



Entitlement Offer

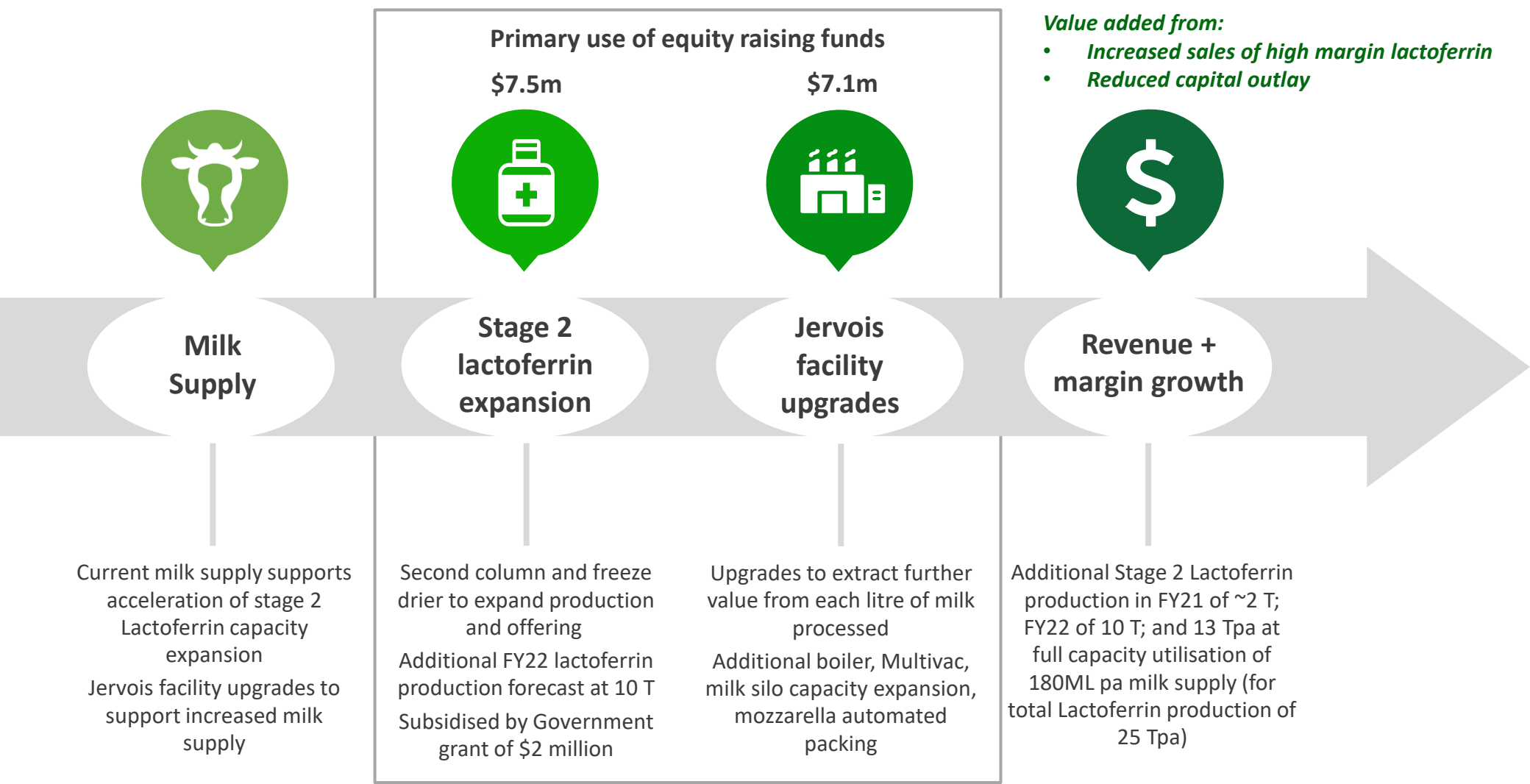
17 December 2020

Accelerating the next growth phase of our journey



New funding to further enhance revenue and margin growth

Stage 2 lactoferrin expansion accelerated to increase production capacity from 12 Tpa to 25 Tpa from March 2021



Newly expanded management team driving capital improvements

Equity raising accelerates Stage 2 lactoferrin expansion and facility upgrades extracting more value from milk processed

“The raising up to \$15.6 million will be used to accelerate the Stage 2 lactoferrin expansion and further upgrade the Jervois facility.

The Stage 2 expansion will add 13 Tpa of lactoferrin production capacity, for a total of 25 Tpa, and will be subsidised by a \$2 million SA Government grant. As part of Stage 2, a second lactoferrin column needed to be immediately secured, due to the manufacturer of the column changing its manufacturing focus off the back of COVID-19 demands. A spray dryer will be acquired as part of the Stage 2 project, which will expand our lactoferrin product offering.

The balance of funds raised will be used for upgrades at the Jervois facility to support the current, and growing, levels of milk supply to extract further value from each litre of milk processed. This includes ensuring that Jervois is capable of reliably and efficiently delivering operations on a 24/7 basis”

