



Else Nutrition Holdings Inc.

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

**NEXT GEN EARLY LIFE
NUTRITION.**

May 2024

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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.

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LEADING PLANT-BASED, WHOLE FOOD NUTRITION REVOLUTION

THE WORLD'S FIRST
WHOLE PLANT, DAIRY &
SOY-FREE
EARLY LIFE NUTRITION
RANGE



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*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 brick-and-mortar stores YoY from 1,200 to 13,000 stores in NA. Major growth from CVS (7000 stores) and Walmart (1200 stores). Growing Market Share in a \$100BN (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
- **Danone Multi-stage collaboration** Entered a binding LOI for a licensing agreement with Danone S.A

➤ **Expanding Market Share** in the young child nutrition 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.

➤ **Entering Adult Nutrition Drinks Category in 2024:**

The first whole food plant based Alternative to Ensure and Boost brands , Growing Market Share in a \$15BN TAM with 7.67% CAGR

➤ **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



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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



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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



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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



N.A. RETAIL DISTRIBUTION MILESTONES

1Q21- 1Q23



DISTRIBUTORS

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

UNITED STATES



30,000 Doors



30,000 Doors

CANADA



RETAILERS

UNITED STATES

CANADA

Retail Stores



Online



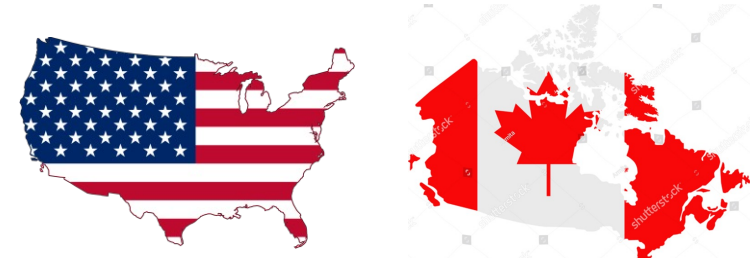
Multi Stage Collaboration LOI with Danone S.A

- Following ~ two years of extensive due diligence.
- Else and Danone signed a letter of intent ("LOI") on November 13
- A multi-stage collaboration
- First stage - A License Agreement with Else's products to be included in Danone's portfolio



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

- The FIRST & ONLY WHOLE FOODS KIDS DRINK
- Superior Palatability (texture and taste)
- Exceptional BIG BOX Retail Acceptance



Global Kids nutrition market size: \$52BN
 NA accounts for 43.4% of this market (\$22 BN).
 Expected to reach \$86BN by 2030
 launching with major key regional retail partners (US and Canada) both in brick and mortar and online markets

retailers in all major sectors & channels, expressing great interest in our innovation
 Major players already listed for early adoption and first-to-market scenarios in the various channels and regions.

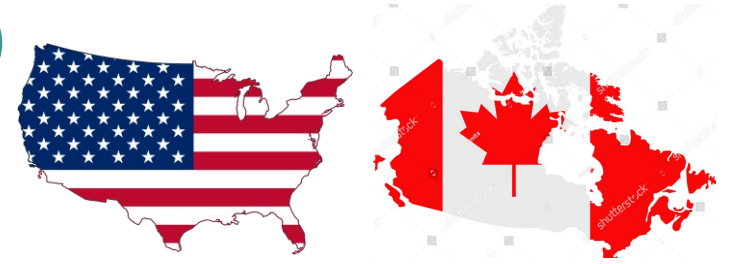


Q2 Revenue highlights

- Purchase orders from Wegmans (full range), Meijer (RTD), HEB (full range) are already in place
- Amazon is growing constantly also in Q2 (following 13% growth QoQ in Q1)
- Walmart stores and Walmart.com + Walmart marketplace are growing constantly
- Walmart also added 600 stores for kids powder and toddler (currently total of 1400 Walmart stores)
- Loblaws added RTD in Canada.
- Canada online (Amazon and shopify) are growing very fast.



Growth catalysts Next 12 months: Adult Nutrition RTD nutritional shakes launch 2Q24 (USA and CA)



- The FIRST & ONLY WHOLE FOODS ADULT COMPLETE NUTRITION DRINK
- Superior Palatability (texture and taste)

Global Adult nutrition market size: \$15BN with a 7.6% CAGR
NA accounts for 43.4% of this market (\$22 BN).

- Competing with Ensure and Boost (nutritional analog)
- Providing a healthier dairy free easy to digest alternative:
- Dairy and lactose-free
- Easy to Digest
- Cholesterol free
- Clean label
- Minimally processed whole food based



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

EUROPE

- **Starting 2024 :**
Launch into the largest EU markets started with UK (November 23) to be followed by additional countries in 2024-25

Starting online and in natural grocery space nationwide to be followed by big box retailers



The screenshot shows the Else website homepage for the UK launch. At the top, a banner reads "Free shipping on orders over \$60!". Below this is a navigation bar with links for "Shop Now", "Baby", "Toddlers", "Kids", "Why Else", "Learn", "Investors", "Customer Reviews", "Where To Buy", and "For Healthcare Professionals". The main headline is "LEADING THE EARLY LIFE PLANT BASED, CLEAN NUTRITION REVOLUTION" with a sub-headline "With the world's first whole plant, dairy & soy free babies and kids nutrition". The central image features a smiling baby, a Paddington Bear plush toy, and a can of Else toddler nutrition. Below the image, a section titled "Hello, United Kingdom!" includes the text "With more than 100,000 customers in the U.S., we are happy to be here!" and "Available now!". 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 **FIRST 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 NA 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):

- COGS ~40% reduction will take effect as of Q2 2024
- Further Geo expansion will be based on strategic and local collaborations while limiting the company's investments in marketing and sales.



