



Supplementary Offer Booklet
Beston Global Food Company Limited
ACN 603 023 383

1. Important notices

This supplementary offer booklet is dated 11 January 2021 (**Supplementary Offer Booklet**).

This Supplementary Offer Booklet supplements the offer booklet dated 29 December 2020 (**Offer Booklet**) issued by Beston Global Food Company Limited ACN 603 023 383 (**BFC** or the **Company**).

This Supplementary Offer Booklet must be read together with the Offer Booklet. If there is a conflict between the Offer Booklet and this Supplementary Offer Booklet, this Supplementary Offer Booklet will prevail.

Unless otherwise defined, a term with a defined meaning in the Offer Booklet has the same meaning in this Supplementary Offer Booklet.

References to “sections” are to sections of the Offer Booklet.

2. Reasons for this Supplementary Offer Booklet

As announced on Monday 11 January 2021 which is attached as Appendix A, BFC decided to extend the closing date for the Entitlement Offer to allow shareholders more time to consider the Entitlement Offer following postal delays in the delivery of the Offer Booklet. BFC is also taking this opportunity to clarify its policy on the allocation of shares applied for under the Top-Up Offer and any subsequent shortfall.

Accordingly, this Supplementary Offer Booklet has been prepared to:

- (a) update the Closing Date of the Entitlement Offer to no later than 5:00pm (AEDT) on Wednesday 3 February 2021; and
- (b) provide additional disclosure to clarify the issue of shares under the Top-Up Offer and shortfall in relation to the Entitlement Offer.

The Company does not consider the amendments to the Offer Booklet to be materially adverse to Shareholders.

3. Amendments to the Offer Booklet

3.1 Timetable

The Closing Date of the Entitlement Offer has been extended until 5:00pm (AEDT) on Wednesday, **3 February 2021**, and accordingly the timetable as set out on page 7 of the Offer Booklet is replaced with the following:

Event	Date
Entitlement Offer announced	Thursday, 17 December 2020
Ex Date	Tuesday, 22 December 2020
Record Date <i>The date for determining Entitlement of Eligible Shareholders to participate in the Entitlement Offer</i>	Wednesday, 23 December 2020
Opening Date <i>Offer Booklet and Entitlement and Acceptance Form dispatched to Eligible Shareholders</i>	Tuesday, 29 December 2020
Closing Date for Entitlement Offer	Wednesday, 3 February 2021
New Shares under the Entitlement Offer quoted on a deferred settlement basis	Thursday, 4 February 2021
Announcement of results of issue	Monday, 8 February 2021
Issue and allotment of New Shares under the Entitlement Offer <i>Settlement date of the Entitlement Offer</i>	Wednesday, 10 February 2021
New Shares trade on ASX on a normal settlement basis	Thursday, 11 February 2021
Dispatch of holding statements for New Shares	Thursday, 11 February 2021

Dates and times in this Offer Booklet, other than the date of announcement of the Entitlement Offer and the Record Date, are indicative only and subject to change. The Company reserves the right to amend this indicative timetable at any time and in particular, subject to the Corporations Act and ASX Listing Rules, to extend the latest date for receipt of Applications, to accept late Applications either generally or in particular cases, or to cancel the Entitlement Offer without prior notice.

3.2 Key offer terms – Top-Up Offer

The key offer terms on page 7 of the Offer Booklet are amended by replacing the 'Top-Up Offer' row with the following:

Top-Up Offer	Eligible Shareholders taking up their entitlement in full with have the opportunity to apply for Additional New Shares in excess of their Entitlement (subject to scale back as set out in section 1.6 of this Offer Booklet).
--------------	--

3.3 Chairman's Letter

The Chairman's Letter on page 8 of the Offer Booklet is amended by replacing the second sentence of the fourth paragraph with the following:

"These Additional New Shares will be available if not all Shareholders take up their full Entitlement (subject to scale back as set out in section 1.6 of this Offer Booklet)."