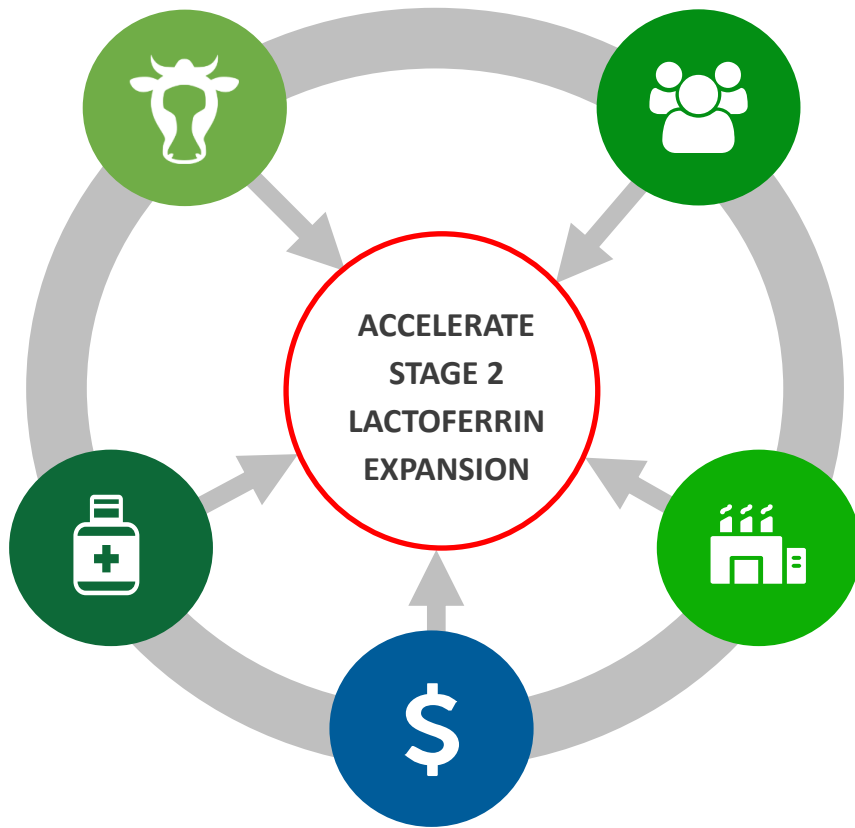
John Hicks, Chief Executive Officer

Equity raising rationale

- ✓ New operations management team driving expansions and upgrades for high margin mozzarella and lactoferrin
- ✓ Stage 2 lactoferrin expansion acceleration taking production capacity from ~12 Tpa to ~25 Tpa
- ✓ Secure immediate purchase of 2nd lactoferrin column
- ✓ 2nd column increases FY22 production of Lactoferrin to ~22 T from milk supply of 160 ML
- ✓ Lactoferrin spray dryer to expand lactoferrin offering
- ✓ SA Government grant of \$2 million pending successful equity raising
- ✓ Jervois facility upgrades to extract further value from each litre of milk processed
- ✓ Capital spend paybacks of six months to three years

Why accelerate Stage 2 Lactoferrin expansion?

Justified from a product demand, milk supply, management capability, infrastructure risk mitigation and financial perspective



GROWING LACTOFERRIN DEMAND

Global demand increasing as a result of COVID-19 and wanted for its anti-microbial, anti-viral, anti-fungal properties



INCREASING MILK SUPPLY

~140 ML contracted for FY21 and expected to grow as high margin products extract further value from each litre of milk processed



BUILDING MANAGEMENT CAPABILITY

New and experienced operations management focused on growth, operating efficiencies and expanding value adding product offering



INFRASTRUCTURE RISK

Second lactoferrin column immediately secured as manufacturer is changing its manufacturing focus due to COVID-19 demands

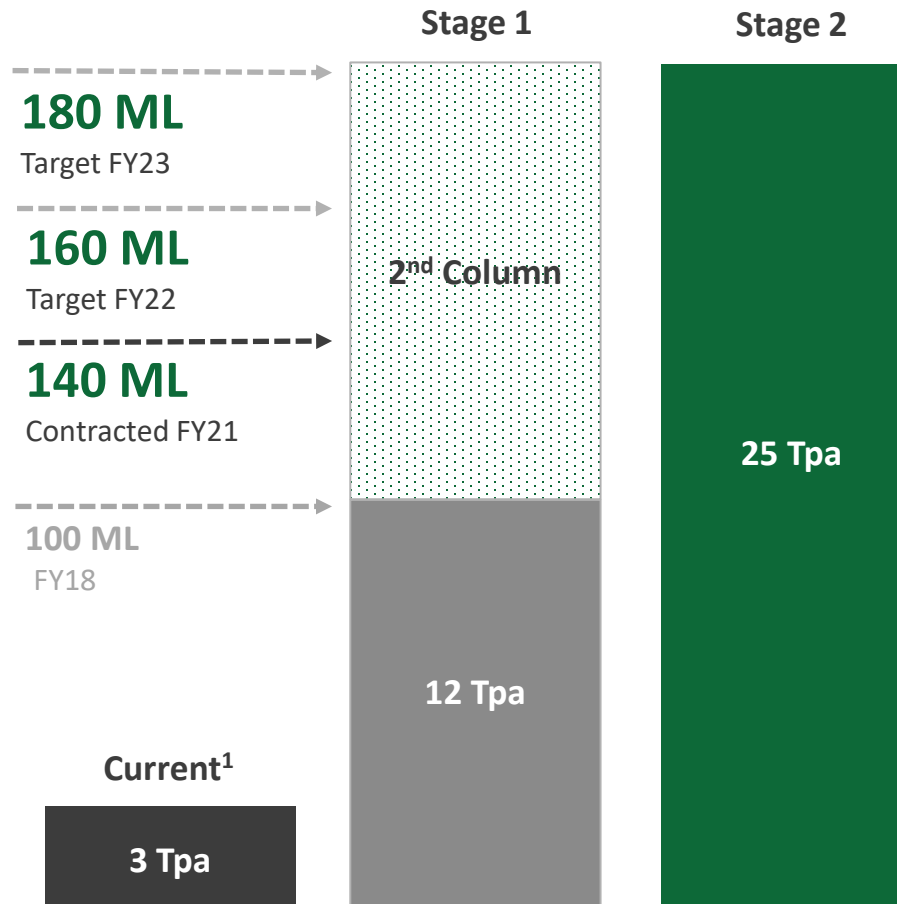


VALUE ADDING

Sale of increased lactoferrin production will add to earnings from March 2021; SA Government grant of \$2.0 million on offer reduces capital outlay

Lactoferrin production from milk supplied

2nd Lactoferrin column to: remove FY22 capacity constraints; and enhance ability to compete for increased milk supply



- Stage 1 expected on-line March 2021; new lactoferrin column production capacity of ~12 Tpa, with matched freeze-drying capacity
- FY21 contracted milk supply ~140 ML exceeds capacity of first lactoferrin column
- Stage 2 initially planned to be on-line March 2022 with additional lactoferrin column and spray drying capacity
- Accelerating Stage 2 will deliver second column (~\$1.5 million) from March 2021
- Funds required for Stage 2 spray dryer (~\$7.0 million), which has a 10-12 month factory lead time

FY22 impact from accelerating Stage 2

- Assuming 160 ML of milk supplied, Lactoferrin production will increase by ~10 T for a total of ~22 T
 - ~12 T freeze dried and sold as powder
 - ~10 T sold in liquid form pending installation of spray dryer. Anticipated sale price of liquid lactoferrin: \$700-\$800/kg, with potential to toll process to powder ahead of spray dryer installation.

