORMULA LAUNCH 4Q23 AUSTRALIA

AUSTRALIA

- **4Q 2023** Launch Gateway to China and other SE Asia cross-border platforms with an **INFANT FORMULA (6M+)** product line launch + Toddler formula

Free shipping on orders over \$60!

else Shop Now

LEADING THE EARLY LIFE PLANT BASED, CLEAN NUTRITION REVOLUTION

With the world's first whole plant, dairy & soy free babies and kids nutrition



The biggest selling plant-based toddler formula in North America

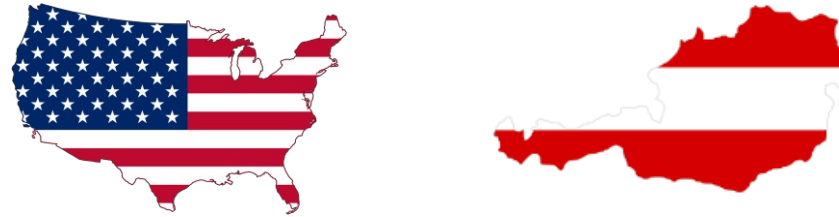
what makes us different

- 1 High quality organic plant based ingredients harvested for blending
- 2 Minimally processed ingredients, leaving in more whole food nutrients for natural digestion
- 3 Tested and confirmed by External certified against environment 'nasties' (Clean Label Certified)



MANUFACTURING

- Tripled manufacturing capacity with 3 new partners 2 in USA and 1 in Europe
- Else has already secured powder form inventory levels of its main products finished goods for the next 2-3 Qs
- Proprietary processing for demineralized buckwheat - now becoming commercial and cost effective



- Canadian manufacturing partner – RTD liquid line



COST REDUCTION (Economies of Scale):

- Raw materials
- Manufacturing Costs (50%-60% reduction will take effect in Q4 2023)
- Marketing Costs (50% reduction effective Q1 2023)
- Further Geo expansion will be based on strategic and local collaborations while limiting the company's investments in marketing and sales.

FDA UPDATE

- Two preclinical studies to support safety of the ingredients and the infant formula protein quality were concluded
- The clinical development plan of the infant formula:
 - Infant safety study to demonstrate the safety of the new infant formula
 - IRB (ethical committee) approved the Clinical Study
 - Pending FDA preclinical studies results alignment and clinical study protocol review and alignment
- GRAS dossiers are under preparation and will include the preclinical studies' results
- New infant formula notification will follow



else LEADERSHIP



Hamutal Yitzhak
CO-FOUNDER, CEO, DIRECTOR



- Former Head of Infant Nutrition at Abbott Labs Israel.
- Founder & Partner in Golden Heart Baby Snack Co.



Uriel Kesler
CO-FOUNDER, COO, DIRECTOR



- Former GM PL Infant Formula at Promedico Healthcare Group, Israel.
- Founder & Partner in Golden Heart Baby Snack Co.



Michael Azar
CO-FOUNDER, CTO



- Former CEO & Chief Food Technologist at Materna (acquired by Nestlé).
- Infant Nutrition production expert.

NORTH AMERICA

WORLD CLASS Scientific Advisory Board



**Prof.
Bo Lonnerdal**



- Professor of nutrition & medicine of UC Davis
- WHO consultant
- Founder of the International Society for the study of breast milk and lactation (ISRHML).
- Member of American Society for Nutritional Sciences (ASNS), American Society for Clinical Nutrition (ASCN) and Society for International Nutrition Research (SINR)



**Prof.
Carlos Lifschitz**



- Author of 95 peer reviewed publications and 2 books.
- Member of International Editorial Board of the journal Pediatric Gastroenterology, Hepatology and Nutrition (JPGN).
- Associate Physician at the Italian Hospital, Buenos Aires, Argentina



**Prof.
Carina Venter**



- Associate Professor of Pediatrics, Section of Allergy/Immunology at the Children's Hospital Colorado and University of Colorado, Denver



**Prof.
Jon A Vanderhoof**



- Former Vice President, Global Medical Affairs at Mead Johnson Nutrition
- Pediatric Gastroenterologist at Boston Children's Hospital
- Senior Lecturer in Pediatrics at Harvard Medical School, USA

EUROPE

WORLD CLASS Scientific Advisory Board



**Prof.
Olle Hernell**



- A former member of the committee of Nutrition as well as the Council of the European Society for Pediatric Gastroenterology, Hepatology and Nutrition (ESPGHAN) and former chair of the Swedish Royal Academy of Sciences' National Committee on Nutrition and Food Sciences.
- A professor emeritus, former head of pediatrics at the department of Clinical Sciences, Umeå University, Sweden.



**Prof.
Ra'anán Shamir**



- Past President of ESPGHAN – European Society for Pediatric Gastroenterology Hepatology and Nutrition
- Professor of Pediatrics, Sackler Faculty of Medicine, Tel-Aviv University
- Chairman, Institute of Gastroenterology, Nutrition and Liver Diseases, Schneider Children's Medical Center, Israel



**Prof.
Yvan Vandenplas**



- Head of Department KidZ Health Castle and Child Gastroenterology and Nutrition, Vrije University Hospital Brussels, Belgium



**Prof.
Hania Sajewska M.D**



- Former member of the Council, General Secretary of ESPGHAN, Secretary of the ESPGHAN Nutrition Committee.
- Chair of the Department of Pediatrics at the Medical University of Warsaw.
- BOD member of the International Scientific Association for Probiotics and Prebiotics.



