

ASX Announcement

26 November 2020

2020 AGM Chairman's Address and CEO Presentation

In accordance with the Listing Rules, attached is the Chairman's address and CEO presentation which will be delivered today at the Forbidden Foods Limited 2020 Annual General Meeting.

This announcement is authorised to be given to the ASX by Adam Soffer, Company Secretary.

ENDS

For further information, please contact:

Marcus Brown

Chief Executive Officer

info@forbiddenfoods.com.au

1300 778 061

Tim Dohrmann

Investor & Media Enquiries

tim@nwrcommunications.com.au

About Forbidden Foods Ltd

Forbidden Foods Ltd (ASX: FFF) is a multi-brand premium food, beverage and ingredients company focusing on the baby food, wellness and organic markets, with diverse national and international sales channels. The Company was established in 2010 with a vision to provide Australia with the very best health foods and to meet growing consumer demand for differentiated, plant-based and health-oriented products. The business offers more than 50 SKUs across its three brands – Forbidden, Sensory Mill and Funch – direct to consumer, retailers and food service companies, through distribution partners and via e-commerce.

CHAIRMAN'S ADDRESS

Good morning everyone, welcome to the Annual General Meeting of Forbidden Foods Limited.

My name is Mark Hardgrave and I am Chairman of Forbidden Foods and will chair today's meeting.

At this time, I would like to introduce the other members of the Board and Management in the room with me today.

- Colleen Lockwood – independent non-executive director;
- Marcus Brown – CEO and co-founder of Forbidden Foods;
- Jarrod Milani – COO and co-founder of Forbidden Foods;
- Sam Fraser – Chief Financial Officer; and
- Adam Soffer – Company Secretary.

Additionally, Kenneth Weldin, representative of Forbidden Foods' auditor PKF has joined the meeting online.

In terms of the agenda today, I will first make some introductory remarks, followed by Marcus who will present an update on the business and its operations, and then turn to the formal business of the meeting. There will be ample opportunity for shareholders to ask questions via the "Q&A" button on the videoconference. Please type in your questions and we will respond verbally at the appropriate time during the meeting.

Since being founded by Jarrod and Marcus in 2010, Forbidden has expanded to now produce healthy food products under three primary brands – Forbidden, Sensory Mill and Funch.

2020 has been a significant year for Forbidden Foods, particularly with the successful IPO raising \$6 million new capital for the business to invest in growth opportunities for the business and we welcome all our new shareholders to join us on this journey.

There is much to be excited about for Forbidden Foods as we launch new product lines, increase existing market penetration and broaden international focus. We have announced the launch of a new Funch range of 100% Australian-made Baby Food products which will be ranged in FoodWorks/AUR stores from January and will continue to drive growth with new distribution partnerships and products.

I will now hand over to Marcus for his CEO presentation.

ENDS



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ANNUAL GENERAL MEETING

2020

(ASX:FFF)

FORBIDDEN FOODS LIMITED BOARD AND MANAGEMENT

- **Mark Hardgrave**, Independent Non-Executive Director and Chairman
- **Colleen Lockwood**, Independent Non-Executive Director
- **Marcus Brown**, Chief Executive Officer and Managing Director
- **Jarrold Milani**, Chief Operating Officer and Executive Director
- **Sam Fraser**, Chief Financial Officer



AGENDA

- Chairman's address
- CEO presentation
- Registration and voting instructions
- Business of the meeting
- Meeting close



CHAIRMAN'S ADDRESS



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CEO PRESENTATION

MARCUS BROWN

COMPANY HIGHLIGHTS

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KEY BRAND IN FAST GROWING BABY FOOD & PLANT BASED SEGMENTS

Differentiated product range with consumer appeal in the growing Organic Food, Healthy Snack and Baby Food market segments.



DIVERSE CUSTOMER BASE & REVENUE STREAMS

The Company supplies to a broad range of distributors, major retailers, independent retailers, food manufacturing and QSRs.



