



BESTON
GLOBAL FOOD COMPANY

Investor Roadshow

June 2022

Roger Sexton AM
Chairman

Fabrizio Jorge
Chief Executive

This ASX Release was approved and authorised for release by the Board of BFC

1. Recap on our journey so far

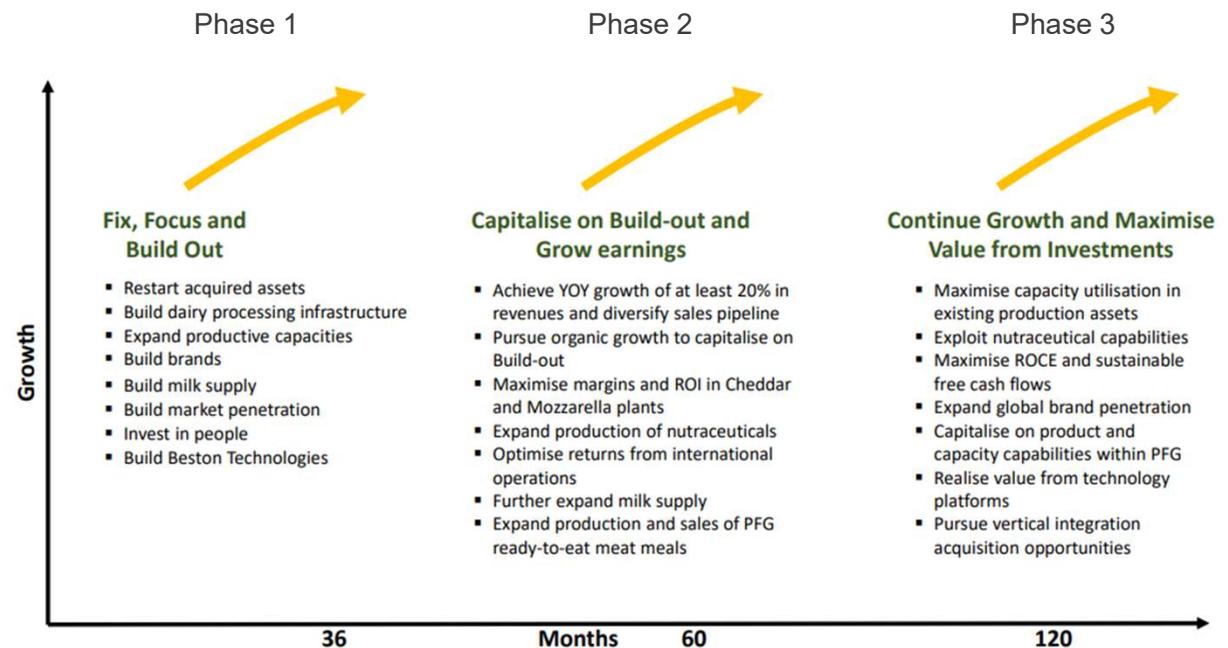
What? : Our Mission

To be a leading, Australia based supplier of clean, healthy protein products to the worlds growing consumer markets, particularly Asia, by building a reputation for quality, innovation and integrity.

Why? : Strategy

To capitalize on the secular global themes around the supply of protein to “feed the world” (with a global population increasing to 10 billion by 2050 and a rapidly expanding middle income class) and an increasing focus on health, nutrition, food safety and food security.

How? : Ten Year Business Plan

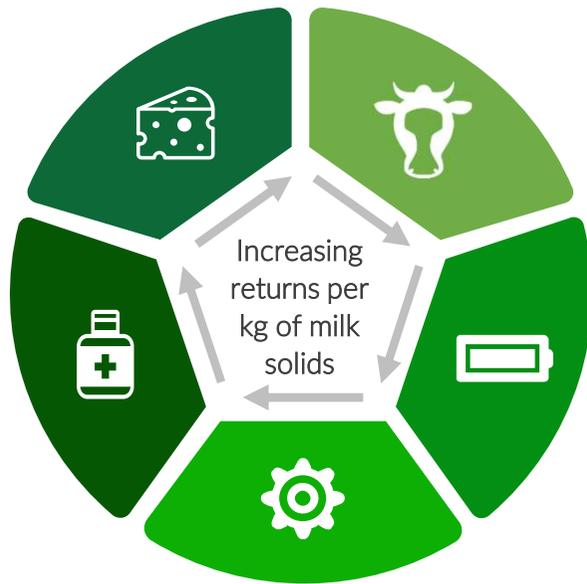


2. Milestones Achieved in Phases 1 & 2

- Year-on-year growth in revenues of 111% per annum over the five years to June 2021 (recognized as the fastest growing food and beverage company in Australia and second fastest in the Asia Pacific region in a *Financial Times* survey)
- Built milk pool from 17 million litres in 2015 to circa 155 million litres currently (ie year-on-year growth of 135% pa). Well placed to meet 155-175 million litres forecast in FY23, consolidating its position as largest Dairy processor in South Australia
- Built capability and capacity in mozzarella production, tripling production output since 2019 from 4,400MT pa to 16,000MT pa currently
- Won 161 major industry awards for quality since 2015 both in Australia and overseas
- Acquired a dairy nutraceutical plant in 2016 and expanded the plant in 2021 (from 4MT pa capacity to 25MT pa)
- Only one of ten manufacturers in the world with installed capacity to produce 5% of the worlds demand for Lactoferrin

