



**THE FOOD  
REVOLUTION  
GROUP**

ASX Announcement

12 November 2018

## **FOD Signs Distribution Agreement with Sinopec for Australian Canola Oil under “Australia’s Garden” Brand**

### **Highlights:**

- **FOD signs first agreement at International Import Expo in China**
- **MOU between FOD and Sinopec will see companies negotiate a distribution agreement**
- **Sinopec Sales Company (parent) Sinopec Group, is the world's largest oil refining, gas and petrochemical conglomerate, headquartered in Chaoyang District, Beijing**
- **Sinopec has more than 35,000 petrol and convenience stores in China and a large online presence**
- **FOD expects canola oil distribution to commence in early 2019 once it receives China Inspection and Quarantine Certification (CIQ)**
- **FOD expects relationship with Sinopec to grow into the distribution of other functional foods and beverage products**

The Food Revolution Group Limited (ASX: FOD) is pleased to announce it has signed a Memorandum of Understanding (MOU) with China Petroleum & Chemical Corporation (“Sinopec”), the world's largest oil refining, gas and petrochemical conglomerate, headquartered in Chaoyang District, Beijing.

Under the MOU, the two companies will negotiate a distribution agreement whereby Sinopec will sell FOD’s Australian canola oil products produced across its network of more than 35,000 petrol and convenience outlets in China.

FOD will produce the canola oil products under its Australia’s Garden brand.

The MOU with Sinopec follows FOD’s participation at the China International Import Expo last week where it shared a booth with its strategic investor and distributor Careline.

The expo was a great success for FOD as potential customers sampled the Company’s products.

Some of the key visitors, in addition to Sinopec, were JD.com, Bailain group (China’s largest retailer), Costco China and Chairman of WA HA HA, Mr. Zong Qinghou, the largest beverage company in China.

FOD Chairman Norman Li said the Company received significant interest in its products at the expo and the MOU with Sinopec was the first of, what he expects to be, a series of distribution deals with large Chinese corporations.

“This is very exciting development for FOD. Sinopec is one of the largest companies in China, and the world, with more than 35,000 petrol and convenience stores in China plus a large online platform,” he said.

“This is a great relationship for FOD to build on, not only for distribution of canola oil but also for our functional food and beverage range over the longer term. A landmark deal such as this will put FOD on the map in China and position the Company to generate further distribution deals with large Chinese companies.

“We will now work on a formal agreement with Sinopec and we expect to start shipping the product soon.”

FOD will be required to complete China Import and Quarantine certification for the canola oil products, a process it achieved for its Fruit Farm juice range in just 10 days. It will finalise a product range with Sinopec as well as volume and price expectations and anticipates supplying products in China in early 2019.

Sinopec is listed on the Hong Kong Stock Exchange and also trades in Shanghai and New York. Sinopec’s parent company, Sinopec Group, is the world’s largest oil refining, gas and petrochemical conglomerate, with headquarters in Beijing. Its business includes oil and gas exploration, refining and marketing; production and sales of petrochemicals, chemical fibres, chemical fertilisers and other chemicals; storage and pipeline transportation of crude oil and natural gas; import, export and import/export agency business of crude oil, natural gas, refined oil products, petrochemicals, and other chemicals.



Left to right: Jeff Zhang, Bank of China Sydney; Li Shuping, Bank of China Deputy Director; Norman Li, The Food Revolution Group; Mr. Tao Zeng, Vice President of Sinopec Group Sales Ltd Beijing Branch; staff of Sinopec.



**Mr Norman Li and Mr. Zong Qinghou, The Chairman of Wahaha, the largest beverage producer in China. The company is headquartered in Hangzhou, Zhejiang province. "Wa ha ha" signifies laughing child.**





**Business talks with the buyers from Bailian Group, Bailian Group is a large state-owned enterprise in Shanghai. The Company operates department stores and retails groceries, cosmetics, apparels, shoes, books, home appliances, watches, glasses, bags, digital products, and other related goods. Bailian Group also operates logistics and electronic commerce business.**

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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, including China.