

Forbidden Foods Limited ASX: FFF

ASX Announcement

6 December 2023

Record ecommerce sales for Blue Dinosaur products in November underpinned by renewed strategy to drive growth

Key Highlights

- *Monthly ecommerce sales for Blue Dinosaur products surpassed \$107,000 in November – a month on month increase of 70% from October 2023, which in turn was 60% higher than September*
- *Increased traction reflects strong execution of the Company's renewed focus on ecommerce growth, which was highlighted by the new management team as a strategic priority following a period of disinvestment*
- *Sales momentum sets the business up with a strong foundation across its ecommerce channels heading into CY2024, with several new marketing initiatives that are expected to further accelerate growth*
- *High-margin ecommerce sales to complement ongoing expansion of the Company's bricks & mortar retail footprint across Australia, the US and major addressable markets*

Forbidden Foods Ltd (ASX: FFF) ("Forbidden Foods" or "the Company") is pleased to advise that it generated record monthly ecommerce sales in November for its flagship range of Blue Dinosaur healthy snack products. Total online sales for the month were \$107,225, a month on month increase of 70% from October 2023.

October sales also showed a material increase in ecommerce revenues, up 60% month on month from September 2023 and the highest monthly revenue total for online sales in CY2023 prior to the record November result. Collectively, the Company has established a strong uptrend in ecommerce sales through Q4 to-date as it positions for further growth in CY2024.

Increased market traction online for Blue Dinosaur products validates the group's targeted strategy to refocus on ecommerce growth to complement the group's existing distribution networks across physical store channels. The opportunity to drive renewed growth in online sales was highlighted as a strategic priority by the new management team, following the appointment of Alex Aleksic as Chief Executive Officer (refer ASX Announcement 30 June 2023).

In pursuit of that strategy during the second half of 2023, the Company commissioned a specialist digital marketing firm to optimise search engine optimisation (SEO) alongside targeted advertising expenditure after previous management withdrew funding from ecommerce ad spend in late-2022. These investments were reinitiated in August 2023, further reflecting the clear momentum that Forbidden Foods is already generating through its ecommerce relaunch.

Management Commentary

Forbidden Foods' Chief Executive Officer, Alex Aleksic said: *"We are pleased to report a record-high sales result in November, which consolidates the recent uptrend in ecommerce sales for our leading Blue Dinosaur product range. Further, these results validate our strategy to reinvest in ecommerce and capitalise on the potential of online channels to make a material contribution to our broader growth profile. With a step-change*

in sales already observed, we look forward to providing more updates on our ecommerce momentum in CY2024, which will be further underpinned by a comprehensive event sponsorship strategy.”

Ecommerce channels have also provided an effective way to boost distribution and brand awareness for new product launches, including Blue Dinosaur Protein Water – a collagen and whey-based formulation with a complete BCAA (branched-chain amino acids) profile that is targeted at the lucrative global market for low-sugar hydration products.



Image 1: Collagen & Whey Protein Water, now live in-market following recent product launch

The Company also has an extensive pipeline of additional launches planned for the coming months, where it will leverage its growing market footprint in ecommerce to test products online and gauge feedback prior to stocking in physical stores with the Company’s existing network of large retail groups.

Concurrently, Forbidden Foods has prioritised strategic marketing partnerships to boost awareness for its online sales channels, recently highlighted by a successful sponsorship deal at the 2023 Noosa Triathlon (Nov 1-5), which is ranked as one of the top 10 triathlons globally.

Following on from that partnership, Forbidden Foods is now in negotiations for additional sponsorship partnerships with several major health and fitness focused events across Australia in 2024.

The recent traction in ecommerce for Blue Dinosaur products gives the Company a complementary sales channel to complement its international market footprint across bricks and mortar channels, following its recent distributorship agreement with a multinational distribution company in the United Arab Emirates (UAE) to gain market access across the broader MENA region (*refer ASX Announcement 22 November 2023*).

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 health & wellness food company. The Company was established with a vision to provide engaging brands that provide the very best foods to meet consumer demand for clean, sustainable and healthy products. The core brand in the portfolio is Blue Dinosaur[®] which is sold in Australia & USA.