1. Existing whey-based extraction process being replaced in March 2021

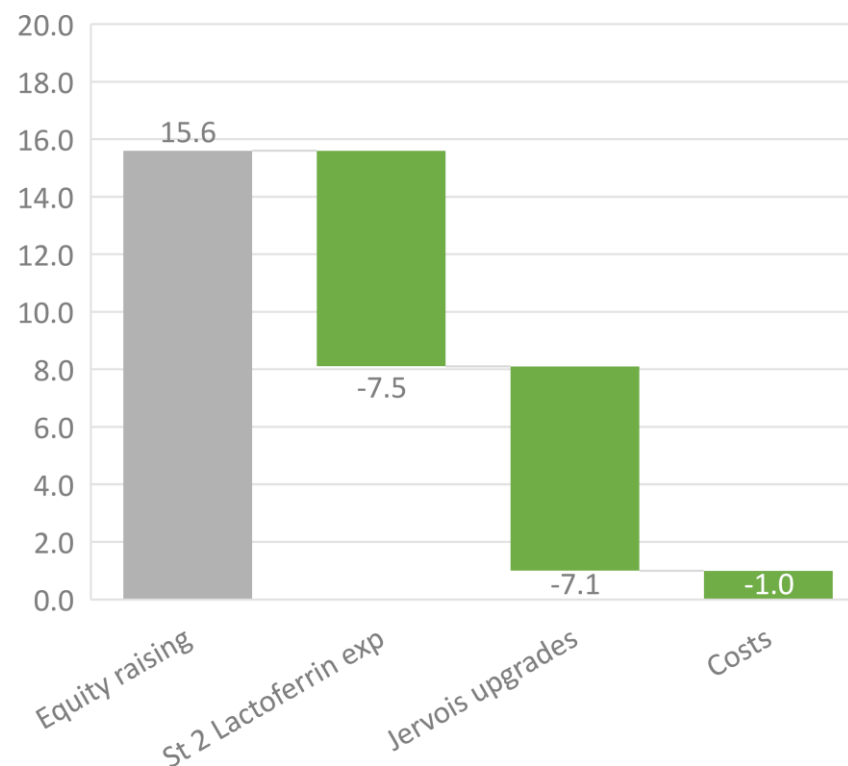
Equity raising: Sources and uses of funds

Funds raised to be primarily invested in accelerating the Stage 2 lactoferrin expansion and Jervois facility upgrades

EQUITY RAISING









- Targeting up to \$15.6 million via an Entitlement Offer (Rights Issue)
- Shareholders can subscribe for 1 share for every 2.5 shares held
- Maximum number of new shares to be issued is 241,005,630
- Issue price at 6.5 cents per share
- Issue Price represents:
 - ~25% discount to the BFC closing price on 16 December 2020 of 8.7 cents per share
 - ~17% discount to TERP of ~7.8 cents per share after the offer if fully subscribed
- Entitlements are non-renounceable
- Shareholders can elect to subscribe for less than their entitlement
- Shareholders taking their full entitlement can apply to take up additional shares
- The Offer is partially underwritten. Further details in offer booklet

SOURCES AND USES OF FUNDS



Equity raising: uses of funds and expected timing of projects

\$14.6 million to be invested in growth projects to drive further profit margin improvement and cash flow

	Cost	Capital item	Comments	Timing ¹
Stage 2 lactoferrin expansion 	\$1.5m	2 nd lactoferrin extraction column	Deliver additional FY22 lactoferrin production capacity of ~8 Tpa based on 160 ML of milk supply	Mar-21
Stage 2 lactoferrin expansion 	\$7.0m	Lactoferrin spray drier and packing	Ability to broaden offering of dried lactoferrin product at a premium price	Mar-22
Stage 2 lactoferrin expansion 	\$1.0m	Other	Includes critical spares and testing equipment	Mar-21
Govt funding 	(\$2.0m)	SA Govt Regional Growth Grant	Conditional upon Beston funding the residual stage 2 costs	Feb-21
Jervois upgrades 	\$2.25m \$0.75m	2 nd Boiler 2 nd Multivac	Boiler increases reliability for 24/7 operations, Multivac increases handling rate for higher mozzarella production	Dec-21 Sept-21
Jervois upgrades 	\$2.1m	Milk silo expansion	Increase milk storage capacity by 1 ML	Jul-21
Jervois upgrades 	\$2.0m	Mozzarella automated packing	Automate end-of-line packing and palletising of mozzarella	Dec-21
Total uses 	\$14.6m			

1. Expected completion timing with best endeavours undertaken to meet dates

Indicative Entitlement Offer timeline

Key events and dates	
Equity Raising announcement	Thursday, 17 December 2020
Ex Date	Tuesday, 22 December 2020
Record date for determining entitlement for the Entitlement Offer	Wednesday, 23 December 2020
Dispatch of Offer Booklet and Entitlement Offer opens	Tuesday, 29 December 2020
Entitlement Offer closing date	Monday, 18 January, 2021
Announcement of results of Issue	Thursday, 21 January, 2021
Issue and Allotment of New Shares under the Entitlement Offer	Monday, 25 January, 2021
Normal trading of New Shares issued under the Entitlement Offer and dispatch of Holding statements	Wednesday, 27 January 2021

- Dates are indicative only and subject to change
- The Company, in consultation with the Joint Lead Managers, reserves the right to amend this indicative timetable subject to the Corporations Act and the ASX Listing Rules
- In particular, the Company reserves the right to extend the Closing Date to accept late applications

Financial impact

Approximately \$15.6 million equity raise.....

