

Investcorp, China Resources and Fung Investments launch US\$500 million investment platform targeting fast-growing Asia food brands sector

Bahrain, 7 November 2019 –Investcorp, a leading global alternative investments manager, China Resources, one of the world’s largest owner and distributor of food brands in Greater China and Fung Strategic Holdings Limited, a member of Fung Investments, jointly announced today the launch of the first-ever private equity platform dedicated solely to investing in food brands in Asia, specifically China, Singapore and greater Southeast Asia. Fung Investments is the private investment arm of the families of Victor Fung and William Fung, the controlling shareholders of the Fung Group, the Hong Kong based pioneer in the global consumer goods supply chain.

The new platform is aiming to raise US\$500 million and will be jointly owned and managed by the three founding partners, operating out of their respective offices in Beijing, Hong Kong and Singapore with US\$300 million of capital already committed by Investcorp, China Resources and the Fung Investments.

The investment platform will primarily focus on capturing the growth and market opportunities of China’s highly fragmented food sector. Together, Investcorp, China Resources and Fung Investments intend to construct a diversified portfolio of investments to support fast growing businesses with anticipated higher margins and defensive franchises, as well as new premium brands in niche sectors such as condiments, packaged food and healthy snacks.

China is the world’s largest and fastest growing consumer market. With 120 million Chinese households set to become middle class consumers over the next decade, China provides a potential “once in a generation” surge in domestic consumption growth. This trend is also supported by Chinese millennials spending more money and seeking new, more premium and healthier brands.

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Hazem Ben-Gacem, Co-CEO of Investcorp, commented: "Investcorp has been actively growing our presence in Asia as part of our strategy to expand and diversify our global reach and offerings. We are extremely proud to enter into this partnership with two blue-chip investors and operators in Asia, which represents a key step to achieving our long-term growth ambitions in the region. We are investing not only in what we consider to be the world's largest and fastest growing consumer market, and in one of the most defensive sectors, but also in partnership with some of the most respected entities in China. Together, I believe that we will set the foundation for what we hope will be one of the most successful investment platforms dedicated to Asian food brands."

Carl Qin, CEO of China Resources Capital Management, said: "Investcorp is the only private equity investor who has invested in the food sector across four continents, and Fung Group has a rich history and heritage in export trading and global supply chain management. Their unique experiences give us confidence that we have the right partners in our quest to address a significant market opportunity."

Monica Tsui, Managing Director, Fung Investments, said: "Fung Strategic is focused on developing the Food Sector with the backing of the Fung Group's Global Supply Chain capabilities. Together with our partners, China Resources and Investcorp, we are confident that we will realize major opportunities in China and the Region."

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About Investcorp

Investcorp is a leading global manager of alternative investments. Led by a new vision, Investcorp has embarked on an ambitious, albeit prudent, growth strategy. The Firm continues to focus on generating value through a disciplined investment approach in six lines of business: private equity, real estate, absolute return investments, credit management, infrastructure and strategic capital.

As at June 30, 2019, the Investcorp Group had \$28.2 billion in total AUM, including assets managed by third party managers and assets subject to a non-discretionary advisory mandate where Investcorp receives fees calculated on the basis of AUM.

Since its inception in 1982, Investcorp has made over 185 Private Equity deals in the U.S., Europe, the Middle East and North Africa region and Asia, across a range of sectors including retail and consumer products, technology, business services and industrials, and more than 650 commercial and residential real estate investments in the US and Europe, for in excess of \$60 billion in transaction value.

Investcorp employs approximately 430 people across its offices in New York, London, Bahrain, Abu Dhabi, Riyadh, Doha, Mumbai and Singapore. For further information, including our most recent periodic financial statements, which details our assets under management, please visit:

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