3.4 Section 1.6 – Top-Up Offer

Section 1.6 of the Offer Booklet is amended by replacing section 1.6(c) with the following:

"Applications for Additional New Shares under the Top-Up Offer will be allocated the full amount of Additional New Shares applied for save that where the total number of Additional New Shares applied for exceeds the shortfall available and a scale back is required under the Top-Up Offer, applications for Additional New Shares will be scaled

back on a pro rata basis in accordance with their Entitlements. There is not guarantee that any Application for Additional New Shares under the Top-Up Offer will be successful either in part or in full as the number of Additional New Shares available will be subject to the degree to which Eligible Shareholders take up their Entitlements;"

3.5 Section 1.7 – Shortfall

Section 1.7 of the Offer Booklet is amended by replacing section 1.7 with the following:

"Subject to section 1.6 of this Offer Booklet, the directors of the Company reserve the right to place, issue and allot any shortfall (being New Shares offered but not taken up under the Entitlement Offer), at a price not less than the Issue Price within the period permitted under the relevant Listing Rule.

The directors of the Company will not otherwise exercise their discretion regarding allocation of any shortfall in a manner likely to exacerbate a potential unacceptable control effect, except to the extent they consider necessary (acting reasonably) to prevent the issue of shares contrary to law or the Listing Rules.

To the extent there is any remaining shortfall following the Top-Up Offer and Underwriting take up, the Company confirms that such shortfall will not be placed with directors of the Company or their associates or would otherwise result in a contravention of section 606 of the Corporations Act."

3.6 Section 2.1(b) – If you wish to take up all of your Entitlement and apply for Additional New Shares under the Top-Up Offer

Section 2.1(b) of the Offer Booklet is amended by replacing the second sentence of the second paragraph with the following:

"Applications for Additional New Shares under the Top-Up Offer are not capped but no Eligible Shareholder may receive any New Shares which would result in the relevant Shareholder having voting power in the Company in excess of 20% of the total issued share capital of the Company, and any Application may be capped or scaled back as set out in section 1.6 of this Offer Booklet."

Date: 11 January 2021

APPENDIX A – Announcement to ASX dated 11 January 2021

ASX RELEASE

11 January 2021

CLOSING DATE EXTENDED FOR RIGHTS ISSUE

Closing date extended to 3 February 2021 for non-renounceable entitlement offer

Beston Global Food Company Limited (ASX: BFC, "Beston") advises that the closing date for the non-renounceable entitlement offer, raising up to \$15.6 million ("Entitlement Offer"), has been extended to Wednesday 3 February 2021.

The extension of the closing date is as a result of requests from shareholders and the Company becoming aware that many shareholders who receive their correspondence by mail have still not received their Offer Documents as of 8 January, 2021. The delay in the delivery of mailed documents appears to be a result of operating constraints in the postal service over the Christmas and New Year holiday period.

The Board of Beston has resolved to extend the Offer period until 5:00pm ACDT on Wednesday 3 February 2021 in order to ensure that eligible shareholders have an appropriate amount of time to consider the Offer Documents and to make an informed decision on the Entitlement Offer.

The possible extension of the closing date was highlighted in recent communications for the Entitlement Offer as an option should the Board of Beston deem it to be necessary.

The purpose of the Offer is to provide the "top up" funds of \$7.25 million as required under the conditions of the SA Government \$2.0 million grant for the accelerated expansion (Stage 2) of the Company's Lactoferrin plant at Jervois SA, and to

2.

undertake various plant upgrades at the Jervois factory to ensure that the plant is able to operate reliably on a 24 hour/7 days a week basis with higher planned milk intake. The time extension will not affect the timing of the work on the Stage 2 expansion of the Lactoferrin plant.

Use of Funds

The table below provides further detail on the use of funds from the Entitlement Offer related to the Stage 2 lactoferrin expansion and the Jervois upgrades.

	Cost	Capital Item	Comments	Est. completion¹
Stage 2 Lactoferrin expansion	(\$2.0m)	SA Government Regional Growth Grant	Conditional on Beston funding the additional Stage 2 costs	Feb-21
	\$1.5m	2 nd lactoferrin extraction column	Deliver additional FY22 production capacity of ~8 Tpa based on 160ML milk supply	Mar-21
	\$1.0m	Other	Critical spares and testing equipment	Mar-21
	\$7.0m	Lactoferrin spray dryer and packing	Ability to broaden offering of dried lactoferrin product at a premium price	Mar-22
Jervois Upgrades	\$2.1m	Milk Silo expansion	Increase milk storage capacity by 1ML	Jul-21
	\$0.75m	2 nd Multivac	Multivac increases handling rate for higher mozzarella production	Sept-21
	\$2.25m	2 nd Boiler	Boiler increases reliability for 24/7 operations	Dec-21
	\$2.0m	Mozzarella automated packing	Automated end-of-line packing and palletising of mozzarella	Dec-21

3.