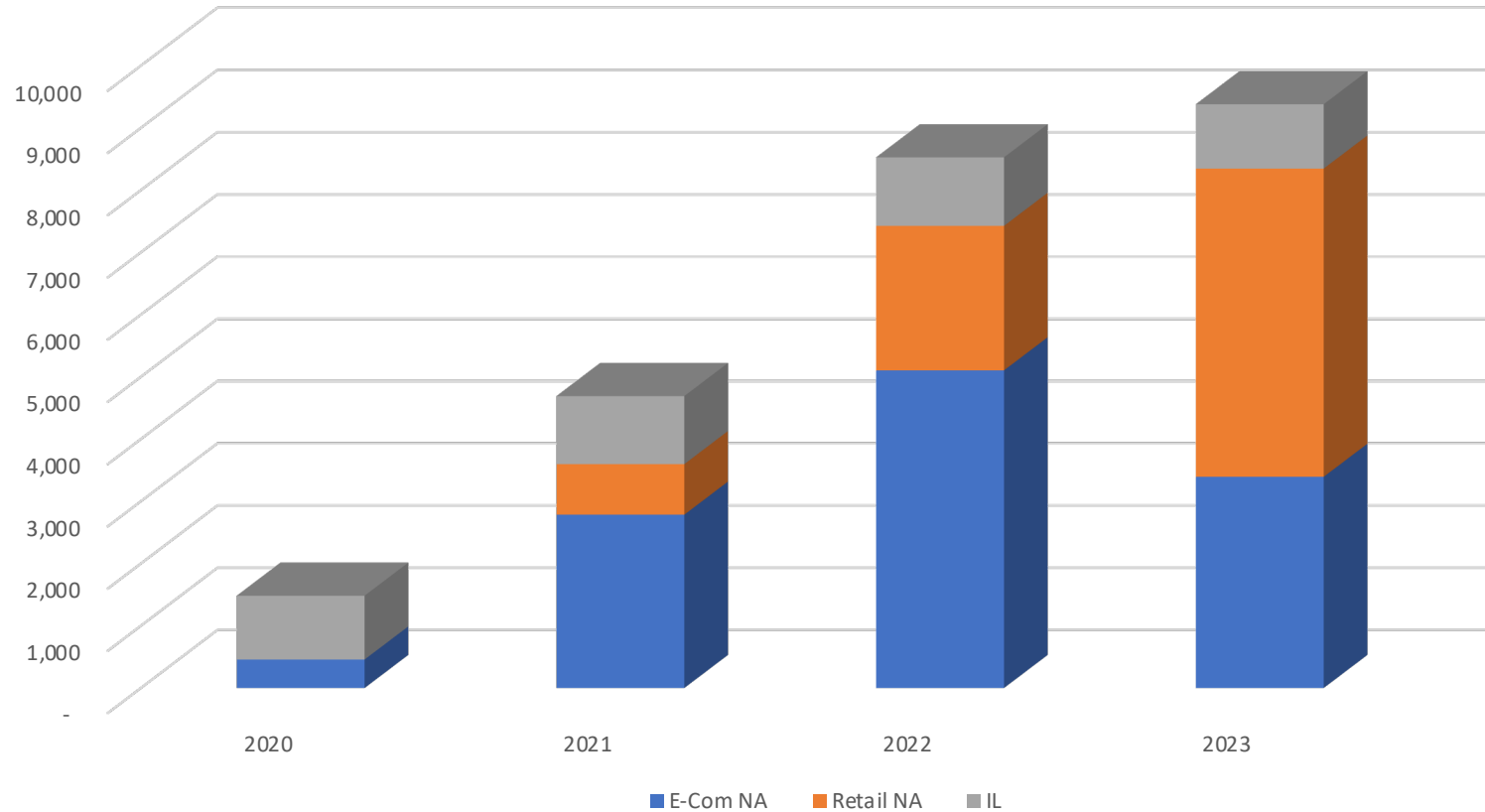
FDA UPDATE

- 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 NUTRITION FINANCIALS

Revenue Growth by Channel (000 \$)



Lost 4\$MM in revenues during 4Q22-2Q23 due to OOS issues



CAPITAL STRUCTURE

As of May 13, 2024

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Market Cap (issued I/O)	C\$43.32M
Share Price	C\$0.30
52-Week Price Range	C\$0.17 - C\$0.83
Issued & Outstanding	144,416,158
Founder & Key Person Warrants	31,801,492
Underwriters Warrants	1,133,535
Financing Warrants	35,867,904
Options	10,473,377
Total Fully Diluted	223,692,466

52-Week Chart



Source: TMX

MANAGEMENT OWNERSHIP: ~20.4%



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