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ASX CODE: BFC

## MOZZARELLA CONTRACT WITH A PROMINENT AUSTRALIAN COMPANY

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- Contract signed to supply a prominent Australian Company with 200 tonnes per month (on average) of Mozzarella cheese
- Supply contract represents 30% of current production at BFC's Jervois plant in South Australia
- SQF Accreditation now achieved on state-of-the-art production plant in addition to Export Accreditation
- A significant milestone for BFC, translating to revenue of more than \$1 million on average per month as from August 2018 for this single customer
- Contract and quality accreditations confirm the premium quality of the "Edwards Crossing" Mozzarella being produced by BFC from its Jervois plant

Beston Global Food Company Limited (ASX: BFC) is pleased to announce that it has signed a contract with a prominent Australian Company to supply Mozzarella Cheese produced at BFC's newly commissioned state-of-the-art plant at Jervois, South Australia.

Under the terms of the contract BFC will supply an average of 200 tonnes of Mozzarella Cheese per month representing 30% of current production at the plant. Supply of product is to commence in August 2018 and will result in our Mozzarella being sold by this company across Australia.

Pursuant to our release of 1 May 2018 in which we announced the successful commissioning and Mozzarella production ramp-up, this contract underpins the investment in our state-of-the-art plant at Jervois, South Australia and reflects the hard work, dedication and commitment of our Dairy Division Staff.

In addition to the successful completion of Export Accreditation announced in May, the Jervois plant has also now successfully achieved the stringent quality accreditation known as SQF (Safe Quality Food). SQF is an internationally recognised, independent food safety standard and quality management system which provides assurance that SQF certified food manufacturers meet world best practice standards.

The Jervois plant was previously extremely well known in industry circles for producing premium Mozzarella Cheese under the brand name "Caboolture", prior to this brand being sold by the Receivers of United Dairy Power (the former owners of the Jervois plant) and the Jervois-produced product being taken off the market. The premium Mozzarella now being produced at Jervois by BFC, following the recommissioning of the factory with updated technology, is being sold under BFC's brand "Edwards Crossing", as used for the majority of the company's cheese products.

Notwithstanding the reputation of the Jervois plant for producing some of Australia's best quality Mozzarella, for a period of more than 30 years, selling this product under a new brand, "Edwards Crossing", takes time as distributors and wholesale customers reacquaint themselves with the product and test consumer acceptance. The securing of this contract to supply 200 tonnes of Mozzarella each month is a significant milestone for BFC in this context and translates to revenue of more than \$1 million on average per month from this single customer.

The contract has endorsed not only the quality of the product but also the quality of the production process, via the SQF accreditation, and can be expected to assist with securing contracts from other major customers in Australia, as well as from overseas.

Recent media reports have highlighted the growing demand for Mozzarella in Asia (and in particular in China), as consumer demand for pizza increased. Our offices in China, Thailand, Vietnam and Malaysia are now actively engaged in providing sampling experiences for potential customers in these countries in order to generate brand awareness of our "Edwards Crossing" Mozzarella as well as our other premium cheese ranges.

BFC is currently in the advanced stages of negotiations on several other large, repeat commercial contracts. We expect to be in a position to announce details of these contracts in the near future.

The time lags involved in marketing our Mozzarella product, running pilot consumer trials and negotiating contract details after fine-tuning and bringing the Jervois factory back to the standard associated with its premium quality reputation, has meant that the sales and revenue impacts of this new Retailer contract will not be captured in the 2017-18 financial results of BFC, but will have a positive impact in the 2018-19 financial year.

BFC is proud of its commitment to, and delivery of, a range of premium quality food products that supports a nutritionally beneficial outcome for its consumers. The Company continues to produce, promote and sell its range of healthier choice dairy products leading the market with its unique Reduced Sodium Cheddar, and Reduced Sodium and Fat Cheddar.

A point of difference being used for the promotion of BFC's products in export markets is the clean, green, premium heritage of the Company's dairy products via the use of our internally developed, patented OZIRIS/Brandlok technology. While overseas sales represent a relatively small proportion of sales to date, these markets are growing in significance. BFC customers in these markets are able to know exactly what they are putting in their mouths; from the raw materials, other ingredients that were used on

the manufacture of the final product and where those ingredients came from, as well as all the normal nutritional information that is required on packaging. This is becoming increasingly important in a world where the incidence of "food fraud" is on the rise.

Now that both the Murray Bridge and Jervois plants are in full commercial production, a strategic focus of the company is to operate our Dairy Division at optimum capacity and efficiency. Given the importance of our Dairy Division to the future growth of BFC's revenues and earnings, our CEO Sean Ebert has stepped into the role of Dairy Division Manager in addition to his other responsibilities. This has resulted in our Non-Executive Chairman, Dr Roger Sexton stepping into the position of Executive Chairman. These arrangements will remain in place through to December 2018.

Mr David Wilson who has had a highly credentialled career in the food industry and has been Manager, Retail Sales at BFC has been promoted into the position of Group General Manager, Sales and Marketing.

#### **FOR FURTHER INFORMATION PLEASE CONTACT:**

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#### **ABOUT BESTON GLOBAL FOOD COMPANY**

Beston Global Food Company Limited ('BFC') is a leading Australian food, beverage and nutritional company producing premium products across dairy, meat, seafood, health and nutritional sectors. BFC comprises wholly owned and operated businesses and a collection of investee companies to hold a diverse portfolio of natural and clean premium Australian produce products. For more information please visit [www.bestonglobalfoods.com.au](http://www.bestonglobalfoods.com.au)