



BESTON GLOBAL FOOD COMPANY LIMITED
ACN 603 023 383

NOTICE OF ADJOURNED 2020 ANNUAL GENERAL MEETING
Friday, 29 January, 2021 commencing at 10.30 am (ACDT)

SUPPORT YOUR MANAGEMENT AND KEEP
CONTROL OF YOUR COMPANY BY LODGING
YOUR PROXY VOTES

NOTICE IS HEREBY GIVEN that the Adjourned Annual General Meeting (**AGM**) of Shareholders of Beston Global Food Company Limited (**Company**) for 2020 will be as a virtual AGM conducted entirely online via an online platform at <https://agmlive.link/BFC2020>. The Adjourned AGM of Beston will be reconvened and held on **Friday, 29 January, 2021** commencing at **10.30 am** (ACDT).

The Original Meeting Notice was sent to shareholders on 26 October 2020 and set out each of the resolutions which will be voted on at the adjourned AGM. A copy of the Original Meeting Notice is attached to this Notice and is available on the Beston & ASX websites.

Shareholders can watch and participate in the Adjourned AGM virtually via <https://agmlive.link/BFC2020>. Please note that the previously provided link to access the virtual AGM has been updated from that provided in the Original Meeting Notice.

Further details are set out in the attached Online Platform Guide. If shareholders have any questions, or need assistance with the online process, please contact Link Market Services Limited by email registrars@linkmarketservices.com.au or by telephone +61 1300 554 474.

Voting on Resolutions

Shareholders are advised that all resolutions will be decided on a poll. Please note that you are strongly encouraged to lodge proxy votes for the AGM.

Shareholders who participate in the live webcast may vote on each resolution in real time during the AGM. Details on how to vote during the webcast are set out in the Virtual Meeting Guide attached to this Notice of Meeting.

Proxy forms submitted before 10:30 am (ACDT) on 24 November 2020 (**Original Proxy Deadline**) remain valid for the adjourned AGM.

The Company will also be accepting new and amended proxy forms for the adjourned AGM if received by 10:30 am (ACDT) on 27 January 2021. To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out in the Proxy Form. Instructions on how to lodge proxy votes (which include the ability to lodge proxies electronically) are set out in this Notice of Meeting. Due to the health advice of the Australian Government, the Company encourages any proxy votes to be lodged electronically (following the guide attached to this Notice of Meeting).

Participation in the Meeting

Shareholders are encouraged to submit any questions they may have of the Company in writing to the Company Secretary at rwillson@bestonglobalfoods.com.au by 5.00pm (ACDT) on 27 January 2021. The Company will also provide Shareholders with the opportunity to ask questions during the meeting. Details on how to ask questions during the webcast are set out in the Virtual Meeting Registration and Voting Guide attached to this Notice of Meeting.

By Order of the Board



Richard Willson
Company Secretary
30 December 2020

IMPORTANT UPDATE

SUPPORT YOUR MANAGEMENT AND KEEP CONTROL OF YOUR COMPANY BY LODGING YOUR PROXY VOTES

Votes of shareholders at the upcoming Adjourned AGM will determine the future direction and control of your Company.

If you do not vote at the Adjourned AGM, control of your Company may be taken from you without you receiving a formal takeover offer for your shares.

To avoid losing control of your Company, your current Board recommends that you vote on the Resolutions to be considered at the Adjourned AGM, in the following way

RESOLUTION 1 ADOPTION OF REMUNERATION REPORT

In order to avoid a second 'strike' which would lead to a spill motion and hence the possible loss of control of YOUR company

The Directors unanimously recommend that Shareholders vote IN FAVOUR of Resolution 1.

RESOLUTION 2: CONTINGENT SPILL RESOLUTION

In order to avoid the current Board being spilled which would lead to a 'Spill' meeting being convened within 90 days to vote on a new Board and hence the possible loss of control of YOUR company

The Directors unanimously recommend that Shareholders vote AGAINST Resolution 2.

RESOLUTION 3: RE-ELECTION OF MS PETRINA COVENTRY AS A DIRECTOR

In order to avoid the removal of a well performing director with demonstrated deep experience and hence the possible loss of control of YOUR company

The Directors unanimously recommend that Shareholders vote IN FAVOUR of Resolution 3.

RESOLUTION 4: RE-ELECTION OF MR JIM KOUTS AS A DIRECTOR

This resolution is withdrawn

RESOLUTION 5: ELECTION OF A NON-BOARD ENDORSED EXTERNAL NOMINEE AS A DIRECTOR

In the initial Notice of Meeting, the Board did not make a recommendation in relation to Resolution 5 as it did not have an opportunity to verify information from Mr Yuan Ma. As a consequence of the AGM adjournment, Beston advised Mr Ma and Kunteng Pte Ltd that it would now have time to undertake the normal due diligence processes on his candidacy and invited him to submit the relevant information for assessment. As at the date of this Notice, further information requested has not been provided by Mr Ma. It would seem from the lack of response to date that the intention of Kunteng may be to circumvent the Company's normal due diligence processes for Board appointments (which include verification of qualifications and police checks). Therefore, the Board is concerned that if Mr Ma was elected as a director, it may lead to the possible loss of control of YOUR company

The Directors unanimously recommend that Shareholders vote AGAINST Resolution 5.

UPDATE EXPLANATORY MEMORANDUM

Introduction

The purpose of this Memorandum is to provide an update to shareholders on the information contained in the Explanatory Memorandum which accompanied the Notice of Annual General Meeting scheduled for Thursday 26 November 2020.

As you will be aware, the scheduled AGM was adjourned. The Company advised shareholders that it was concerned about possible voting associations in the proxy votes which were received by the Company for the meeting. A decision was taken to adjourn the AGM to allow the Company time to consider whether there have been any unacceptable circumstances, and to have the opportunity to obtain legal advice on the matter. The decision to adjourn the meeting took into account the best interests of all shareholders and had regard to the legal obligations of the Company.

The Company advised the market in an announcement dated 4 December 2020 that it has referred the matters of concern to the Australian Securities and Investment Commission (ASIC) and to the Foreign Investment Review Board (FIRB).

In order to allow time for the authorities to investigate the matters of concern and taking into account the upcoming festive and holiday season and ensuring shareholders can participate in the meeting if they wish, the adjourned meeting will be held on Friday, 29 January 2021 at 10:30am.

The meeting will continue to be held in a virtual format, unless otherwise advised.

This Memorandum provides further details for shareholders to assist your decision on how to vote at the adjourned AGM and/or how to lodge your proxy. Proxy votes already lodged with the Company will be counted in the votes cast on the Resolutions unless replaced with a new proxy.

This is a very important meeting for the Company. We encourage all shareholders to vote.

Further information by way of update and further explanation on each of the Resolutions follows:

Resolution 1: Adoption of the Remuneration Report for the year ended 30 June 2020.

The Directors unanimously recommend that Shareholders vote **in favour** of Resolution 1.

In accordance with section 250R(2) of the Corporations Act, the Company is required to present its shareholders with a Remuneration Report, as disclosed in the Company's Annual Financial Report. Currently, the management of the Company is conducted pursuant to a formal Investment Management Agreement (IMA) with Beston Pacific Asset Management Pty Ltd (BPAM). As such, BPAM is responsible for the remuneration and related costs of the senior management team engaged in the Company.

At the 2019 AGM, 65% of the votes cast were against the Remuneration Report, constituting a "First Strike" under the Corporations Act 2001. These votes obviously recorded only the result from those shareholders present and voting and represented a very small number of shareholders (less than 2%) and significantly less than a majority of the votes eligible to be cast. The votes cast against the Remuneration Report at the 2019 AGM were predominantly China domiciled shareholders.

The actions taken by these few shareholders at the 2019 AGM have resulted in a requirement to place a "Contingent Spill Resolution" on the Notice paper for this year. They appear to have been designed to disrupt the work of the Board on delivering on its strategic objectives, in the same fashion as the unsolicited, non-specific, unquantified takeover proposal that was lodged as an "expression of interest" with the Company on 22 June 2020 (as announced to the ASX on that date).

Given that the remuneration of key executives is covered by BPAM under the IMA rather than the Company, it is hard to see what the concern with the Remuneration Report might be (ie, Beston does not remunerate any key management personnel directly, other than its Non-Executive Directors). The salaries and bonuses of some of the senior management team (ie those classified as "key management personnel") are shown in the 2020 Annual Report.

The effect of having a second "No" vote on the Remuneration Resolution will be to require the Contingent Spill Resolution to be put to the meeting, which if approved by more than 50% of votes of those shareholders present and voting, will necessitate the holding of another meeting within 90 days of the AGM to seek the re-election of all Directors.

The consequences of these events would be extremely disruptive for the Company and could potentially thwart the achievement of the strategic imperatives which are in place to deliver significant growth in margins, profits and free cash flow, as has been detailed in various communications to Shareholders. As a result of the "First Strike" vote at last year's AGM, the Directors have continued a range of initiatives and have also introduced a number of new activities to improve the understanding of shareholders, including:

- Quarterly mail-outs of operational reports from the Chief Executive Officer.
- Hosting interactive webinars by the management team.
- Conducting comparative reviews of remuneration levels against market.

With these initiatives, and for the reasons set out above and in the Annual Report, the Board is confident that it has addressed any valid concerns around the remuneration arrangements of the Senior Management and satisfied itself that the total remuneration packages are consistent with prevailing market practice and are fair and reasonable.

It is possible, of course, that the vote against the Remuneration Report at the 2019 AGM was a "protest vote" against the continuation of the Investment Management Agreement. If so, such a vote is unfounded and misplaced.

The Management Fee paid to the Investment Manager, Beston Pacific Asset Management Pty Ltd (BPAM) is to cover the remuneration and related costs of the senior management team at BFC. The amount of the fee is fixed and cannot be increased until the portfolio value increases. The actual costs incurred by BPAM, as advised to shareholders and publicly by BPAM, has been higher than the fee paid, for the reasons explained in the 2019 Annual Report. This has meant that the IMA has worked well for BFC shareholders.

Notwithstanding, the Independent Directors have kept the IMA under review and have resolved to recommend to shareholders, as advised to the ASX on 11 December 2020, that the IMA be terminated, with effect from 28 August 2021. The termination is contingent upon an ordinary resolution being passed by shareholders at an EGM to be held on 28 May 2021.

The termination fee under the terms of the IMA has been independently verified by work undertaken by Grant Thornton, Peleton Capital and Moelis Australia and will be payable 80% in shares and the balance as a cash payment. The implied price of the shares to be issued under the termination agreement is 21 cents. BPAM will continue to meet any shortfalls on remuneration and other related costs of the senior management team until the date of settlement. A Transition Committee will oversee the internalisation and transition of the senior management team and related administrative functions from BPAM to Beston.

