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June 2021

Investor Presentation

www.forbiddenfoods.com.au



Our Business Proposition

Create healthy and nutritious products that engage, delight and inspire health-conscious consumers

- Premium Australian food producer focused on global super-trends of health, baby and plant-based diets
- 100% Australian ingredients used to make healthy and nutritious food for young families
- Local and Sustainable paddock to pouch philosophy
- Strong focus on product and brand innovation to ensure we evolve with our millennial and young family demographic
- Focus on E-commerce and modern retail methods to ensure premium margins for our premium products
- Targeting growth into Asian baby food and early childhood markets
- Well funded with a net cash position of $1.7m at the end of Q3 FY21

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Our Brands

Forbidden Foods offers two key brands with broad appeal in fast growing global segments



Infant & Toddler Health & Nutrition

FUNCH®

FUNCH products help children love, enjoy and discover food, and empower parents to feel satisfied! Range includes Australian Made Baby Puree & Cereals and Family Snacking range of mixes.
www.FUNCH.com.au



Plant-Based Health Foods

sensory mill®

Sensory Mill provides the very best of plant-based foods – from exotic, weird and wonderful ingredients through to mixes and healthy beverages.
www.SensoryMill.com.au





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Our Key Strategic Drivers

01 **Leverage the Macro trends of health food and plant-based diets**

Strong demand for quality Australian products that utilise best in class produce and provide healthy and nutritional options for young families and millennial consumers

02 **Deliver innovation that excites**

We ensure our brands are fresh and exciting and are specifically designed for our target markets

03 **Build a world-class E-commerce offering**

We have created modern sales & distribution platforms (e-commerce, non-traditional retail, etc) to ensure our product offering matches how our target market purchase their products and we achieve strong margins

04 **Enter China & South-East Asia**

Australia has a leading position in the Asian infant food and formula market. Forbidden Foods is working with local partners to position FUNCH as a strong food and lifestyle brand targeting early childhood and young families

01: Strong Macro Trends

Forbidden Foods is leveraged to the macro trends of healthier eating, baby food demand and plant-based foods



Global Baby Food

Macro Drivers

- Large Addressable Global Market (2020)~US$214 billion[1]
- Growing at 5.4% pa (vs total food market growing at 2% pa)[1]
- Increasing demand for natural and organic products
- New three-child policy in China expected to substantially grow addressable market size

FFF Market Position

- All of our baby food products are natural & plant-based
- 100% Australian Ingredients and Manufacturing
- Product range suitable for babies through to toddlers
- FUNCH a next generation millennial focused baby/family brand

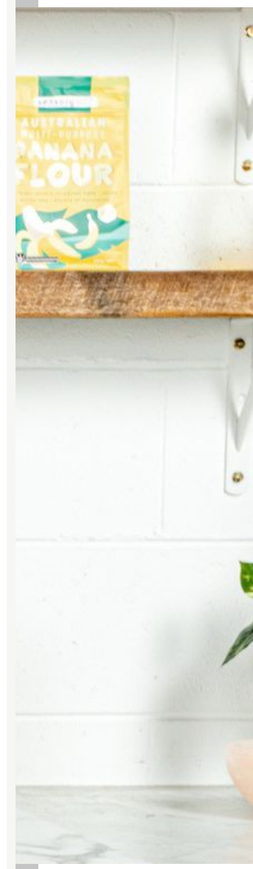
Plant-Based Foods

Macro Drivers

- Rapidly Growing Global Market (2019) ~US$20 billion [2]
- Growing at 11% pa (vs total food market growing at 2% pa) [3]
- Approx. 10% of Australian's have a plant-based diet
- China encouraged 50% meat consumption reduction for entire population

FFF Market Position

- 100% plant-based ranges
- Innovating within plant-based products (i.e. edible oils)
- Offers wider plant-based range online
- Scope to enter plant-based protein space



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1. Statista 2020 – www/statista.com/outlook/40120000/100/baby-foods/worldwide 2. Verified market Research – www.verifiedmarketresearch.com/product/plant-based-protein-market/
3. SPINS – Reference in William Blair, Food for Thought Report 2019

02: Innovation That Excites

Passionate about quality and innovation and aim to provide products to enjoy over a lifetime

- Focused infant and toddler products that align with millennial consumer requirements and demands that existing, mature brands can't match
- E-commerce and Export focus allows for low inventory/working capital and rapid product development
- Authentic Australian products and sustainable supply chain integrity
- Innovative products, packaging and marketing to ensure our products remain new and fresh with consumers
- Sensory Mill will utilise its experience in plant-based ingredients to formulate innovative plant-based products including alternative meats







Paddock to Pouch



COVID-19 pandemic has resulted in more consumers wanting information about the origin of products and safe handling of products along the supply chain.

