



Full Year Financial Result 2017

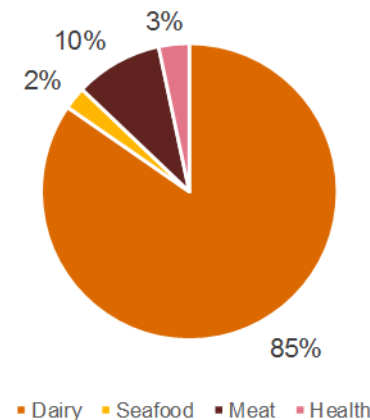
Summary

Beston Global Foods strategy continues to drive growth

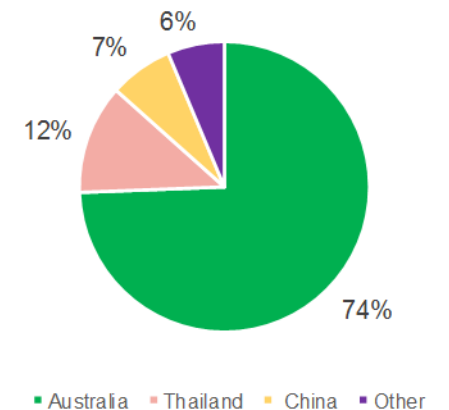
- Record Group Sales Revenue of **\$23.8m**, +49% on FY16
- Gross Margin of 39%, (15%) on FY16
- NPAT of (\$7.7m), (352%) on FY16
- Increase in domestic revenue of +197%, Chinese revenue (80%) & ASEAN revenue up 200% vs FY16
- Dairy division drives group earnings through securing additional milk supply; increased processing from 40 million litres FY17 to 90 million litres FY18 on an annualised basis

	FY17	FY16	% Change
Sales Revenue	\$23.8m	\$16.0m	49% ↑
Gross Margin (%)	39%	46%	15% ↓
EBITDA	(\$9.7m)	(\$2.3m)	320% ↓
NPAT	(\$7.7m)	(\$1.7m)	352% ↓

% Sales by Division

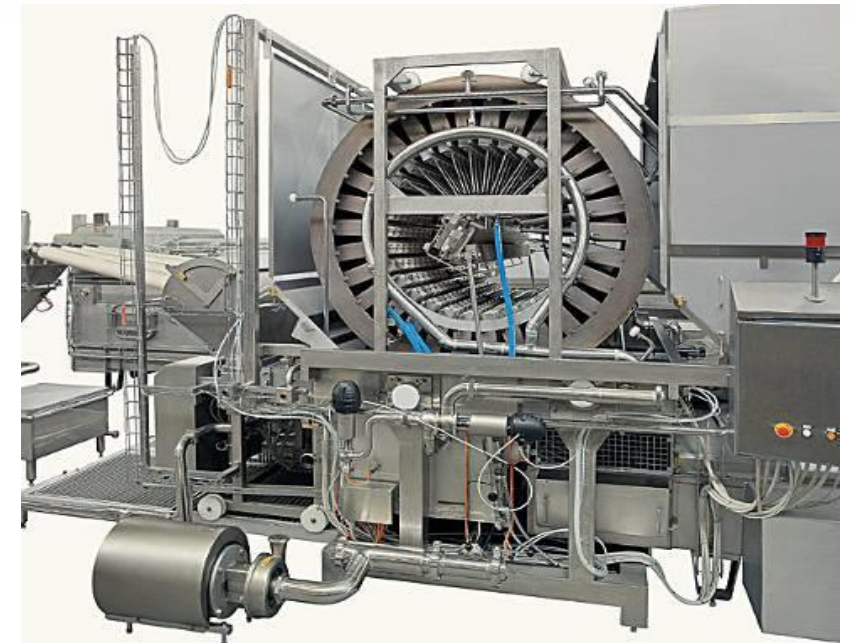


% Sales by Geography



NPAT result primarily impacted by a number of factors

- NPAT loss in the First Half impacted by:
 - Lower milk availability for processing due to extremely wet winter seasonal impact
 - Lower than expected sales in China due to repositioning the business into sustainable growth sectors of the market
- Decisions taken by the Company to build out its infrastructure during the year and invest capital for future growth and development including:
 - Expansion of the Company's production range and capability including multi-lingual collateral for product launch into retail and food services markets in Australia, China and ASEAN markets
 - Business development and new customer acquisition
 - Expansion of Australian and International sales teams to be in proximity to our customers
- Investment into expansion of milk supplies to support expanded production capability and range (including mozzarella)



Industry Acknowledgement

Beston's dairy division has received a number of awards in the year.