In summary, therefore, if the "no" votes lodged against the Remuneration Report at the 2019 AGM were in fact a "protest vote" against the IMA, the arrangements which have now been agreed in-principle for

the termination of the IMA (subject only to shareholder approval) have removed the IMA from being a potential source of concern to shareholders, going forward.

The remuneration policies and practices which are currently in place at Beston via the IMA have been reviewed by international proxy advisers who have concluded that the overall remuneration practices of the company are acceptable relative to Australian investor expectations and that a vote in favour of the remuneration report is therefore warranted.

The Directors recommend that shareholders vote in FAVOUR of adopting the Remuneration Report (Resolution 1).

Resolution 2: Contingent Spill Resolution

The Directors unanimously recommend that shareholders vote **against** Resolution 2 (if put to the meeting), for the reasons explained above, and taking into consideration the following information:

This contingent "Spill Resolution" will only be taken up if at least 25% of the votes to adopt the remuneration report (Resolution 1) are cast against the resolution.

Under the Spill Resolution, shareholders will vote on the following:

- A general meeting of the company will be held within 90 days of passing this resolution ("Spill Meeting");
- All directors in office when the board resolution to make the directors' report for the most recent financial year was passed, with the exception of the newly appointed Directors, will cease to hold office immediately before the end of the Spill Meeting; and
- Resolutions to appoint persons to offices that will be vacated immediately before the end of the Spill Meeting will be put to a vote of shareholders at the Spill Meeting.

The Spill Resolution is being put to vote pursuant to amendments to the Corporations Act which went into effect on July 1, 2011. Shareholders should note the following mechanics of the law:

- A company will incur a "first strike" if it records at least 25 percent "against" votes on the resolution to approve the remuneration report at the AGM.
- If the company receives at least 25 percent "against" votes on the remuneration report at the subsequent AGM, the company will incur a "second strike."
- If the company records a "second strike," shareholders must also vote on a Spill Resolution to determine whether a general meeting should be called to consider the election of certain directors on the board.
- If the majority of votes cast are in favour of the Spill Resolution, then the company must call a spill meeting to be held within 90 days of the second AGM.
- In order to prevent a complete board spill in the event no directors are re-elected at the spill meeting, at least three directors will remain on the board after the spill meeting: the managing director (if there is one), and the two directors who received the highest percentage of "for" votes on their re-election.

At the 2019 AGM, more than 25 percent of the votes cast on the resolution relating to the adoption of the remuneration report for the year ended 30 June 2019 (i.e. more than 25% of those present and voting) were against the adoption of the report. Hence, at least 25 percent "against" votes against Item 1 of the upcoming adjourned AGM will therefore constitute a "Second Strike".

In the 2020 Annual Report, our Company reported that the past financial year was one of major milestones and continued growth, albeit that the second half of FY20 fell well short of Beston's expectations due to the impact of COVID-19. Notwithstanding this, a number of significant financial and operational achievements were realised. These included, an increase in contracted milk supply (the core driver of the company's dairy business that delivered sales revenue growth of 22 percent, to \$103 million), improved yields and lower unit costs.

Beston has advised shareholders that it expects the second half of FY21 and beyond to be transformational in terms of earnings, return on capital employed and free cash flow as the Company starts to reap the benefits of:

- Increase in milk supply to 131-145 million litres;
- Substantial increase in Lactoferrin production capacity (to over 20 tonnes per annum (Tpa'')) with the completion of Stages 1 and 2 of the Lactoferrin plant expansion at Jervois SA expected in March 2021;
- Continuing transition to higher margin products with increased production of Mozzarella and Lactoferrin; and
- Application of the \$40.4 million in proceeds from the sale of the dairy farms to debt reduction and working capital.

The Company is confident that increased milk supply, higher capacity utilisation, broader product mix (based around a focus on Mozzarella and Lactoferrin production), an expanding customer base and Lactoferrin production capacity, will deliver outcomes in line with the operating guidance given by Management for FY21, with steadily increasing profits in subsequent financial years.

A vote to spill the Board will destabilise and disrupt the Company's normal operations and could have a devastating effect on shareholder value for numerous reasons, including the following potential consequences:

- Withdrawal of the SA Government \$2.0 million grant funding for the Stage 2 expansion of the Lactoferrin plant (the grant carries a condition of repayment in the event that there is a change of control of Beston following payment of the grant);
- Loss of key management;
- Loss of independence at Board level (Australian governance guidelines require Boards to have a majority of Independent Directors)
- loss of key customers; and
- loss of momentum towards strong, consistent earnings and free cash flow via the initiatives which have been put in place over the past five years.

It is clear that the shareholders who are agitating for approval of the Spill Motion do not have an alternative strategy for the Company nor the means to deliver on the **existing** strategy. Rather, the course of action taken by these shareholders may result in a change of control of the Board of Beston and the Company, without a formal takeover offer being made for your shares. This means you may lose control of your Company without having the opportunity to share in a control premium for your shares. Were these shareholders to be successful in their actions, may run the serious risk of decimating the Company and shareholder value.

The Member Statement by Kunteng Pte Ltd in its Section 249P Statement attached to the Notice of Meeting is extensive in its hubris and errors in fact and makes unjustified accusations against the Board of Beston.

In considering this Resolution, the Board considers that the following important information be brought to the attention of shareholders:

1. The original business model of Beston was based around having its two Chinese cornerstone shareholders deliver sales orders to Beston during the "Build-Out" phase of its business plan (Phase One). Beston acquired its dairy facilities (and related assets) out of Receivership and needed "breathing space" for a period of three years while, among other things, the Company restored the assets, installed a new Mozzarella plant and built milk supply to enable the Lactoferrin plant to be operated at a viable level. Chinese shareholders Dashang and Kunteng undertook to provide this "breathing space" by committing to certain minimum volumes of sales of Beston products and providing other market entry assistance into China and other countries in the Asia region.
2. Kunteng signed a Share Subscription Agreement on 31 August 2016 wherein they agreed to certain performance obligations including:
 - The placing of firm orders on terms reasonably acceptable to Beston for two containers of products from Beston, prior to 30 June 2016, being one container for China and one container for Korea.
 - To use its best endeavours to utilise its controlling interest in Cheom C & Co Ltd., a Korean company, to establish a formal relationship between Cheom C & Co Ltd and Beston for the sale of Beston's range of products in the jurisdiction of Korea/Republic of Korea.
 - To use its best endeavours to utilise its relationship with Shanghai Greenland Group and other supermarket groups in the People's Republic of China to establish a sales relationship between these entities and the Company.
 - To use its best endeavours to introduce customers to Beston which would have extended total order values of at least \$20.0 million during the 2016/17 financial year.As at the date of this Memorandum, these performance obligations remain unfulfilled by Kunteng.
3. Similarly, the Dashang Group, the Company's second largest shareholder which holds its shares via wholly owned subsidiary company Australia Aulong Auniu Wang Food Holdings Pty Ltd (AAAW), committed to purchase the following agreed minimum value of products over a period of five years from 2015-16 onwards:

Year 1 RMB200 million (AUD42 million)

Year 2 RMB400 million (AUD82 million)

Year 3 RMB600 million (AUD125 million)

Year 4 RMB800 million (AUD170 million)

Year 5 RMB1000 million (AUD210 million)

The purchase commitments were confirmed in documents signed under seal by the Dashang Group in 2015 when Dashang subscribed for shares in Beston. A covering letter from the Chairman of the Dashang Group at the time of the Share Subscription stated that:

"Dashang is fully committed to the ... sales plan and is confident in achieving it" and also noted that: "we understand the importance of Dashang's sales performance to the successful listing and future operation of BGFC". A subsequent letter from the Chairman also noted that the sales plan "... is to be considered conservatively based".

The sales figures in the commitments from the Dashang Group formed a significant part of the financial models on which Beston based its 10 year Business Plan (i.e a strong initial sales focus on the China market during the first three years while Beston implemented the refurbishment, restructuring and "build-out" of the dairy facilities and then a shift to a sales focus on the domestic Australian markets as the Company built brand awareness and market penetration on the back of industry and consumer awards for the quality of its products).

As at the date of this Memorandum, these performance obligations remain unfulfilled by Dashang.

4. Kunteng's Member Statement contains numerous errors of fact and makes subjective assertions which are not supported by any proper enquiries or substantive research by Kunteng. The Board of Beston has, on several occasions, invited Kunteng to sign a Confidentiality Agreement which would enable Beston to provide information in response to a series of emotive, spurious and subjective statements made by Kunteng in correspondence with the Board over the period of the last 18 months and as reflected again, in the Member Statement submitted with the Director nomination on behalf of Mr Ma.

Kunteng has consistently declined to sign such an Agreement.

5. Kunteng has consistently chosen to overlook the strategy put in place by Beston from the outset of the Company's operations. The Business Plan of Beston has a 10-year horizon split into three stages, as enunciated to shareholders on numerous occasions and contained within ASX releases made by the Company.

Despite the setbacks caused by the non-performance against contract by Kunteng and by the other significant Chinese shareholder, Dashang Group, and the impacts of two years of drought (and more recently, the COVID-19 coronavirus), Beston has stayed the course and is continuing to drive forward with the implementation of its Business Plan.

Phase 1 of the Business plan (years 1-3) was to "Fix, Focus and Build Out" the run-down assets acquired out of Receivership in 2015. Phase 2 of the Business Plan (years 4 and 5) was to capitalize on the asset build-out in Phase 1 to grow earnings.

Beston is currently embarking on the third phase of its three phase 10-year Business Plan and is very focused at this point, in implementing the five strategic imperatives in this Phase of the Business Plan, as detailed at the 2019 AGM. These imperatives involve increasing the supply of milk, increasing capacity utilisation, broadening and deepening the sales pipeline, expanding the product mix (particularly mozzarella cheese products) and increasing the production of dairy nutraceutical products (primarily lactoferrin), all of which will enable Beston to optimise the efficiency of its operations and significantly increase net profits.

Phase 3 of the ten year Business Plan (years 6 to 10) is to accelerate the growth of earnings and realise the economic value of the assets acquired by continuing to expand the core business and by developing a health and nutrition business utilising the non-fat components of our milk intake. (That is, by extracting a number of the proteins in milk which have proven biological properties and health benefits).

Shareholders are aware of the work which Beston has done in extracting Lactoferrin (and, the significant expansion of plant capacity which is now underway). There are many other significant proteins in milk for which there is well established scientific evidence of their anti-viral, anti-microbial, anti-hypertensive and immune boosting properties which are beneficial to human health. All of these products (e.g. immunoglobulins, alpha-lactalbumin, GOS, lactoperoxidase, whey protein isolates, etc.) command high prices in global markets and yield very high margins in production.