BRAND AUSTRALIA PADDOCK TO POUCH

Superior Australian products with sustainable sourcing and clear traceability for the consumer where the fruit and grains are grown.



INTERNATIONAL OPPORTUNITY

Each export market Forbidden Foods trades in is also experiencing growth globally, such as the US, UK and Asia.

BOARD OF DIRECTORS



MARK HARDGRAVE

Independent Non-Executive Chairman (appointed January 2020)

Over 35 years' experience in finance. Co-founder and former joint MD of boutique corporate advisory group M&A Partners. Prior to that, senior roles at Taverners Group, Merrill Lynch, Thorney and Bennelong, specialising in funds management, equity capital markets and M&A. Current chairman of Pental Ltd (ASX: PTL) and non-executive director of Traffic Technologies Ltd (ASX: TTI), and non-executive director of Nimble Finance Ltd..



MARCUS BROWN

Chief Executive Officer / Managing Director (appointed December 2016)

Marcus co-founded Forbidden Foods in 2010, when he and co-founder Jarrod Milani recognised an opportunity to build a strong branded food business by introducing unique rice varieties into Australia and New Zealand. Previously worked in the corporate risk management and international captive insurance teams at AON, where he assisted multi-national companies manage risk and insurance.



JARROD MILANI

Chief Operating Officer / Executive Director (appointed December 2016)

Prior to co-founding Forbidden Foods with Marcus Brown in 2010, Jarrod worked at Coles in various marketing-related roles including trade planning, growth projects and supplier engagement. Jarrod's experience has given him the ability to manage ongoing relationships with suppliers, customers and manufacturers in order to help the Company meet its strategic objectives. Jarrod is a Graduate of the Australian Institute of Company Directors.



COLLEEN LOCKWOOD

Independent Non-Executive Director (appointed in January 2020)

Extensive experience in the Food and Beverage industry, having previously worked as a Business Development Director for Golden State Foods, where she co-ordinated business units in the retail and foodservice sectors across Asia-Pacific, the Middle East and Africa. Former member of the Kraft Heinz Australian leadership team. Currently business relationship manager at Turosi, a leading privately owned Australian food manufacturer and supplier.

KEY STATISTICS

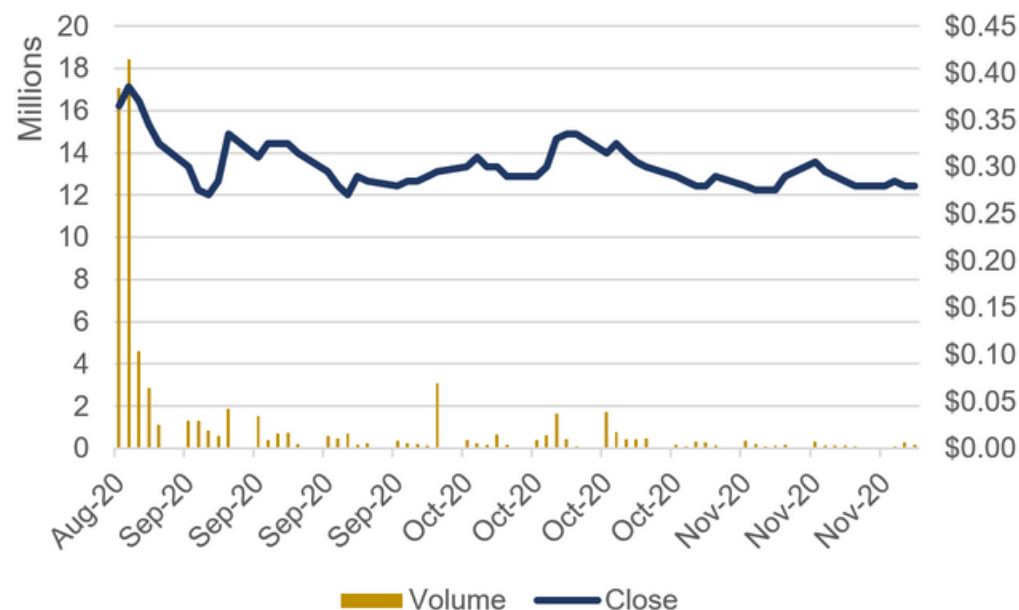
ASX Stock Code	FFF
FY20 Revenue	\$4.1M
Cash Balance (30 Sep 20)	\$5.1M
Debt	Nil
Share Price (18 Nov 20)	\$0.28
Shares on Issue	75M
Market Cap	A\$21M