2017 Dairy Industry Association of Australia Awards:

- Christian Hansen Cup – Best Cheddar Cheese in Australia to Edward Crossing's Mature Cheddar
- 3 Gold award winners across Natural Cheese, Cream Cheese and Whey Powder
- 11 Silver award winners across Natural Cheese, Cream Cheese and Champion Cheesemaker

2017 South Australia Dairy Awards:

- Gold Medal & Champion Cheddar Cheese Trophy to Edwards Crossing Cheddar
- Most innovative Dairy Product for Beston's LoSal Cheddar (low sodium cheddar)



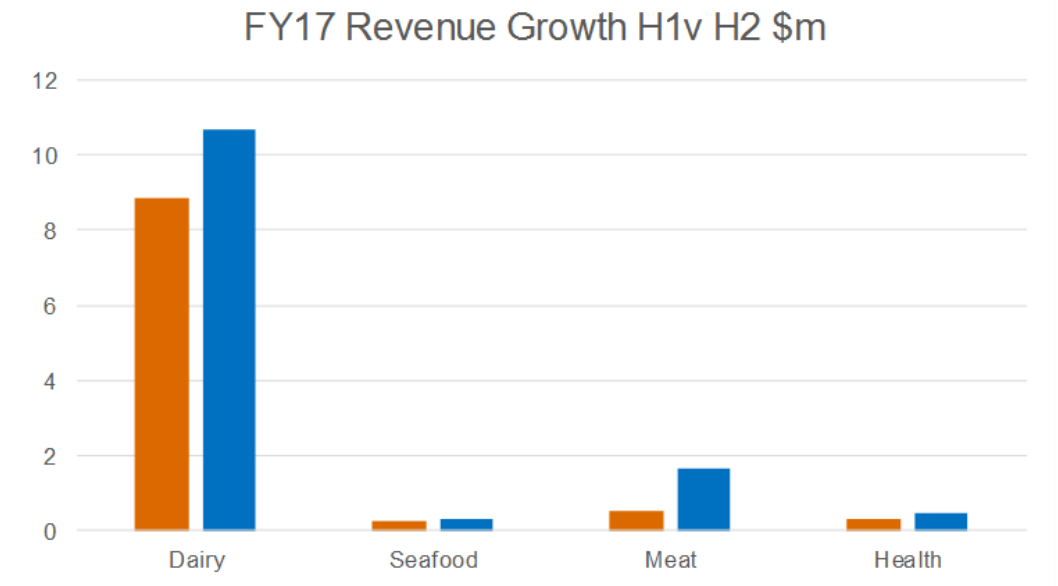
The high quality of our products and investment in our brands is driving retail distribution growth

- Total retail distribution points has grown from 573 to 3,500 in the first quarter of FY2018
- “ei8ht+” water has grown from 0 to 379 since 28th August 2017



A tale of two halves, as scalability of business continues

- Dairy revenue has increased 21% from H1 to H2 and 150% over prior financial year
- Meat revenue has increased 200% from H1 to H2 and 460% over prior financial year
- Seafood revenue has increased 26% from H1 to H2 and decreased 88% over prior financial year
- Health revenue has increased 52% from H1 to H2 and decreased 85% over prior financial year
- Seafood and Health sales year on year statistics have been impacted by the large wine and Kingfish sales in June last year



Financial Highlights

Assets	FY17	FY16	% change from previous period
Cash and cash equivalents	\$28.7m	\$19.4m	48% ↑
Trade and other receivables	\$19.4m	\$26.6m	27% ↓
Inventories	\$11.7m	\$8.0m	46% ↑
Equity accounted investments	\$16.3m	\$16.9m	1% ↓
Property, plant and equipment	\$44.2m	\$38.3m	15% ↑
Biological assets	\$4.4m	\$4.2m	5% ↑
Deferred tax assets	\$5.9m	\$4.1m	44% ↑
Intangible assets	\$13.6m	\$10.3m	32% ↑
Assets held for sale	\$2.0m	-	N/A
Total Assets	\$146.3m	\$127.8m	14% ↑
Net Debt	N/A	N/A	N/A
Total Liabilities	\$12.2m	\$11.5m	6% ↑
Net Assets	\$134.1m	\$116.3m	15% ↑