6. The statements in the Member Statement by Kunteng about Lactoferrin again contain errors in fact.

Beston acquired its Lactoferrin assets in 2016 as part of the "end game" (Phase 3) to achieving the financial objectives of the Beston Business Plan.

The dairy nutraceuticals plant was acquired from an Australian public company quite separately from the dairy facilities and at a fraction of its original cost. It was then effectively "mothballed" after acquisition until such time as the new Mozzarella plant was installed and sufficient whey liquid feedstock was being produced (as a by-product of cheese production) to operate the plant efficiently.

Beston "switched on" the dairy nutraceuticals plant in 2019 following the commissioning of the Mozzarella plant and commenced the production of high value Lactoferrin. In the early months of 2020, Beston upgraded and installed new resin to take the production capacity of Lactoferrin to around 3 Tpa, with consistently high levels of purity and quality.

Lactoferrin has a high global demand and commands high prices with high margins. It has anti-bacterial, anti-viral, anti-parasitic and anti-allergic functions and properties. The clinical significance of Lactoferrin has been established in numerous medical studies over the past 40 years. Importantly, and particularly in the context of the current COVID-19 pandemic, it is known to suppress virus replication by affecting natural killer cells in the human body which play a crucial role in the early stages of viral infection.

A recent study undertaken by UBIC Consulting on the Global Lactoferrin Market, before the advent of COVID-19, forecast that the worldwide demand for Lactoferrin will increase by more than 200 T (i.e. a 60% Increase) over the next few years. The UBIC report notes that the number of dairy manufacturers around the world who have the capabilities and capacities to supply the increasing global demand for Lactoferrin expected over the next 3 to 5 years, is less than 10. Beston is identified in the list as one of those producers.

The contribution from Lactoferrin to gross margins is significant. Increasing the production of Lactoferrin will therefore add significantly to the overall profitability of the Beston dairy facilities and the bottom-line result for Beston. It will also provide the capacity to pay a leading rate for milk solids from independent dairy farmers and thereby acquire additional milk. The step change in profitability from the expanded Lactoferrin production will also increase capacity utilisation in Beston's dairy platform (with more cheese being produced) and thereby reduce the per unit cost of production.

In other words, the planned Lactoferrin expansion is part and parcel of the five strategic imperatives which have been put in place as Beston progresses into the final stages of implementing its ten year Business Plan. The Lactoferrin plant expansion currently underway has a pay back of less than 2 years and was always an integral part of the Business Plan (as shown by the actions taken in 2016 to acquire the plant).

The dairy nutraceutical plant acquired by Beston in 2016 provided the "chassis" for the Company's Lactoferrin production to date. The Lactoferrin expansion project currently in progress will take production to around 12 Tpa at a fraction of the cost incurred by Beston's competitors. The infrastructure now to be installed by Beston as a result of the \$2.0 million SA Government grant and Rights Issue will enable further expansion to more than 25 Tpa over time as more milk becomes available. The Beston plant also has the capacity to produce other dairy nutraceuticals which are in high demand in the medical and pharmaceutical industries, with minimal incremental capex.

The returns from these extensions of the Beston dairy platform with our dairy nutraceuticals plant are substantial and will significantly increase forward earnings and profits. They were a key part of our three step Business Plan (as above) and provide a strong basis for maximising earnings, dividends and capital growth. Our progress towards extracting value from the "high end" of the milk value chain had to be a step-wise process, which was always going to take time. The financial metrics from achieving the end objectives in Phase 3 of our Business Plan are compelling.

7. The comments by Kunteng in its Member Statement around milk supply and market share contain errors of fact and reflect misunderstandings.

The dairy facilities owned by Beston at Murray Bridge and Jervois have a total production capacity of 300 million litres ("ML") of milk. The milk intake in FY21, of 130+ ML will result in the capacity utilisation of the mozzarella plant increasing from 38% to around 70%. The economies of scale achieved from such an increase in milk intake will result in greater efficiencies, reduced per unit cost of production and increased operating margins.

Beston's share of the total Australian dairy market is irrelevant in the context of the Company's objectives.

8. The Kunteng Member Statement refers to the opportunities which have been opened up by the implementation of the Australia-China Free Trade Agreement. However, it fails to acknowledge the non-tariff barriers that have been erected by the Chinese Government to impede the free flow of Australian food and beverage products to the "rapidly growing number of middle-class families in China". For example, in 2017, and notwithstanding the Free Trade Agreement, the Chinese Government changed the scientific definitions on most Australian fish species, which effectively stopped the export of Australian lobster and other fish to China for a period of six months. The imposition of this non-tariff barrier on seafood exports was one of the key reasons for Beston resolving to sell its 32% interest in Ferguson Australia Pty Ltd in 2018. In recent months, these non-tariff trade barriers have been extended to a range of other Australian export products.
9. The comments in the Kunteng Member Statement around the "consecutive losses and negative cash flows" at Beston are a direct result of the non-performance by Kunteng (and other significant Chinese shareholder, Dashang) of their legal obligations. The Board and management of Beston has always found it difficult to rationalise why a significant shareholder, with a vested interest in the performance of the Company, would not honour its obligations and assist the Company, by way of its sales commitments and other endeavours, to "get on its feet" during the initial Build-Out Phase of implementing the 10 year Business Plan and ensure the Company was set up during this time, for future success.

Beston had estimated that the EBITDA contribution of the commitments made by Kunteng Pte Ltd and the Dashang Group, over the first three years (Phase 1) of the Company's business plan would have been in excess of \$20 million, had those commitments been delivered.

In hindsight, it seems that the non-performance by Kunteng (and Dashang) may have been, at one extreme, either a simple oversight or, at the other extreme, part of a deliberate action designed to weaken the Company and make it easier to misuse Australian Corporations Law to take control of the Company without paying for it (and certainly without paying a premium for control) as could be a possible outcome from the First Strike, Second Strike and Spill Resolutions if sufficient shareholders do not exercise their right to vote.

The statements in the Kunteng Member Statement are spurious, and appear designed to deflect responsibility away from the non-performance against their obligations in the Share Subscription Agreement, which has had a telling effect on the performance of Beston.

Under the current Board oversight and management leadership, Beston has undergone significant transformation from a collection of moribund and underperforming assets (with zero revenues) to a sophisticated operating business which has current revenues of around \$140 million per annum and has a foundation in place for significant earnings from higher-margin products as the Company continues to expand.

The Company's 10-year Business Plan is being successfully executed as enunciated to shareholders, and Beston is now well on its way to becoming a leading supplier of dairy, meat and plant-based protein to domestic and international markets. The Board and management of Beston have been disappointed that the results from all the hard work which has been done has not followed through to the bottom line more quickly. That said, Beston has achieved its results over the last five years **without** the committed support of its cornerstone Chinese shareholders (as was a fundamental part of the initial Business Plan) and has survived two years of horrific drought (and more recently COVID-19) while continuing to grow and develop.

The actions by Kunteng in seeking to coerce shareholders into supporting its efforts to bring about a Second Strike and Spill Motion would, if successful, be detrimental to the interests of other shareholders and would significantly diminish the value of your investment in Beston.

The Directors unanimously recommend that shareholders vote AGAINST this Contingent Spill Resolution (Resolution 2).

Resolution 3: Re-election of Ms Petrina Coventry as a Director

The Board reaffirms its support for the re-election of Ms Petrina Coventry.

Ms Coventry is Chair of the Company's Safety and Sustainability Committee and has extensive global skills and experience in the FMCG Sector. Since joining the Board, Petrina has undertaken advanced vocational training in cheese-making to increase her knowledge and understanding in fulfilling her OH&S responsibilities on the Board. Her background from working in senior roles in the food and beverage industry around the world has been invaluable to the Company during her tenure as a Director.

The Directors unanimously recommend that shareholders vote in FAVOUR of the re-election of Ms Petrina Coventry as a Director.

Resolution 4: Re-election of Mr Jim Kouts as a Director

Mr Kouts has withdrawn his nomination as a Director and will be replaced by Mr Neil Longstaff (as advised to the ASX on 16 December, 2020).

Mr Longstaff fills the casual vacancy created by the withdrawal of Mr Kouts and will be required to seek shareholder approval for his election at the 2021 Annual General Meeting.

Neil has had an extensive career across a wide range of food categories. He has spent more than 20 years working at executive level and consulting within the dairy industry, including roles as Chief Executive Officer of Kyvalley Dairy Group and General Manager, Commercial Group with Murray Goulburn Co-operative. His broad commercial experience in the dairy industry has encompassed both branded and commodity products within domestic and export markets.

The Board considers that his career background will be extremely complementary to the legal and health science skills which have recently been added to the Board with the recent appointment of Ms Joanna Andrew.

This Resolution is withdrawn.

Resolution 5: Election of a non-Board endorsed external nominee as a Director

The Directors did not make a recommendation in relation to Resolution 5 for the AGM on 26 November, 2020, primarily because the Board of Beston had not had an opportunity at the time to verify the information provided by Mr Yuan Ma, undertake its normal due diligence checks (including police checks), or to assess his capabilities within the context of the Boards skills matrix.

Mr Ma, is a Chinese national. Kunteng has not provided any information to Beston as to how Mr Ma will be able to attend Board Meetings, if elected as a Director, given the international restrictions on travel (particularly between China and Australia) and given the restrictions on internet virtual meetings which exist in China. If Mr Ma were to be elected at the AGM, in addition to undertaking due diligence and fit and proper checks as noted above, the Company will need to seek legal advice to ensure that the appointment of Mr Ma to the Board of Beston is not in breach of any recently introduced Commonwealth legislation, including the Foreign Influence Transparency Scheme Act.

As a consequence of the AGM adjournment to 29 January 2021, Beston advised Kunteng and shareholders that it would now have the time available to undertake a proper due diligence process to consider the appointment of Mr Ma from Kunteng Pte Ltd, and address the concerns expressed in international proxy advisers reports that, inter alia, his nomination pursuant to Section 249P of the Corporations Act 2001 circumvented the Company's normal Director appointment policies and procedures. Accordingly, as was advised to shareholders on 7 December 2020, the Company Secretary has written to Mr Ma on behalf of the Remuneration and Nominations Committee of the Board to invite Mr Ma to submit the relevant due diligence information to the Company to enable this process to proceed.

No response has as yet been received from Mr Ma or Kunteng Pte Ltd.

It would therefore seem apparent, from the lack of response to date, that the intention of Kunteng and Mr Ma may be to circumvent the Company's normal due diligence processes for Board appointments (which include verification of qualifications and police checks).

The Board of Beston, in various communications with Kunteng and Mr Ma has indicated that it is supportive of having Mr Ma join the Board, so long as the normal appointment processes are followed and that a proper assessment is made of his capabilities and potential contributions within the context of the Board's skill matrix and established policies.

In the absence of this information and the possible loss of control of YOUR Company if Mr Ma is elected outside of the normal Board appointment policies and processes:

The Directors unanimously recommend that shareholders vote AGAINST Resolution 5.

