The Beston Chronicle

BESTON GLOBAL FOOD COMPANY

JUNE 2018 ISSUE 2



Welcome to the 2nd Edition of 'The Beston Chronicle'.

Leading up to the end of the FY18 and reflecting on what we have accomplished as a team, and the challenges that we have faced, it is most satisfying and rewarding to be able to report on our further progress and achievements. In just 3 years of listing the company we now have in our possession a total of 39 high profile industry awards for our dairy range. The pace is still fast and we are getting ready to ramp it up for FY19 which is looking most encouraging and exciting. I thank all our stakeholders for coming with us on this journey in taking the best of South Australia to the World.

Dr Roger Sexton AM Chairman, Beston Global Food

STOP PRESS

Beston leads the pack...

Beston announces their 2018/19 milk price which is firm on the previous season's rate at the industry leading level of \$6.05 per kilo (MS).

Read 'From the Beston Pure Farms' page 4.

Beston wins another major industry award, this time for the best colby cheese in Australia



Sarah Diamond & Paul Jones, Merck-award sponsors, Paul Connelly Beston's Master Cheesemaker accepting award

It is again official that Beston makes the best cheese in Australia - in 2017 for our Edwards Crossing Cheddar Cheese and this year our Edwards Crossing Colby Cheese.

At the prestigious 2018 Dairy Industry Association of Australia (DIAA) Awards on Friday 11th May, Beston won the Best Colby Cheese in Australia and 10 other major awards for cheese products in our Edwards Crossing and Mables cheese ranges, including a Silver for our Whey Powder.

This win is also on the back of winning 6 major cheese awards at the Sydney Royal Cheese and Dairy Show, judged in February 2018. The Sydney Royal Cheese and Dairy Show is known as the most prestigious and largest royal dairy show annual competition in Australia, where on their website they state, "a win represents the highest industry accolade".

"To follow on our success this year at the Sydney Royal Show where we won Gold for our Edwards Crossing Vintage Cheddar and 5 silver medals for other cheese products in the range and now to win another 'Best in Australia' award for our Edwards Crossing Colby cheese, is again humbling, as these awards are incredibly competitive and attract the highest quality entries", says Dr Roger Sexton, Chairman Beston Global Food Company.

Paul Connolly, BFC Australia's Master Cheesemaker goes on to say, "it is so pleasing to collect awards such as these at what is known as the academy awards of dairy, especially in front of industry peers and now two years consecutively. What is more rewarding is that the focus for the last 12 months was on our Mozzarella plant in Jervois, as the final commissioning of this plant represents the culmination of a \$26.5M investment by BFC into its dairy operations over the last 2 years, for which we recently received an exporters license. It is a testament to the extraordinary effort of my team at our Murray Bridge plant who have continuously produced the highest standard of hard and semi-hard cheeses, whilst so much focus was placed on getting our Mozzarella out to distributors due to the demand. I can now say that to date we have won major awards at every major event we have entered into."



























Woolworths took a fancy to our new product



Beston Global Food Company Limited announced on 1st May 2018 to the market, that it had developed a new innovative adult cheese snack called 'Fancy Bites', under the Edward's Crossing premium cheese brand that is to be distributed to 700 Woolworths stores across Australia, commencing on 6 June 2018. Coinciding with Beston winning a major DIAA award, a decision was made by Woolworths to expand their order of 'Fancy Bites' and range the product in 907 stores across Australia. This will be in addition to the ranging of the Edwards Crossing award winning semi-hard cheeses; Cheddar, Colby and Gouda in the majority of

Woolworths stores in South Australia. The CEO of BFC, Mr Sean Ebert said, "that the increased order from Woolworths underscored the benefits of the Company's strategy to focus on producing premium high-quality award winning products as a means of building market presence rather than with commoditised cheese products."