FINANCIAL IMPACT

Post-equity raise pro forma		
Pre-raise ordinary shares	603m	71%
Pre-raise market capitalisation ¹	\$52.4m	
Approx. new shares issued	241m	29%
Approx. shares post-equity raise	844m	100%
Issue price	\$0.065	
Implied market capitalisation post raise	\$67.0m	
Theoretical share price (TERP)	\$0.079	
Net debt ²	\$21.5m	
Implied enterprise value	\$88.5m	

1. As at last close of \$0.087 per share on 16 December 2020
2. As at 30 November 2020 (unaudited). Debt/Gearing level reflects spend on Stage 1 expansion ahead of additional cash generation from Mar-21
3. Net proceeds of equity raise c. \$14.6m applied to debt on receipt of funds
4. Assumes Satge1 and second column completed March 2021 and ~\$5m of other project capex incurred before 30 June 2021

PRO FORMA BALANCE SHEET

(\$ million)	Pre-equity raise ²	Post-equity raise ³	Estimate FY21 ⁴
Drawn debt	24.6	10.0	12.1
Cash	3.1	3.1	1.5
Net Debt	21.5	6.9	10.6
Debt facilities	36.4	36.4	36.4
Available liquidity	14.9	29.5	25.8
Gearing	27%	7%	8-14%

Financial strength to fund accelerated growth agenda

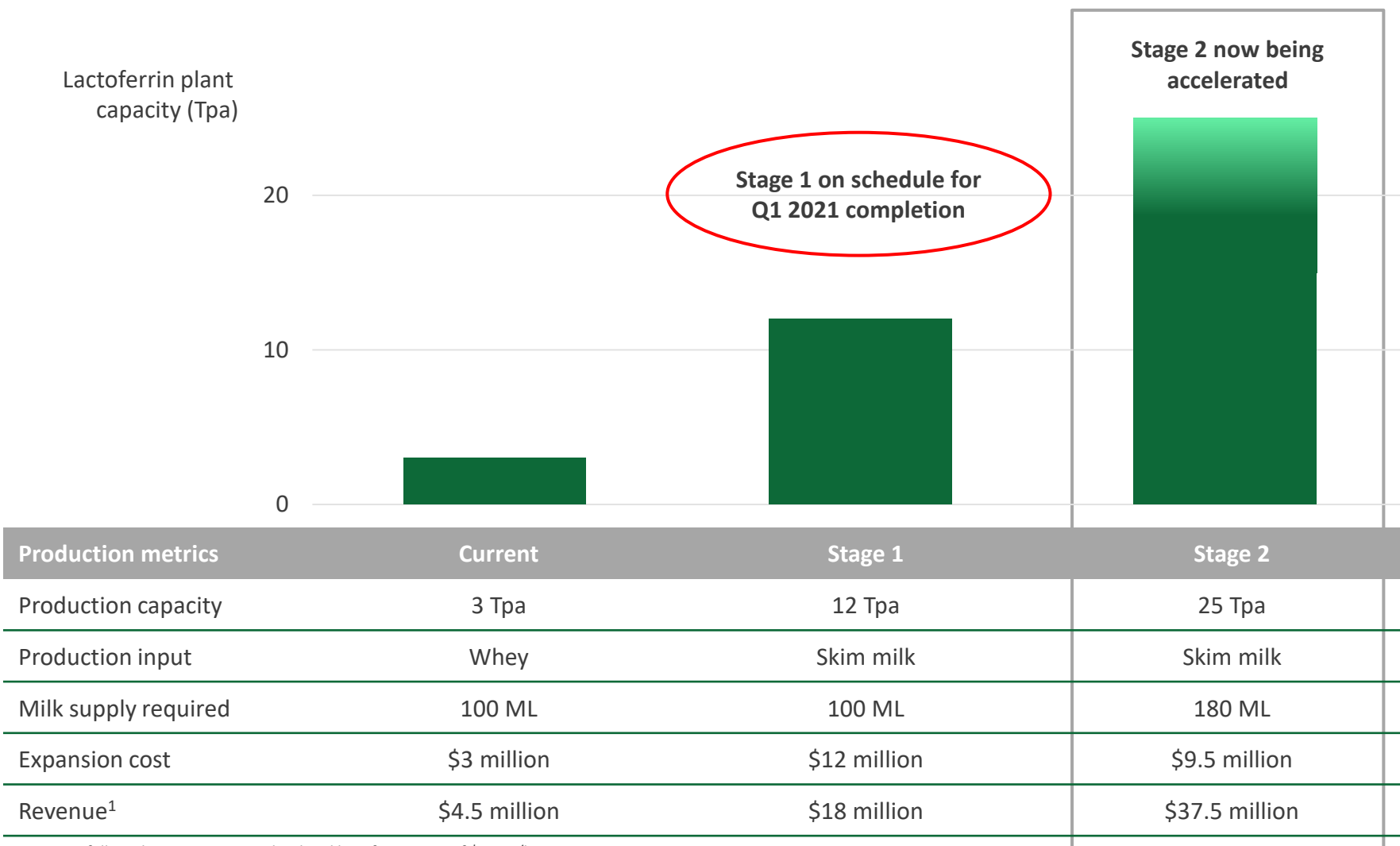
Gearing
~8%

Capital
for
projects
~\$14m

~\$29m
available
liquidity

Lactoferrin expansion a core strategic imperative for increasing returns

Expansion of lactoferrin production to potentially capture ~5% of the growing global market from FY22



1. Assumes full production capacity utilised and lactoferrin price of \$1,500/kg

Attractive lactoferrin market fundamentals

Growing demand and prices, with limited producers of scale globally



CURRENT DEMAND (2019)¹

352 Tpa



FORECAST DEMAND (2023)¹

+500 Tpa



GLOBAL PRODUCERS TO SERVICE DEMAND¹

<10



STRONG PRICING GROWTH¹

2015



\$500 – 600 /kg

Current



\$1,500 – 3,000 /kg



LIMITED AUSTRALIAN PRODUCERS

4

Current Australian
producers

~5%

Targeted Beston
global market
share (FY22+)



