



**THE FOOD  
REVOLUTION  
GROUP**

ASX Announcement

13 August 2018

## **FOD executes agreement with Health More, Australia's largest and pre-eminent Diagou and e-commerce distributor into China**

### **Highlights**

- The Food Revolution Group Limited executes agreement with Health More Pty Ltd (Health More) to develop a range of exciting and innovative beverage products for distribution into cross-border e-commerce (CBEC) channels into the Chinese market.
- Health More is Australia's largest and pre-eminent CBEC distribution, sales and marketing company, taking health, wellness, beauty and other products to China and South-East Asia.
- Health More works with more than 160 well-known brands such as Blackmores, A2, Sukin, Lucas Paw Paw, Comvita, Bio Island, Natio and many others in the dietary supplements, milk powders, cosmetics and food markets across the CBEC channel.
- According to China's Ministry of Commerce, CBEC in China reached 6.5 trillion yuan (A\$1.3 trillion) in 2016, accounting for 20 per cent of China's foreign trade.
- FOD will develop functional and nutritional health products based on data sourced from the top e-commerce platforms – providing product and category insights for what is trending and selling in high volume.

**Melbourne, 13 August 2018:** The Food Revolution Group Limited (ASX: FOD) is pleased to announce it has signed an agreement with Health More Pty Ltd (Health More) to develop a range of exciting and innovative beverage products for them to distribute through their cross-border e-commerce (CBEC) channels into the Chinese market.

Health More is Australia's largest and pre-eminent CBEC distribution, sales and marketing company, taking health, wellness, beauty and other products to China and South-East Asia. Health More works with more than 160 well-known brands such as Blackmores, A2, Sukin, Lucas Paw Paw, Comvita, Bio Island, Natio and many others in the dietary supplements, milk powders, cosmetics and food markets across the CBEC channel.

Its 170 strong team located in Melbourne, Sydney, New Zealand, China and Hong Kong has guided multiple Australian and New Zealand brands to successfully connect with Chinese consumers in a meaningful way, navigating them through sales, marketing and distribution networks.

According to China's Ministry of Commerce, CBEC in China reached 6.5 trillion yuan (A\$1.3 trillion) in 2016, accounting for 20 per cent of China's foreign trade.

There are no official trade statistics on the volume of Australian products sold to China through this channel. The 2017 Single's Day promotion on Alibaba platforms, generated A\$33.6 billion in sales volume during a 24 hour period making Australia the 3rd most popular source of products behind Japan and the US (JD.com recorded A\$26.2 billion).

CBEC is not the only means to sell imported products online in China. All products imported via B2B conventional trade through the China Australia Free Trade Agreement can also be sold online—as well as in traditional retail outlets.

The Daigou in Australia, along with the China's mainland middle income earners (over 300m people) search the internet for the Australia's clean, green healthy brands and products. As such, FOD will develop functional and nutritional health products based on data sourced from the top e-commerce platforms – data that covers the world's best health and wellness brands providing product and category insights for what is trending and selling in high volume

FOD Executive Chairman Bill Nikolovski said, "The demand for Australian and New Zealand health and wellness products in China is large and it has enormous revenue potential for Australian companies.

"Our Group has strong innovative and product development capabilities in making beverages products for the health and wellness sectors and we are excited to be able to offer a healthy range of beverages to overseas customers, including those in China. In particular, the Daigou, or overseas personal shopper business is a very attractive prospect for manufacturers and distributors of health and wellness products. It often sees students, tourists and mothers buying Australian products on behalf of customers in China, and is a rapidly growing space."

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## **About The Food Revolution Group**

The Food Revolution Group Limited (ASX: FOD) is an Australian-based food processing company that uses a combination of conventional juice processing equipment and custom-developed equipment and processes to manufacture a range of high-quality juices, fibres, infused fruits and fruit waters that are sold as branded products or ingredients to customers domestically and overseas.

FOD uses a range of processing technologies, including Current Counter Extraction (CCE) technology which was developed in conjunction with Australia's CSIRO to extract juice from fruit and vegetables. Its processing facilities are located in Mill Park, Victoria.

FOD is aiming to generate shareholder value through exploring opportunities for growth in the functional food, beverage and nutraceutical markets in Australian and key international markets.