

11 January 2019

## ASX ANNOUNCEMENT

### Update on Management Changes

The Board of Beston Global Food Company Limited (ASX: BFC) advises that the Company's new Chief Executive Officer, Jonathan Hicks, has this week commenced in this role, as per the arrangements previously advised to the ASX on 28 November 2018. Pursuant to Mr Hicks taking up the CEO position as from 7 January, 2019, Dr Sexton has resumed his position as Chairman of the Board and relinquished the executive role which he assumed in August, 2018.

Mr Hicks is 44 years of age and has spent the whole of his working career in the dairy industry in both technical and managerial positions, in the UK and Australia.

Dr Sexton said that the appointment of a person of the calibre of Mr Hicks, with his breadth and depth of industry experience, reflected the strategic decision of the Board of BFC to place its dairy business at the front and centre of the Company's activities to build long term earnings growth.

He noted that BFC had increased the productive capacity of its dairy assets over the past twelve months with the completion of the asset build-out programs at Murray Bridge and Jervois and the installation of its state-of-the-art Mozzarella plant.

"The appointment of Mr Hicks was an appropriate and timely decision for the next stage of development of the Company", he said.

Dr Sexton noted that a key focus of the business in this 2018-19 financial year, and particularly over the past few months, had been to restructure and retune the Company's Sales and Marketing functions to deliver on sales targets and to reduce overall operating expenditures across the Company.

The changes in the Sales and Marketing area outlined at the Annual General Meeting in November, 2018 have involved the termination of several contracted



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third-party service providers and the recruitment of a number of new highly experienced salaried sales personnel who are embedded in the business and strategically aligned to the requirements of the Company, he said.

"A number of changes have also been implemented in since August 2018 to cut costs, which will result in net savings in excess of \$1.0 million over a full year." Dr Sexton said.

"Measures to further streamline the Company's Dairy operations and further reduce costs have been identified and are currently under review by the Board which, if able to be implemented, could achieve substantial additional annualised cost savings. In addition, and as part of this review, the Board and new Chief Executive will also be giving consideration to capital management initiatives to assist the Company in improving its profitability in the near term and will advise shareholders accordingly."



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A member of the Beston Global Food Company Group of Companies