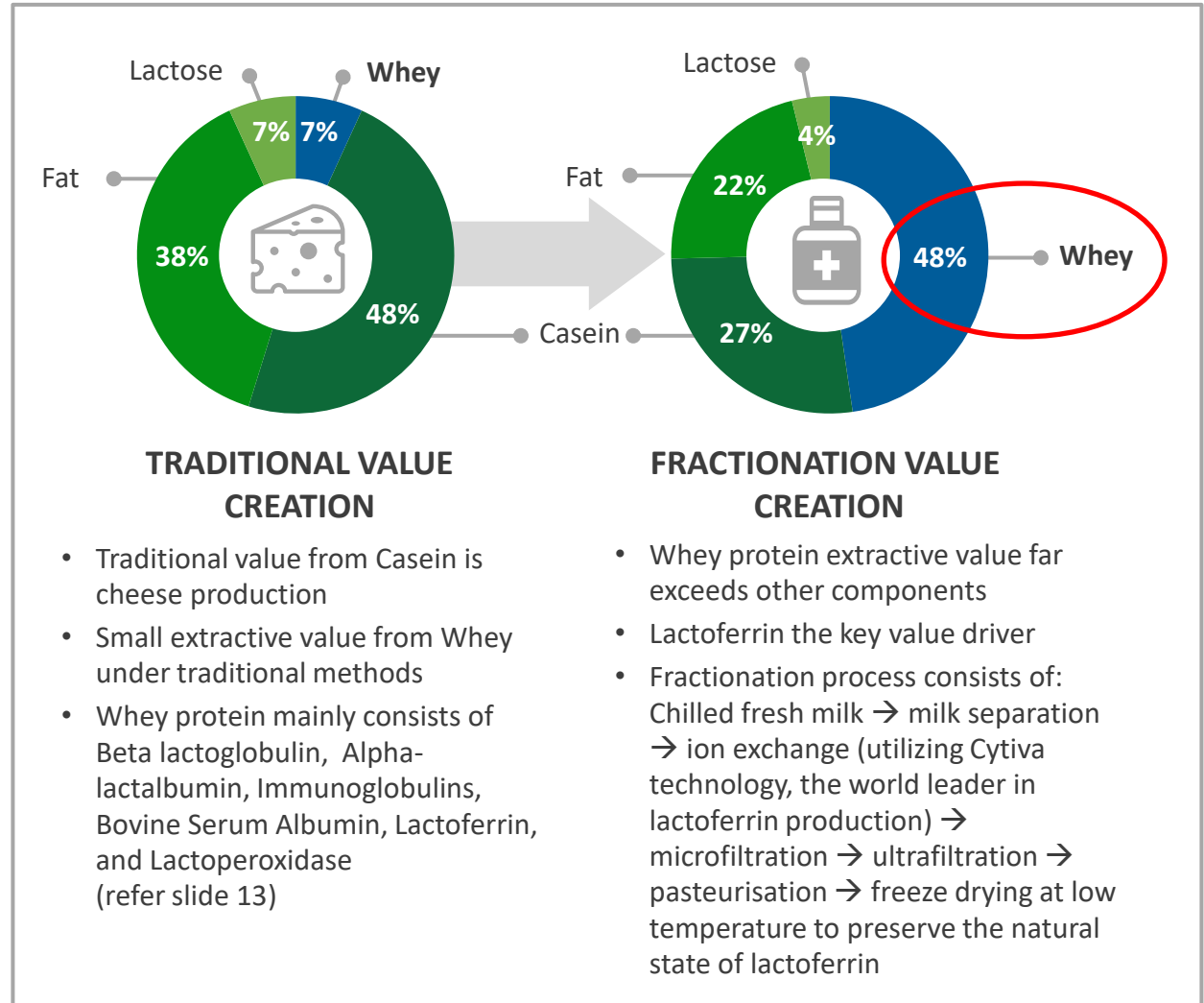
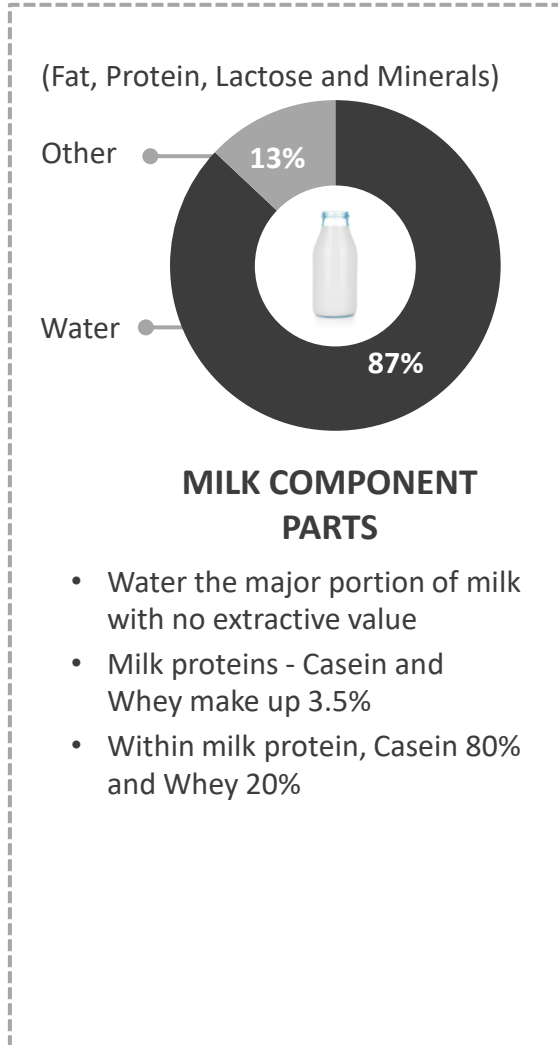
FAVOURABLE GLOBAL MARKET DYNAMICS

- ✓ China regulation requiring lactoferrin to be added to infant formula
- ✓ Significant anti-viral, anti-bacteriological and anti-fungal properties
- ✓ Increasing awareness of health benefits in functional foods, cosmetics products and oral hygiene
- ✓ Increasing pharmaceutical product use, including immune system stimulation

1. Source: Strategic Insights into the Global Lactoferrin and Lactoferoxidase Market, UBIC Consulting 2020

Milk fractionation value creation

Milk fractionation has resulted in significant value extracted from whey protein



Whey proteins and their properties

Lactoferrin

An iron-binding glycoprotein which boosts the immune system. It has strong anti-microbial, anti-virus, anti-fungal properties, especially in infants

Beta-lactoglobulin

Rich in branched chain amino acids (BCAA) and used in sports nutrition, aids in muscle repair and growth

Alpha-lactalbumin

Most abundant whey protein in human breast milk, high demand in infant formula as abundant in essential amino acids and replicates breast milk

Lactoperoxidase

An enzyme isolated during the Lactoferrin extraction process. It has anti-microbial properties and used in cosmetics, oral hygiene and medical cleaning products

Immunoglobulins (IgG, IgD, IgE, IgF, IgM)

Boosts immune function and promotes healthy gut environment by binding some pathogenic bacteria

Osteopontin

Found in high levels within human milk, this glycoprotein has strong calcium binding properties (low levels in bovine milk)

Bovine Serum Albumin

583 amino acids within its structure, used as a media in chemical labs with fatty acid binding properties

Bioactive Peptides

Particles that have a positive impact on body functions and health

Lactoferrin and Nutraceutical Capability

Key executive appointment reaffirms importance of the transformational impact of lactoferrin

