



# Beston Global Food Company Limited

ADJOURNED 2020 ANNUAL GENERAL MEETING  
Friday 29 January, 2021

## BOARD OF DIRECTORS

Roger Sexton AM (Chairman)

Stephen Gerlach AM

Joanna Andrew

Petrina Coventry

Ian McPhee AO

Neil Longstaff

# FIVE STRATEGIC IMPERATIVES UNDERPIN GROWTH OBJECTIVES

## SALES PIPELINE

- Expanding customer base
- Diversifying product channels
- Driving revenue growth

## DAIRY NUTRACEUTICALS

- Lactoferrin is a high value add protein in milk
- Current capacity 3 Tpa from liquid whey
- Expansion project (stage 1) to increase capacity to 12 Tpa from skim milk
- To further expand capacity to >20 Tpa (Stage 2)
- Options to extract other dairy nutraceuticals being considered for medium term

## MILK SUPPLY

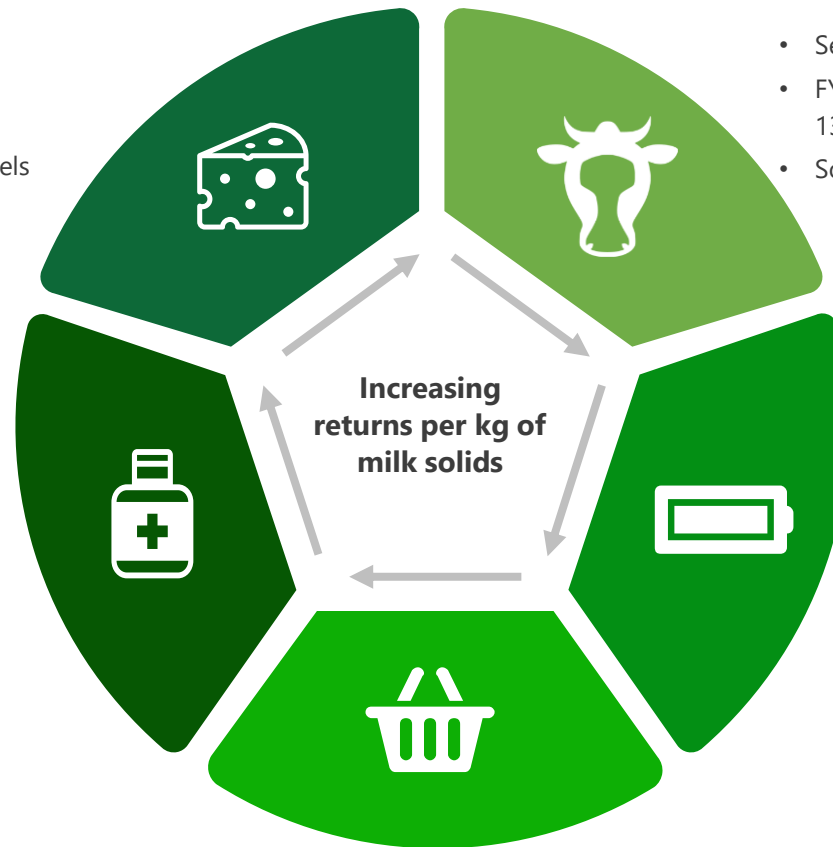
- Security of raw material (contracts with dairy farms)
- FY20 111 ML; FY21 contracted milk supply of 138 ML; targeting ~180 MLpa in FY22
- Sourcing >20% of South Australian milk pool

## CAPACITY UTILISATION

- Installed mozzarella production capacity of 20,000 Tpa
- Achieved 46% utilization in FY20; targeting ~70% in FY21

## PRODUCT MIX

- Dairy, meat and value-added protein producer
- Transitioning to higher-margin product mix
- Increasing product offerings



# PROGRESS ON STRATEGIC IMPERATIVES

## **Milk Supply**

- increased from 131 to 145 million litres in FY21
- to increase further to approx. 160 million litres in FY22

## **Mozzarella**

- Mozzarella production increased from 9,000 tonnes in FY20 to approx. 13,000 tonnes in FY21
- will increase further in FY22 with higher milk supply (to around 16,000 tonnes)

## **Nutraceuticals**

- Production capacity of Lactoferrin to increase from circa 1.3 tonnes per annum to at least 20 tonnes per annum
- Stage 1 and Stage 2 expansion now being undertaken concurrently as a result of the SA Government grant and Rights Issue

# INVESTMENT MANAGEMENT AGREEMENT (IMA)

- Beston announced on 11 December, 2020, that in-principle agreement has been reached to terminate the IMA
- The Agreement is subject to review, completion and execution of legal documentation and approval by shareholders
- The settlement as agreed, will be 80% in shares (21.125 million) and 20% in cash (\$1.13 million)
- The relevant documents have now been completed
- Final termination of the IMA is contingent upon a resolution of termination being passed at an EGM on 28 May 2021

