



25 August 2020

Australian Securities Exchange
Rialto Tower
525 Collins Street
MELBOURNE VIC 3000

STRATEGIC UPDATE

Funtastic Limited (ASX:FUN) (**Company**) is pleased to provide the following update.

As announced to the market on 27 February 2020, the Company continues to undertake a strategic review of the business and seek opportunities, both internally and externally, to grow the business within growth category sectors based around families with kids.

As part of this strategy, the Company is currently in early stage discussions regarding the potential acquisition of certain businesses that align with the Company's strategic direction (**Potential Transaction**). If the Potential Transaction were to proceed, the Company may undertake a capital raising to support the Potential Transaction.

Discussions remain at an early stage and there is no certainty whether the Potential Transaction will proceed.

The Company expects to be able to provide an update regarding the Potential Transaction in the coming weeks.

This announcement has been authorised for release by the Board of Directors of Funtastic.

Bernie Brookes
Chairman
0438 101 422

Howard Abbey
Company Secretary, CFO, Interim CEO
0439 534 880

About Funtastic Limited

Funtastic Limited (ASX: FUN) is an Australian based listed company which operates in the Outdoor, Tech, Learning and Confectionery markets, principally aimed at the younger demographic market. Apart from distributing leading products throughout Australia for its key partners, Funtastic owns a number of its own products and distributes these to over 30 countries globally