Frank Baldi – General Manager Operations and Supply Chain

- Commenced 5 October 2020
- Operating oversight of Jervois and Murray Bridge dairy facilities
- Significant experience in dairy nutraceuticals, especially lactoferrin
- Further appointments to bolster dairy team, with dairy nutraceutical experts to aid expansion of current capabilities
- Potential production of other value-adding dairy nutraceuticals in addition to lactoferrin



Immune +

- Lightly sparkled and flavoured 250ml mineral water containing therapeutic dose of lactoferrin
- Initial release to market December 2020
- Winner of major international beverage award
- Planned release of lactoferrin in capsule form by Q4 FY21
- Additional lactoferrin based products in development



WINNER of Best Functional Drink



Investment Management Agreement

Termination and internalisation of IMA announced on 11 December 2020

Key points

- IMA termination date of 28 August 2021
- Termination fee:

Cash	\$1,130,000
Shares	21,100,000
- Market value of shares on announcement was \$1.8 million at 8.6 cents per share
- Shares issued under the termination agreement to have an implied price of 21.0 cents
- Termination requires shareholder approval at an EGM, to be held on 28 May 2021
- CEO, CFO and other senior management to be internalised in Beston from 29 August 2021

Announcement summary

- Independent Directors have further considered the IMA between BFC and BPAM and reached an in-principle agreement for termination
- Termination fee due under the terms of the IMA was independently verified (based on work by Grant Thornton, Peloton and Moelis) as \$5.64 million
- Beston and BPAM agreed the termination fee will be payable 20% in cash equal to \$1.13 million and 80% in shares with the issue of 21.1 million new shares
- Termination is contingent upon an ordinary resolution being passed by shareholders at an EGM to be held on 28 May 2021 (the terms of the termination payment are fixed and will not change)
- Settlement of termination fee will occur 90 days after the EGM Resolution is passed (ie on 28 August 2021), in accordance with the contractual terms of the IMA
- BPAM to meet any remuneration and other related cost shortfalls of the management team until the date of settlement
- Transition Committee to oversee internalisation and transition of senior management team and related administrative functions from Beston

AGM and Shareholder Issues

AGM adjourned to Friday, 29 January 2021

- The Company's AGM, held on 26 November, 2020 was adjourned. The Company advised shareholders that it is concerned about possible voting associations in the proxy votes which were received by the Company for the meeting.
- The adjournment will allow the Company time to consider whether there has been any unacceptable circumstances, and to have the opportunity to obtain legal advice on the matter.
- 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).
- 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.
- 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.
- Further details about the virtual meeting will be provided to shareholders prior to the adjourned meeting.

Appendices



Five strategic imperatives underpin growth objectives

SALES PIPELINE

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

MILK SUPPLY

- Security of raw material (contracts with dairy farms)
- FY20 111 ML; FY21 contracted milk supply of ~140 ML; targeting ~180 MLpa
- Sourcing >20% of South Australian milk pool

DAIRY NUTRACEUTICALS

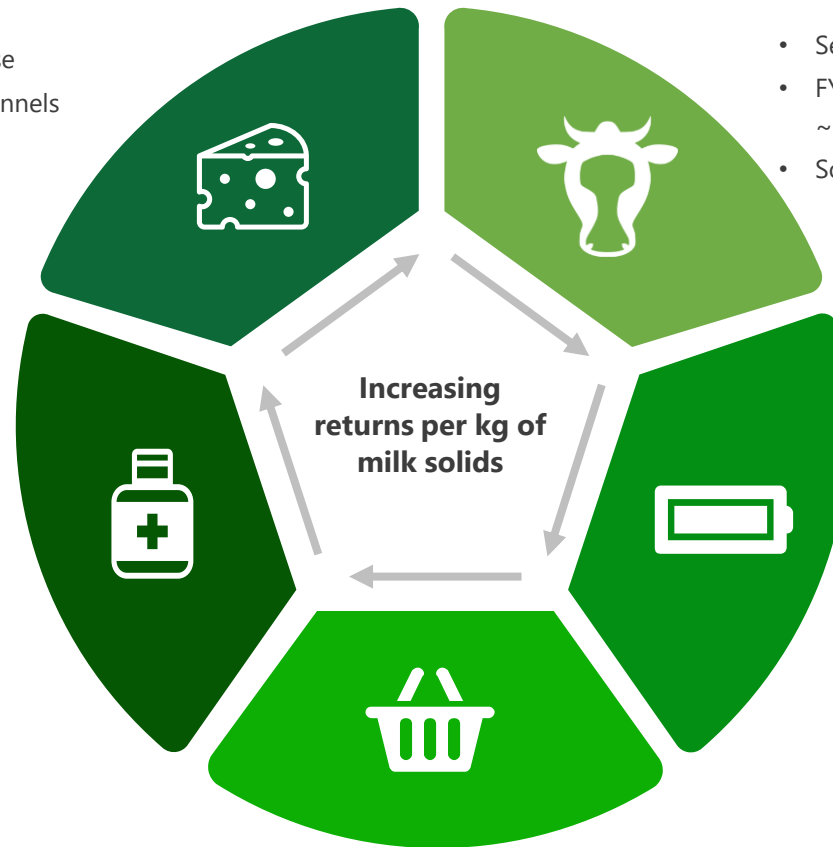
- Lactoferrin is a high value add protein in milk
- Current capacity 3 Tpa from liquid whey
- Expansion project: Stage 1 increases capacity to 12 Tpa from skim milk
- Stage 2 of the Expansion project increases capacity to 25 Tpa
- Options to extract other dairy nutraceuticals being considered for medium term

CAPACITY UTILISATION

- Installed mozzarella production capacity of 20,000 Tpa
- Currently 46% utilisation, targeting ~70% in FY21