MANAGEMENT TEAM

Marcus Brown	CEO
Jarrold Milani	COO
Sam Fraser	CFO
Adam Soffer	Company Secretary

SHARE PRICE HISTORY AND VOLUME

SINCE ASX LISTING VIA IPO AT \$0.20/SHARE



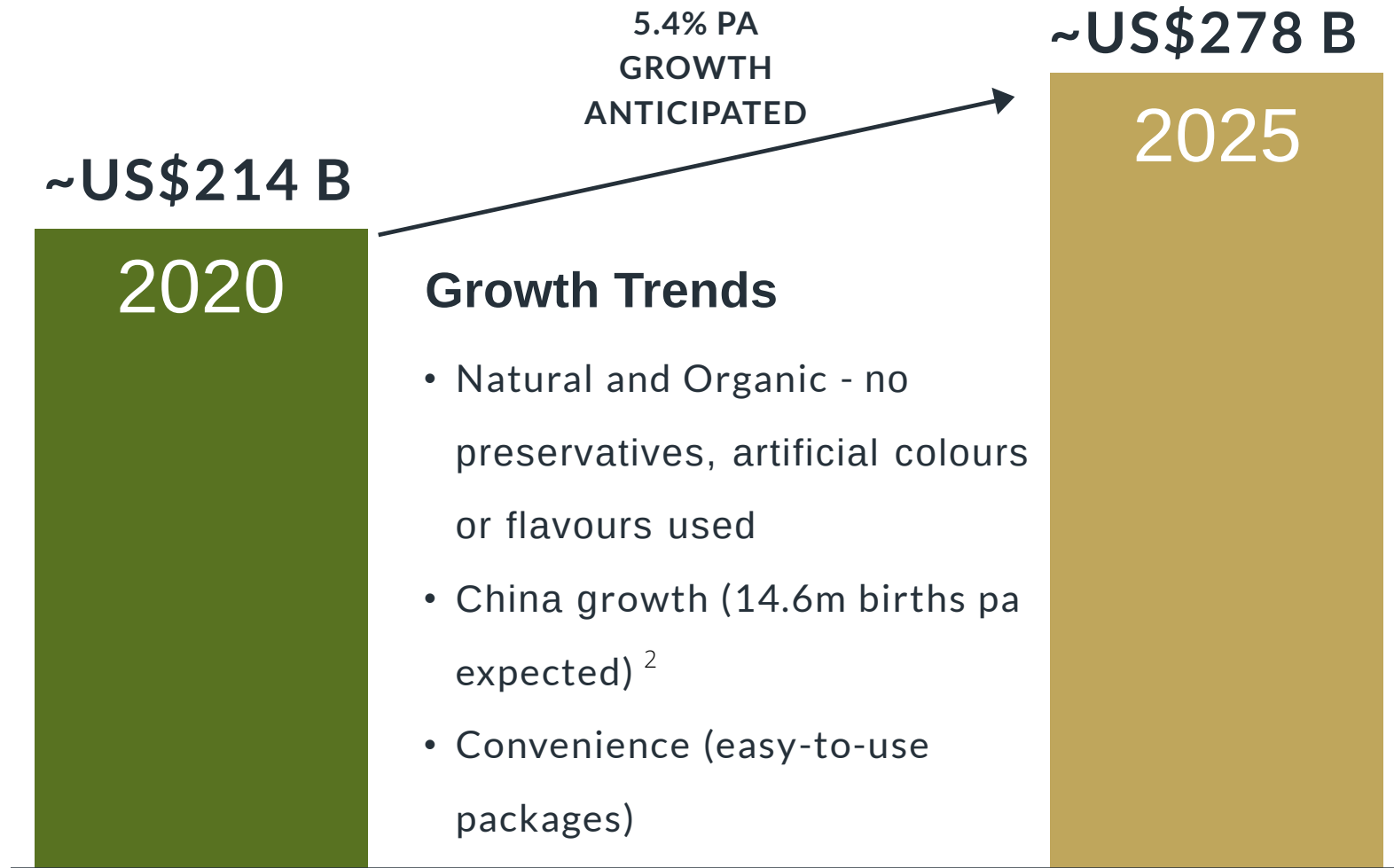
TOP SHAREHOLDERS

Marcus Brown	9.3M (12.45%)
Jarrold Milani	9.3M (12.45%)
BNP Paribas Nominees	3.05M (4.07%)
Adam Soffer	2.49M (3.32%)
TR Nominees	1.65M (2.20%)
Talmalmo Investments	1.51M (2.01%)
Total Top 20	40.14M (53.53%)

STRONG OPERATIONAL PROGRESS SINCE ASX LISTING

- ✓ Forbidden Foods is **well-capitalised** to take advantage of multiple growth opportunities, with IPO funds applied toward accelerating sales, marketing and brand development
- ✓ **Key distribution deal** secured with Foodworks/AUR, rolling out FUNCH and Sensory Mill products to up to 500 Australian supermarkets from January 2021
- ✓ Investing to fund growth with **minimal net cash burn**, with multiple levers for growth across new products, eCommerce, export channels and potential M&A
- ✓ **New product range**, FUNCH Baby Fruit Purees, now in production and expected to contribute to FY21 revenue growth