Balance Sheet remains strong to support earnings momentum

- Increase value in the net value of the business, with FY17 showing an increase in total assets of 15%
- NTA \$121m, up +13% on FY16*
- Assets held for sale reflects settlement of Wellington post 30 June
- Increased PPE due to investment in cream cheese and hard cheese

*NTA per share \$0.27 per share due to increased share holding of 28m shares from capital raising

Dairy

- Increased milk volumes – processed 38 million litres of milk in FY17 and reaching 90 million litres p.a. annualised, as supply and production increases
- Growth in sales through domestic and overseas retailers – Metcash and MM Mega Market
- Increasing our branded product range – expansion of dairy operation to include Mables Cream Cheese, Kyubu Hard Cheese products
- Sales of over 3,200 tonnes of cheese and 100 tonnes of cream cheese
- Contracted sales to process over 900 tonnes of LeRice



Seafood and Meat

- Yarra Valley meat range contract to Spinneys retail stores in the Middle East & ALDI Australia under the Farmwood brand
- Increase in production capacity of branded meat
- Development of BFC's 100% owned and branded beef range for export markets
- Release of Ferguson branded products into Australian Independent Retail stores
- Increase in lobster processed by 26% to 480 tonnes p.a. vs FY16



Ferguson branded mullet, shark, whiting, flathead and garfish products

Health and Nutrition

- Launch of Type 2, Heart Salt, BIOlyte and Le Mayo into a range of major pharmacies and supermarkets across Australia
- Expansion of AquaEssence's water facility resulting in shipments of products to China
- Commenced supply of reduced sodium and reduced fat cheddar into 33 of Mindchamps Childcare Centres in Singapore through the Beston MindChamps Joint Venture



International Business

- The appointment of a new divisional CEO following the restructuring of the business has lead to direct contracts with leading Chinese retailers, such as Walmart China
- Launch of Japanese branched “Kyubu” cheese range into retail stores in Singapore and Thailand
- Launched contract with MM Mega in Vietnam for supply of Kyubu brand into 19 stores across Vietnam
- Launched Mable Cream Cheese brand into Singapore retail stores
- Opened new office in Malaysia
- Delivered the Beston MindChamp joint venture



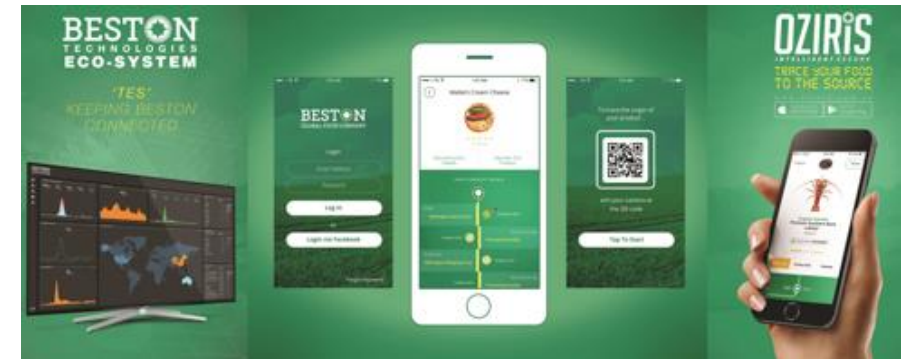
Technology

- Beston e-commerce platforms implemented multi-currency & multi-lingual capabilities, which incorporates blockchain technology
- Increased international patents & patent pending for the technology to 11 from 3 in financial year 2016
- OZIRIS application recognised by its peers as a application to verify, track and assurance of product quality control across various industry's, not just food
- China and Australia e-commerce platforms processing transactions and generating revenue