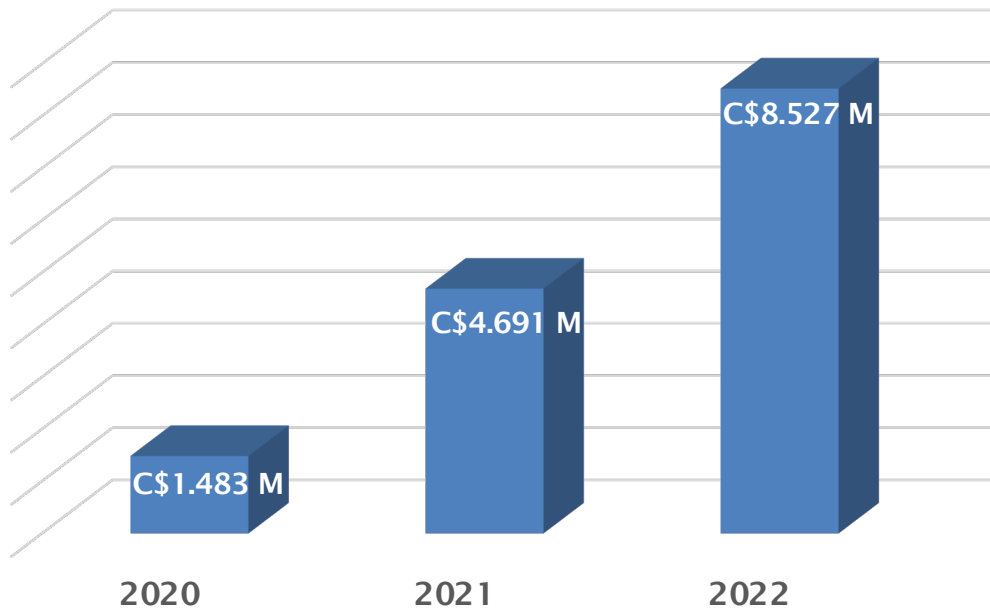
**Prof.
Ron Shaoul M.D.**



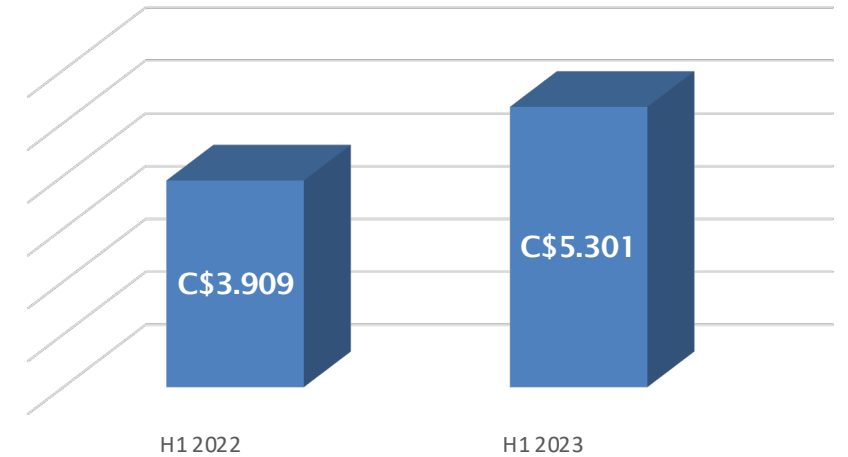
- Member of the ESPGHAN Porto pediatric IBD working group
- Director of the Pediatric Gastroenterology Unit at Ruth Rappaport Children's Hospital, Haifa, Israel
- Clinical Associate Professor in Pediatrics at the Rappaport Faculty of Medicine
- Member of the European Pediatric Inflammatory Bowel Disease Working Group.

ELSE NUTRITION FINANCIALS

Annual Revenue Growth (2020 -2023)