- ✓ \$1 million in Q1 FY21 cash receipts reflecting **double-digit year-on-year sales growth**
- ✓ Executive team strengthened with **appointment of CFO**
- ✓ **Strong eCommerce focus** with increasing capabilities, range growth and overseas market expansion

ON-TREND FOR BABY FOOD MARKET¹



1.Statista 2020 - <https://www.statista.com/outlook/40120000/100/baby-food/worldwide>

2.Reuters referencing China National Bureau of Statistics – 2020 <https://www.reuters.com/article/us-china-economy-society-population-idUSKBN1ZG08C>

STRUCTURE

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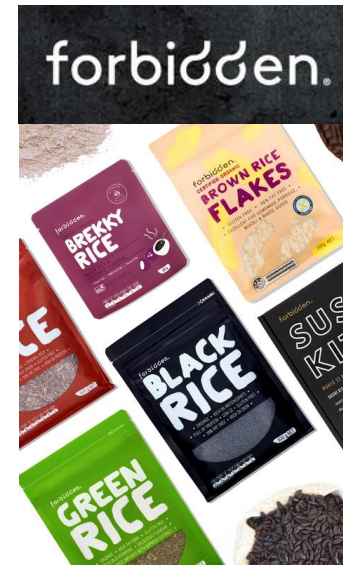
PRODUCT
GROUPS



PLANT-BASED
POWDERS, GRAINS &
WELLNESS
INGREDIENTS



BABY PUREE &
POWDERS,
DIY MIXES & SNACKS



RICE AND
PACKAGED RICE
FOOD PRODUCTS

SERVICING ALL
CHANNELS

FOOD
RETAILERS

FOOD
MANUFACTURERS

FOOD
SERVICE

EXPORT

KEY CUSTOMERS



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RANGE

FUNCH



AUSTRALIAN INFANT FRUIT & GRAIN PUREE & POWDERS



FUNCH is all about Fun, Family, Food. Its current range includes Australian baby foods (featured above), Do-It-Yourself Home Baking Mixes and Wellness Smoothie Blends.