Mozzarella plant now in full operation



The Edwards Crossing Mozzarella since February this year is now being crafted at our Jervois factory which is close to Beston Pure Australia Murray Bridge factory. (See page 4 for video link.) The latest technology from Italy has been installed at the Jervois factory ensuring that the quality of this Mozzarella is of the highest standard possible.

"It is important that Mozzarella when cooked is; light golden, not too dark, soft, not chewy or rubbery and creates small blisters without burning with great 'stretch', when consumed and after much testing with Pizza makers feedback is telling us that our 'Mozz' delivers this stretch and exceeds other brands on the market," says Beston Pure Australia Master cheese-maker Paul Connolly.

The Jervois factory has a reputation for many years of producing the best Mozzarella in Australia and Beston Pure Australia will be keeping up this tradition whilst increasing employment opportunities for people in the local areas.

"Judging by early feedback from our customers the Edwards Crossing Mozzarella will no doubt will be the 'Mozz' of choice for many Pizza makers now and into the future. We look forward to taking this product to the DIAA awards next year," says Sean Ebert Chief Executive Officer.

Export opportunities open up China and ASEAN Countries



Our Jervois plant where our Mozzarella is being crafted has recently received export accreditation.

This is very exciting news and opens up immediate new opportunities for Beston offices in Thailand, Malaysia and Vietnam, as the presence of pizza restaurant chains has contributed to a significant increase in pizza consumption in countries within Asia. We are now awaiting CNCA accreditation for this plant so that we will then be able to export Mozzarella to China, as Pizza restaurant chains have been growing

steadily in this country. This also has had an effect of introducing cheese as a culinary ingredient and everyday food, which was relatively uncommon in Chinese cuisine prior to the emergence of pizza chains. Our retail range of Edward Crossing cheese can now be exported to China following on from the recent CNCA accreditation of the facility where the product is packed. Further exciting news as it leverages our distribution footprint in China and allows us to provide the complete

Exciting news on the Retail front

Exciting times in Retail sales as we get closer to the launch of Fancy Bites in Woolworths. In June we will see three flavours of Fancy Bites hit the shelves of Australia's biggest retailer Woolworths and three Edward's Crossing hard and semi-hard cheeses in SA Woolworth stores. We have stock ready to go and the first order was placed on the 24th of May. The work on our new product only just starts here as we need to have consumers try and buy this great new line. We have plans in place to activate Fancy Bites with an introductory promotional offer and instore advertising.

Further plans for Fancy Bites will see us launch Nationally in Metcash

in October and the brand has been presented to Coles with our objective to gain ranging across the big 3 retailers in Australia.

We are also very close to launching 'Edwards crossing Vintage Cheddar 150gm'. This award winning cheese will be released in a 150gm format in the Australian retail marketplace. This will kick off in Metcash nationally in July and we are working hard to have this fantastic new line ranged nationally across all major retailers.

portfolio of our Beston products.

"In retail we will continue to look to expand our portfolio across the major controlled accounts and key independent supermarkets through the Metcash Warehouse System. Gaining distribution and implementing effective activation strategies is a huge piece in the puzzle to increase sales which is my number one objective. I look forward to reporting on our progress and updating everyone on

the wins and milestones along the way to delivering our products as leading brands in the Australian retail space", says our new General

says our new General Manager of National Retail Sales, David Wilson.

WHAT SEPARATES OUR AWARD -WINNING COMPANY FROM ITS COMPETITORS

Beston products verify authenticity - BFC products are coded with our end-to-end track, trace and anticounterfeiting capability through OZIRIS. This allows consumer to shop with peace of mind that their products are premium, safe and authentic.

Dr Roger Sexton says, "ABC News recently ran a story on popular Australian brands being confiscated as they were found to be counterfeits, equating to several million dollars' worth of product. In this article BFC was named as an Australian company who has developed a three-part traceability, anti-counterfeit and global e-commerce platform."

"The system allows consumers to buy online and offline, trace the origin of products, and verify their authenticity," said an Austrade representative.



