

ASX Announcement

23 December 2020

FUNCH BABY FOODS RANGED WITH PHARMACY ALLIANCE

Highlights:

- **Forbidden Foods has gained ranging acceptance with Pharmacy Alliance for its FUNCH Baby Fruit Puree & Infant Wholegrain Cereal products**
- **Pharmacy Alliance is Australia's largest independent pharmacy network with over 700 partner stores and collective annual turnover of over \$1.3 billion**
- **This ranging announcement provides an additional channel to the Company's distribution strategy which now extends beyond traditional retail (e.g. Woolworths and Foodworks) to specialty retail (Baby Bunting) and now the Pharmacy (Pharmacy Alliance).**
- **The full FUNCH range will be rolled out nationally to Pharmacy Alliance partner stores from February 2021, with a comprehensive educational, promotional and sales support program in place**
- **Ranging in stores will leverage the distribution and promotional expertise of Sigma Healthcare (ASX: SIG)**

Forbidden Foods Limited (ASX: FFF, "Forbidden Foods", "Company") is pleased to announce the Company has gained acceptance to range its seven FUNCH Australian baby food lines in Pharmacy Alliance partner stores nationally from February 2021.

Distribution and Growth Strategy

Since listing on the ASX in August 2020, Forbidden Foods has pursued a consistent strategy of broadening its reach to a more diverse set of distribution partners and end customers. The Company already sells direct to retailers like Woolworths, IGA and Costco, and (as announced to the ASX on 19 October 2020) Foodworks, in addition to a range of foodservice and restaurant partners.

As Forbidden Foods has built out its presence in the baby and infant food categories through its FUNCH line of products, the Company has actively pursued new distribution partners operating in segments with customers with whom the Forbidden Foods value proposition is expected to resonate. This has guided the Company's entry to speciality retail, achieving ranging with Baby Bunting Group Ltd (ASX: BBN) (as announced to the ASX on 3 December 2020), and now, to the large and attractive new channel of Pharmacy.

With the Company fully stocked across its product lines, and with ample manufacturing capacity to ramp up to fulfil growth in orders, Forbidden Foods is pleased to advise of its new partnership with Pharmacy Alliance.

Entry to Pharmacy

Pharmacy Alliance is Australia's largest independent pharmacy network with over 700 partner stores across the nation, including 164 Alliance Pharmacy branded stores. All Pharmacy Alliance members, who achieve collective annual turnover of over \$1.3 billion, will gain access to the Company's full Australian Baby Foods range, including four Fruit Purees and three Infant Wholegrain Cereals.

Forbidden Foods has engaged leading health care wholesaler and distributor, Sigma Healthcare Ltd (ASX: SIG), to handle distribution and promotion of the FUNCH lines throughout the Pharmacy Alliance network. Sigma's network extends to more than 1,200 branded and independent pharmacy stores.

Forbidden Foods is developing a proactive promotional program to ensure consumer awareness builds rapidly through this new channel. The Company has also engaged an external national field merchandising team to educate Pharmacy Alliance members about the products, provide sales support and increase promotional effectiveness.

Forbidden Foods co-founder and COO, Jarrod Milani, said: *"Pharmacy Alliance is rapidly growing its store network, with its sights on more than 800 pharmacy members by the end of 2021, so we are delighted to secure their expanding network as our pharmacy channel launch partner. We now head into 2021 with three brand-new channel partners in Pharmacy Alliance, Baby Bunting & AUR/Foodworks launching and marketing the FUNCH Baby Foods range to their customers. This provides meaningful reach for our brands as we build recognition and advance our global sales strategy towards eCommerce and export-led growth."*

Pharmacy Alliance Executive General Manager Procurement, John Campbell said: *"Our role is to ensure our pharmacy members range products their local communities need and love. We believe the FUNCH baby foods will resonate with our members and their customers because it is locally produced, supporting local farms and has the ease of ordering from Sigma Healthcare, as well as field team support."*



Image: FUNCH Australian Baby Foods range

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 Pharmacy Alliance

Pharmacy Alliance is Australia's largest independent pharmacy group in Australia with over 700 partners including 164 branded Alliance Pharmacy stores. The Pharmacy Alliance members achieve collective annual turnover of over \$1.3 billion.

About Sigma Healthcare

Sigma Healthcare Ltd (ASX: SIG) is Sigma Healthcare Limited is a full line wholesale and distribution business to community and hospital pharmacy. Sigma Healthcare comprises of 6 retail pharmacy store brands and together with distribution business produce approximately \$3.24 billion in annual sales.