Forbidden Foods Limited ASX: FFF

ASX Announcement
6 March 2023

Forbidden Foods builds operational momentum in the US market

Key Highlights

- *First shipment of Blue Dinosaur® products to Forbidden Foods' network of US retailers completed via distribution partner KeHE.*
- *Advanced discussions with US retail partners around joint marketing campaigns to boost sales and brand awareness for Blue Dinosaur® products.*
- *Second US-based production run for Blue Dinosaur® products expected to commence in the coming weeks.*
- *Exhibited at the KeHE Summer Show Expo in Nashville - new customers secured and range reviews progressed with several large supermarket chains. KeHE is our strategic distribution partner and the largest independent grocery distributor in the United States.*
- *Central Market, part of the HEB group, has been secured as a new banner store with 10 high volume supermarkets which generate over US$330 million in revenue.*
- *In addition to the previously announced new customers, the number of independent supermarkets who are now ordering Blue Dinosaur from our distributor KeHE sits at 50 supermarkets, which is a fantastic achievement in only 4-6 weeks since being stocked in KeHE and shows the growing popularity of the brand.*

Forbidden Foods Ltd (ASX: FFF) ("Forbidden Foods" or "the Company"), is pleased to provide the following update on operations in connection with the continued growth of its Blue Dinosaur® product line in the US market.

Recent operational milestones were led by the completion of the first shipment of Blue Dinosaur products to US retail partners, which follow on from the achievement of several key distribution initiatives in the second half of CY2022.

Product fulfillment was carried out through Forbidden Foods' distribution partner KeHE Distributors, which is one of the largest distribution conglomerates in the US with a national client network of more than 30,000 stores (refer ASX Announcement 19 September 2022).

The first shipment marked an important milestone and validation of Forbidden Foods' strategy to source distribution partners with established footholds in the US market, and also served to consolidate its end-to-end logistics network, setting it up with on-ground expertise to ramp up distribution for future orders. The Company is confident that this will result in decreased freight costs, an optimised supply chain and stronger gross margins for US sales.

In conjunction with its first product shipment, the Company has also held advanced discussions with its US retail partner networks for the implementation of collaborative marketing campaigns to drive sales growth.

On top of our existing ranging agreements, there are now a number of independent supermarkets in the KeHE network ordering Blue Dinosaur products unprompted, which reflects strong early traction for the brand in the 4-6 weeks since the distribution partnership was established and validates it as a brand that can successfully compete with the larger brands in market.

Following the successful execution of its first product orders, the Company is now preparing to commence the second production run of Blue Dinosaur® products from its US-based manufacturing facility, with an on-ground production and distribution network in place to match capacity with increased pending demand.

KeHE Summer Show







Forbidden Foods recently exhibited at the KeHE Summer Show, a major food industry trade show that connects suppliers with retailers in the US market. The Company's booth was well-attended, with a steady stream of attendees who were interested in learning more about the brand and products.

The Blue Dinosaur snack bars generated a lot of interest and attention, with highly positive feedback on growth opportunities for the brand. Forbidden Foods representatives also had the opportunity to meet with several key retailers who showed significant interest in the Company's products.

These meetings facilitated strong connections with new distribution partners, which are expected to contribute to broader distribution and sales growth over the coming months.

Management commentary:

Forbidden Foods' Chief Executive Officer, Marcus Brown said: *"The recent operational milestones already achieved in CY2023 are reflective of the exciting momentum we are seeing for the growth of our Blue Dinosaur product range in the US market."*

"Execution of the first product shipment was completed seamlessly, which gives the Company increased confidence around our distribution networks to match our belief in the strength of our product range and marketing partnerships. In addition, we are also enjoying the strong support of our US distribution partners, which serve the largest consumer market in the world and have been proactive in assisting our efforts to capitalise on this market opportunity."

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 company focusing on the infant & toddler and health & wellness plant-based markets. The Company was established with a vision to provide the very best foods to meet consumer demand for clean, sustainable, plant-based and healthy products. The business sells products via its three brands – Blue Dinosaur®, FUNCH® and Sensory Mill®