

CANNIBBLE ANNOUNCES RESTRUCTURING OF PREVIOUSLY ANNOUNCED TRANSACTION TO ACQUIRE ESHBAL FUNCTIONAL FOODS MEMBERSHIP UNITS.

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Rosh Haayin, Israel – November 22, 2023 – Cannibble Foodtech Ltd., (CSE: PLCN) (“**Cannibble**” or the “**Company**”), an innovative food tech company that develops food and beverage products that are enhanced variously with alternative proteins, is pleased to announce that it has agreed to restructure its previously announced proposed acquisition of Eshbal Functional Foods Cooperative Ltd., a gluten-free Israeli food tech manufacturer with 2022 sales of over CAD\$14M (“**Eshbal**”). The Company signed a membership purchase agreement dated November 27, 2022 (the “**Definitive Agreement**”), with Eshbal and its two members, Eshbal Trading, Ltd. and L.D. Barel Ltd. to acquire all the membership units of Eshbal (the “**Transaction**”) (see the Company’s news release disseminated November 28, 2022 for details of the Definitive Agreement and the Transaction as originally agreed by the parties). The original Transaction constituted a “fundamental change” for Cannibble under the policies of the Canadian Securities Exchange (“**CSE**”) and following announcement of the Definitive Agreement, Cannibble’s stock was halted on the CSE.

As a result of the restructuring, under the amended Definitive Agreement signed by the parties (the “**Amended DA**”), the Transaction will no longer constitute a “fundamental change” for Cannibble. The amended Definitive Agreement provides for a potential series of investments in Eshbal by Cannibble, beginning with an initial investment of CAD\$350,000 by Cannibble to acquire a 7.75% interest in Eshbal (the “**Initial Investment**”). The Amended DA contemplates potential additional investments by Cannibble in Eshbal over a maximum period of six months from the date of the closing of the Initial Investment. The Amended DA also provides if within a period of 12 months following the closing date of the Initial Investment, Eshbal enters into an agreement with a third party to consummate a transaction in which the third party acquires a minimum of 30% interest in Eshbal at a valuation different from the valuation under the Amended DA (a “**New Valuation**”), Cannibble’s percentage ownership of Eshbal will be adjusted in accordance with the New Valuation. With the termination of the fundamental change, Cannibble expects its shares to come back to trade on the CSE shortly.

The parties expect to continue their existing business collaboration to leverage Eshbal’s success in providing the Israeli retail market with innovative gluten-free baked products into sales and marketing of these products in the US gluten-free market. Under the terms of the Amended DA, following closing of the Initial Investment, Cannibble will receive sole distribution rights to sell, market and distribute Eshbal’s products in North America.

According to Renub Research’s latest report, the United States gluten-free food market is expected to reach US\$ 4.12 Billion by 2028, growing at a compound annual growth rate (CAGR) of 8.25%.¹

Yoav Bar-Joseph, CEO and director of Cannibble comments: “We are very excited with to complete the Initial Investment as we believe this will mark a significant step in Cannibble’s and Eshbal’s development and coincides with the growth in consumer demand for gluten-free products in the United States. In recent months we have already introduced Eshbal’s gluten-free products to distributors and buyers. The result was extremely positive – in quality, taste, and most important pricing. We have received initial orders following with repeat orders and we are hopeful to reach significant sales during 2024 in the US market.

Yuval Levy, Chairman of Eshbal Functional Foods comments: “Completing the Initial Closing fits Eshbal’s strategy to expand in North America. Eshbal brings unique know-how and food technology for gluten free baked products, while Cannibble has extensive North American market experience and presence. We

¹ <https://www.renub.com/us-gluten-free-food-market-p.php>

believe that the accumulated experience of both managements will drive market success and quick growth in the sector of "better-for-you" food products, focusing initially on the gluten-free market.

About Cannibble

Cannibble is an innovative food tech company that develops food and beverage products variously enhanced with alternative proteins. Cannibble has developed proprietary powder-based formulas for food and beverage products targeted for the "Better-for-You" segment. The products are sugar free, dairy free, plant based, non-GMO, keto friendly, and marketed under Cannibble's brand name "The Pelicann™". For more information about Cannibble and its business, visit www.cannibble.world.

About Eshbal

Eshbal specializes in developing and manufacturing gluten free baked products according to the highest food and health standards in the industry in their state of the art gluten free manufacturing facility in Kibutz Maanit. Eshbal also manufactures sugar-free products, vegan products, syrups, and dry mixes, including sweeteners and a line of keto products. Eshbal focuses on the development of unique formulations of functional food products that it believes promote health beyond their nutritional values, for retail brands, private labels, and B2B. Eshbal's products can be found in many supermarkets as well as other food retailers and health stores throughout Israel. For further information see Eshbal's website at www.eshbal.com.

This news release does not constitute an offer for sale of, nor a solicitation for offers to buy, any securities in the United States.

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Cautionary Statement

Certain statements in this news release constitute "forward-looking information" under applicable Canadian securities laws. Words such as will, plan, anticipate, believe, estimate, expect, may, intend, and similar expressions often identify forward-looking information. Forward-looking information in this news release includes statements related to the Initial Investment, additional investments in Eshbal by Cannibble, the Company's plans for its business collaboration with Eshbal and the return to trading of Cannibble's shares on the CSE. Forward-looking information contained herein is based on the opinions and reasonable assumptions and estimates of management as at the date hereof and is subject to a variety of known and unknown risks and uncertainties and other factors, many of which are beyond the control of Cannibble or Eshbal, that could cause actual events or results to differ materially from those contained in the forward-looking information. Because of such risks, uncertainties and other factors, investors should not place undue reliance on the forward-looking information contained herein. Cannibble does not intend to update or revise any forward-looking information for any reason, except as required by applicable law.