

Forbidden Foods Limited ASX: FFF

ASX Announcement

15 July 2021

Philippines Distribution Agreement for FUNCH & Sensory Mill

Highlights

- *Forbidden Foods has signed an exclusive agreement with Moshi Wellness OPC ("Moshi") to sell, market and distribute its infant & toddler, health & nutrition brand FUNCH[®] and its plant-based food brand Sensory Mill[®] in the Philippines*
- *Moshi Wellness is a Manila-based health & beauty distributor representing fast-growing brands in the Philippines via its relationships with leading retail businesses such as grocery stores, pharmacy stores and mother/baby stores*
- *The Philippines is a net food importer with the food and non-alcoholic drinks category valued at A\$164 billion, accounting for 37 per cent of essential spending of disposable income in 2021ⁱ*
- *The agreement further extends the Company's growing presence in Asia and follows recent distribution agreements in China, Vietnam and Malaysia as well as the launch of FUNCH[®] on leading e-commerce sites such as Tmall*

Forbidden Foods Ltd (ASX: FFF) ("Forbidden Foods" or "the Company"), is pleased to announce that it has entered into an exclusive distribution agreement with Moshi Wellness OPC ("Moshi") to distribute its infant & toddler, health and nutrition brand FUNCH[®] and its plant-based food brand Sensory Mill[®] in the Philippines.

Manilla-based Moshi Wellness is a health & beauty distributor focussed on natural products with extensive experience representing fast-growing brands, such as Goli Nutrition, Eu Natural and Hum Nutrition in the Philippines. Moshi will support the growth of both the FUNCH[®] and Sensory Mill[®] product ranges through marketing, sales, and distribution efforts targeting both online and offline distribution opportunities in the region.

FUNCH[®] has already launched stores on the top two ranking websites in the Philippines, the Lazada and Shopee e-commerce platforms, which capture 92 million monthly web visits, ranking them ahead of Amazon and eBay in the regionⁱⁱ. Both e-commerce stores will be managed by Moshi. Moshi's offline distribution channels will extend to grocery stores, pharmacy stores and baby stores and will include key supermarkets, All Day, SM Supermarkets, Rustan's and Robinsons Group.

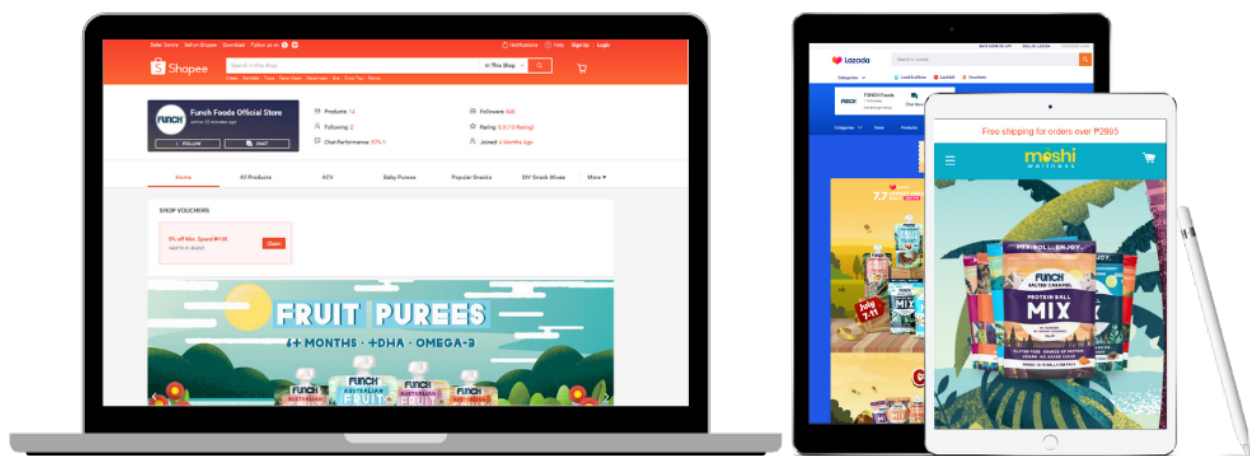
Forbidden Foods has already sold and supplied a trial order to Moshi, receiving positive feedback from key stakeholders. The Company views the Philippines as an attractive market with its population of 110 million, a growing middle class, and an economy projected to expand at an average rate of 5.5% over the next three yearsⁱⁱⁱ. Increased incomes in the middle and higher socioeconomic groups are expected to continue to bring about further opportunities for premium food and beverage offerings in the retail and food service sector.

Forbidden Foods Co-founder and Chief Operating Officer, Jarrod Milani said: *"We are pleased to make further headway with our Asian strategy through our exclusive sales and distribution partnership with Moshi Wellness in the Philippines for our full range of FUNCH and Sensory Mill products.*

"Moshi Wellness will give us exposure to the top two most popular websites in the country and we have been able to quickly establish our online presence having e-commerce stores setup on Lazada, Shopee and Moshi's own network of online stores giving us instant access to over 90 million monthly visitors.

"There are over 10,000 modern food retailers/supermarkets in the Philippines and the food and non-alcoholic drinks category is set to be valued at A\$164 billion in 2021, accounting for 37 per cent of essential spending of disposable income¹ in the country. The extremely positive results from our initial trials give us confidence that Moshi Wellness is the right partner for us in this budding market."

Moshi Wellness OPC President and Chief Executive Officer, Takako Sasamori said: *"We are excited to be distributing the full range of FUNCH and Sensory Mill products in the Philippines, two exciting and relevant brands that we can take to our vast network of retail businesses. Not only do Forbidden Food's products align with our own ethos for natural and healthy products, the Philippines is currently an underserved market when it comes to kids and family friendly food options, creating multiple synergies between our teams. We look forward to growing the Forbidden Food brands through our online to offline, with the encouraging early results."*



(Pictured: FUNCH Shopee, Lazada and Moshi Wellness homepage)

This ASX announcement has been approved for release by the Board of Directors of Forbidden Foods Ltd.

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About Forbidden Foods Ltd

Forbidden Foods Ltd (ASX: FFF) is a multi-brand premium food, beverage and ingredients company focusing on the infant, toddler, health and plant-based markets. The Company was established in 2010 with a vision to provide the very best foods to meet growing consumer demand for clean, sustainable plant-based and health-oriented products. The business sells products via its two key brands – Sensory Mill and FUNCH® – direct to consumer, retailers and food service companies, fulfilled through its distribution partners and via e-commerce across its diverse national and international sales channels.

About Moshi Wellness OPC

Moshi Wellness (<https://www.moshiwellness.com>) is a health & beauty distributor in the Philippines, with its origins founded by three women who have a passion to offer products that understand the needs and adores the fun complexities of being a modern Filipina. They distribute, market, and sell brands online and offline nationally in the Philippines.

ⁱ Austrade, Food and Beverage to the Philippines

ⁱⁱ iprice Insights - The Map of E-Commerce Philippines

ⁱⁱⁱ World Bank, Philippines Economic Update June 2021 Edition