Forbidden Foods is working towards having a more transparent supply chain with its consumers. This will be achieved through showcasing the origin of ingredients through digital content creation on our website and marketing materials.

FUNCH held a Paddock-To-Pouch showcase event that was live-streamed to 40,000 international viewers.

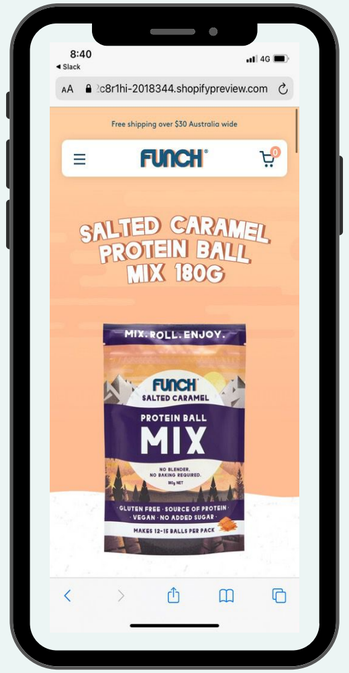
03: E-commerce Strategy

Forbidden Foods values the importance of owning the relationship with its customer

Australians spent $44.18 billion on online retail in 2020[1]

Ecommerce accounts for 12.6% of total retail trade[1]

- FFF will focus on e-commerce distribution with in-store ranging supporting brand credibility in market
- Ownership of our customers allows FFF to better understand our consumers purchasing patterns, product demand, basket size & volume
- Knowing our customer allows FFF to drive product innovation to meet demand
- Premium product marketing direct to consumer enables greater ownership of product profitability
- E-commerce allows rapid roll out into new markets, and our websites have been designed to launch seamlessly in new countries



Our e-commerce platform has been optimised to maximise conversion rates through online acquisition programs. Back-end infrastructure has been developed to ensure the website has the capability to launch seamlessly into additional international markets.

1. NAB Online Retail sales Index – Feb 2021

04: Asian Growth Model

Forbidden Foods has a clear strategy to successfully roll out its FUNCH brand in China & South-East Asia to tap into Australia's position as a reputable supplier of quality baby food products

- Brand credibility in Australia, via presence with retailers such as Baby Bunting and Pharmacy Alliance positions FUNCH as a reputable brand with 100% Australian ingredients
- Local ranging into 1000+ retail stores, including Australian supermarkets, pharmacy stores and baby stores
- Work with distribution partners in Asia to drive brand growth and scalable volumes
- Yaru Ventures – China and South-East Asia marketing specialists to manage the entry into Asia
- Initial B2B export orders of FUNCH baby foods have been sent to Malaysia, Vietnam, China and Philippines for local trials. Repeat orders received from a number of these parties and advanced discussions to formalise distribution agreements in progress to scale in FY22





Tmall China Launch





- Tmall Global is Asia's largest online shopping platform
- US$89bn in revenue in 2020
- Allows influencers to share products and review to drive demand
- Initial Funch uptake strong with +$25k per month of revenue

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Financial Performance





Highlights Q3 - FY21

Store Reach via Partners — **4500+**

Forbidden Foods has grown its store reach from 3500+ stores to 4500+ stores with the added customers of Sigma Health Care (Pharmacy) & Baby Bunting (Specialty Retail).

Tmall Orders — **500+**

500+ Tmall Orders fulfilled in China since launch. Compound monthly growth rate of 273%.

Retail Sales Growth — **25% Up**

Retail and E-commerce revenue increased 25% quarter on quarter.

Cash Receipts — **13% Up**

Cash receipts from customers of $1.07 million in Q3 FY21.

