



**Produced & Processed
in the UK**

Consumed Globally

- ▲ Company Overview

- ▲ Brexit
 - ▲ Where are we now ?
 - ▲ What's at stake ?
 - ▲ Where are we going

- ▲ Summary





Company Overview

Domestic and export focussed

- ▲ Leading supplier of Mozzarella in Europe
- ▲ Largest cheese manufacturer in the UK
- ▲ Facilities in Wales & Northern Ireland exporting to 30+ countries
- ▲ Processing 20% of the milk produced in both Wales and Northern Ireland
- ▲ Providing global supply solutions to global customers





- ▲ **Cautious optimism over UK-EU Brexit deal talks**
- ▲ **Reality Check: When is Brexit crunch time?**
- ▲ **Bisto owner plans Brexit stockpile**
- ▲ **Democratic travesty not to have another Brexit vote**
- ▲ **MPs can stop no-deal Brexit**

Wednesday's UK Media Headlines

- ▲ Johnson: Cabinet must stop this deal
- ▲ Theresa May to face cabinet showdown
- ▲ DUP could not back draft Brexit deal
- ▲ Leaked note says EU retains control
- ▲ UK significantly closer to delivering Brexit, says May
- ▲ Hard Brexit something akin to a civil war
- ▲ Cabinet backs draft Brexit agreement

- ▲ Cabinet minister (s) resign
- ▲ Two Brexit Ministers have now resigned – these are (were) the guys who were negotiating the deal !!
- ▲ May: This deal 'is in the interest of the British people
- ▲ Government must withdraw this half-baked deal
- ▲ May looking 'utterly shellshocked'
- ▲ **This slide is now probably out of date !!!!**

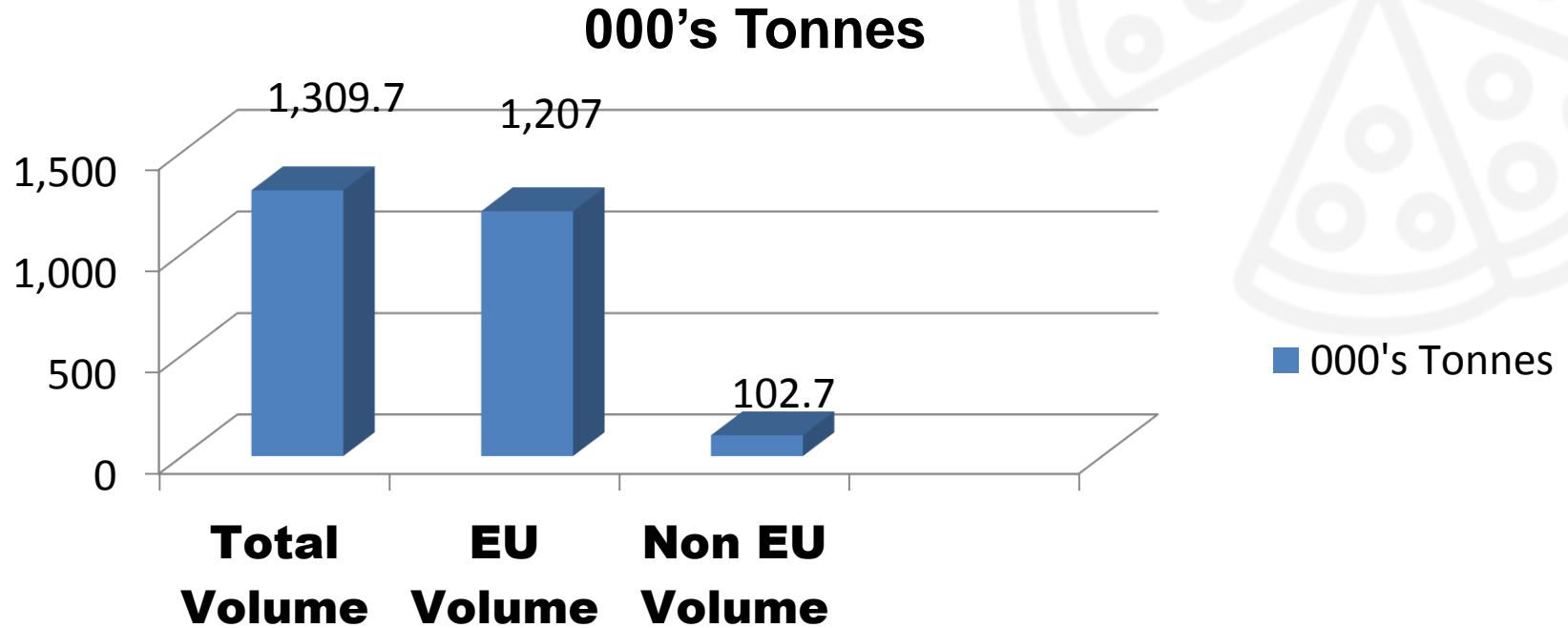
So how are we feeling now about Brexit ?