Subsequent to the adjournment of the AGM on Thursday 26 November 2020, Beston has received advice from Australia Aulong Auniu Wang Food Holdings Pty Ltd (AAAW) on behalf of the Dashang Group that Dashang wishes to put forward its representative Mr Hui Wang, for appointment to the Board of Beston. Mr Wang is the Investment CEO of the Dashang Group, is based in China and has a background in the global livestock industry and "deep knowledge of experience in" the Chinese retail market.

AAAW has advised, in discussions with Beston, that it is not the intention of Dashang to "change the strategy but rather to augment/improve the current strategy with their experience and channels to market".

Dashang have declined to advise Beston as to why their outstanding purchase commitments have not been met to date.

As a result of the recent approach by Dashang, Beston has forwarded a detailed questionnaire to Dashang, along with other due diligence materials to be completed by Mr Wang. Once returned, along with the police checks from Chinese and Australian authorities, the Beston Remuneration and Nominations Committee will then be in a position to consider the proposal and make a recommendation to the Beston Board.

Kunteng Pte Ltd has been advised of the approach from Dashang on this matter.

SUPPORT YOUR MANAGEMENT AND YOUR COMPANY BY LODGING YOUR PROXY VOTES

We encourage you to take the information in this Update Explanatory Memorandum into consideration when voting at the adjourned AGM and to lodge your proxies with the Company as soon as possible.

The forthcoming adjourned AGM on 29 January 2021 at 10:30am is an extremely important meeting for the future of the Company and for the future of your investment.

Please support the Board and Management in lodging your proxy vote, if you have not done so already.

Your vote is important.

The Board of Beston is of the view that we have come too far over the last five years to allow the Company to be taken over by activist shareholders through the duplicitous use of Australian Corporations Law, and without providing an opportunity for the inherent value of the Company to be returned to shareholders.

Please do not hesitate to contact the Chairman or any of the below listed officers of the Company should you wish to discuss the content of the Memorandum or require more information.

Please do not hesitate to contact the Chairman or any of the below listed officers of the Company should you wish to discuss the content of the Memorandum or require more information.

Roger Sexton AM	(work) 08 8231 2777
Chairman	(mob) 0418 802 818

Richard Wilson	(mob) 0411 411 485
Company Secretary	

Jonathan Hicks	(work) 08 8470 6130
Chief Executive	(mob) 0408 960 463

Darren Flew	(work) 08 8470 6123
Chief Financial Officer	(mob) 0438 823 614



BESTON GLOBAL FOOD COMPANY LIMITED

NOTICE OF 2020 ANNUAL GENERAL MEETING

ACN 603 023 383

NOTICE IS HEREBY GIVEN that the Annual General Meeting (AGM) of Shareholders of Beston Global Food Company Limited (Company) for 2020 will be as a virtual AGM conducted entirely online via an online platform at <https://agmlive.link/BFC20>. The decision to hold the AGM virtually is due to the current restrictions on public gatherings in relation to COVID-19.

The Company intends to conduct the Virtual AGM on Thursday, 26 November 2020 commencing at 10.30 am (Adelaide time).

We recommend logging in to our online platform at least 15 minutes prior to the scheduled start time for the Meeting using the instructions below:

Enter <https://agmlive.link/BFC20> into a web browser on your computer or online device:

- Shareholders will need their Shareholder Reference Number (SRN) or Holder Identification Number (HIN) printed at the top of the Proxy Form; and
- Proxyholders will need their proxy code which Link Market Services will provide via email no later than 48 hours prior to the Meeting.

Further details on how to participate in the AGM online are set out in the Notice of Meeting and in the Online Platform Guide. The Online Platform Guide provides details about how to ensure your browser is compatible with the online platform, as well as a step by step guide to successfully log in and navigate the site. The Online Platform Guide will be released to the ASX and is also available on our website at <https://bestonglobalfoods.com.au/investors/asx-announcements/>.

The Company is following the health advice of the Australian Government and has taken these steps to convene the AGM as a virtual meeting in the interests of the health and safety of its shareholders, employees, and the broader community.

You are encouraged to complete and return the enclosed proxy form which allows you to appoint a proxy to vote on your behalf. Proxies can be lodged online at www.linkmarketservices.com.au. The completed proxy form must be received by Link Market Services no later than 10:30 am (Adelaide time) on Tuesday, 24 November 2020.

The Company appreciates the understanding of its shareholders as it navigates this difficult situation.

Operational Update

As the Annual General Meeting will be conducted as a virtual meeting, it is proposed to streamline proceedings at the AGM by providing a separate operational update. The Company will host a virtual Operational Update at 3:00pm (Adelaide time) on Wednesday 25 November 2020 at which BFC's management will provide a detailed update on the Company's activities. Details on how to participate will be provided to shareholders via the ASX Announcements platform. The Operational Update presentation document will be released to the market on 25 November 2020. There will be an opportunity for shareholders to ask questions at the Operational Update and AGM.

Voting on Resolutions

Shareholders are advised that all resolutions will be decided on a poll. Please note that you are strongly encouraged to lodge proxy votes for the AGM.

Shareholders can watch and participate in the Annual General Meeting virtually via:

Computer or a Mobile device – by entering the following URL in your browser <https://agmlive.link/BFC20>. The Meeting will be viewable from desktops, laptops, tablets and mobile devices.

To participate and vote online you will need your Shareholder Reference Number (SRN) or Holder Identification Number (HIN) printed at the top of the Proxy Form. Proxyholders will need their proxy code which Link Market Services will provide via email no later than 48 hours prior to the Meeting. Online participants should register at least 15 minutes before the AGM.

Further details on how to participate in the AGM online are set out in the Notice of Meeting and in the Online Platform Guide. The Online Platform Guide provides details about how to ensure your browser is compatible with the online platform, as well as a step by step guide to successfully log in and navigate the site. The Online Platform Guide will be released to the ASX and is also available on our website at <https://bestonglobalfoods.com.au/investors/asx-announcements/>

Participation in the Meeting

Shareholders are encouraged to submit any questions they may have of the Company in writing to the Company Secretary at rwillson@bestonglobalfoods.com.au by 5.00pm (Adelaide time) on 24 November 2020. The Company will also provide Shareholders with the opportunity to ask questions during the meeting. Details on how to ask questions during the meeting are set out in the Online Platform Guide. The Online Platform Guide will be released to the ASX and is also available on our website at <https://bestonglobalfoods.com.au/investors/asx-announcements/>.

Technical difficulties

Technical difficulties may arise during the course of the Annual General Meeting. The Chair has discretion as to whether and how the meeting should proceed in the event that a technical difficulty arises. In exercising his discretion, the Chair will have regard to the number of shareholders impacted and the extent to which participation in the business of the meeting is affected. Where he considers it appropriate, the Chair may continue to hold the meeting and transact business, including conducting a poll and voting in accordance with valid proxy instructions. For this reason, shareholders are encouraged to lodge a proxy by 10:30am (Adelaide time) on Tuesday, 24 November 2020 even if they plan to attend the Meeting online.

NOTICE OF ANNUAL GENERAL MEETING

Ordinary Business

Financial Report

To receive and consider the Company's financial statements and independent audit report for the year ended 30 June 2020.

The 2020 Annual Report will be available to view online at the Company's website <http://www.bestonglobalfoods.com.au/Investors/> and despatched to those Shareholders who have elected to receive a hard copy of the report.

Resolution 1 – Adoption of the Remuneration Report for the year ended 30 June 2020

To consider, and if thought fit, pass the following resolution as an ordinary resolution:

That, for the purpose of Section 250R(2) of the Corporations Act, the Company adopt the Remuneration Report for the period ended 30 June 2020 as set out in the Directors' Report in the 2020 Annual Report.

Voting Exclusion Statement

The Company will disregard any votes cast (in any capacity) on Resolution 1 by any Key Management Personnel, the details of whose remuneration are included in the Remuneration Report, and any Closely Related Party of such Key Management Personnel.

However, a person described above may cast a vote on Resolution 1 if the vote is not cast on behalf of a person described above and either:

- (a) the person does so as proxy appointed in writing that specifies how the proxy is to vote on the proposed resolution; or
- (b) the Chairman of the meeting is appointed as proxy and the proxy form expressly authorises the Chairman to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

The Company need not disregard a vote if it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with the stated voting intentions of the Chairman of the Meeting.

Resolution 2 – Contingent Spill Resolution

Resolution 2 will only be put to the Meeting if at least 25% of the votes cast on Resolution 1 are "against" that resolution. If less than 25% of the votes cast on Resolution 1 are "against" adoption of the Remuneration Report, then the Chair will withdraw this Resolution 2.

If required, to consider, and if thought fit, pass the following resolution as an ordinary resolution:

"Subject to and conditional on at least 25% of the votes cast on Resolution 1 being cast against the adoption of the Company's Remuneration Report for the financial year ended 30 June 2020:

- (a) An extraordinary general meeting of the Company (**Spill Meeting**) be held within 90 days of this resolution;

- (b) All of the non-executive directors in office when Resolution 1 was passed and who remain in office at the time of the Spill Meeting, cease to hold office immediately before the end of the Spill Meeting; and
- (c) Resolutions to appoint persons to offices that will be vacated immediately before the end of the Spill Meeting are put to the vote at the Spill Meeting.

Voting Exclusion Statement

The Company will disregard any votes cast (in any capacity) on Resolution 2 by any Key Management Personnel, the details of whose remuneration are included in the Remuneration Report, and any Closely Related Party of such Key Management Personnel.

However, a person described above may cast a vote on Resolution 2 if the vote is not cast on behalf of a person described above and either:

- (a) the person does so as proxy appointed in writing that specifies how the proxy is to vote on the proposed resolution; or
- (b) the Chairman of the meeting is appointed as proxy and the proxy form expressly authorises the Chairman to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

The Company need not disregard a vote if it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with the stated voting intentions of the Chairman of the Meeting.

Resolution 3 — Re-election of Ms Petrina Coventry as a Director

To consider, and if thought fit, pass the following resolution as an ordinary resolution:

"That Ms Petrina Coventry, having retired by rotation in accordance with clause 59 of the Company's Constitution and being eligible and having offered herself for re-election, is re-elected as a Director of the Company."

~~Resolution 4 — Re-election of Mr Jim Kouts as a Director~~ WITHDRAWN

~~*To consider, and if thought fit, pass the following resolution as an ordinary resolution:*~~

~~"That Mr Jim Kouts, having retired by rotation in accordance with clause 59 of the Company's Constitution and being eligible and having offered himself for re-election, is re-elected as a Director of the Company."~~

Resolution 5 — Election of non-Board endorsed external nominee as Director

To consider, and if thought fit, pass the following resolution as an ordinary resolution:

"That Mr Yuan Ma, having offered himself for election in accordance with clause 60 of the Company's Constitution and being eligible, be elected as a Director of the Company."

