

9 May 2018

Mr Ron Kaushik
Compliance and Surveillance Manager
National Stock Exchange of Australia
1 Bligh Street
Sydney NSW 2000

By email: ron.kaushik@nsx.com.au

Dear Mr. Kaushik,

Beroni Group Limited (Company) – Continuous Disclosure Query

We refer to your letter dated 7 May 2018.

1. Henan Huagan Bio-Technology Co. Ltd. (**HHBT**) and the Company are both controlled by Mr Jacky Zhang, and are therefore related parties by reason of section 228 of the Corporations Act. However and apart from this, there is no, and has not been, any contractual or other relationship between HHBT and the Company. In particular, HHBT is not a subsidiary nor the “China Branch” of the Company.
2. As noted above, HHBT is an entity controlled by Mr Jacky Zhang as he owns the majority of shares in HHBT. Therefore, by definition of s228 of the Corporations Act 2001, HHBT is deemed to be a related party of the Company.
3. HHBT became a related party when it was established on 3 February 2016. However no disclosure is required as HHBT and the Company have not engaged in any activities which would, under the Corporations Act and/or Listing Rules require disclosure. Directors of a public listed company have their own private companies and investments vehicles however these private companies do not warrant disclosure to the market unless information such information is price sensitive or otherwise requires disclosure by reason of the Corporations Act and/or Listing Rules.
4. Not applicable.

HHBT was set up with the initial intention being an agent of selling Nicobloc and other products of Beroni, however that intention did not come to fruition. All sales are conducted by Beroni and its subsidiaries.

Yours sincerely,

For and On Behalf of the Board of Beroni Group Limited

BoQing Zhang
Executive Chairman