STAFF PROFILE



Olivia DiSisto is the General Manager of the BFC Health and Nutrition Division where she is responsible for upholding the commitment to health, wellness and optimal nutrition via advocacy for and promotion of a safe, clean, nutritious and sustainably and responsibly produced food supply. Olivia provides internal nutrition advisory support and the review and analysis of all food and beverage products and new product development projects. Olivia is completing her Masters of Business Administration (MBA) and is a fully Qualified Accredited Practising Dietitian (APD) and Accredited Nutritionist (AN) credentialed by the Dietitians Association of Australia (DAA). Olivia's background includes;

- Graduated with a Bachelor of Nutrition & Dietetics from Flinders University, Adelaide and awarded the University Prize for Dux in final year.
 Post-graduate qualifications in Medicines Management from University of Tasmania and awarded the 'National Prize for Academic Excellence'.
- Academic awards include the Flinders University Chancellors Letter of Commendation 2008 & 2009, the Nutricia Australia Prize 2010 & the Dietitians Assoc. of Australia Prize 2011.

VIEW OUR UPDATED CORPORATE VIDEO

Click here to see our

NEW JERVOIS PLANT

Beston Retains Industry Leading Position on Milk

Beston Pure Dairies are pleased to confirm that we will continue to lead the industry in supporting our dairy farmers by releasing the 2018/2019 new season milk price at \$6.05/kg milk solids for existing suppliers, the same leading price as last year. "This again represents

a significant investment by Beston as we recognise that we are partners in dairy with our supplying producers in the region and their continuing viability and support is critical to our ongoing success", says Dr Roger Sexton, Chairman, Beston Global Foods.

FROM THE BESTON PURE FARMS



THANK YOU TO OUR FARMERS

Beston Global Foods marked a milestone in its mozzarella production by holding the inaugural Farmers Appreciation Day on 23rd April. Farmers came from as far as Mount Gambier for the event, and some of our major distributors from interstate. Bestons chairman Roger Sexton said, "the day was a chance to show appreciation to the farmers, contractors and staff at the Jervois factory, which

was first opened in 1948. Upgrading the plant to its present state, including installing a state-of-the-art plant from Italy, had been a \$26 million investment. But we wouldn't have done it if we didn't have the support from farmers." The Farmers had the chance to taste the new "Mozz" on various pizza varieties, the Edwards Crossing hard and semi-hard cheese and Mables cream cheese ranges, as well as tour of the new mozzarella plant to see where their milk ends up.

Dr Sexton said, the cheese factory at Murray Bridge already had a great reputation for producing award winning hard and semi-hard cheeses and there is a high expectation for our mozzarella cheese as well. However, without our Farmers we would not be in business".

HERD FOCUS SHOWING RESULTS

Over the past 12 months we have implemented a strong herd improvement and building focus including growing our replacements program and purchasing lines of selected high performance heifers. This has resulted in over 600 fresh heifers being introduced into the milking herd during this period and the results are really starting to show,



at the same time we been able to introduce an additional 500 young heifers into the rearing program which is really encouraging for the future.



WELCOME

We are pleased to announce the appointment of Chris Williams as Senior Manager of Beston Pure Farms.

Chris comes to us having spent the last 14 years as CEO, Manager, and Partner of Lake Alex Dairies at Meningie, a 3,000 head milking cow enterprise. Located at Mount Gambier and reporting to Hamish Browning, Chief Operating Officer at Beston, his primary focus will be on-site management supervision of our

existing properties and farm managers at Mount Gambier. In the journey of the past 3 years in acquiring, on boarding, and upgrading our existing properties some very good progress has been made, especially by the current managers, and the results of these efforts are starting to show, " I believe our farming business and the current managers will benefit greatly from the addition of Chris, with a greater focus on taking us to the next level", says Hamish Browning. Chris can be contacted at email: cwilliams@bestonfarms.com.au and mobile: 0427 754 282.