Special Business

Resolution 6 — Approval of 7.1A additional placement capacity

*To consider, and if thought fit, pass the following resolution as a **Special Resolution**:*

"That pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue equity securities up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 over a 12 month period on the terms and conditions set out in the explanatory memorandum."

Voting Exclusion Statement

The Company will disregard any votes cast (in any capacity) on Resolution 6 by person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in capacity of a holder of Shares, if this Resolution is passed and any associates of such a person. However, the Company need not disregard a vote if:

- (a) the person does so as proxy appointed in writing that specifies how the proxy is to vote on the proposed resolution; or
- (b) the Chairman of the meeting is appointed as proxy and the proxy form expressly authorises the Chairman to exercise the proxy

The Company need not disregard a vote if it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with the stated voting intentions of the Chairman of the Meeting.

By Order of the Board



Richard Willson
Company Secretary
26 October 2020

Voting Entitlements

The Company has determined that for the purposes of ascertaining entitlements to participate in and vote at the Annual General Meeting, all shares in the Company will be taken to be held by those persons who held them as registered holders at 7.00pm (Adelaide time) on Tuesday, 24 November 2020.

How to Vote

Please note that you are strongly encouraged to lodge proxy votes for the AGM. The AGM will commence at 10.30 AM (Adelaide time) on Thursday, 26 November 2020.

In line with temporary amendments to the AGM requirements in Australia and current regulatory guidance, the meeting this year will be held entirely online given the uncertainty and potential health risks associated with large gatherings during the COVID-19 pandemic. There will not be a physical venue for shareholders to attend.

Your participation in the Annual General Meeting is important to us and we invite all shareholders and proxy holders to participate in the AGM virtually via the online platform at <https://agmlive.link/BFC20>. To do this, you will need a desktop or mobile/tablet device with internet access, and you will need to provide your details (including Shareholder Reference Number (SRN) or Holder Identification Number (HIN)) to be verified as a security holder or proxy holder.

The online platform will allow you to listen to the proceedings, view the presentations and ask questions of the Board and vote in real-time. Please note that each resolution considered at the Meeting will be determined on a poll.

We recommend logging in to the online platform at least 15 minutes prior to the scheduled start time for the AGM using the instructions provided in the Notice of Meeting and in the Virtual Annual General Meeting Online Guide, which can be accessed online on company's website at

<https://bestonglobalfoods.com.au/investors/asx-announcements>.

Proxies

A Shareholder entitled to attend and vote at the meeting has the right to appoint a proxy, who need not be a Shareholder of the Company. If a Shareholder is entitled to cast two or more votes they may appoint two proxies and may specify the percentage of votes each proxy is appointed to exercise. In order to be valid, the Proxy form must be received by the Company electronically or at the address or facsimile number specified below, along with any power of attorney or certified copy of a power of attorney (if the Proxy Form is signed pursuant to a power of attorney), by no later than 48 hours before the Meeting (i.e., by no later than 10.30am (Adelaide time) on Tuesday, 24 November 2020).

By mail: Beston Global Food Company Limited
c/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235

By hand: Link Market Services Limited
1A Homebush Bay Drive
Rhodes NSW 2138

Or

Link Market Services Limited
Level 12, 680 George Street
Sydney NSW 2000

By facsimile: +61 2 9287 0309

Electronically: Follow the Online Proxy Lodgement Guide attached to this Notice of Meeting

To minimise the risks associated with COVID-19, the Company encourages Shareholders to utilise electronic proxy lodgement by following the attached Guide include with this Notice of Meeting, where possible.

Any Proxy Forms received after the cut off time of 10.30am (Adelaide Time) on Tuesday, 24 November 2020 will not be valid for the Meeting.

Corporate Representative

A corporation that is a Shareholder or a proxy may elect to appoint a person to act as its corporate representative at the meeting, in which case the corporate Shareholder or proxy (as applicable) must provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that Shareholder's or proxy's (as applicable) corporate representative. The authority must be sent to the Company and/or the Company's Share Registry (detailed above) in advance of the meeting or handed in at the meeting when registering as a corporate representative.

Explanatory Memorandum

The Explanatory Memorandum accompanying this Notice of Annual General Meeting is incorporated in and comprises part of this Notice of Annual General Meeting and should be read in conjunction with this Notice.

EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared to assist Shareholders in consideration of resolutions proposed for the Annual General Meeting of the Company to be held virtually on Thursday, 26 November 2020 commencing at 10:30 am (Adelaide time).

It should be read in conjunction with the accompanying Notice of Annual General Meeting.

Resolution 1 — Remuneration Report for the year ended 30 June 2020

In accordance with Section 250R(2) of the Corporations Act, Shareholders are required to vote on the Company's Remuneration Report for the year ended 30 June 2020.

The Remuneration Report is contained in the Directors' Report in the 2020 Annual Report, which will be available to view online at the Company's website <http://www.bestonglobalfoods.com.au/Investors/> and despatched to those Shareholders who have elected to receive a hard copy of the report.

The Remuneration Report describes the underlying policies and structure of the remuneration arrangements of the Company and sets out the remuneration arrangements in place for Directors and senior executives for the year ended 30 June 2020.

The Corporations Act requires that a resolution to adopt the Remuneration Report be put to the vote at the annual general meeting of the Company. Shareholders should note that the vote on Resolution 1 is not binding on the Company or the Directors.

Under the Corporations Act, a "two-strikes and re-election" process has been introduced for the non-binding Shareholder votes on the Remuneration Report of listed companies. If 25% or more of the votes cast on a resolution to adopt the Remuneration Report are against the adoption of the Remuneration Report for two consecutive Annual General Meetings, Shareholders will be required to vote at the second of those Annual General Meetings on a resolution ("Spill Resolution") that another meeting be held within 90 days, at which all of the Company's Directors must go up for re-election ("Spill Meeting"). As more than 25% of shareholders' votes cast on the Remuneration Report at the 2019 AGM were against the adoption of the Remuneration Report, a contingent Spill Resolution has been included in the agenda for this AGM (Resolution 4). The Spill Resolution is an ordinary resolution, requiring a simple majority of 50% or more (if required).

In the event a Spill Meeting is required, all of the Directors who were in office at the date of the Director's Report (as included in the Company's annual financial report for the financial year ending 30 June 2020) will be required to stand for re-election to continue as a Director of the Company, other than the managing director of the Company (if applicable), who is permitted to hold office without being re-elected under the ASX Listing Rules.

If this Resolution 1 receives less than 25% of validly cast votes "against" the resolution, the Spill Resolution will not be required.

The Directors recommend Shareholders vote in favour of Resolution 1. The Chairman intends to vote undirected proxies in FAVOUR of Resolution 1.

Important information for Shareholders:

Please note, in accordance with sections 250R(4) and (5) of the Corporations Act, the Chairman will not vote any undirected proxies in relation to Resolution 1 unless the Shareholder expressly authorises the Chairman to vote in accordance with the Chairman's stated voting intentions. Please note that if the Chairman of the Meeting is your proxy (or becomes your proxy by default), by completing the attached proxy form, you will expressly authorise the Chairman to exercise your proxy on Resolution 1 even though it is connected directly or indirectly with the remuneration of a member of Key Management Personnel for the Company, which includes the Chairman. You should be aware that the Chairman of the Meeting intends to vote undirected proxies in favour of the adoption of the Remuneration Report.

Alternatively, if you appoint the Chairman as your proxy, you can direct the Chairman to vote for or against or abstain from voting on Resolution 1 by marking the appropriate box on the proxy form.

As a further alternative, Shareholders can nominate as their proxy for the purposes of Resolution 1, a proxy who is not a member of the Company's Key Management Personnel or any of their Closely Related Parties. That person would be permitted to vote undirected proxies (subject to the ASX Listing Rules).

Resolution 2 – Contingent Spill Resolution

The Directors unanimously recommend that Shareholders vote against this Resolution.

This Resolution 2 will only be put forward at the AGM if at least 25% of the shareholders votes validly cast on Resolution 1 to adopt the Remuneration Report are cast against its adoption. If fewer than 25% of Shareholders' votes validly cast are against its adoption, then there will be no "second strike" and this item will not be put to the AGM.

The Corporations Act requirement for this Resolution to be put to vote are set out above in the Explanatory Memorandum to Resolution 1.

The effect of this Resolution being passed is the Company will be required to hold another meeting of Shareholders within 90 days of the date of this AGM (**Spill Meeting**) and the vacating directors will cease to hold office immediately before the end of the Spill Meeting. The business of the Spill Meeting will be to put to vote resolution to appoint persons to offices vacated by the vacating directors.

In the event a Spill meeting is required, a separate notice of meeting will be distributed to Shareholders with details about those persons that will seek election as directors of the Company at the Spill Meeting.

Shareholders appointing a proxy for this Resolution should note the voting exclusions applying to Resolution 1 apply in the same manner to this Resolution.

Resolution 3 – Re-election of Ms Petrina Coventry as a Director

In accordance with clause 59 of the Company's Constitution, at every Annual General Meeting, one third of the Directors for the time being must retire from office and are eligible for re-election. The Directors to retire are to be those who have been in office for 3 years since their appointment or last re-appointment or who have been longest in office since their appointment or last re-appointment or, if the Directors have been in office for an equal length of time, by agreement.

Ms Coventry will retire by rotation at the Annual General Meeting. Ms Coventry is eligible for, and has offered herself for, re-election.

Ms Coventry has spent over twenty years working in Asia, the United States and Europe in global leadership and director roles with The General Electric Company, The Coca Cola Company and Procter and Gamble. Her experience covers multiple industries including energy, technology, occupational health and safety, fast moving consumer goods and financial services. Ms Coventry has undertaken advanced vocational training, and has specific skills in, cheese manufacturing. Her work in organisational transformation, company performance and governance has led to increased involvement with governments, industry associations and consulting groups across the Asian region. Petrina is an ethicist by background and works with several universities in the area of education around governance and professional ethics. Ms Coventry is Chair of BFC's Safety & Sustainability Committee.

The Directors (excluding Ms Coventry) unanimously recommend that Shareholders vote in favour of Resolution 3. The Chairman intends to vote undirected proxies in favour of Resolution 3.

