





# Food & Ag: Selling juices to China is tough right now, so Food Revolution Group is joining the ASX's 'germ fighters'

February 18, 2020 | Nick Sundich

SHARE    

It's tough making money from China right now ... unless you make hand sanitisers, which is why Food Revolution Group (ASX:FOD) has decided to join its fellow germ fighters.

The company was hoping to sell its beverages into China, among other markets. But with the economy in lockdown, companies reliant on exporting to China have struggled in recent weeks.

However, hand sanitiser makers are raking in the bucks and witnessing the investor love. Zoono (ASX:ZNO) has become more than a 10-bagger.

While Holista CollTech (ASX:HCT) has not seen the same share price gains, it has been overwhelmed with consumer demand as well.

This morning Food Revolution Group went on a run of its own. It surged over 40 per cent as it announced it was striving to sell hand sanitisers.



The company already has a factory with capacity to bottle liquids and a Chinese distribution partner and will utilise these in its new endeavour.

As for the ingredients for its sanitiser, the company said it had just sourced them and would be ready to begin production by the month's end.

Chairman Norman Li told shareholders there was substantial demand and the company was up to the task.

"These developments...vindicate the company's decision to invest in the new clean room factory to provide constant supply of high-quality Australian products to the Chinese market," he said.

### **In other ASX food and agriculture news today:**

**Bubs Australia (ASX:BUB)** climbed 8 per cent this morning after announcing more of its products would be stocked in Woolworths. CEO Kirsty Carr said this more than doubled the company's space exposure and retail points of distribution across the Australian grocery retail sector.

"We are confident that it will have a significant uplift in our domestic volume as we continue to build awareness and trust in the Bubs brand with Australian parents," she said.