

FUNCH® BABY FOODS LAUNCHED IN CHINA WITH FLAGSHIP TMALL STORE

- ***Forbidden Foods launches FUNCH® Australian baby foods on its Tmall Global flagship store to sell products directly to consumers in China***
- ***Alibaba Group's Tmall Global platform is China's largest cross-border marketplace. Alibaba's China retail marketplaces attract more than 881 million mobile monthly active users and represent the majority of the USD\$89 billion in revenue derived from cross border eCommerce exports to China***
- ***Forbidden Foods partners with Yaru Ventures (China and Southeast Asia marketing specialists) to manage entry for FUNCH into China and Southeast Asia markets***
- ***A major milestone in the Company's long-term growth strategy in Asia, as FUNCH builds brand awareness ahead of anticipated growth in eCommerce and export revenue***

Melbourne, Australia, 2 February 2021 – Forbidden Foods Limited (ASX: FFF, “Forbidden Foods” or “the Company”) is pleased to announce the Company has launched its online FUNCH® branded flagship store on Alibaba Group’s Tmall Global, China’s largest direct-to-consumer cross-border e-commerce marketplace. This marks the first opportunity for Chinese consumers to directly order the Company’s FUNCH® range of high-quality, Australian baby foods.

Alibaba Group’s Managing Director in Australia and New Zealand, Maggie Zhou, said:

“The mother and baby category continues to see popularity with consumers in China on Alibaba's Tmall Global marketplace. We are delighted to welcome the opening of FUNCH's Tmall Global Flagship Store which will further complement our extensive offering of products in this category.”

Forbidden Foods Co-founder and COO, Jarrod Milani, said:

“Forbidden Foods is pleased to launch our flagship FUNCH store on Alibaba’s Tmall Global online marketplace. This opens up our Australian baby food range directly to an immense addressable market, as Tmall has more than half a billion monthly active users. In under six months since the Company’s IPO, we have significantly diversified and expanded FUNCH’s channels to market, securing three new Australian retail launch partners and now achieving the launch of our international B2C Tmall Global store. These are all important steps on the path to building FUNCH into a global Australian brand that the next generation of young parents will love.

“We have also partnered with Yaru Ventures on developing and implementing a successful China and Southeast Asia strategy. Yaru Ventures has significant experience and networks in these markets, with the CEO Will Zhao working with us directly on the success of FUNCH. Our direct interaction with Alibaba and support from Yaru Ventures has empowered us to launch a well promoted and supported store. This gives us great confidence in our prospects for eCommerce-led growth in export revenue, with Alibaba as our B2C partner in the region.”

Yaru Ventures CEO, Will Zhao, said:

“The China baby food market is set to grow to AUD\$8.7bn by 2024, and a large portion of that is expected to be imported from overseas. FUNCH is well positioned to tap into that market by having in place the right market entry strategy and execution. Working directly with Forbidden Foods’ management team has allowed us to accelerate the Company’s entry to the China market, and we look forward to developing this opportunity with Forbidden.”

The FUNCH store on Tmall Global will be an official flagship online store for Chinese consumers to purchase Australian made baby food products from FUNCH. Australian products are increasingly being sought by China’s rapidly growing middle class who are seeking high quality and trusted international products.

The management of the digital marketing, store operations and product distribution that will underpin the success of the FUNCH Tmall Flagship Global store owned by Forbidden Foods will be supported and coordinated by Yaru Ventures’ team in China and Australia. This strategy means Forbidden Foods can grow its sales, build brand awareness, gain market insights and provide customers with quality service without the need for a physical operation in China.

The images below show the FUNCH Tmall store landing page, with current ‘Spring Festival’ theme, and additional screenshots showing the positioning of the Company’s products.





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 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.

About Tmall Global

Launched in 2014, Tmall Global is an extension of Alibaba Group's Tmall platform that addresses the increasing Chinese consumer demand for international products and brands. It serves as the premier platform through which overseas brands and retailers reach Chinese consumers, build brand awareness and gain valuable consumer insights in forming their overall China strategy, without the need for physical operations in China. According to Analysys, Tmall Global was the largest import e-commerce platform in China in the 12 months ended March 31, 2020, in terms of GMV.

About Yaru Ventures

Yaru Ventures is a Sydney based firm specialising in activating International brands in Asia. Their managing founders include CEO Will Zhao & Managing partner Jonathan Belz. Will previously managed and led entry global market entry initiatives at eCargo, Metcash Asia, Goodman Group Asia and Jonathan Belz from the Belz Family & Associates has experience in investment banking, capital markets, private equity and family offices, spanning New York, Hong Kong, Shanghai and Australia.