

**FORM 51-102F3  
MATERIAL CHANGE REPORT**

**Item 1 Name and Address**

Bettermoo(d) Food Corporation (the “**Company**”)  
800 – 1199 West Hastings Street  
Vancouver, BC V6E 3T5

**Item 2 Date of Material Change**

June 20,2022

**Item 3 News Release**

The news release related to the Material Change was disseminated on the June 20,2022 through the facilities of Accesswire and subsequently filed on SEDAR.

**Item 4 Summary of Material Change**

June 20,2022, the Company announced that it has acquired (the “Acquisition”) an 80% equity interest in Bella’s Organic GmbH (“Bella’s”), a privately held Austrian-based business involved in the development, manufacturing and marketing of 100% vegan and organic artisan handmade cheese products. The remaining minority interest in Bella’s continues to be held by its founders.

**Item 5 Full Description of Material Change**

See attached news release.

**Item 6 Reliance on Subsection 7.1(2) of National Instrument 51-102**

This Report is not being filed on a confidential basis in reliance on subsection 7.1(2) or (3) of National Instrument 51-102.

**Item 7 Omitted Information**

No information has been omitted on the basis that it is confidential information.

**Item 8 Executive Officer**

Geoff Balderson is knowledgeable about the material change and the Report and may be contacted at (236) 521-0626

**Item 9 Date of Report**

June 21,2022



CSE: MOOO  
OTCQB: MOOOF  
FWB: 015, WKN: A3DNBE

## NEWS RELEASE

### **bettermoo(d) Food to Enter European Market This Summer Through Strategic Acquisition of Plant-based Cheese Alternative Company**

Vancouver, British Columbia, Canada – June 20, 2022 – **bettermoo(d) Food Corporation** (CSE: **MOOO**), (OTCQB: **MOOOF**), (Frankfurt: **015**, WKN: **A2QK6P**) (the “**Company**” or “**bettermoo(d) Food**”), formerly known as Happy Gut Brands Limited, an innovative beverage company focused on delivering high quality beverages through both online and local market retailers, is pleased to announce that it has acquired (the “**Acquisition**”) an 80% equity interest in Bella’s Organic GmbH (“**Bella’s**”), a privately held Austrian-based business involved in the development, manufacturing and marketing of 100% vegan and organic artisan handmade cheese products. The remaining minority interest in Bella’s continues to be held by its founders.

The acquisition of Bella’s represents the Company’s second major acquisition in the last seven (7) months, with the first being the October 2021 acquisition of bettermoo(d) Holdings Corp. (“**bettermoo(d)**”), a Vancouver-based dairy alternatives company whose most recognizable founding member is Canadian singer-songwriter and internationally renowned rock star, Bryan Adams. The Company is continuing to execute on its goals, including finding and acquiring the best dairy alternative products in the world, as demonstrated by the acquisition of this award-winning cheese alternative company which started in a small village in Austria.

The acquisition of Bella’s gives the Company control of Bella’s current line of cheese alternative recipes, which is comprised of over ten (10) varieties of camembert and cream cheese alternatives and a smokey parmesan cheese alternative. Bella’s products are loved in Europe, having received a consumer rating of 4.8 out of 5, from “Zeit Fur Genuss”, a prestigious plant-based food award, for its Kimichi flavored cheese alternative, and regularly selling out of products as soon as they are on the shelves. Through this acquisition, Bella will obtain access to capital which it will use for expansion, and due to the already stellar reaction its products have received, should be able to expand its production and distribution networks to meet the growing European demand.

All products will be rebranded with the bettermoo(d) name and packaging, and all recipes will be reformulated to incorporate bettermoo(d)’s proprietary blend of herbs, specifically formulated to emulate the great taste of milk and traditional dairy products from the Alp regions of Switzerland, France and Austria. The launch of the full line of bettermoo(d) rebranded and reformulated cheese alternatives will be available for purchase in Europe this summer.

This strategic acquisition will bolster the Company’s product offerings, and with Bella’s established brick and mortar retail channels, e-commerce sales platform and existing consumer base within Europe, the

acquisition also provides the Company with a new revenue stream, and an opportunity to expand its existing products, such as bettermoo(d)'s Moodrink, into the European online retail markets.

The Company views the acquisition of Bella's, and the resultant immediate European market entrance, as the first step in the Company's efforts to establish itself as a global brand and extend its presence into major markets where dairy alternatives are rapidly growing in prevalence.