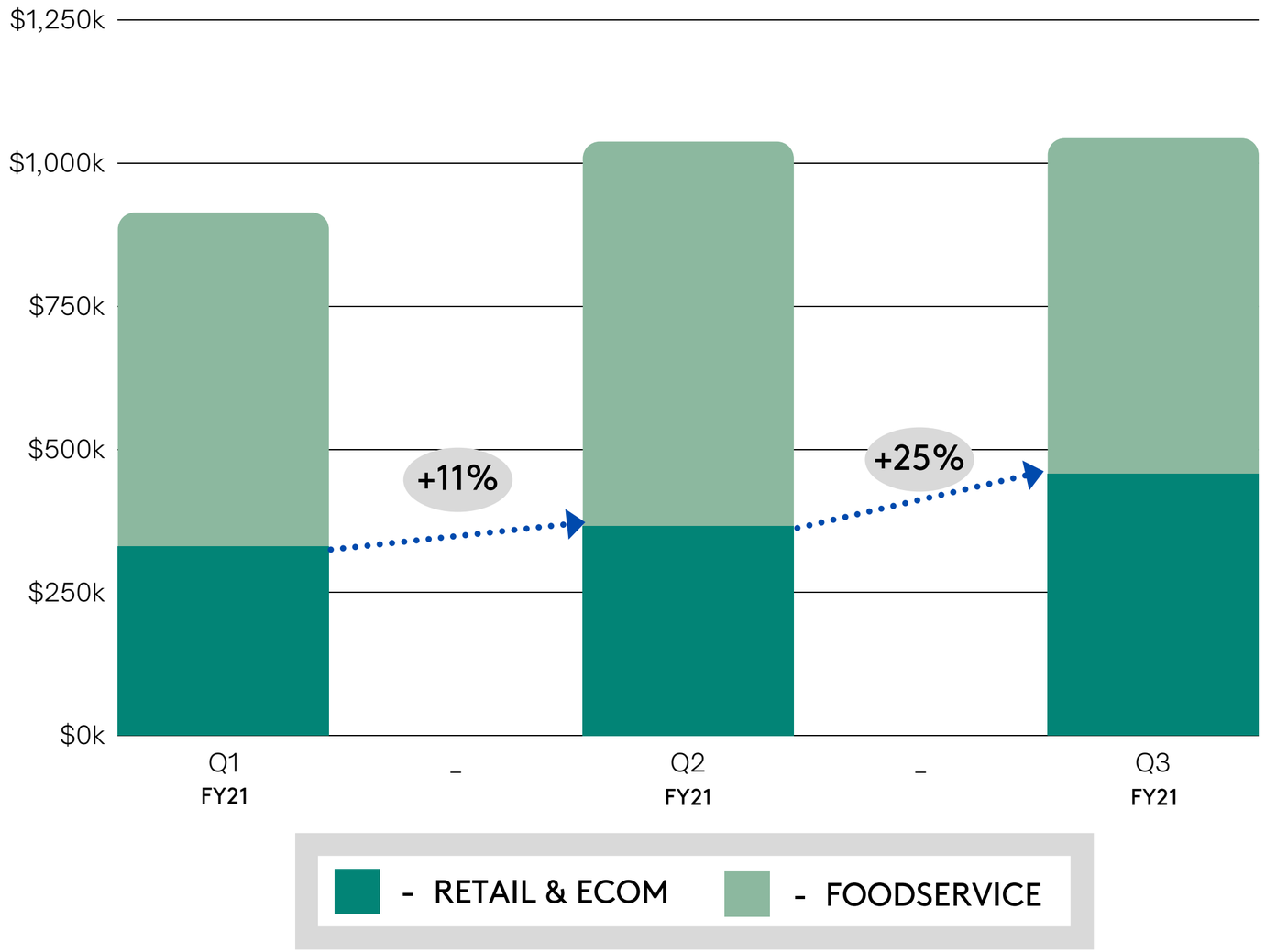
Cash & Cash Equivalents — **$1.74m**

Cash and cash equivalents at end of Q3 FY21 was $1.74 million.