Total capital projects	\$14.6m		Stage 2 lactoferrin expansion: \$7.5m Jervois upgrades: \$7.1m	
Costs ² of Offer	\$1.0m			
Total funds to be raised	\$15.6m			

¹ Expected project completion timing with best endeavours undertaken to meet completion dates. Significant expenditure in the way of initial deposits and progress payments will be incurred ahead of the expected completion dates. It is currently estimated that c. 65% of the funds raised will be expended by 30 June 21 and c. 90% by 30 September 21.

² Assuming the full \$15.6 million is raised.

If less than the full \$15.6 million is raised under the Entitlement Offer, (noting that the underwritten portion of the Entitlement Offer (\$7.25 million) will cover the Stage 2 lactoferrin expansion) the remaining funds available will be applied against the Jervois upgrades in a manner determined by Beston to be the most value accretive

Indicative Timetable

Key dates relating to the Entitlement Offer are identified in the table below. The Company, in consultation with the Joint Lead Managers, reserves the right to amend this timetable subject to the Corporations Act and the ASX Listing Rules.

Key dates	
Equity Raising announcement	Thursday, 17 December 2020
Ex Date	Tuesday, 22 December 2020
Record date for determining entitlement for the Entitlement Offer	Wednesday, 23 December 2020
Dispatch of Offer Booklet and Entitlement Offer opens	Tuesday, 29 December 2020
Entitlement Offer closing date	Wednesday, 3 February 2021
Announcement of results of Issue	Monday, 8 February 2021
Issue and Allotment of New Shares under the Entitlement Offer	Wednesday, 10 February 2021
Normal trading of New Shares issued under the Entitlement Offer and dispatch of Holding statements	Thursday, 11 February 2021

Significance of Lactoferrin

Lactoferrin is an iron-binding glycoprotein which is known to be essential in boosting the immune system in the human body. It has anti-bacterial, anti-viral, anti-parasitic and anti-allergic functions and properties.

Importantly, particularly in the context of the current COVID-19 pandemic, it has been shown to suppress virus replication by affecting natural killer cells in the human body which play a crucial role in the early stages of viral infections.

Clinical trials are underway around the world on the efficacy of using Lactoferrin as a treatment for COVID-19. Although the number of trials are limited to date, the early results indicate that Lactoferrin may inhibit coronavirus from replicating in the human body.

The findings have further increased the global demand for Lactoferrin, particularly in Europe and China, where it is known as “pink gold” because of its price (around \$1,500 per kilogram) and reddish hue after processing. Market studies undertaken before the advent of COVID-19 predicted that demand for Lactoferrin would increase by around 60% over the next few years.

The plant expansion project being undertaken by Beston will increase Australia’s self-sufficiency in the production of immune boosting Lactoferrin and will enhance the bio-security of the nation.

This ASX release was approved and authorised for release by Dr Roger Sexton AM, Chairman.

FOR FURTHER INFORMATION PLEASE CONTACT:

John Hicks
Chief Executive Officer
+61 8 8470 6500
jhicks@bestonglobalfoods.com.au

Darren Flew
Chief Financial Officer
+61 8 8470 6500
dflew@bestonglobalfoods.com.au

Social Media Handles:

Facebook:

@bestonglobalfoods
@edwards.crossing
@mablesaustralia

Twitter:

@BestonGlobal
@edwards_crossing
@mablesaustralia

Instagram:

@bestonglobal
@edwardscrossing
@mablesaustralia

ABOUT BESTON GLOBAL FOOD COMPANY LIMITED

Beston Global Food Company is a proud South Australian multi award-winning company taking the best of Australian produce to the world with fresh milk supplied by valued farmers. The company provides direct and indirect employment for nearly 300 people. For more information please visit: www.bestonglobalfoods.com.au

NOT FOR RELEASE OR DISTRIBUTION IN THE UNITED STATES

This announcement has been prepared for publication in Australia and may not be released to US wire services or distributed in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction. Any securities described in this announcement have not been, and will not be registered, under the US Securities Act of 1993, as amended (the "Securities Act") and may not be offered or sold in the United States except in transactions exempt from, or not subject to, registration under the Securities Act and applicable US state securities laws.