3. Stayed the course to realise value in Phase 3

Value has been created through a consistent focus on five strategic imperatives



1. MILK SUPPLY

- FY22 milk supply c. 155ML.
- Security of supply (contracts with dairy farms)
- Sourcing ~30% of South Australian milk. Targeting further growth.

2. SALES PIPELINE

- 1H22 Group sales up approximately 15% on 2H21, and continuing strong in 2H22
- 3 significant mozzarella contracts with high quality customers
- Mix of domestic and export customers in different market segments
- Strong demand in 2H22 and FY23 for dairy products with prices strengthening

3. CAPACITY UTILISATION

- Mozzarella production increased by ~28% in FY22 v FY21 on higher milk supply and reliable plant operations with quality gains
- Capacity utilisation at Jervois now at around 90% : stable plant operations enabling yield and unit cost efficiency gains

4. PRODUCT MIX

- Transitioning to higher margin product mix with addition of Lactoferrin to FY22 sales. Gross margins increased v 1H21 and improving.

5. DAIRY NUTRACEUTICALS

- Lactoferrin plant commissioned 4Q21 on budget and operating well. FY22 production will be around 16T – 19T.
- Lactoferrin range expanded to produce for Japanese market specifications in addition to China market. We now export to China, USA, Japan, South Korea, India and EU.
- Innovating with aim to produce higher spec Lactoferrin for niche markets
- Developing capability to extract other nutraceuticals

Outlook is strengthening



Covid-19 impacts receding across the world



Dairy commodity prices rising



Lactoferrin sales increasing in a soft market

4. Beston Global Food Co: Today



We are a dairy, dairy nutraceuticals and meat processing company based in South Australia
 We provide Australian and global customers with healthy choice dairy and meat proteins

- 235 Beston direct employees, inc. 180 Beston Pure Dairies

DAIRY

Jervois and Murray Bridge, South Australia
 90% of group revenue – Circa \$150m Sales



Mozzarella

- 15,500k mt
- \$90m sales

Whey powder

Cream

Butter

Cheddar



Lactoferrin

- \$13.5m Project
- 17-20mt Vol
- \$17-20m Sales
- 130mg per litre



Milk supply from
 South Australian dairy
 farmers

- 155m litres
- \$90m Spend
- 46 farms
- 30%+ of SA Milk



MEAT

Shepparton, Victoria
 10% of group revenue



Dice and grind
 ingredients

Premium hamburgers,
 meatballs

Retail products eg
 lamb shanks

Alternative meats

**Extracting more value from every litre of milk
 processed**

**Growth
 potential**

Technology: Core operating assets supported by proprietary authentication and traceability software

5. Beston Global Food Co: Tomorrow

Our People, Our Planet, Our Partners, Our Performance

How we will create lasting value

Our Value Drivers

People

A diverse and inclusive environment for our teams to work reflecting the diversity of our communities

Trusted Brands & Products

Become a recognized brand of choice For Nutrition to our customers and Consumers around the world

Sustainability

Become a leader in Sustainable Dairying creating a positive impact for generations to come for our farmers, people and customers

Chanel Led Value Creation

We will develop specific product and customer strategies that will bring value, upselling our portfolio and maximize return