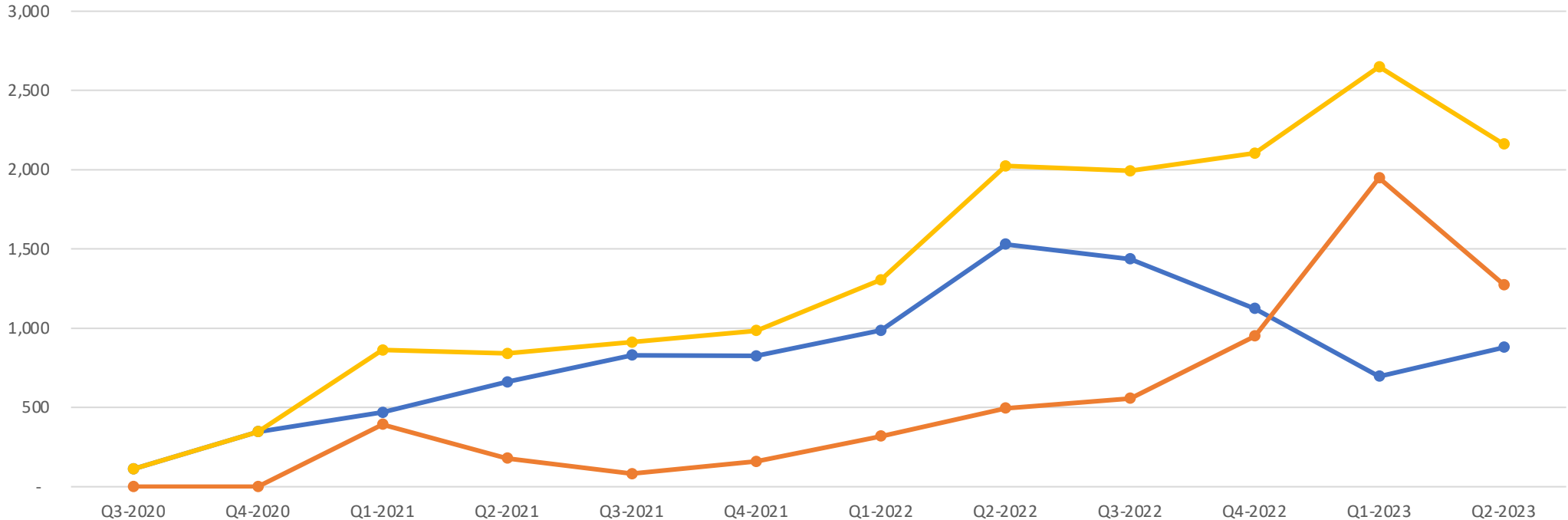
H1 2022 vs. H1 2023



Production Constrains in 2022 Reversed

- eCommerce revenues in 2Q2023 down due to supply side issues (not demand)
- Company prioritized maintaining fulfillment in brick & mortar over online but now seeing recovery in e-commerce
 - Else lost ~\$US3 M in revenues during 3Q22-1Q23

Revenues from Formula Segment by Channel 2020-2023



E-Comm: Onboarded Amazon

Retail: Onboarded KeHE and UNFI distributors, onboarded Sprouts - total ~ 1000 stores

Retail: After the store initial fill which was relatively large due to heavy discount, re-orders are slow to come – until stock is depleted

Retail & E- COMM: Peak in revenues driven by US formula shortage

Mechanical and QA issues caused OOS, Company decided shorting e-Commerce and keep B&M alive. the decrease in the online started because of the OOS . The retail continued growth according to company's policy

Continued full shorting e-commerce and keep B&M alive. stopped advertising on Amazon and reduced marketing spend substantially We also knew that in Feb-March we should enter 10000 retail points

New MFG partners recovered supply
Entry to retail Canada 3000 and 7000 retail points in the US

E-commerce recovery started
Retail - After the store initial fill which was very big due to heavy discount, re-orders are slower to come – until initial stock is depleted
The drop in the US was softened by the already existing stores but in Canada it was even stronger drop because all the stores were new.



CAPITAL STRUCTURE

As of September 1, 2023

TSX: BABY | OTCQX: BABYF | FSE: OYL

Market Cap (issued I/O)	C\$51.1 M
Share Price	C\$0.44
52-Week Price Range	C\$0.41 - C\$1.14
Issued & Outstanding	116,207,218
Founder & Key Person Warrants	31,801,492
Underwriters Warrants (WAP \$1.61)	907,474
Financing Warrants (WAP \$1.42)	22,867,904
Options Plan Pool	10,528,100
Total Fully Diluted	182,312,188

52-Week Chart



Source: TMX

MANAGEMENT OWNERSHIP: ~26%



TSX: **BABY** | OTCQX: **BABYF** | FSE: **OYL**

Investment Highlights

- The world's first whole plant-based infant formula (soy & dairy free) – third alternative in market
- Award-winning products with achievement on Amazon for #1 baby cereal
- Strong global patents (composition based, process based, usage based)
- Increased retail footprint 10x since 1Q22 from 1,200 to ~13,000 retail stores, anticipate to end 2023 with 15,000 stores in NA.
- Strong distribution and manufacturing partners for global expansion
 - ✓ Q4 2020: USA
 - ✓ Q3 2022: Canada
 - Q3 2023: Australia
 - H2 2023-2024: Largest EU markets starting with UK
- Q4 2023 Entry in to a incremental category – kids nutritional Ready to Drink shakes (\$ 52BN market)
- FDA approval pending on infant formula for U.S. expansion anticipated within 18 - 24 months from start day of the clinical study – currently in discussions with FDA on the study protocol and preclinical studies alignment





TSX: BABY | OTCQX: BABYF | FSE: OYL



CONTACT US

Else Nutrition Holdings Inc.

Canada

1048 165th Street
Surrey, BC V4A 9A2

Israel

6 Hanechoshet Street
Tel Aviv, Israel, 69710470

Hamutal Yitzhak
Co-Founder, Director & CEO
info@elsenutrition.com

+40,000
Followers