RANGE

sensory mill

PLANT-BASED
GLUTEN FREE / 100% AUSTRALIAN FLOURS



Plant-based powders, flours and other wellness products



RANGE

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CERTIFIED ORGANIC RICE RANGE



Organic Rice, Conventional Rice, Rice Flour and Rice Foods



CHANNELS

DIRECT:

Forbidden Foods sells direct to retailers such as Woolworths and Costco to maximise control in the relationships and gain more value from sales. Forbidden Foods also sells direct to food service companies such as QSRs and Industrial Food Manufacturing that create recipes using Forbidden Foods ingredients.

ECOMMERCE:

Forbidden Foods also sells products via e-commerce and distributes these direct-to-consumer orders by courier/post. This is a fast-growing channel for the Company and with increased focus on e-commerce for FUNCH; this will seek to generate additional revenues direct from consumers and act as a strong outlet for new product trials and launches, especially for the baby foods category commencing December 1st, 2020.

Websites:

www.FUNCH.com.au

www.forbiddenfoods.com.au

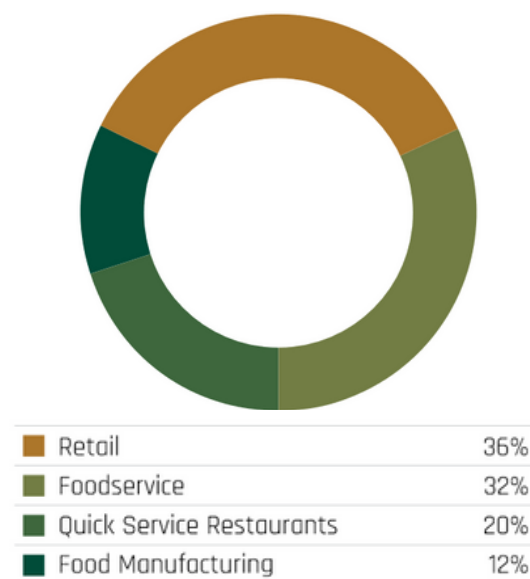
www.sensorymill.com.au

DISTRIBUTORS:

Distributors sell the Company's products to end businesses. Distributors have multiple customers that Forbidden Foods can access. This spreads the credit risk, maximises pallet volumes/sale size by shipping more to a distributor and ensures the business doesn't need its own fleet of delivery vehicles for fulfilment.

SALES MIX BY CHANNEL:

