



MEDIA RELEASE

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Western Australian grain growers break into Asian beer market

The CBH Group today joins Interflour Group in celebrating the opening of the US\$70 million Intermalt facility in Vietnam providing Western Australian grain growers with direct access to the Asian beer market.

CBH Chairman Wally Newman and Chief Executive Officer Andy Crane attended the ceremony together with directors and senior leaders including Interflour Group Managing Director and Chief Executive Officer Greg Harvey, Intermalt General Manager James Kirton and representatives from the Vietnamese government.

Mr Newman said CBH's involvement in downstream grain processing, through its 50 per cent shareholding of Interflour, had diversified the co-operative's income stream and resulted in increased market opportunities for Australian grain.

"CBH's investment in Interflour 12 years ago was ground breaking and today's opening of the Intermalt facility in Vietnam marks a new phase of growth for the business as it moves into barley processing and expands across South East Asia," Mr Newman said.

"It will be a new chapter for Western Australian barley growers who now have direct access to Vietnam's burgeoning beer market – the fastest growing beer market in Asia."

Mr Newman said over the past harvest growers delivered 1.5 million tonnes of malt barley into the CBH receival network and the facility provides a new market for growers.

As part of the final commissioning phase, Intermalt has already purchased 42,000 tonnes of malt barley, with 32,000 tonnes coming from the Kwinana and Albany port zones of the Western Australian grain belt.

Intermalt is located in Cai Mep, Vietnam, and will be the largest malting plant in South East Asia. It will have the capacity to produce 110,000 tonnes of malt a year and will service major brewers in the region including Heineken Vietnam.

"Not only is the Intermalt infrastructure impressive, but so too is the growth and opportunity it affords our growers, our businesses and the Asia Pacific region as a whole," Mr Newman said.

“Our current and future growers can look forward to benefiting from Interflour’s expansion and this new venture generating value that we can then return to them a number of ways including through our investment rebate.”

Heineken Vietnam Corporate Affairs Director Matt Wilson said, “Heineken Vietnam always seeks to use local suppliers where possible in order to drive jobs and wealth in Vietnam”.

“Our preference for local sourcing has seen us contribute around 0.75 per cent of Vietnam’s total GDP and support nearly 200,000 jobs in Vietnam,” he said.

“Because of this, we are very happy to see Intermalt entering the local market with the potential to supply us with locally produced malt in the future and increase our contribution to the Vietnamese economy.”

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