Resolution 4 — Re-election of Mr Jim Kouts as a Director WITHDRAWN

~~In accordance with clause 59 of the Company's Constitution, at every Annual General Meeting, one third of the Directors for the time being must retire from office and are eligible for re-election. The Directors to retire are to be those who have been in office for 3 years since their appointment or last re-appointment or who have been longest in office since their appointment or last re-appointment or, if the Directors have been in office for an equal length of time, by agreement.~~

~~Mr Kouts will retire by rotation at the Annual General Meeting. Mr Kouts is eligible for, and has offered himself for, re-election.~~

~~Mr Kouts has served as a senior executive and director in major companies in the energy, financial service and business tourism industries and has also held various senior positions in the public sector. Through his various roles, Jim has gained strong commercial and contract negotiation skills and has a sound grasp of governance, strategy and strategy implementation. These skills, together with his insight of air freight logistics into Asia, will be valuable on the Board. Mr Kouts is Chair of BFC's Remuneration and Nomination Committee.~~

~~The Directors (excluding Mr Kouts) unanimously recommend that Shareholders vote in favour of Resolution 4. The Chairman intends to vote undirected proxies in favour of Resolution 4.~~

Resolution 5 – Election of non-Board endorsed external nominee as a Director

As announced on 8 October 2020, the Company received a Notice under section 249N of the Corporations Act by a shareholder, Kunteng Pte Ltd, holding at least 5% of the votes that may be cast at a general meeting. The Notice proposes a resolution to appoint Mr Yuan Ma as a director of the Company at the next general meeting of the Company. The Company has determined this Resolution 5 is sufficient to address the section 249N Notice.

Accordingly, this Resolution 5 incorporates the nomination received by Mr Yuan Ma, an external non-Board endorsed candidate offering himself for election in accordance with clause 60 of the Company Constitution, and the section 249N Notice received from Kunteng Pte Ltd.

As Mr Ma's nomination was received shortly before this Notice of Meeting was finalised and Mr Ma is not a candidate endorsed by the Board, the Company has not had the opportunity to undertake its usual background checks in relation to Mr Ma or to independently verify the following information provided by Mr Ma.

A copy of Mr Ma's *Curriculum Vitae* and supporting statement is attached to this Explanatory Memorandum as Annexure A.

Kunteng has also exercised its rights under section 249P of the Corporations Act to provide a statement concerning this Resolution 5 to the Company Shareholders. That supporting statement is also attached to this Explanatory Memorandum as Annexure A.

Board appointment factors for consideration

The Company has a well-defined Board succession and renewal planning process to identify and nominate potential new directors to the Board in a professional manner, as well as maintaining the current diverse balance of experience across different industries it currently possesses. The Board reviews potential new directors considered suitable for appointment and assesses them against a range of criteria including skills, experience, knowledge, personal qualities, ability to exercise independent judgement and diversity required to discharge the Board's duties.

The Board ultimately makes the selections of the preferred candidates for positions of Director, if required to be filled. For example, Resolution 3 of this Notice for the re-election of Ms Petrina Coventry as a director ensures the Board has significant expertise in a range of industries, including energy, technology and occupational health and safety. Ms Coventry has undertaken advanced vocational training, and has specific skills in, cheese manufacturing. Further, Resolution 4 of this Notice for the re-election of Mr Jim Kouts ensures the Board has a diverse range of perspectives, given Mr Kouts' position as a director in various companies in the energy, financial service and business tourism sectors, as well as his experience in the public sector.

The Board is comprised of highly experienced senior business leaders from different backgrounds who collectively possess the skills, experience, tenure and diversity considered necessary to appropriately govern an ASX-listed organisation in the food production industry.

Board Recommendation

As indicated above, the Board has not had the opportunity to review or verify the information provided by Mr Ma or to assess his capabilities within the context of the Board's Skills Matrix. Accordingly, the Board makes no recommendation to Shareholders in relation to Resolution 5.

Resolution 6 – Approval of 7.1A additional 10% placement capacity

(a) Purpose of resolution

The purpose of this resolution is to authorise the Directors to issue a further 10% of the Company's issued share capital under Listing Rule 7.1A during the 10% Placement Period in addition to and without using the Company's 15% placement capacity under Listing Rule 7.1. This effectively gives Directors a 25% placement capacity, less that part of its placement capacity not available under Listing Rule 7.1.

(b) **General information**

Listing Rule 7.1A enables an "eligible entity" to issue Equity Securities of up to 10% of its issued share capital through placements over a 12-month period after the annual general meeting (**10% Placement Facility**). The 10% Placement Facility is in addition to the entity's 15% placement capacity under Listing Rule 7.1. An "eligible entity" for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

The Company is seeking shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility. The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section (c)(iii) below).

(c) **Description of Listing Rule 7.1A**

(i) **Shareholder approval**

The ability to issue Equity Securities under the 10% Placement Facility is subject to shareholder approval by way of a special resolution at an annual general meeting.

(ii) **Equity Securities**

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company, and issued for a cash consideration, per security, which is not less than 75% of the volume weighted average market price for the securities in that class calculated over the 15 trading days on which trades in that class were recorded immediately before,

- a) The date on which the price at which the securities are to be issued is agreed by the entity and the recipient of the securities; or
- b) If the securities are not issued within 10 trading days of the date in paragraph (a), the date on which the securities are issued.

The Company, as at the date of the Notice, has on issue one class of Equity Securities, namely ordinary fully paid shares (Shares) (ASX Code: BFC).

(iii) **Formula for calculating 10% Placement Facility**

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the period that commences on the date of the annual general meeting at which the approval is obtained and expires on the first to occur of the following,

- a) The date that is 12 months after the date of the annual general meeting at which the approval is obtained,
- b) The time and date of the entity's next annual general meeting,
- c) The time and date of the approval by holders of the eligible entity's ordinary securities of a transaction under ASX listing rule 11.1.2 or 11.2,

a number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

A is the number of shares on issue 12 months before the date of issue or agreement:

- a) plus, the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
- b) plus, the number of partly paid shares that became fully paid in the 12 months;
- c) plus, the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without shareholder approval;

- d) less the number of fully paid shares cancelled in the 12 months. Note that A is has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%.

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under Listing Rule 7.1 or 7.4.

(d) Specific information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, the below information is provided in relation to the approval of the 10% Placement Facility:

- (i) The Equity Securities will be issued at an issue price of not less than 75% of the volume weighted average price for the Company's Equity Securities over the 15 Trading Days immediately before:

- a) the date on which the price at which the Equity Securities are to be issued is agreed; or
- b) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (a) above, the date on which the Equity Securities are issued.

- (ii) If this Resolution is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in Table 1. There is a risk that:

- a) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Annual General Meeting; and
- b) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date or the Equity Securities are issued as part of the consideration for the acquisition of a new asset, which may have an effect on the amount of funds raised by the issue of the Equity Securities.

Table 1 shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A (2) as at the date of this Notice.

- (iii) Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

- a) the date that is 12 months after the date of the annual general meeting at which the approval is obtained; or
- b) the date of the approval by shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

(10% Placement Period).

- (iv) The Company may seek to issue the Equity Securities to fund an acquisition of new assets or other investments (including expense associated with such acquisition), expand operational capacity, and/or general working capital.
- (v) The Company will comply with the disclosure obligations under Listing Rules 7.1A (4) and 3.10.5A upon issue of any Equity Securities. The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:
 - a) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
 - b) the effect of the issue of the Equity Securities on the control of the Company;
 - c) the financial situation and solvency of the Company; and
 - d) advice from corporate, financial and broking advisers (if applicable). The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial shareholders and/or new shareholders who are not related parties or associates of a related party of the Company.
 - e) No Equity Securities have been issued under Listing Rule 7.1A.
- (vi) The actual number of Equity Securities that the Company will be permitted to issue under Listing Rule 7.1A will be calculated at the date of issue or agreement to issue the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (as set out above).

The effect of this Resolution will be to allow the Company to issue securities under Listing Rule 7.1A without using the Company's placement capacity under Listing Rule 7.1.

- (vii) A voting exclusion statement is included in the Notice. At the date of the Notice, the Company has not approached any particular existing shareholder or security holder or an identifiable class of existing security holders to participate in the issue of the Equity Securities. No existing shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

Table 1

Table 1 shows the dilution of existing shareholders on the basis of the current market price of Shares and the current number of Shares for variable "A" calculated in accordance with the formula in Listing Rule 7.1A (2) as at the date of this Notice. The table also shows the voting dilution impact where the number of Shares on issue (variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

Variable A as per ASX Listing Rule 7.1A		Dilution		
		\$0.05 50% decrease in issue price	\$0.10 issue price	\$0.20 100% increase in issue price
Current Variable A 602,514,074 shares	10% Voting Dilution	60,251,407 shares	60,251,407 shares	60,251,407 shares
	Funds Raised	\$3,012,570	\$6,025,141	\$12,043,081
50% Increase in Current Variable A 903,771,111 Shares	10% Voting Dilution	90,377,111 shares	90,377,111 shares	90,377,111 shares
	Funds Raised	\$4,518,856	\$9,037,711	\$18,075,422
100% Increase in Current Variable A 1,205,028,148 shares	10% Voting Dilution	120,502,815 shares	120,502,815 shares	120,502,815 shares
	Funds Raised	\$6,025,141	\$12,050,282	\$24,100,563

*The number of Shares on issue (variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

The table has been prepared on the following assumptions:

1. The current Shares on issue are the Shares on issue as at 602,514,074.
2. The issue price set out above is the closing price of the Shares on the ASX on 12 October 2020.
3. The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
4. No Shares are issued following the exercise of any options or conversion of any Performance Rights or Founder's Rights before the date of the issue of the Equity Securities.

The Directors unanimously recommend that Shareholders vote in favour of Resolution 6. The Chairman intends to vote undirected proxies in favour of Resolution 6.

GLOSSARY

In this Explanatory Memorandum, the following terms have the following unless the context otherwise requires:

"**ASX**" means ASX Limited ACN 008 624 691 or the securities exchange operated by ASX Limited (as the context requires).

"**ASX Listing Rules**" means the ASX Listing Rules of ASX and any other rules of ASX which are applicable while the Company is admitted to the official list of ASX, each as amended or replaced from time to time, except to the extent of any express written waiver by ASX.

"**Board**" means the Board of Directors from time to time.

"**Closely Related Party**" of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependant of the member or of the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member or be influenced by the member, in the member's dealings with the Company; or
- (e) a company that the member controls.

"**Company**" means Beston Global Food Company Limited (ACN 603 023 383).

"**Constitution**" means the constitution of the Company from time to time.

"**Corporations Act**" means the *Corporations Act 2001* (Cth).

"**Directors**" means the Directors of the Company from time to time and "**Director**" means any one of them.

"**Explanatory Memorandum**" means this explanatory memorandum.

"**Key Management Personnel**" means those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any Director (whether executive or otherwise).

"**Shareholder**" means a holder of Shares in the Company.