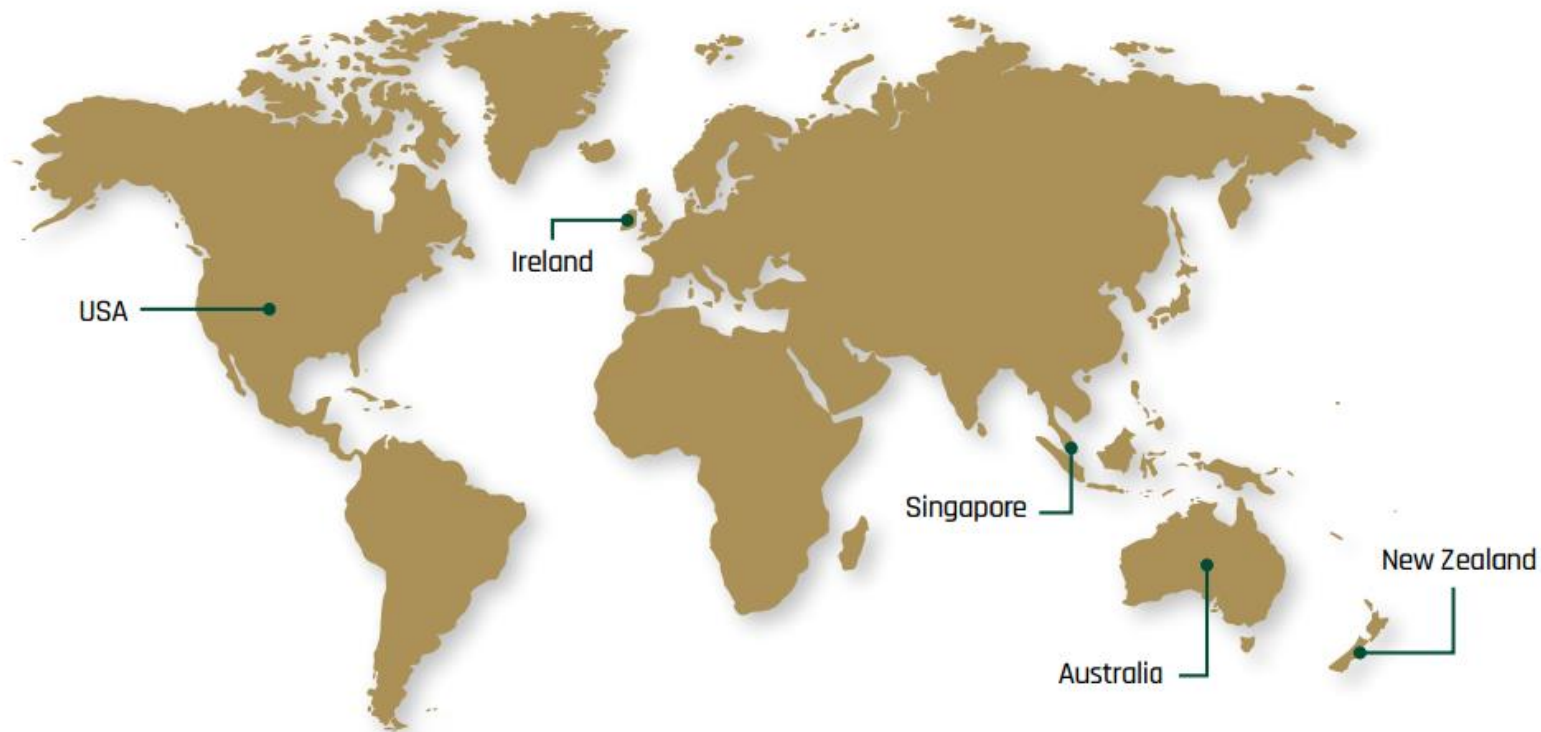
Approximate customer mix by segment based on revenue generated in FY2020



EXPORT MARKET

Beyond Australia, Forbidden Foods exports to customers in New Zealand, Ireland, Singapore and the United States. This international supply chain has been strengthened through relationships built with leading distributors including:

- Performance Food Group (United States), a food distributor in the US with 76 locations;
- Lynas Foodservice (Ireland), the largest distributor in Ireland with recent expansion to Scotland;
- Service Foods (New Zealand), a food service distributor in New Zealand; and
- Gilmours/Foodstuffs (New Zealand), the country's largest retailer with three leading supermarket brands in its portfolio and approximately 53% of the national grocery market.



THE DRIVE TOWARDS PLANT-BASED FOODS: FEEDING 10 BILLION PEOPLE BY 2050¹

SUSTAINABILITY BENEFITS

Less water, less
land, lower carbon
footprint

Abundance
creates
scalability

AVAILABILITY
&
AFFORDABILITY

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NUTRITIONAL BENEFITS

High in protein, low
cholesterol,
vitamins and
minerals

Appeals to
Millennials and
Gen Z consumers

PURPOSE-
CONSCIOUS
CONSUMERS

1. United Nations, Department of Economic and Social Affairs, 2019 -
<https://www.un.org/development/desa/en/news/population/world-population-prospects-2019.html>

FORBIDDEN FOODS OPERATES AT THE NEXUS OF TWO GROWTH SEGMENTS IN FOOD



Plant-Based Foods

Global (2019)
~US\$20 billion¹

U.S. Growing at 11% pa
(vs total food market
growing at 2% pa)²

Our ranges are 100%
plant-based

Baby Foods

Global (2020)
~US\$214 billion³

Growing at 5.4% pa
(vs total food market
growing at 2% pa)³

Funch baby foods are
Australian made &
plant-based

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1. Verified Market Research - <https://www.verifiedmarketresearch.com/product/plant-based-protein-market/>

