

Beston Global settles on Thailand for its Asean hub

Australia-based Beston Global Food Co (BGFC) has announced plans to establish its Asean production base in Thailand.

"Thailand was the choice because it really is the focal point of Asean, with attractive investment incentives for regional operating headquarters and infrastructure that suited the company operations," chairman Roger Sexton said.

The company established its local subsidiary, BGFC (Thailand), to import Australian products initially and be a regional supply base to produce and export to Asean members plus China and Australia.

Mr Sexton said the company would focus on dairy products, seafood, meat products and vegetables. BGFC (Thailand) also targets food service companies, restaurants and international supermarkets.

The company plans to export food products to neighbouring countries to tap growing tourism industries there.

BGFC expects to raise A\$100-120 million (2.54 to 3.05 billion baht) on the Australian Securities Exchange to fund the expansion in Thailand. Once successful, it will begin expanding operations in Thailand and elsewhere in Asean, which it expects to start in September.

"We're looking for opportunities in each Asean member, as we have a competitive advantage to serve demand there as well as in Australia and China," said Ben Bootle, regional chief executive of BGFC (Thailand).

He said BGFC's priorities were Thailand and Vietnam, where the company has representative offices. It plans to focus later on the Philippines, Malaysia and Indonesia.

"We're planning to set up a dairy production base and bring new technology to local dairy cooperatives to increase productivity," Mr Bootle said, adding that the company's long-term plan was to establish a dairy production hub in Asean.

Mr Sexton said the company would initially invest A\$3 million before looking for more investment opportunities over the next 12 months.

The company plans to invest up to A\$20-30 million in the coming years, he said.

"We'll establish a substantial presence in the country within five years," Mr Sexton said.

The company projects a net profit of A\$1 million in its first year of expansion and revenue growth of 20% per year.

"We're confident about our projection because the company has the right products for the market," Mr Sexton added.