China subscribers



Australian subscribers



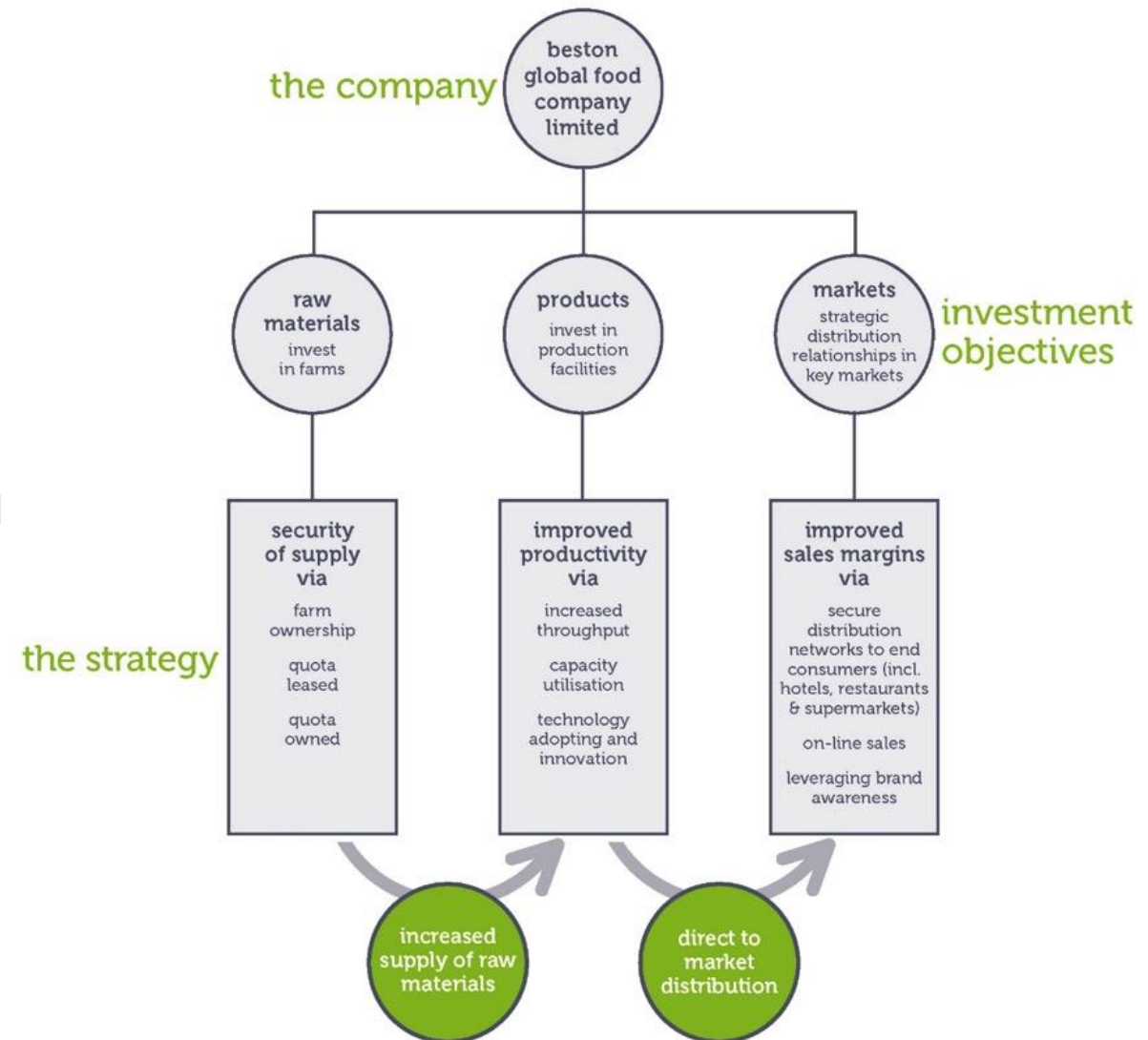


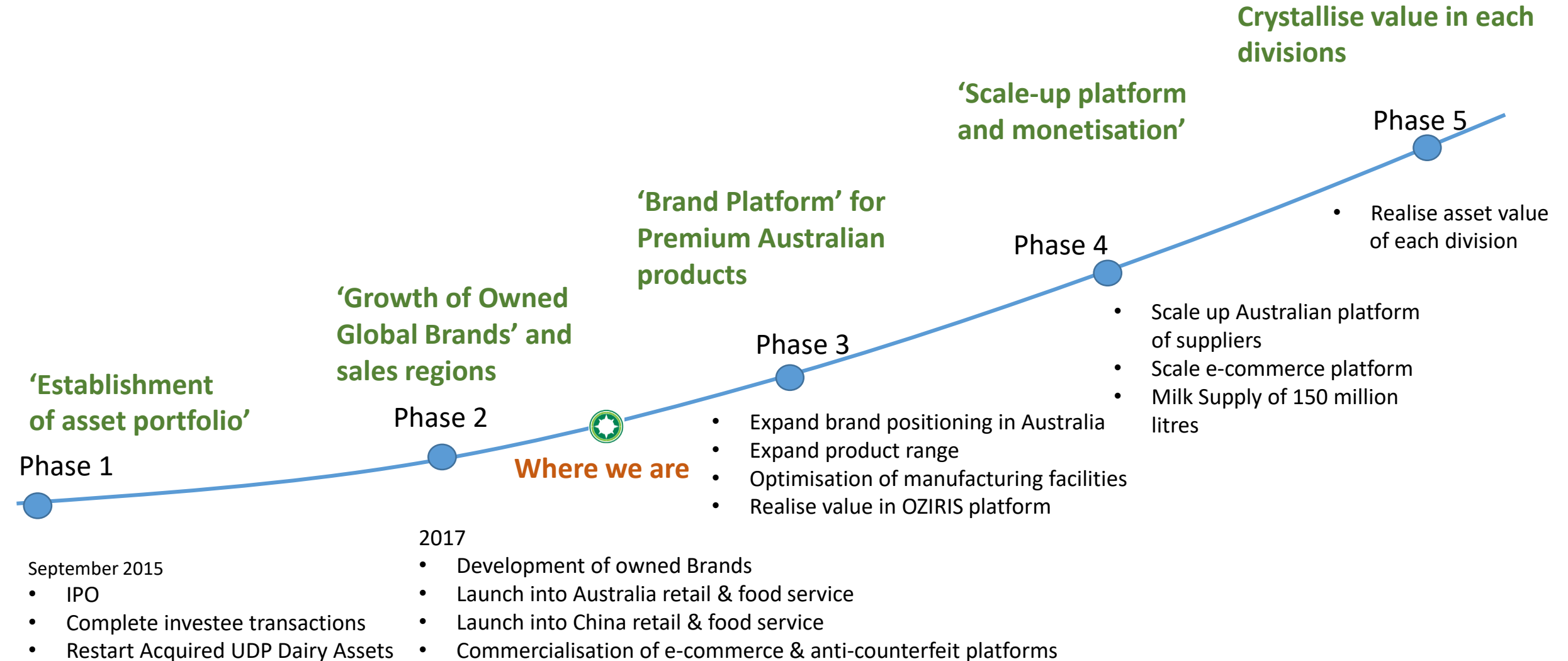
World food production will need to double by 2050 to feed the global population, with demand for higher quality foods increasing inline with growth in middle class