ANNEXURE A

Supporting Statement

KUNTENG PTE. LTD.
Company Registration No: 201614155C

10 October 2020

Richard Willson
Company Secretary
Beston Global Food Company Limited
Level 9
420 King William Street
Adelaide South Australia 5000

Dear Sir

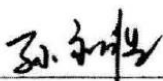
**REQUEST FOR DISTRIBUTION OF STATEMENT TO MEMBERS PURSUANT TO
SECTION 249P OF THE CORPORATIONS ACT 2001 (CTH)**

Reference is made to the notice given by the undersigned to Beston Global Food Company Limited ACN 603 023 383 (the **Company**) on 6 October 2020 under section 249N of the *Corporations Act 2001* (Cth) (the **249N Notice**).

The undersigned is a member of the Company holding at least 5% of the votes that may be cast on the resolution referred to in the 249N Notice.

Pursuant to section 249P of the Corporations Act, the undersigned hereby requests the Company to give to all of its members a copy of the enclosed statement in support of those of the resolutions referred to in the Notices that are proposed to be moved at the next general meeting of the Company.

Executed by Kunteng Pte Ltd by authority of
its directors



Signature of director

Yongsheng SUN 孙永胜

Name of director (print)



Signature of director

Yi ZHUANG 庄艺

Name of director (print)

**MEMBER'S STATEMENT PURSUANT TO SECTION 249P OF THE
CORPORATIONS ACT 2001 (CTH)**

As at 10 October 2020, Kunteng Pty Ltd (**Kunteng**) beneficially owns 10.63% of Beston Global Food Company Limited (**BFC** or the **Company**).

Kunteng gives the following statement in connection with the annual general meeting of BFC to be held on or around 26 November 2020 (the **AGM**) and seeks your support in the forthcoming AGM by voting **FOR** the election of Mr Yuan Ma as a director of BFC.

1 Concerns with the performance of BFC

Kunteng is a long-term shareholder of BFC, but it has become increasingly concerned with the performance and the commercial viability of BFC.

Globally, Australia has an outstanding reputation of natural healthy premium food production. Implementation of the Australia-China Free Trade Agreement has substantially boosted the bilateral trade between Australia and China. A rapidly growing number of middle class families in China and their strong desire for natural premium food, coupled with strong purchasing power, are creating an enormous opportunity in this market.

BFC is well positioned to participate and reap the benefits of this forecast long-term trend, however there are a number of short to medium term challenges that BFC must overcome to obtain these benefits.

During the last five financial years, BFC has suffered consecutive losses and negative cashflows. Meanwhile, the primary focus of the business has zoomed in on the processing and production of dairy products and management turnover has been implemented to meet the Company's developing requirements. However, the Company appears to be under significant pressure to achieve a critical scale quickly.

Specifically, Kunteng understands that BFC is facing a number of challenges, including that:

- Dairy processing is a mature industry with numerous big existing players. At the level of 130ML annualised milk intake, BFC only takes about 1.5% of Australian annual milk production, which is far from a critical scale to reach the needed operating margins.

- Given 500ML milk supply is available in South Australia annually, it does not appear feasible to reach high usage of BFC plant's capacity without costly interstate freight costs (margin erosion) being incurred.
- Lactoferrin extraction looks to be a more profitable opportunity, but is unable to address immediate positive cashflow needs and is subject to future competitions and supply-demand relationship in the market, and requirements such as milk supply to expand to ensure production reaches the necessary scale.

The existence of a diverse, engaged and active board of directors to manage the business of BFC is critical to ensuring that the Company meets these challenges and delivers positive results for its shareholders.

2 Composition of the board must be refreshed in this critical time in BFC's history

The 12 months of FY2020/21 are crucial to ensuring BFC's long term viability as BFC has been suffering losses and negative cashflows for the last five consecutive financial years. These consecutive losses have caused a significant erosion on shareholder value over the same period.

Mr R Sexton and Mr S Gerlach are BFC's founding Directors and have remained on the board since 2014. No new director has been appointed, elected or removed since September 2016.

Given there has been a distinct lack of fresh appointees on the BFC board for the last five years, it is clear that the addition of 'new blood' will be beneficial to the Company and its shareholders and, is most likely, long overdue.

In particular, new directors with fresh perspectives and new skillsets supported by substantial shareholders are firmly committed to shareholder value, and more likely to challenge orthodoxy and raise previously unasked questions, rather than established members.

In the prevailing circumstances, Kunteng considers that it is highly desirable, and certainly in the best interests of all BFC shareholders, that this process occur as soon as possible, commencing with the election of Kunteng's representative, Mr Yuan Ma, at the upcoming AGM.

3 New directors are needed for the benefit of all shareholders

The proposed new director, Mr Ma, has extensive relevant experience in senior executive roles in private and public companies in China. He will offer

fresh perspectives and diverse new skillsets to the Board, which will substantially benefit BFC as it continues to expand its business presence and build brand recognition in China.

The Chinese market has always been the unpolished diamond on the crown of BFC's global vision, and more importantly the most significant propelling force to raise market capitalisation and restore shareholder value for the Company.


Kunteng considers that Mr Ma's experience, contacts, knowledge and relationships in China will provide a fresh perspective and resource that is not currently available to the BFC Board. For this reason, the election of Mr Ma to the BFC board will likely assist the Company in making the most of the opportunities that the Chinese market represents for BFC.

For the reasons set out above, Kunteng considers that the election of Mr Ma as a director of BFC at the upcoming AGM is in the best interests of all BFC shareholders and recommends that shareholders vote FOR the election of Mr Yuan Ma at the AGM.

Kunteng, through Mr Ma, looks forward to working with the current directors and the management team to drive value for the benefit of all BFC shareholders as the Company continues to advance its business and implement its new direction.

If any shareholder of BFC has any questions regarding the nomination of Mr Ma or any of the matters set out in this statement, please contact us at contact@kunteng-sq.com.

Yours sincerely,



Signature of director

Yi ZHUANG 庄艺

Name of director (print)

CV of Mr Yuan Ma



Yuan Ma

Vice President

Dalian Hairunlai Group Co. Ltd. (DHG), Dalian, China

Yuan MA has been in investment and finance area since 2011 and have diverse working experiences in both public (CCB) and private (DHG) companies, in both China and other countries (Sweden, Australia), and also in both entity enterprises (LHNP, DHG) and financial institution (CCB).

He has been managing the Group's investment portfolio of more than 20 investee companies, most of which are listed companies in Shanghai, Shenzhen, or Hong Kong Stock Exchange in China, covering sectors of foods, power equipment, property services, internet media, telecommunication and etc.

Yuan Ma has a combination of experiences in both investment banking and corporate management. During his years in DHG, he has been expanding his professional area into industrial investment. This diversified portfolio includes investee companies in which the Group has controlling interests and also companies in growing stage.

He has also been actively involved in food industry and fast-moving consumer goods (FMCG) sector throughout his career.

Careers

Dalian Hairunlai Group Co. Ltd. (DHG) Vice President & Investment Manager	<i>Dalian, China</i> 2016 –
China Construction Bank Ltd. (CCB), Dalian Branch Corporate Client Manager	<i>Dalian, China</i> 2011 – 2016
Liaoning Hongyanhe Nuclear Power Company Ltd. (LHNP) Assistant Engineer	<i>Dalian, China</i> 2010 – 2011
Center for European Law and Economics, Atrion Research AB Research Assistant	<i>Stockholm, Sweden</i> 2009 – 2010

Educations

Kungliga Tekniska Högskolan (Royal Institute of Technology) Master of Science in <i>Nuclear Energy Engineering</i>	<i>Stockholm, Sweden</i> 2008 – 2010
Nanjing University Bachelor of Science in <i>Theoretical Physics</i>	<i>Nanjing, China</i> 2004 – 2008

Personal Details

Date of Birth: 06 Aug 1985

Nationality: Chinese

Marital Status: Married with two children

Languages: Chinese as mother tongue, English, Japanese and Swedish

Virtual Meeting Online Guide

Before you begin

Ensure your browser is compatible.
Check your current browser by going to the website: **whatismybrowser.com**

Supported browsers are:

- Chrome – Version 44 & 45 and after
- Firefox – 40.0.2 and after
- Safari – OS X v10.9 & OS X v10.10 and after
- Internet Explorer 9 and up

To attend and vote you must have your securityholder number and postcode.

Appointed Proxy: Your proxy number will be provided by Link before the meeting.

Please make sure you have this information before proceeding.

Virtual Meeting Online Guide

A screenshot of the LINK Group registration form. The form is titled "Please register your details to participate" and includes fields for Full Name, Mobile (e.g. 022 123 1234), Email, and Company Name. Below these fields is a checkbox for "I have read and accept the Terms & Conditions" and a red button labeled "REGISTER AND WATCH AGM". A small text at the bottom indicates a Help Number: 1800 999 363.

Step 1

Open your web browser and go to <https://agmlive.link/BFC2020> and select the relevant meeting.

Step 2

Log in to the portal using your full name, mobile number, email address, and company name (if applicable).

Please read and accept the terms and conditions before clicking on the blue **'Register and Watch Meeting'** button.

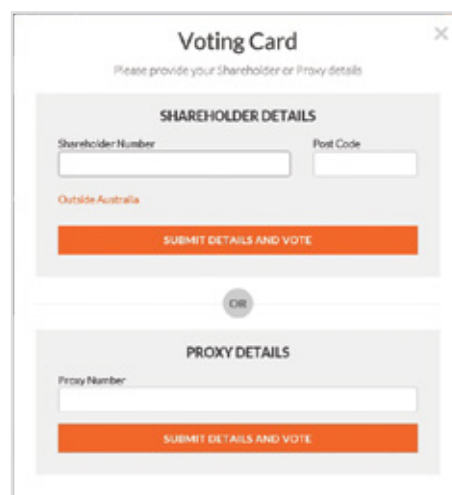
- On the left – a live video webcast of the Meeting
- On the right – the presentation slides that will be addressed during the Meeting
- At the bottom – buttons for 'Get a Voting Card', 'Ask a Question' and a list of company documents to download

Note: If you close your browser, your session will expire and you will need to re-register. If using the same email address, you can request a link to be emailed to you to log back in.

1. Get a Voting Card

To register to vote – click on the 'Get a Voting Card' button.

This will bring up a box which looks like this.

