

*Forbidden Foods Limited ASX: FFF*

**ASX Announcement**

**1 October 2021**

# Forbidden Foods completes acquisition of Blue Dinosaur

**Melbourne, Australia, 1<sup>st</sup> October 2021** – Forbidden Foods Ltd (ASX: FFF) (“Forbidden Foods” or “the Company”), is pleased to announce it has successfully completed the acquisition of Blue Dinosaur Pty Ltd (“Blue Dinosaur”), an engaging plant-based bar and snacking company which appeals strongly amongst the active and health-conscious Millennial and Gen Z demographics.

As announced on 10 September 2021, Forbidden Foods has agreed to acquire Blue Dinosaur for a total consideration of \$4.0 million on a cash -free and debt-free basis, with \$2.0 million of the purchase price paid as cash consideration at completion of the acquisition. The acquisition highlights Forbidden Foods’ ability to identify and execute on highly complementary and accretive transactions, with the transaction expected to significantly transform the Company’s revenue footprint.

Key strategic rationale for the transaction:

1

## **Transformative acquisition**

On a pro-forma basis for FY21, Forbidden Foods expects that the Blue Dinosaur business combined with Forbidden Foods existing operations would have delivered c.\$8m of revenue<sup>1</sup>. The pro-forma revenue would have no sales cannibalisation across brands given the existing minimal customer and product overlap.

2

## **Accelerates international expansion**

The Transaction will provide the opportunity to accelerate international growth, leveraging Forbidden Foods e-commerce capability and existing Asia partnerships to enhance distribution in global markets. Blue Dinosaur has secured trademarks in all targeted regions Forbidden Foods is strategically pursuing, including securing US distribution rights which also presents a large export opportunity to scale in coming years.

3

## **Significant brand equity and cultural alignment**

Blue Dinosaur has built a brand which resonates strongly amongst the active and health-conscious millennial demographic, built on the back of their founder-led team – just like Forbidden Foods.

4

## Cross-sell opportunities

The Blue Dinosaur distribution network provides Forbidden Foods with the opportunity to expand its footprint across the major supermarkets, additional pharmacy channels and enter the petrol & convenience channel. Forbidden Foods can also leverage from Blue Dinosaurs export channels into the United States and the United Kingdom.

5

## Strong synergy potential

The Blue Dinosaur product range of plant-based foods is highly complementary to Forbidden Foods' existing product portfolio. The Transaction also provides the opportunity to capitalise on existing overlap in the supply chain of both businesses in the procurement of key ingredients and other materials.

**Forbidden Foods Co-founder and Chief Executive Officer, Marcus Brown said:** *"We are delighted to announce the completion of the Blue Dinosaur acquisition.*

*"The acquisition, our first since listing on the ASX, represents an important strategic step for Forbidden Foods as we extend and broaden our position in the plant-based food sector and provides us with significant product and distribution extensions to our existing business model.*

*"Blue Dinosaur has built a brand which has strong following amongst active and health-conscious Millennial and Gen Z consumers, who are inclined to choose plant-based and natural food products for themselves and their families, further cementing our position in the rapidly growing global plant-based foods market.*

*"We are thrilled to officially welcome the Blue Dinosaur team to Forbidden Foods"*

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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 three key brands – Sensory Mill®, FUNCH® and Blue Dinosaur® – 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.

<sup>1</sup> Based on the unaudited preliminary final results of Forbidden Foods and the unaudited results of Blue Dinosaur for FY21.