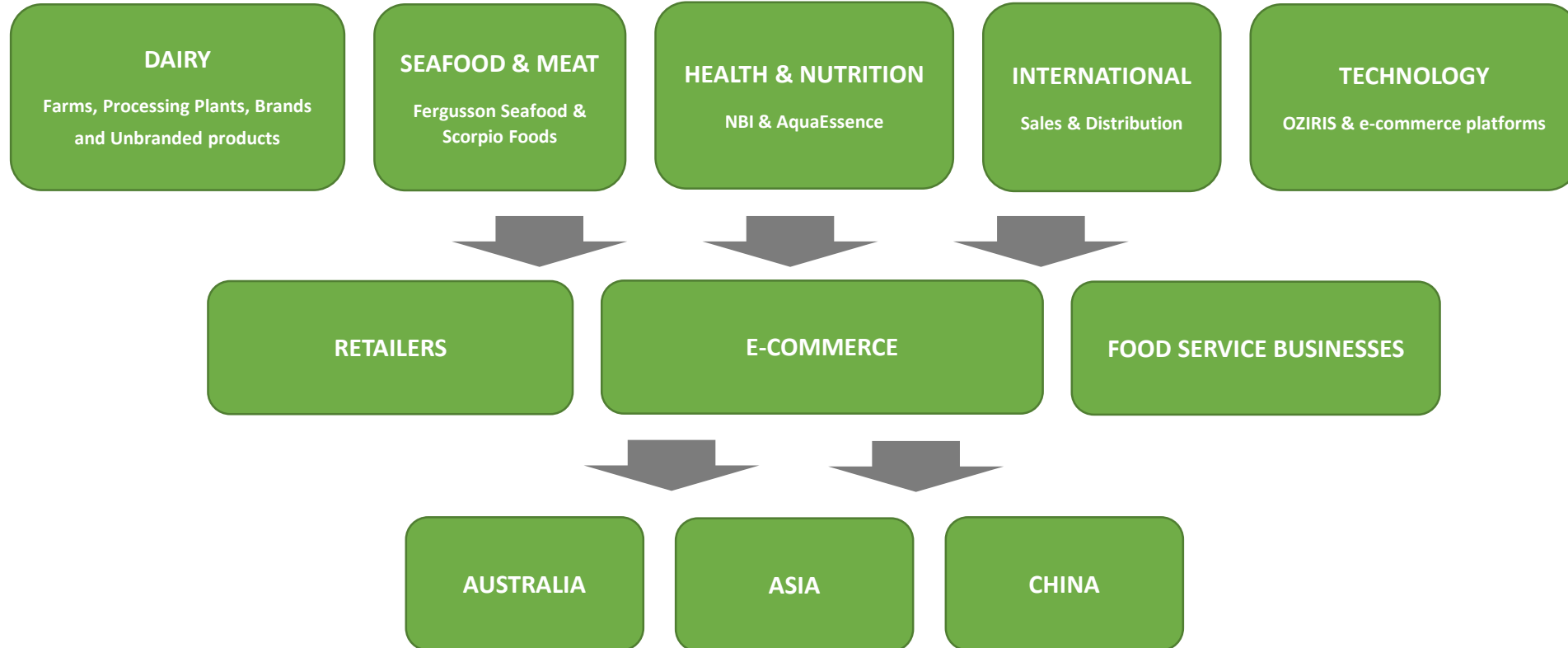
- We are in one of the strongest periods of demand for Australian agricultural products from China
- Consumption of dairy continues to grow while investment into the Australian dairy industry is not holding pace
- ChAFTA reduction in tariffs are showing signs for market expansion
- Global investment increase into reducing food waste and anti-fraud of food products
- Digital online technology and logistics creating disruption in consumer markets