In Europe alone the Vegan Cheese market is expected to grow at a compound annual growth rate (CAGR) of 7.2% from 2020 to 2027<sup>1</sup>, accounting for approximately 24% of the total projected global vegan cheese market growth during the same period. The global vegan cheese market was valued at USD 2.43 billion in 2021 and is projected to grow at a CAGR of 12.6% from 2022 to 2030 to reach USD 7.1 billion<sup>2</sup>. This significant CAGR is due to an ever-increasing global adoption of veganism, in general, as well as growing awareness regarding animal cruelty and the negative environmental impacts directly related to the dairy industry, gearing more and more consumers to opt for plant-based, environmentally friendly food products.

*"This acquisition is a demonstration of bettermoo(d) Food's commitment to become a leader in the plant-based dairy alternative sector. With the addition of Bella's to the bettermoo(d) family, the Company has added to its formulations database, increased its products portfolio, and secured immediate revenue generation capabilities. We are thrilled to have Bella's added to the bettermoo(d) Food family as I am confident that this organic vegan cheese made from cashews is one of the best dairy alternatives products in the market at the moment,"* stated Steve Pear, CEO of bettermoo(d) Food.

## Terms of Acquisition

Under the terms of the Acquisition, the Company is required to pay C\$500,000 for the acquisition of an 80% equity interest in Bella's. This amount will be satisfied through the issuance of 362,500 common shares of the Company (the "**Consideration Shares**") and a cash payment of C\$137,500. The Consideration Shares will be subject to a pooling arrangement from which they will be released in equal monthly instalments over a twenty-four-month period.

The Company is at arm's length from Bella's and its founders. The acquisition of an interest in Bella's does not constitute a fundamental change for the Company, nor has it resulted in a change of control of the Company, within the meaning of applicable securities laws and the policies of the Canadian Securities Exchange.

## About bettermoo(d) Food Corporation

bettermoo(d) Food Corporation is an innovative beverage company focused on delivering high quality products through online and in-store retail platforms. bettermoo(d) Food Corporation utilizes social media to deliver educational experiences for their customer base while demonstrating - pioneering beverage technologies.

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<sup>1</sup> <https://www.businessmarketinsights.com/reports/europe-vegan-cheese-market#:~:text=The%20Vegan%20Cheese%20market%20in%20Europe%20is%20expected%20to%20grow,the%20traditional%20animal%2Dbased%20products.>

<sup>2</sup> <https://www.grandviewresearch.com/industry-analysis/vegan-cheese-market#:~:text=The%20global%20vegan%20cheese%20market,12.6%25%20from%202022%20to%202030.>

Through its subsidiaries, bettermoo(d) is focused to become a leader in the environmentally, health conscious and vegan food revolution.

**About bettermoo(d) Holding Inc.**

Driven by the motto “What A Cow Eats and A Human Needs” bettermoo(d) Holdings is committed to providing consumers with quality, organic, and sustainably sourced plant-based dairy alternatives, that emulate the great taste of milk from the Alp regions of Switzerland, France and Austria. bettermoo(d) has worked with food scientists to create a plant-based dairy-alternative beverage, and recently performed a successful commercial production trial and is set to launch its inaugural dairy alternative product, Moodrink, in Summer 2022. Using the same cutting-edge food technologies it utilized to create its Moodrink, bettermoo(d) Holdings has initiated additional research and development programs with the goal of rolling out a full line of dairy alternative products that comprises the full spectrum of traditional dairy products, including alternatives to butter, yogurt, cheese and crème fraiche.

**ON BEHALF OF THE BOARD of DIRECTORS**

Steve Pear

Chief Executive Officer and Director

**bettermoo(d) Food Corporation**

***For further information please contact:***

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*The CSE does not accept responsibility for the adequacy or accuracy of this release.*

This news release may contain certain forward looking statements and forward looking information (collectively, “Forward-Looking Statements”) within the meaning of the applicable Canadian and U.S. securities laws, including the United States Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical fact, included herein including, without limitation, statements with respect to the ongoing development and integration of Bella’s, are forward-looking statements. When or if used in this news release, the words “anticipate”, “believe”, “estimate”, “expect”, “target”, “plan”, “forecast”, “may”, “schedule” and similar words or expressions identify forward-looking statements or information. Such statements represent the Company's current views with respect to future events and are necessarily based upon a number of assumptions and estimates that, while considered reasonable by the Company, are inherently subject to significant business, economic, competitive, political and social risks, contingencies and uncertainties. Many factors, both known and unknown, could cause results, performance, or achievements to be materially different from the results, performance or achievements that are or may be expressed or implied by such forward-looking statements. The Company does not intend, and does not assume any obligation, to update these forward-looking statements or information to reflect changes in assumptions or changes in circumstances or any other events affecting such statements and information other than as required by applicable laws, rules and regulations.