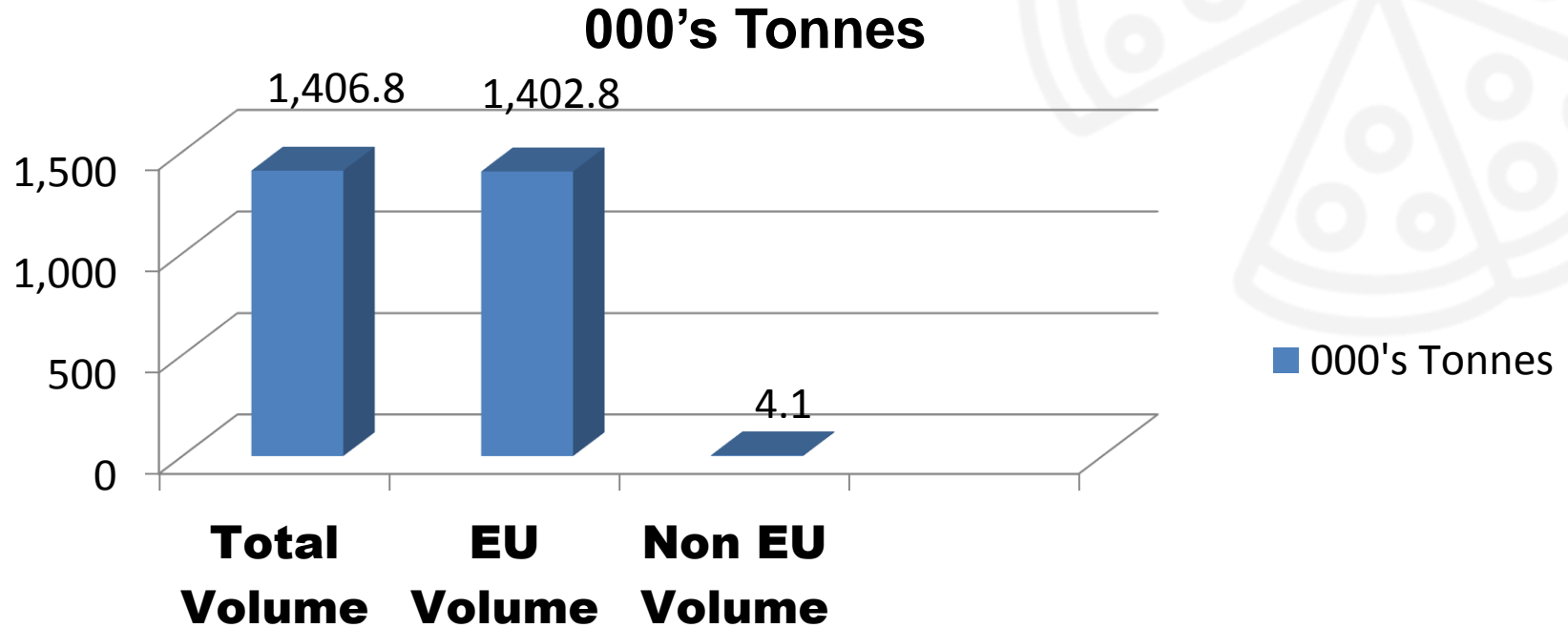
What's at stake for Dairy ?



