

ACQUISITION UPDATE – THE HEALTHY MUMMY

7 March 2022

Halo Food Co. Limited (ASX:HLF) (“**Halo**” or the “**Company**”) is pleased to provide an update on the acquisition and transition planning for The Healthy Mummy (“**THM**”) ahead of the forthcoming shareholder meeting scheduled for 18 March 2022 and completion of the transaction.

Transition planning for The Healthy Mummy business into Halo has commenced and is underway. Initial purchase orders for THM powdered products have been received by Halo and will be manufactured shortly in Halo’s Melbourne facilities. These products represent the first of the THM powdered lines to be migrated to Halo and will begin to realise the anticipated manufacturing synergies of ~\$800,000 per annum. The balance of THM products are currently being worked through and will be migrated to Halo in the short term as existing inventory is depleted and reordered in the ordinary course.

Furthermore, since announcement of the acquisition on 15 February 2022, new retail ranging has been confirmed for THM products by Halo and THM in line with THM’s growth initiatives and continued B2B retail expansion. Specifically:

- products are to be distributed and ranged in existing Halo distribution channels of Global by Nature and online platform healthylife (owned by Woolworths);
- Global by Nature is one of Australia’s leading natural health & wellness distributors offering more than 2,500 lines across 250 brands from Australia and distribute to independent grocery chains and stores, pharmacies, health food stores, wholefood markets and online;
- healthylife is an online health and wellness platform owned by Woolworths. The healthylife brand is one of Australia’s oldest and longstanding health retailers;
- THM has secured ranging on The Iconic, being one of Australia’s largest fashion and lifestyle marketplaces with over 1,000 brands. THM products are available now with further products to be added to the platform shortly.

THM products have been well received by Halo’s distributors with immediate ranging and further distribution expected over the short-term highlighting the attractiveness of the product offering and brand awareness of THM. The immediate expansion of B2B retail channels is in line with the growth initiatives and strategy of the Halo group. In the short period of time since announcement of the acquisition, THM has continued to execute on the broader growth initiatives and has:



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- released a new version of the THM app, improving user experience and will further drive digital subscriptions over time;
- further advanced the mummy marketplace initiative to monetise web traffic via the THM site (due to be launched in the first half of 2022); and
- accelerated the progress on the release of the Healthy Mummy Wellness App, separate from the existing weight loss focussed app, (due to be launched in the first half of 2022).

The acquisition of THM remains subject to shareholder approval on 18 March 2022. Halo looks forward to completing the acquisition and realising the strategic benefits of the combination between Halo and THM.

The release of this announcement was authorised by the Halo Board of Directors.

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Further Information

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About Halo Food Co. Limited

Based in Sydney and Melbourne, Australia and Christchurch, New Zealand, Halo Food Co. Limited is an established manufacturer and exporter of formulated dairy products and health and wellness products. Halo Food Co. is a leading Australian and New Zealand product developer and manufacturer in the health and wellness sector, with dry powder, ready to drink UHT and protein bar health and wellness-based product capability. In addition to Halo Food Co.'s own brands, the company is a trusted production partner, contract packing for well-known brands in Australia, New Zealand and internationally. The Company's purpose-built production facilities in Australia and New Zealand offer a wide range of dairy, health and wellness and nutritional packing solutions, meeting the diverse needs of consumers from different markets and cultures. Please visit www.halofoodco.com for further information.

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