2. SPINS – Referenced in William Blair, Food for Thought Report, 2019 - <https://www.williamblair.com/-/media/Downloads/Insights/IB-Market-Assets/2019/william-blair-food-for-thought-092019.pdf?as=1&la=en>

3. Statista 2020 - <https://www.statista.com/outlook/40120000/100/baby-food/worldwide>

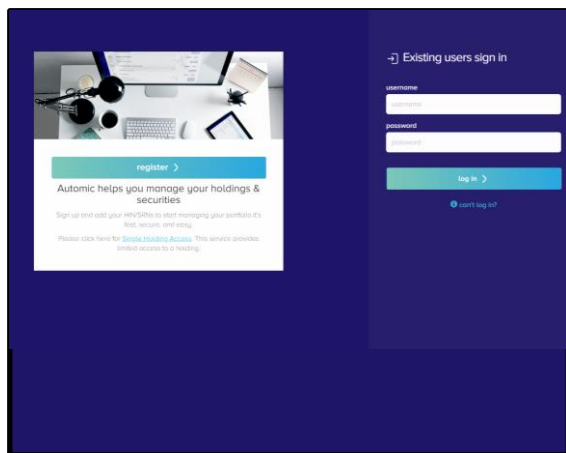


BUSINESS OF THE MEETING

Registration and Voting

1. Log in or register at:

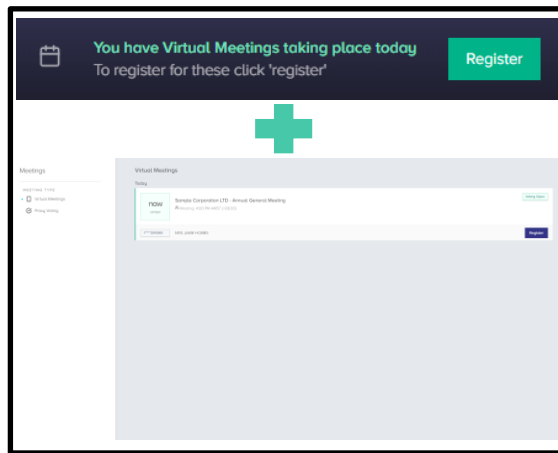
<https://investor.automic.com.au/#/home>



The screenshot shows the Automic investor portal homepage. On the left, there's a 'register' button and a link to 'Automic helps you manage your holdings & securities'. On the right, there's a login section for 'Existing users sign in' with fields for 'username' and 'password', and a 'log in' button. Below the login fields is a 'can't log in?' link.



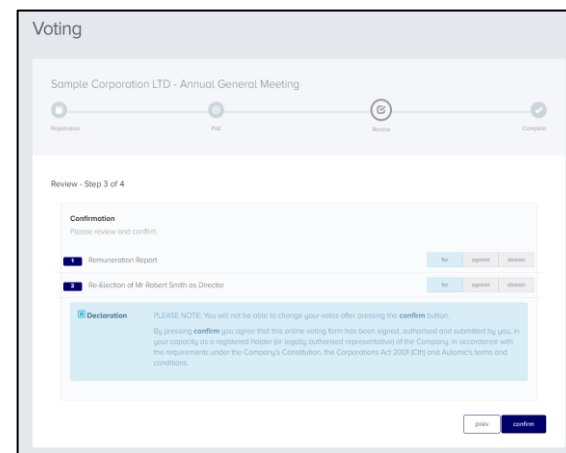
2. Click "register" in the banner at the bottom of your screen, then select "register" for this meeting



The screenshot shows a banner at the bottom of the page that says 'You have Virtual Meetings taking place today To register for these click 'register''. Below the banner is a 'Register' button. A green plus sign is overlaid on the banner.