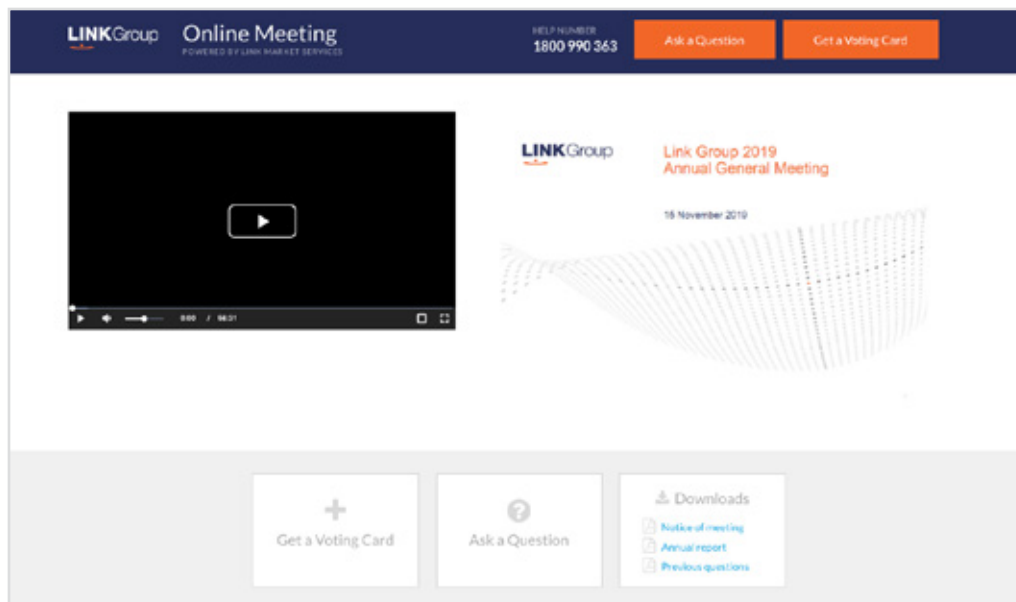
A screenshot of the "Voting Card" registration box. It has a title bar with a close button (X). The main heading is "Voting Card" followed by the instruction "Please provide your Shareholder or Proxy details". There are two sections: "SHAREHOLDER DETAILS" and "PROXY DETAILS". The "SHAREHOLDER DETAILS" section includes fields for "Shareholder Number" and "Post Code", a link for "Outside Australia", and a red button "SUBMIT DETAILS AND VOTE". Below this is a section with a radio button labeled "OR". The "PROXY DETAILS" section includes a field for "Proxy Number" and a red button "SUBMIT DETAILS AND VOTE".

If you are an individual or joint securityholder you will need to register and provide validation by entering your securityholder number and postcode.

If you are an appointed Proxy, please enter the Proxy Number issued by Link in the PROXY DETAILS section. Then click the **'SUBMIT DETAILS AND VOTE'** button.

Once you have registered, your voting card will appear with all of the resolutions to be voted on by securityholders at the Meeting (as set out in the Notice of Meeting). You may need to use the scroll bar on the right hand side of the voting card to view all resolutions.

Securityholders and proxies can either submit a Full Vote or Partial Vote.



Voting Card

Please complete your vote by selecting the required voting instruction (For, Against or Abstain) for each resolution. If you would like complete a partial vote, please specify the number of votes for each resolution in the Partial Vote section. Proxy holder votes will only be applied to discretionary (undirected) votes. Directed votes will be applied as per the Unitholder's voting instructions.

Full Vote **Partial Vote**

Resolution 2B ☐ For ☐ Against ☐ Abstain
RE-ELECTION OF MR. ABC AS A DIRECTOR

Resolution 2C ☐ For ☐ Against ☐ Abstain
RE-ELECTION OF MS. XYZ AS A DIRECTOR

Resolution 3 ☐ For ☐ Against ☐ Abstain
INCREASE TO DIRECTORS' MAXIMUM FEE POOL LIMIT

Resolution 4 ☐ For ☐ Against ☐ Abstain
ADOPTION OF REMUNERATION REPORT

SUBMIT VOTE

Full Votes

To submit a full vote on a resolution ensure you are in the **'Full Vote'** tab. Place your vote by clicking on the **'For'**, **'Against'**, or **'Abstain'** voting buttons.

Partial Votes

To submit a partial vote on a resolution ensure you are in the **'Partial Vote'** tab. You can enter the number of votes (for any or all) resolution/s. The total amount of votes that you are entitled to vote for will be listed under each resolution. When you enter the number of votes it will automatically tally how many votes you have left.

Note: If you are submitting a partial vote and do not use all of your entitled votes, the un-voted portion will be submitted as No Instruction and therefore will not be counted.

Once you have finished voting on the resolutions scroll down to the bottom of the box and click on the **'Submit Vote'** or **'Submit Partial Vote'** button.

Note: You can close your voting card without submitting your vote at any time while voting remains open. Any votes you have already made will be saved for the next time you open up the voting card. The voting card will appear on the bottom left corner of the webpage. The message **'Not yet submitted'** will appear at the bottom of the page.

You can edit your voting card at any point while voting is open by clicking on **'Edit Card'**. This will reopen the voting card with any previous votes made.

Once voting has been closed all voting cards will automatically be submitted and cannot be changed.

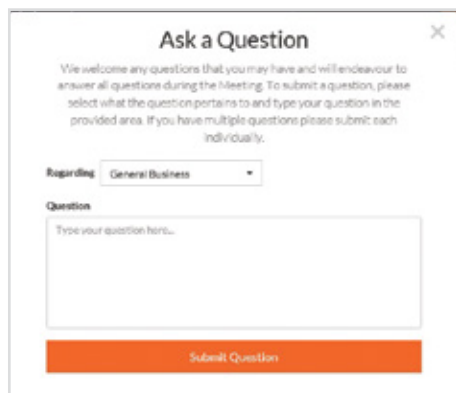
At the conclusion of the Meeting a red bar with a countdown timer will appear at the top of the Webcast and Slide windows advising the remaining voting time. Please make any changes and submit your voting cards.

2. How to ask a question

Note: Only securityholders are eligible to ask questions.

You will only be able to ask a question after you have registered to vote. To ask a question, click on the 'Ask a Question' button either at the top or bottom of the webpage.

The '**Ask a Question**' box will then pop up with two sections for completion.

A screenshot of a web-based 'Ask a Question' form. The title 'Ask a Question' is at the top with a close button (X). Below the title is a welcome message: 'We welcome any questions that you may have and will endeavour to answer all questions during the Meeting. To submit a question, please select what the question pertains to and type your question in the provided area. If you have multiple questions please submit each individually.' There are two main sections: 'Regarding:' with a dropdown menu currently set to 'General Business', and 'Question' with a large text input area containing the placeholder 'Type your question here...'. At the bottom is an orange button labeled 'Submit Question'.

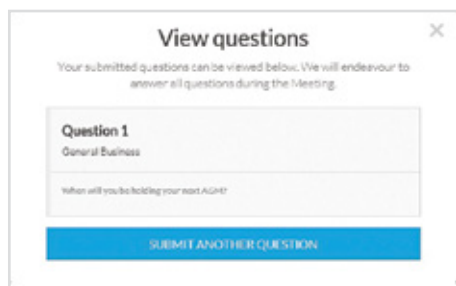
In the '**Regarding**' section click on the drop down arrow and select the category/resolution for your question.

Click in the '**Question**' section and type your question and click on 'Submit'.

A '**View Questions**' box will appear where you can view your questions at any point. Only you can see the questions you have asked.

If your question has been answered and you would like to exercise your right of reply, you can submit another question.

Note that not all questions are guaranteed to be answered during the Meeting, but we will do our best to address your concerns.

A screenshot of a web-based 'View questions' box. The title 'View questions' is at the top with a close button (X). Below the title is a message: 'Your submitted questions can be viewed below. We will endeavour to answer all questions during the Meeting.' There is a section for 'Question 1' with the category 'General Business' and the question text 'When will you be holding your next AGM?'. At the bottom is a blue button labeled 'SUBMIT ANOTHER QUESTION'.

3. Downloads

View relevant documentation in the Downloads section.

Voting closing

Voting will end 5 minutes after the close of the Meeting.

At the conclusion of the Meeting a red bar with a countdown timer will appear at the top of the Webcast and Slide screens advising the remaining voting time. If you have not submitted your vote, you should do so now.

At the close of the meeting any votes you have placed will automatically be submitted.

Contact us

Australia

T 1300 554 474

E info@linkmarketservices.com.au

New Zealand

T +64 9 375 5998

E enquiries@linkmarketservices.co.nz

LODGE YOUR VOTE
ONLINE
www.linkmarketservices.com.au
BY MAIL
 Beston Global Food Company Limited
 C/- Link Market Services Limited
 Locked Bag A14
 Sydney South NSW 1235 Australia

BY FAX
 +61 2 9287 0309

BY HAND
 Link Market Services Limited
 1A Homebush Bay Drive, Rhodes NSW 2138; or
 Level 12, 680 George Street, Sydney NSW 2000

ALL ENQUIRIES TO
 Telephone: +61 1300 554 474

X999999999999
PROXY FORM

I/We being a member(s) of Beston Global Food Company Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY

the Chairman of the Meeting (mark box)

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name and email of the person or body corporate you are appointing as your proxy (an email will be sent to your appointed proxy with details on how to access the virtual meeting)

Name

Email

 or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **10:30am (Adelaide time) on Friday, 29 January 2021** (the **Meeting**) and at any postponement or adjournment of the Meeting.

 The Meeting will be conducted as a virtual meeting and you can participate by logging in online at <https://agmlive.link/BFC2020> (refer to the Virtual Guide and **Notice of Annual General Meeting and Explanatory Notes**).

Important for Resolutions 1 & 2: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolutions 1 & 2, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (**KMP**).

The Chairman of the Meeting intends to vote undirected proxies in favour of Items 1, 3 and 6 and against Items 2 and 5.
VOTING DIRECTIONS
Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an ☒.
Resolutions

Chairman For Against Abstain*

1 Adoption of the Remuneration Report for the year ended 30

FOR

☐
☐
☐

3 Re-election of Ms Petrina Coventry as a Director

FOR

☐
☐
☐

4 Re-election of Mr Jim Kouts as a Director - Withdrawn

FOR

☐
☐
☐

5 Election of non-Board endorsed external nominee as Director

FOR

☐
☐
☐

6 Approval of 7.1A additional placement capacity

FOR

☐
☐
☐
THE CHAIRMAN OF THE MEETING INTENDS TO VOTE ALL AVAILABLE PROXIES AGAINST RESOLUTION 2

2 Contingent Spill Resolution

AGAINST

☐
☐
☐


* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a poll and your votes will not be counted in computing the required majority on a poll.

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

 This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

BFCAG202101

HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name and email address of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- (b) return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting Virtually the appropriate "Certificate of Appointment of Corporate Representative" must be received at vote@linkmarketservices.com.au prior to admission in accordance with the Notice of Annual General Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **10:30am (Adelaide time) on Wednesday 27 January 2021**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" - Securityholder Reference Number (SRN) or Holder Identification Number (HIN).



BY MAIL

Beston Global Food Company Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



BY FAX

+61 2 9287 0309



BY HAND

delivering it to Link Market Services Limited*
1A Homebush Bay Drive
Rhodes NSW 2138
or
Level 12
680 George Street
Sydney NSW 2000

* During business hours (Monday to Friday, 9:00am–5:00pm)