PRODUCT MIX

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









Q1 FY21 highlights

Step change underway, with performance in line with guidance

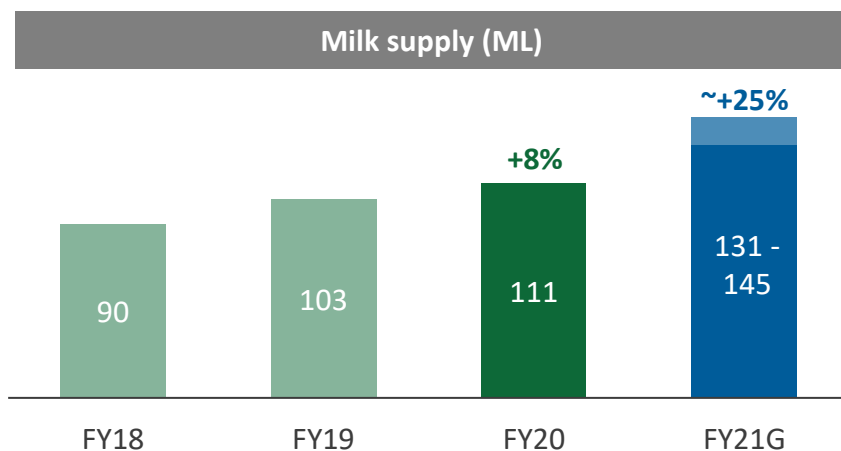
	Q1 FY20		Q1 FY21	Change
Milk Supply	25.8 ML	➡	31.6 ML	+22%
Mozzarella production	2.25 KT	➡	2.69 KT	+20%
Lactoferrin production	0.26 T	➡	0.51 T	+96%
Revenue – Dairy facilities	\$17.9 M	➡	\$19.7 M	+10%
Gearing	59%	➡	15%	-34%
Capital Expenditure	\$1.7 M	➡	\$4.6 M	+\$2.9 M

FY21 guidance adjusted for equity raise and increased capital expenditure

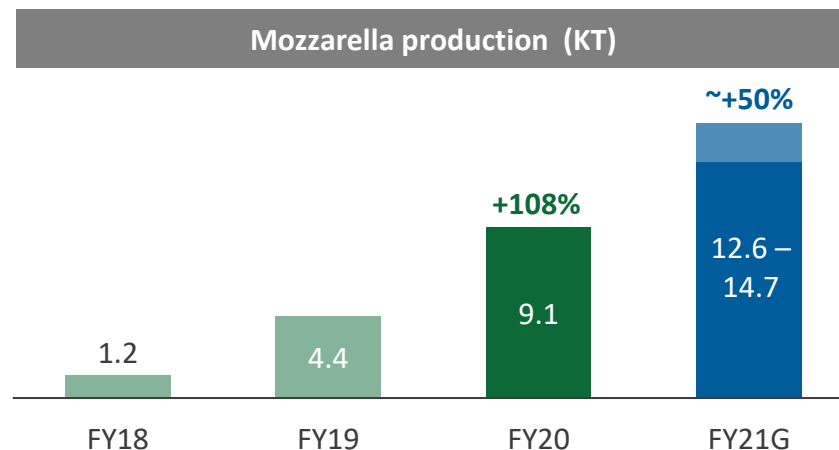
		FY20	FY21	Key drivers	Key risks
	MILK SUPPLY	111 ML	131-145 ML	Contracts in place to supply 138ML in FY21	Seasonal conditions
	MOZZARELLA PRODUCTION	9,128 T	12,600-14,700 T	Milk supply	COVID-19 impact on demand
	LACTOFERRIN PRODUCTION	1.4 T	4.0 - 6.0 T	Process efficiency; milk supply	Timing delay on new facility completion
	REVENUE	\$103m	\$130-145m	Milk supply and pricing	COVID-19 impact on demand; timing delay on new facility completion
	GEARING AT YEAR END	49%	8-14%	Dairy farms sale completed Aug-20 and equity raise	EBITDA and working capital changes
	CAPITAL EXPENDITURE	\$6.0m	\$24-29m	Lactoferrin expansion Stage 1 completed Mar-21 and other growth capex timing	COVID-19 impact on demand

Dairy facilities transformation underway

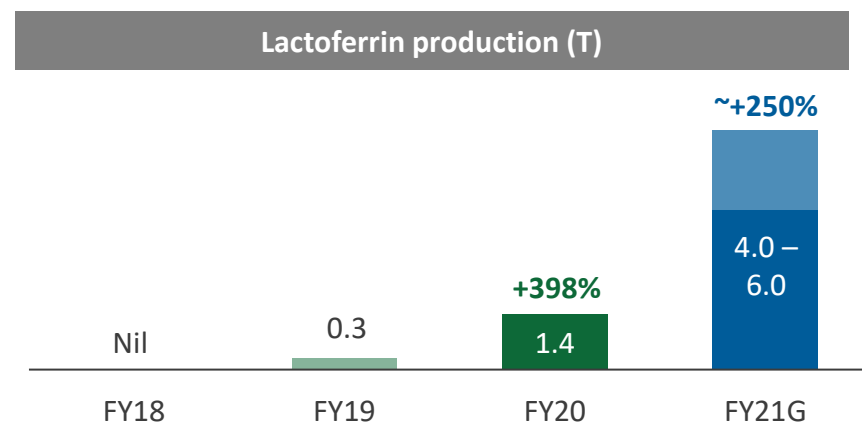
Production and revenue increases driven by growing sales pipeline and enabled by increased milk supply



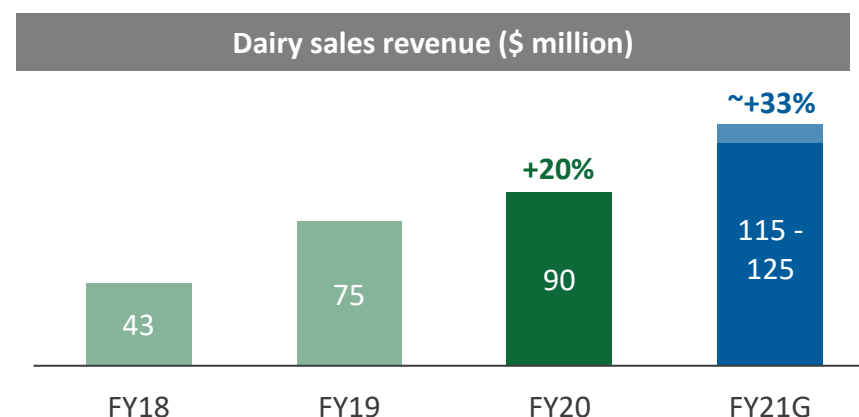
✓ Contracts secured to supply 138 ML in FY21



✓ Higher-margin mozzarella production driving growth



✓ Step-change in lactoferrin production underway



✓ Volume growth and transition to higher value products

Disclaimers



Guidance disclaimer



COVID-19

- COVID-19 continues to disrupt industries and economies globally
- Beston's guidance is based on current, known circumstances regarding COVID-19 and its impacts
- Guidance may be impacted adversely if COVID-19 continues longer than expected and/or has larger effects on demand and supply chains than presently anticipated



