



# Zoglo's Incredible Food Signs LOI to Acquire European Plant-based Food Company Monday Swiss

TORONTO, Aug. 3, 2021 /CNW/ - Zoglo's Incredible Food Corp. (**CSE: ZOG**) ("**Zoglo's**" or the "**Company**") is pleased to announce that it has signed a non-binding letter of intent ("**LOI**") to acquire a 50.5% interest in Monday Swiss UK Ltd. ("**Monday Swiss**"), a leading European-based developer and manufacturer of innovative plant-based food alternatives (the "**Proposed Acquisition**"). Monday Swiss' experience in new product development will help ensure that Zoglo's product portfolio continuously evolves to enable the Company to be a leader in the category in Canada and globally.

Established in 2012, Monday Swiss is a leading producer of a wide variety of plant-based food products and technology, including the Veggie Day and Monday Swiss lines, with a dedicated state-of-the-art facility. Monday Swiss has invested over \$3M in R&D over the past 5 years, servicing major customers such as Tesco, Holland & Barrett, Co-Op and leading on-line grocery retailer, Ocado, with leading edge whole-muscle plant-based technology.

The Proposed Acquisition will provide Zoglo's the capacity to expand globally and provide its customers with the next generation of plant-based foods and is expected to increase annual sales by up to \$6M CAD from Monday Swiss, which would result in Zoglo's annual revenue increasing by up to 200%.

"The proposed acquisition of Monday Swiss represents the beginning of Zoglo's commitment to sustainable global expansion and leading plant-based food innovation" said Anthony Morello, CEO of Zoglo's. "This acquisition creates a strong business for Zoglo's in Europe and the U.K. in conjunction with its current evolving business in Canada and existing US business."

Pursuant to the terms of the LOI, Monday Swiss founder, Alon Cahn, will also join Zoglo's as Chief Executive Officer of its European Operations strengthening the Company's positioning within the European market. Cahn is an experienced manager, having worked in key positions in leading companies such as Wrigley's and Nestle and has lived and worked in Europe, Asia and North America.

Cahn, a lifelong vegetarian and food enthusiast, founded Monday Swiss after difficulty finding quality plant-based meat alternatives that were high in protein, versatile and great tasting. Since inception, Monday Swiss has made significant advances in key product development areas such as Clean label, sustainability in production and sourcing and alternative plant-based proteins.

"With a production capacity of over 500,000 kilograms per month, and the ability to double our capacity by 2023, I believe Zoglo's is poised to become one of the leading plant-based meat alternative companies globally", said Alon Cahn.

The technology from Monday Swiss' facility is expected to provide Zoglo's with the next generation of meat analogues and the ability to bring industry leading texture, quality and innovation to North America. The facility is certified BRC, Kosher OU, Halal, ISF and SMETA, so it is able to meet a wide range of consumer needs and customer demands. It has four production lines which can produce frozen, chilled and RTE plant-based products and deliver complete packaging solutions.

The Company and Monday Swiss have entered into the LOI which sets out certain terms and conditions pursuant to which the Proposed Acquisition will be completed. The terms outlined in the LOI are subject to the parties successfully entering into a definitive agreement in respect of the Proposed Acquisition on or before August 27, 2021 the ("**Definitive Agreement**"). Pursuant to the terms of the LOI, it is contemplated that the Company will acquire 50.5% of the issued and outstanding securities of Monday Swiss in consideration for the issuance of common shares of the Company (the "**Payment Shares**") pro rata to the selling shareholders of Monday Swiss with an aggregate value of 5.1M EUR (subject to adjustment in certain circumstances) at a deemed price per Payment Share of the greater of (i) \$0.41; and (ii) the VWAP of the Company's common shares on the Canadian Securities Exchange (the "**CSE**") from the Company's listing date on July 26, 2021 until the date the Definitive Agreement is executed. The Payment Shares are not currently expected to be subject to any hold periods under applicable securities laws.

In addition, it is currently expected that the Company will invest up to an additional 750,000 EUR upon closing of the Proposed Acquisition to satisfy certain debts owing by Monday Swiss and or its subsidiaries and provide a loan of up to 1,000,000 EUR in order to develop new production capacity.

The Proposed Acquisition is an arms-length transaction and no change in the board of directors of the Company is being contemplated at this time. The Proposed Acquisition remains subject to certain closing conditions including, without limitation, (a) entering into the Definitive Agreement; (b) the completion of due diligence; and (c) the receipt by the Company of all necessary corporate and regulatory approvals, including the approval of the CSE, as applicable. There can be no assurance that the Proposed Transaction will be completed as contemplated, or at all.

For further details about Monday Swiss and its Veggie Day products, please visit their [website](#).

## ABOUT ZOGLO'S INCREDIBLE FOOD CORP.:

Zoglo's Incredible Food Corp. is a publicly-traded plant-based food company which offers nutrient-rich, plant-based appetizers, veggies, and meat substitutes to fulfill consumers needs for all occasions and cooking requirements. The Company's wholly-owned subsidiary, Zoglo's Incredible Food Inc., currently offers 14 products through its Traditional Green Box product line and aims to offer 12 innovative products for the mainstream market through its new Zoglo's Incredible Black Box product line. Over the past 25 years, Zoglo's products have been in distribution in over 700 retail stores across Canada including Walmart, Shoppers Drug Mart, Sobeys and Loblaws, and has representation in the United States and Europe. The Company trades on the Canadian Securities Exchange under the ticker: ZOG.

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## Cautionary Note Regarding Forward-Looking Information:

This news release contains forward-looking information. Such forward-looking statements or information are provided for the purpose of providing information about management's current expectations and plans relating to the future. Readers are cautioned that reliance on such information may not be appropriate for other purposes. Any such forward-looking information may be identified by words such as 'proposed', 'expects', 'intends', 'may', 'will', and similar expressions. Forward-looking information contained or referred to in this news release includes, but is not limited to the intended use of the net proceeds from the private placement. Forward-looking statements or information are based on a number of factors and assumptions which have been used to develop such statements and information, but which may prove to be incorrect. Although the Company believes that the expectations reflected in such forward-looking statements or information are reasonable, undue reliance should not be placed on forward-looking statements because the Company can give no assurance that such expectations will prove to be correct. Factors that could cause actual results to differ materially from those described in such forward-looking information include, but are not limited to: negative cash flow and future financing requirements to sustain operations, dilution, limited history of operations and revenues and no history of earnings or dividends, competition, economic changes and the impact of and risks associated with the ongoing COVID-19 pandemic. The forward-looking information in this news release reflects the current expectations, assumptions and/or beliefs of the Company based on information currently available to the Company. Any forward-looking information speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking information, whether as a

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