

BESTON GLOBAL FOOD COMPANY LTD ESTABLISHES JOINT VENTURE COMPANY WITH HONG KONG BASED SUNWAH GROUP

Beston Global Food Company Ltd (BFC) announces that it has entered into a Joint Venture with the Sunwah Group ("Sunwah") in Hong Kong for the marketing and distribution of BFC food and beverage products in Hong Kong, Macau and certain parts of Southern China.

In announcing the Joint Venture, the Chairman of BFC, Dr Roger Sexton said that the arrangements which have been put in place, "filled a gap" in the company's Asian distribution platform.

"We are strong in China and the ASEAN region with our own on-the-ground marketing and distribution teams but we lacked a direct presence in Hong Kong and Macau," Dr Sexton said.

Sunwah is one of the largest importers and distributors of food stuffs in Hong Kong, and Macau and has a long standing specialisation in seafood products, in the region. The company was founded in 1957 and now operates one of the most comprehensive logistics and door-to-door delivery services in Hong Kong with services to major hotels, supermarkets, air-catering companies, theme parks, fast food chains and restaurants.

Sunwah also owns and operates restaurants in Hong Kong and the People's Republic of China including the Nishimura Japanese Restaurant chain.

Dr Sexton said that through its long established network of contacts in Hong Kong, BFC had identified and considered a number of different potential joint venture partners in Hong Kong but after an extensive evaluation process had decided to enter into a Joint Venture with Sunwah. This was not only because of the substantial capabilities and highly regarded track record of Sunwah but also because of its focus on business culture, strong ethical practices and community engagement, all of which aligns with the focus and objectives of BFC.

The Chairman of the Sunwah Group, Dr Jonathan Choi, said that Sunwah was very pleased to have formed a formal association with the Beston Global Food Company as the joint venture recognised, and capitalised on, the relative strengths of the two companies.

"Beston has a wide variety of premium quality food and beverage products which are in high demand in Asia. Sunwah has a strong distribution business in Hong Kong and Macau, which has earned a reputation over a period of more than 50 years for the provenance of its products and the quality of service provided to its customers. We share a lot in common. It is a perfect marriage" Dr Choi said.

“Sunwah is very active in both the business and the broader communities in which it operates as I am a firm believer in companies contributing to the societies where they have enjoyed success. I am pleased that the principals of BFC share the same values”.

The joint venture will operate as a special purpose company in Hong Kong with 51% of the shares held by Sunwah and 49% by BFC. Sunwah is responsible, under the terms of the joint venture, for utilising its existing distribution channels to market and sell BFC sourced food and beverage products in Hong Kong, Macau, Guangdong and Jiangsu provinces of the PRC. BFC is responsible for providing products from its food and beverage portfolio to the joint venture, along with any supporting product information or technical expertise as may be required from time to time.

Dr Sexton said that the Joint Venture Company will work closely with the BFC China team based in Dalian to maximise the outcomes from their respective efforts to grow the market for BFC products in Hong Kong/Macau and Greater China.