Revenue By Channel

Retail & E-commerce
Forbidden Foods has been improving its branded retail and E-commerce business with sales increasing in Q3 by 25%.

Foodservice
COVID-19 has continued to impact foodservice, attributed to lower business confidence in the restaurant industry. [1]



1. Australian Bureau of Statistics - Business Conditions & Sentiments, 2021

Outlook


FUNCH
AUSTRALIAN FRUIT PUREE
APPLE, PEAR & CHIA
6+ MONTHS
120g NET
FUNCH
AUSTRALIAN FRUIT PUREE
PEAR, PEACH & CHIA
6+ MONTHS
120g NET
FUNCH
AUSTRALIAN FRUIT PUREE
PLUM, NECTARINE & BROWN RICE
6+ MONTHS
120g NET
FUNCH
MANGO & DESERT LIME
WITH BROWN RICE & TEF
6+ MONTHS
FUNCH
PEAR & DAVIDSON PLU
WITH BROWN RICE & TE
6+ MONTHS
AUSTRALIAN WHOLEGRAIN CEREAL
FUNCH
APPLE & KAKADU PLUM
WITH BROWN RICE & TEF
6+ MONTHS
AUSTRALIAN WHOLEGRAIN CEREAL

Delivering growth to drive returns

Product Range

Build a robust pipeline of new SKU's that fits within the brands' vision

Plant Based Offering

Formulate innovative plant-based products including alternative meats

Continue E-commerce momentum

Enhance fulfillment capabilities, drive brand credibility and increase basket size of our customers

Own our customer

Understand our customer so we can offer a rich brand experience and drive loyalty

Store rollouts

Drive product and brand credibility by secured local ranging into 1000+ stores, including pharmacies and baby stores

Upside in Asia

Expand our rollout of FUNCH brand in China & South-East Asia with key relationships and partners

Drive our margin

Maintain and grow our market leading Gross Profit product margins via scaling exports, online sales and new product ranges

Drive shareholder returns

Invest in brand & product development, driving the growth of FUNCH and Sensory Mill as leading brands in the rapidly growing global baby food and plant-based sectors

Appendix



Forbidden Foods Snapshot

Corporate Overview	
ASX Code	FFF
Market Cap (at $0.16 per share)	$12m
Shares on issue	75m
Cash at bank	$1.74 million[1]
Working capital facility	$949k

Major Shareholders	
Board & Management	28.8%
Other	71.2%

FFF Board and Management



Marcus Brown
Chief Executive Officer/Managing Director



Jarrod Milani
Chief Operating Officer/Executive Director



Sam Fraser
Chief Financial Officer



Mark Hardgrave
Non-Executive Chairman



Colleen Lockwood
Non-Executive Director



Adam Soffer
Company Secretary

1.As at 31 March 2021

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Our Journey

Since IPO

Initial Public Offering

August 31st, 2020

Forbidden Foods Limited lists on ASX, raising $6m via IPO. 30 million shares at $0.20

FUNCH & Sensory Mill ranged with Foodworks/AUR

October 19th, 2020

20 SKU's accepted into Foodworks/AUR 500 store network

FUNCH Baby Foods ranged in Baby Bunting

December 3rd, 2020

The full range of 7 Funch Baby Foods SKU's ranged in all 58 stores nationally

FUNCH ranged with Pharmacy Alliance

February 2nd, 2021

The full range of FUNCH baby food gained ranging acceptance into Pharmacy Alliance member stores. Distributed via Sigma Health care.

Flagship Tmall Store launched in China

February 2nd, 2021

In collaboration with Alibaba FUNCH launched its baby foods on a flagship T-mall store exposing it to 881 million monthly users

FUNCH launches plant-based edible baby oils

May 21st, 2021

Launched in Australia and China, the 100% Australian plant-based edible oil range targets the emerging Baby Food seasoning category.

Disclaimer

This presentation dated 8 June 2021 provides additional comment on the Quarterly Report for the 3 months ended 31 March 2021 of Forbidden Foods Limited (the "Company" or "Forbidden Foods") and accompanying information released to the market on the same date. As such, it should be read in conjunction with the explanations and views in those documents.

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This presentation has been approved for release by the Board of Forbidden Foods

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Thank You

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