Our Business Model

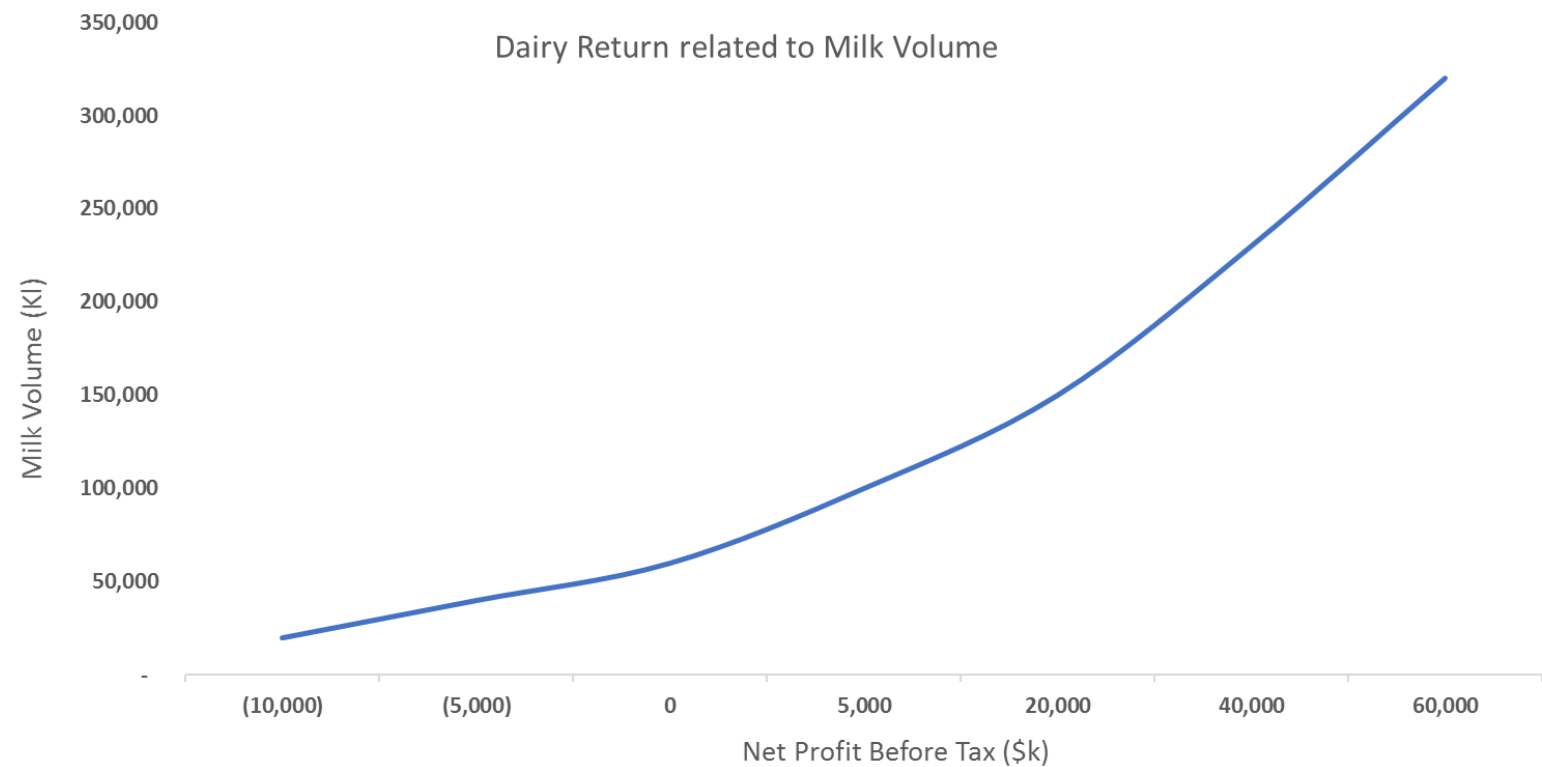
- Our business model is unique we believe, at least in Australia, in having a closed loop supply chain which has:
- Our own sources of raw materials (via ownership of farms, fishing licences, lobster pot licences, water rights and other productive real property).
- Our own factories for value-adding to these raw materials and manufacture custom made food products.
- Our own marketing and distribution outlets in key target markets in Asia.
- Leverage our Integrated Supply Chain.







- Business channels aligned to consumer behaviours
- Diversity of earnings
- Reflects integrated business model
- Ownership of intellectual property
- Focus on high growth premium food segments



Over FY17 the business has invested in its infrastructure, with a large portion being allocated to the mozzarella plant at Jervois.

In FY18 the plant will move from a capital expenditure project to generate earnings.

Earnings can be expected to lift materially as the additional milk flows through the plant, the mozzarella line comes on stream in 2HFY18 and strong demand for the product continues from Asia & China.



Beston Global Foods has identified significant opportunities for growth in Australia and Asia, as consumers increasingly seek out premium quality, healthy and safe food products.

The investment in the previous financial year to expand production capacity, sales and distribution are expected to translate into higher earnings in this financial year.

The key initiatives we are exploring are:

1. A potential Real Estate Investment Trust for Beston's dairy farms
2. Strategic partner to scale Beston Global Foods OZIRIS anti-counterfeit and food traceability platform

We believe these initiatives will lead to more efficient working capital, increasing security around milk supply and deliver value to our shareholders.

Beston Global Foods management and the Board expect year-on-year earnings growth this financial year.



BEST  **N** GLOBAL FOOD
COMPANY

THANK YOU 谢谢

the natural direction



Dr Roger Sexton

Chairman

Former Chairman of IOOF Ltd



Stephen Gerlach

Non-Executive
Director

*Former Chairman of Santos
Ltd and Elders Ltd*



Petrina Coventry

Independent Non-
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Independent Non-
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Catherine Cooper

Independent Non-
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*Former Chair of Fisheries
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Independent Non-
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*Former Auditor-General of
Australia*



Sean Ebert

Chief Executive

*Former Director, M&A Worley Parsons and
Regional Director, Logicamms Ltd*



Richard Willson

Company Secretary

*Former CFO and Company Secretary of
Aurelia Metals Ltd*

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