3. Record your vote. Once you confirm it is lodged and final



The screenshot shows the 'Voting' page for 'Sample Corporation LTD - Annual General Meeting'. It includes a progress bar with steps: Registration, Poll, Review, and Complete. The 'Review' step is currently active. Below the progress bar, there's a 'Review - Step 3 of 4' section with a 'Confirmation' box asking the user to review and confirm. There are two items for confirmation: 'Remuneration Report' and 'Re-Election of Mr Robert Smith as Director'. Each item has 'for', 'against', and 'abstain' buttons. At the bottom, there's a 'Declaration' section with a 'PLEASE NOTE' and a 'confirm' button.

To contact support:

Call 1300 816 159 or open live chat from the Investor Portal



FINANCIAL REPORTS

To receive and consider, the Financial report, the Directors' Report and the Auditor's Report, each for the financial year ended 30 June 2020.

RESOLUTION 1: NON-BINDING ADVISORY VOTE ON THE REMUNERATION REPORT

- To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:
 - *'That, in accordance with section 250R(2) of the Corporations Act, the Remuneration Report as set out in the Company's annual report for the financial year ended 30 June 2020 be adopted.'*

PROXY VOTING RESULTS	FOR	OPEN	AGAINST	ABSTAIN
Proxy votes on Resolution 1 (%)	99.62%	0.21%	0.17%	-
Proxy votes on Resolution 1 (number)	5,416,158	11,333	9,300	19,137,509

RESOLUTION 2: ELECTION OF JARROD MILANI AS DIRECTOR

- To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

- 'That Mr Jarrod Milani, being a Director who retires by rotation in accordance with Rule 7.1(f) of the Constitution and Listing Rule 14.4, and being eligible for re-election, be re-elected as a Director of Forbidden Foods Limited.'*

PROXY VOTING RESULTS	FOR	OPEN	AGAINST	ABSTAIN
Proxy votes on Resolution 2 (%)	99.97%	0.02%	0.01%	-
Proxy votes on Resolution 2 (number)	15,225,656	3,333	1,300	9,344,011

RESOLUTION 3: ISSUE OF EXECUTIVE DIRECTOR OPTIONS

•To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

•*'That the issue of 1,500,000 Incentive Options to Mr Jarrod Milani (or nominee), details of which are set out in the Explanatory Memorandum, is approved under and for the purpose of Listing Rule 10.14 and for all other purposes.'*

PROXY VOTING RESULTS	FOR	OPEN	AGAINST	ABSTAIN
Proxy votes on Resolution 3 (%)	98.52%	0.23%	1.25%	-
Proxy votes on Resolution 3 (number)	5,797,176	13,333	73,520	18,690,271

RESOLUTION 4: ISSUE OF EXECUTIVE DIRECTOR OPTIONS

- To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:
 - *'That the issue of 1,500,000 Incentive Options to Mr Marcus Brown (or nominee), details of which are set out in the Explanatory Memorandum, is approved under and for the purpose of Listing Rule 10.14 and for all other purposes.'*

PROXY VOTING RESULTS	FOR	OPEN	AGAINST	ABSTAIN
Proxy votes on Resolution 4 (%)	98.69%	0.06%	1.25%	-
Proxy votes on Resolution 4 (number)	5,808,376	3,333	73,520	18,689,071

RESOLUTION 5: ADDITIONAL PLACEMENT CAPACITY

- To consider and, if thought fit, to pass the following resolution as a **special resolution**:
- 'That the Company have the additional capacity to issue equity securities provided for in Listing Rule 7.1A.'*

PROXY VOTING RESULTS	FOR	OPEN	AGAINST	ABSTAIN
Proxy votes on Resolution 5 (%)	99.47%	0.01%	0.51%	-
Proxy votes on Resolution 5 (number)	24,437,759	3,333	126,452	6,756

MEETING CLOSE

CONTACT DETAILS

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www.forbiddenfoodsgroup.com

Forbidden Foods Limited (ASX.FFF)

Email: info@forbiddenfoods.com.au

Phone: 1300 778 061



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<https://www.linkedin.com/company/forbidden-foods>

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