



**THE FOOD
REVOLUTION
GROUP**

ASX Announcement

10 December 2018

FOD secures first orders for Chinese distribution from strategic partner Careline

Highlights:

- **FOD secures first order from Careline Australia Pty Ltd for Fruit Farm Orange Juice and Australia Garden Canola Oil for distribution through China**
- **FOD has a strategic distribution agreement with Careline to target at least A\$20 million per annum of additional sales within two years**
- **FOD Chairman and major shareholder Dr Norman Li is the founder of Careline, a major manufacturer and exporter of skincare products, food, supplements and baby formulations into China**
- **FOD has significant distribution capabilities in China, Asia and domestically through Dr Norman Li who is incentivised to grow FOD's sales to A\$100M in the short-term and A\$500M within five years**
- **Following strong interest in FOD's products in China, Careline anticipates sales volume will increase as product awareness builds from major recent distribution deals with Sinopec for Australian Canola Oil and with JJ Global Fine Foods to supply Fruit Farm Orange Juice products through mainland China**
- **FOD focused on signing more distribution deals and growing sales into China through Careline's exclusive sales distribution network of 10,000 daigous. Dr Li plans to grow his sales network to 30,000 daigous.**

The Food Revolution Group Limited (ASX: FOD) is pleased to announce it has secured its first order from Careline Australia Pty Ltd for its China Inspection and Quarantine (CIQ) approved Fruit Farm Orange Juice and Australia Garden Canola Oil for distribution into China.

Following the \$20 million distribution agreement between FOD and Careline announced earlier this year, Careline has purchased a 20-foot container of Fruit Farm Orange Juice and Australia Garden Canola Oil for distribution into China through founder of Careline and FOD Chairman Dr Norman Li's 10,000 strong direct daigou network.

The deal builds on FOD's recent distribution deals with China Petroleum & Chemical Corporation ("Sinopec"), the world's largest oil, refining gas and petrochemical conglomerate to distribute FOD's Australia Garden Canola Oil and with JJ Global Fine Foods to supply Fruit Farm Orange Juice

through mainland China. As a result of these major distribution deals, it is expected that interest in FOD's products will grow rapidly across China. Careline also anticipates sales volumes will increase as product awareness builds.

Careline is incentivised to rapidly grow FOD's sales through distribution and product expansion to A\$500 million within five years with a minimum target of A\$20M additional sales within two years. FOD is working towards generating further distribution deals and growing sales into China through Careline's exclusive sales distribution network of 10,000 daigous. Dr Li plans to grow his sales network to 30,000 daigous.

The Food Revolution Group's Chairman, Dr Norman Li, said that the orders for Canola Oil and Fruit Farm Orange Juice were a key step forward for the Company.

"This is an important occasion for us as we move ahead to distribute products into China through our 10,000-person sales network. We are moving quickly with our growth plans and we have laid strong foundations to execute our strategy.

"We are working to increase our distribution channels and to achieve CIQ certification for all the Company's products and, once received, we anticipate that sales will increase considerably. It has been a transformational period for the Company and we are excited to build our brand presence across China and drive revenue growth."

The Food Revolution Group Limited wishes to correct a statement made in its ASX Announcement dated 28 November 2018. The business of JJ Global Food is not in any way associated with eCargo Holdings Limited (ASX: ECG) or Metcash China. JJ Global Food and its parent company Cargo Services Far East have no interest in Metcash China.

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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.