Market conditions

- General market conditions, such as market downturn, recession, industrial disputes and interest rates, could impact Beston's performance
- Certain risks are beyond the control of Beston; wherever possible Beston seeks to reduce or mitigate exposure to negative impacts of operating risks, whilst competing effectively in the market



Operating performance

- Dairy facility performance may be below expectations resulting in unplanned down time, higher repair costs and lost production
- Other key operating costs include electricity, gas, freight and insurance costs (some of which are not fixed and without forward contracts in place)



Milk supply

- Milk supply is subject to agricultural risk, for example, a repeat of the drought conditions experienced in FY19 and FY20 could reduce the supply below contracted levels
- A reduction in milk supply may lead to increased milk prices



Lactoferrin facility

- Risk of delay in delivery of already ordered long-lead items
- Construction delays could arise via importation issues or unforeseen site conditions
- Potential performance and reliability issues with new skim-based technology



Other risks

- Adverse weather events, new global pandemics, unplanned increases in costs, mechanical failures, human errors, industrial action and other unforeseen events, all have the potential to impact on Beston guidance

Disclaimer

This presentation includes both information that is historical in character and information that consists of forward looking statements. Forward looking statements are not based on historical facts, but are based on current expectations of future results or events. The forward looking statements are subject to risks, stakeholder engagement, uncertainties and assumptions which could cause actual results, timing, or events to differ materially from the expectations described in such forward looking statements. Those risks and uncertainties include factors and risks specific to the industry in which Beston Global Food Company operates, any applicable legal requirements, as well as matters such as general economic conditions.

While Beston Global Food Company believes that the expectations reflected in the forward looking statements in this presentation are reasonable, neither Beston Global Food Company nor its directors or any other person named in the presentation can assure you that such expectations will prove to be correct or that implied results will be achieved. These forward looking statements do not constitute any representation as to future performance and should not be relied upon as financial advice of any nature. Any forward looking statement contained in this document is qualified by this cautionary statement.

Key risks



Investment risks

- Potential investors should be aware that there are risks associated with investing in Beston. Certain risks are beyond the control of Beston and its Directors and Management and may have a material impact on Beston's future operating and financial performance, and/or the financial position of Beston, its prospects and/or the value of the Shares. Some of the key risks associated with an investment in Beston are described as follows.

Development risk	<ul style="list-style-type: none">• In the event that Beston undertakes a development project, then that development could be delayed or unsuccessful for a number of reasons including extreme weather, unanticipated operational occurrences, failure to obtain necessary approvals, insufficient funds, a drop-in commodity price, supply chain failure, unavailability of appropriate labour, or an increase in costs. If one or more of these occurrences has a material impact then Beston's operational and financial performance may be negatively affected.
Operational risk	<ul style="list-style-type: none">• Adverse weather conditions events, unforeseen increases in establishment costs, mechanical failures, human errors, industrial disputes or other unforeseen events, could lead to increased costs or delay to the Company's activities. The Company will mitigate this risk by, amongst other things, taking out appropriate insurance in line with industry practice.
Price risk	<ul style="list-style-type: none">• The price at which Beston can sell its produced cheese (mozzarella, cheddar), lactoferrin, cream, butter and whey powder, will have a material influence on the financial performance of the Company. It is impossible to predict future commodity prices with confidence and the factors which impact it include, but are not limited to, global political situations, military conflicts, technological changes, output controls and global consumption which are all outside the control of Beston. A material and extended fall in realised prices for Beston's products may have an adverse impact on the Company's financial performance.

Investment risks

Regulatory risk	<ul style="list-style-type: none">• The enactment of new legislation or adoption of new requirements of a governmental authority may restrict or affect Beston's ability to operate and produce goods efficiently and effectively. This may include new requirements relating to climate change.
Community opposition risk	<ul style="list-style-type: none">• There is a risk that community disapproval may lead to direct action which impedes Beston's ability to carry out its lawful operations, resulting in project delay, reputational damage and increased costs and thus impact the financial performance of the Company.
Counterparty exposure	<ul style="list-style-type: none">• The financial performance of the Company is subject to its various counterparties continuing to perform their respective obligations under various contracts. If one of its counterparties partners fails to adequately perform their contractual obligations, this may result in loss of earnings, termination of particular contracts, disputes and/or litigation of which could impact on the Company's financial performance.
Key person dependence	<ul style="list-style-type: none">• The future success of the Company depends, to a significant extent, upon the continued services of the members of the management team of the Company. There can be no assurance that the Company will be able to retain or hire all personnel necessary for the development and operation of its business. The loss of senior managers could harm the Company's business and its future prospects.

Investment risks

Prospective investors should also consider the following risks associated with investments in equity capital such as Beston shares:

- Investment risks, such as changes in the Company's own assessment of the economics of developing its assets or the market perception of the value of the Company's assets and shares;
- Share market and liquidity risks involved in the listing and trading of shares on the ASX;
- Economic, political and social factors, including activism and pandemics, and the effect on the market price of shares of movements in equities markets, commodity prices, currency fluctuations and interest rates, and local and global political and economic conditions;
- Epidemics and pandemics such as COVID-19;
- Geo-political instability, including international hostilities and acts of terrorism, the response to COVID-19 and travel restrictions;
- Circumstances requiring Beston to change its strategy;
- The Australian economy deteriorating (including, the adverse impacts of, and the responses to COVID-19); and
- Stock market sentiment fluctuations impacting on the Beston share price.

General risk factors

These risks are associated with an investment in Shares but are not an exhaustive list. As a Shareholder, you will continue to be exposed to such risks. There may also be additional risks and uncertainties not currently known which may have an adverse effect on Beston's business and the value of the Shares. Where possible, Beston will seek to minimise its exposure to, and mitigate the effects of, these risks. However, certain risks relate to matters that are outside the control of Beston, and there can be no assurance that any steps that Beston takes will successfully protect it from any particular risk.

The risks identified do not take into account the investment objectives, financial situation, tax position or other circumstances of any particular Shareholder. Shareholders should have regard to their own investment objectives and financial circumstances and seek professional advice from their legal, financial or other independent adviser before determining whether or not to participate in the institutional placement or share purchase plan.