# RESOLUTION 1.

## Adoption of the Remuneration Report for the year ended 30 June 2020

*"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."*

## PROXIES – Adoption of the Remuneration Report for the year ended 30 June 2020

	FOR	AGAINST	OPEN	ABSTAIN / NO INSTRUCTION
#	435	94	161	15
SHARES	190,094,661	197,498,143	55,347,886	2,654,108
%	42.92	44.59	12.5	

# ALLOCATED PROXIES – Adoption of the Remuneration Report for the year ended 30 June 2020

	FOR	AGAINST	ABSTAIN / NO INSTRUCTION
#	596	94	15
SHARES	245,442,547	197,498,143	2,654,108
%	55.4	44.59	



# 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.

## PROXIES – Contingent Spill Resolution

	FOR	AGAINST	OPEN	ABSTAIN / NO INSTRUCTION
#	95	426	163	21
SHARES	196,892,703	219,887,087	25,500,555	3,314,453
%	44.52	49.72	5.77	

## ALLOCATED PROXIES – Contingent Spill Resolution

	FOR	AGAINST	ABSTAIN / NO INSTRUCTION
#	95	589	21
SHARES	196,892,703	245,387,642	3,314,453
%	44.52	55.49	

## RESOLUTION 3.

### Re-election of Ms Petrina Coventry as a Director

*"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."*

## PROXIES – Re-election of Ms Petrina Coventry as a Director

	FOR	AGAINST	OPEN	ABSTAIN / NO INSTRUCTION
#	467	65	164	16
SHARES	200,897,491	193,621,516	55,996,455	2,075,324
%	44.59	42.98	12.43	

## ALLOCATED PROXIES – Re-election of Ms Petrina Coventry as a Director

	FOR	AGAINST	ABSTAIN / NO INSTRUCTION
#	631	65	16
SHARES	256,893,946	193,621,516	2,075,324
%	57.02	42.98	

# RESOLUTION 4.

## Re-election of Mr Jim Kouts as a Director

*Resolution 4 dealing with the re-election of Jim Kouts has been withdrawn as a result of a decision by Jim to retire from the Board for personal and family reasons.*

# RESOLUTION 5.

## Election of non-Board endorsed external nominee as a 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."*



## PROXIES – Election of Non-Board Endorsed External Nominee Director

	FOR	AGAINST	OPEN	ABSTAIN / NO INSTRUCTION
#	94	445	157	17
SHARES	191,066,806	230,347,803	25,005,717	6,176,042
%	42.8	51.6	5.6	

## ALLOCATED PROXIES – Election of Non-Board Endorsed External Nominee Director

	FOR	AGAINST	ABSTAIN / NO INSTRUCTION
#	94	602	17
SHARES	191,066,806	255,353,520	6,176,042
%	42.8	57.2	

# 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."*

## PROXIES – Approval of 7.1A Additional 10% Placement Capacity

	FOR	AGAINST	OPEN	ABSTAIN / NO INSTRUCTION
#	440	76	173	24
SHARES	204,018,398	191,439,923	56,000,294	1,137,753
%	45.19	42.4	12.43	

## ALLOCATED PROXIES – Approval of 7.1A Additional 10% Placement Capacity

	FOR	AGAINST	ABSTAIN / NO INSTRUCTION
#	613	76	24
SHARES	260,018,692	191,439,923	1,137,753
%	57.62	42.4	

# NEW APPOINTMENTS

## **Frank Baldi, General Manager, Operations and Supply Chain**

- Joined BFC on 7 December, 2020
- Over 20 years experience in dairy manufacturing plants
- Previously employed with Freedom Foods, Bega
- Particular expertise in Lactoferrin production

## **Dr Sinuo (Snow) Tan, Senior Laboratory Technician (Dairy Protein)**

- Joined BFC on 13 January, 2021
- Science degrees from China and Australia (University of Melbourne)
- PhD in Chemistry from Monash University
- Research specialization in dairy proteins

# NEW APPOINTMENTS (cont)

## **Elijah Kumar, Production Manager, Lactoferrin and Powders**

- Joined BFC on 7 December, 2020
- Engineering skills and a strong background in processing of dairy by-products
- Extensive experience in evaporation and nutritional spray drying plants
- Previously employed with Freedom Foods

## **Mark Wye, Manager, Work Health & Safety**

- Joined BFC on 18 January, 2021
- Extensive skills and experience across WHS in a number of different industries and sectors
- Particular expertise in environmental management and systems in addition to WHS



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