



Media statement

5 July 2017

New malt plant officially opens in Vietnam

Intermalt officially opened its US\$70 million state-of-the-art malting facility in the southern Vietnamese province of Bà Rịa-Vũng Tàu today.

Intermalt, a subsidiary of Interflour, one of Southeast Asia's largest flour producers, is poised to take advantage of a growing market and change the landscape for malt production in the region.

"The beer market in Vietnam is growing rapidly and we will be at the forefront of bringing locally produced malt right to the doorstep of breweries in the region," said Intermalt General Manager James Kirton.

"This market is the fastest growing beer market in Asia, with consumption growing at an average rate of 6-9 percent per annum over the past 10 years. Beer is the number one alcoholic beverage of choice here, staggering 95% of alcohol consumed in Vietnam is beer."

"That means big opportunities to support our customers' businesses by providing just-in-time deliveries. We were able to leverage off Interflour's efficient bulk supply chain into Vietnam to make this investment really work," he said.

The Intermalt plant has an annual capacity of 110,000 tonnes of malt, with the ability to process approximately 140,000 tonnes of malting barley.

Interflour Group Chief Executive Officer and Managing Director Greg Harvey said that 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 areas of the Western Australian grain belt.

"We are proud to be opening up a whole new market for these grain growers and offer our customers a great quality product with reliability and consistency," he said.

The Buhler built plant is uniquely designed to meet the challenges of processing malt in the tropics and boasts an all stainless steel facility.

The germination area has been built with additional cooling capacity and the ability to cool water and air as it is used, while the steeping house has small conical steps to increase the homogeneity of the malt and the wider than normal kiln has a thin grain bed with higher airflow.

"Intermalt will produce fine quality malt for the major breweries in Vietnam as well as throughout Southeast Asia. We have been working with our customers to ensure the highest standards are met and product specifications can be achieved," said Mr Harvey.

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Backgrounder

Intermalt

- Intermalt is a subsidiary company of Interflour and was established in 2014 to serve the growing beer market in Vietnam and throughout South East Asia.
- After just 2.5 years under construction, the new plant will officially open in July this year.
- US\$70 million invested to build a plant with annual capacity of 110,000 tonnes of malt.
- Intermalt will be sourcing the majority of malting barley from Western Australia but has the ability to source from multiple origins to ensure quality and reliability.
- The Intermalt plant is located in southern Vietnam, adjacent to Interflour's Cai Mep port facility and grain storage facility.
- The plant will be running at full capacity in 2018.

Why Vietnam?

- Vietnam's beer consumption grew at an average of 6-9% per annum for a period of 10 years prior to Intermalt being established.
- This growth came from the premium beer segment.
- 95% of all alcohol consumed in Vietnam is beer with around 36 litres per capita
- Beer consumption in developed countries was stagnant or decreasing during the same period.

Malt production in Vietnam

- Traditionally European malt has been used in Vietnam.
- Intermalt will use predominately Western Australian malting barley supplemented with multi origin supplies when needed.

Plant features

- Buhler built
- The plant is uniquely designed to meet the challenges of processing malt in the tropics and boasts an all stainless steel facility, a wider than normal kiln with higher airflow and thin grain bed.
- The germination facility has been built with additional cooling capacity with ability to cool the water and the air as it's used.
- The steeping house has small conical steps to increase the homogeneity of the malt.