UK Dairy Exports Volume

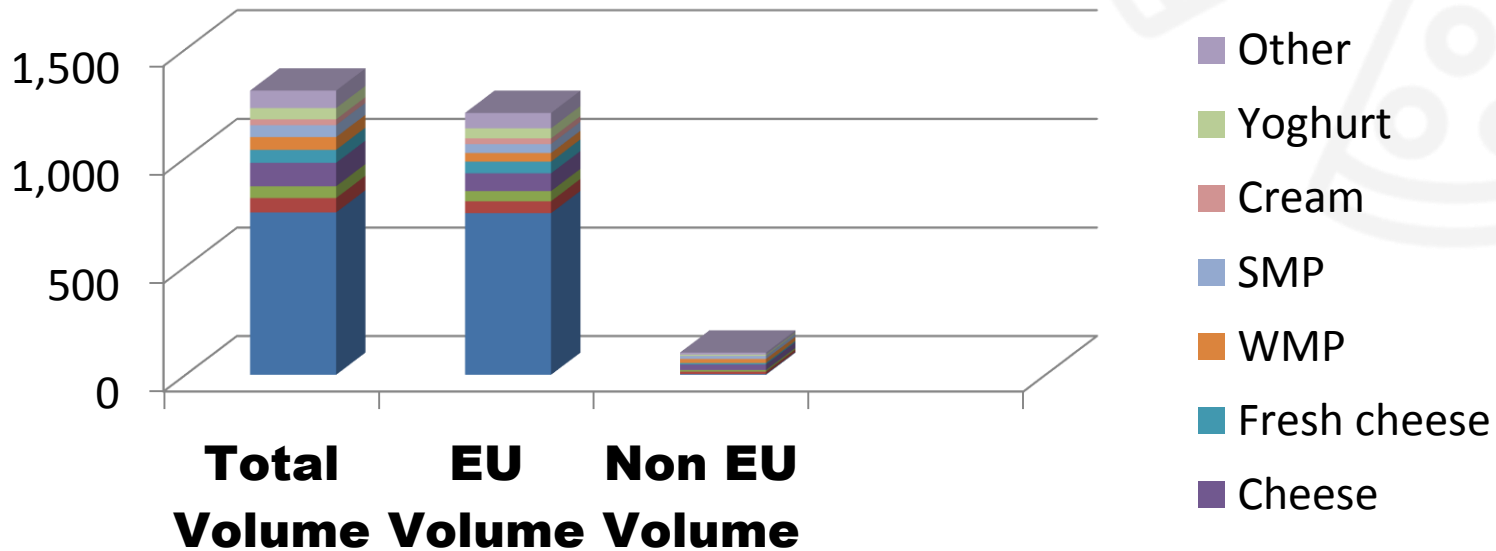


UK Dairy Imports Volume



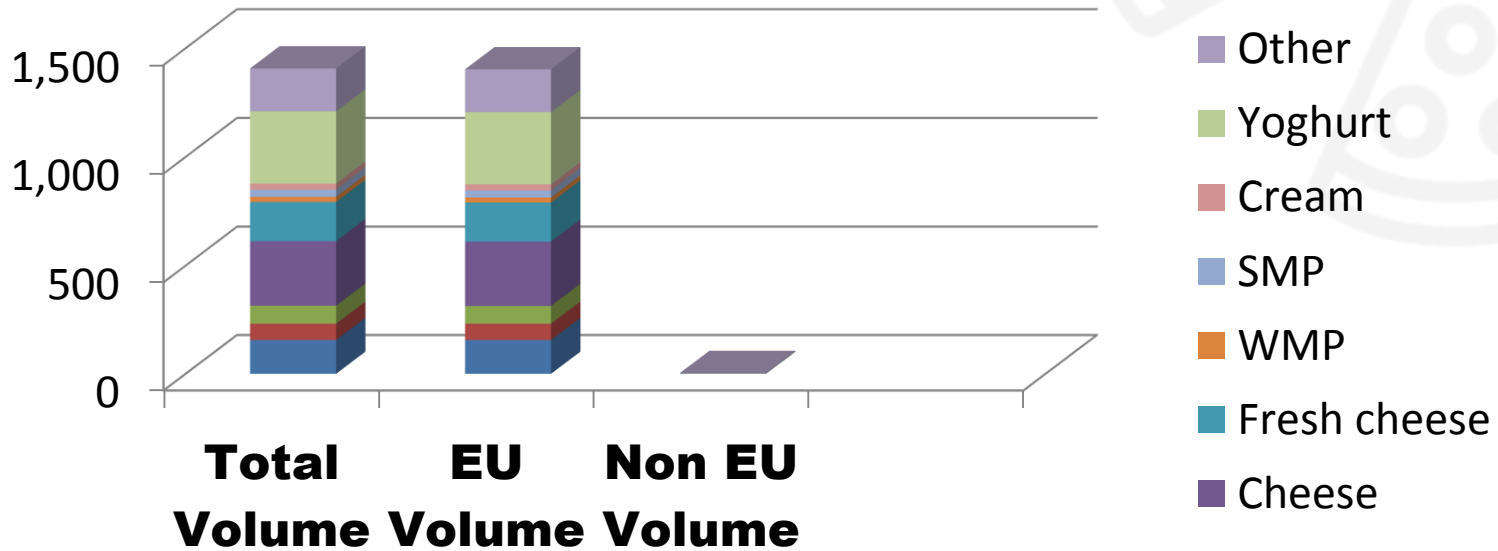
UK Dairy Exports Volume

000's Tonnes



UK Dairy Imports Volume

000's Tonnes



UK & EU Trade balance or imbalance

▲ UK - EU

- ▲ 60% of exports are raw milk – primarily from NI to ROI
- ▲ 10% is cheese

▲ EU – UK

- ▲ 34% is cheese (470k/t of cheese)
 - ▲ Russian trade ban displaced 250k/t of cheese
- ▲ 24% is yogurt

- ▲ We might have close to a “mass balance” but we don’t have a product mix balance

So what happens next

▲ Short term

- ▲ Confidence vote in PM
- ▲ Deal is rejected by Parliament
- ▲ Nothing changes until 29 March 2019 – then chaos ?
- ▲ Nothing changes until 31 December 2020 – then what ?
- ▲ Nothing changes until beyond December 2020 to an date unknown – then what ?

▲ Medium term

- ▲ Cannot determine the medium term until we get clarity on the short term

▲ Its taken us over 2 years to get this degree of clarity !!

Asks for the future (now !!)

- ▲ Industry needs answers.....
- ▲ We then need time to implement and test whatever is agreed
- ▲ Preferred outcome is a solution that mirror's or closely mirror's what we have today because this is facilitating Exports and Imports
- ▲ Any deviation from what we have today will incur time and costs
- ▲ Our “asks” haven't changed since June 2016 but who is listening ?

Just like Brexit -this might go well or it might not



Brexit – still more questions than answers !!