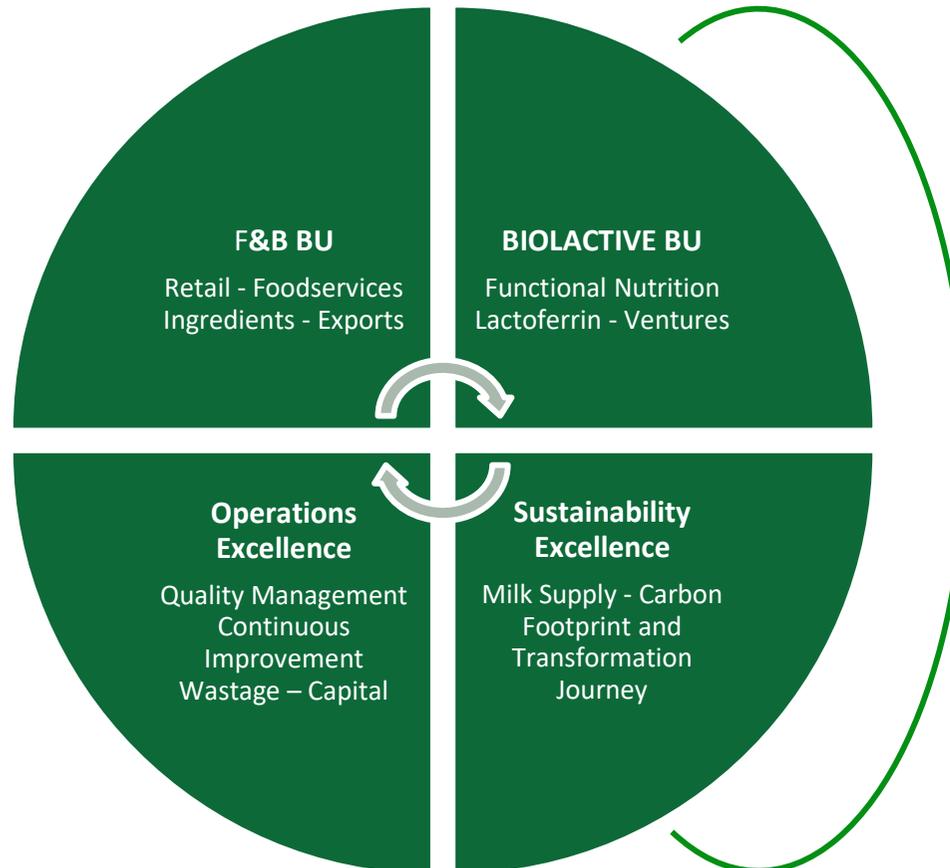
Strategic Alliances & Ventures

We will seek lasting strategic alliances and partnerships that will de-risk our portfolio exposure

Financial Discipline

We will secure a strong balance sheet with disciplined capital allocation to drive sustainable growth and lasting value creation

Our Business Activities



Our Value Created - Metrics

People



World Class Engagement Score – Gallup
H&S Wellbeing - TRFR
Corporate Brand Health
People Turnover Rate
Talent Management

Planet



Carbon Footprint Emission Reduction
Waste Reduction & Water Usage
B Corp Certification Journey
Regeneration Initiatives
Energy Consumption

Partners



CVM Score – B2B Sales
Advance Score – B2C Sales
Strategic Alliances
Gross Margin Performance

Performance



NSV
GM Improvement
EBIT
Working Capital Management
ROIC (%)
First Time Quality
Supply Chain Costs
Cash Positive

6. From Volume Performance to Value Performance

From FY23 onwards, our focus migrates to sustainable and profitable growth because it can!

GROW SUSTAINABLY & EXPLORE ALLIANCES

DAIRY

90% of group revenue



Mozzarella
• 16,000 mt

The engine of the company. Fill Jervois & leverage scarcity to drive the highest possible value from Australia's best mozzarella.



Cheddar & Other
• 1,000 mt

Test & learn. Explore what we are capable of at Murray Bridge, with an eye to premium and value.



Lactoferrin
• 10MT

Begin to realize the extreme value of our investments through sales, while building advanced capability



Other Dairy (Jervois)

Push these high-demand, high-quality products up the value chain to enhance returns.

New Revenue Streams

Test and learn with new partnerships, some that don't use our own milk or factories. E.g. Cream Cheese via Mondelez and Saputo tolling



RAPIDLY GROW

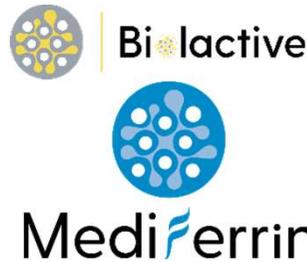
MEAT

10% of group revenue



Optimize Campbell's and grow new sales to deliver PFG profitability.

Leverage BPD and find efficiencies.



7. Realising the Opportunities

What is being done to capitalize on the work done and lift margins

1. Repricing of Contracts

- Exiting milk price linked contracts at 30 June 2022
- Writing new contracts with key customers at higher prices and margins
- Channel led sales force

2. Cream Cheese Initiatives

- Tolling arrangement (initial 1000MT pa)
- Capture price arbitrage (Bulk Cream @ c. \$10 per kg versus Cream Cheese @ c. \$17 per kg)

3. Exploit Technical Capabilities of Mozzarella Plant

- Mozzarella plant has flexibility to produce eight different types of mozzarella
- Standardising recipes for these eight types and capturing pricing differentials
- Enables servicing of a wide customer base (eg Philippines)

4. Cost Reductions in Non-Milk Purchasing (17% of COGS)

- Solar power introduced at Shepparton factory (already saving \$350K per annum in energy costs)
- Solar power being introduced at Jervois factory (saving up to \$1.3 million pa)
- Waste reduction and water usage initiatives

5. New Product Development

- Add shredding and blending capability at Murray Bridge/Jervois
- Exploit high demand for specialty cheese (Gouda, Colby, Parmesan, etc)
- Exploit un-used capacity and plant based capabilities at PFG (discussions in train with major global customers)

6. Strategic Alliances and Partnerships

- Putting in place arrangements to de-risk portfolio exposure
- Key customer concern is now security of supply

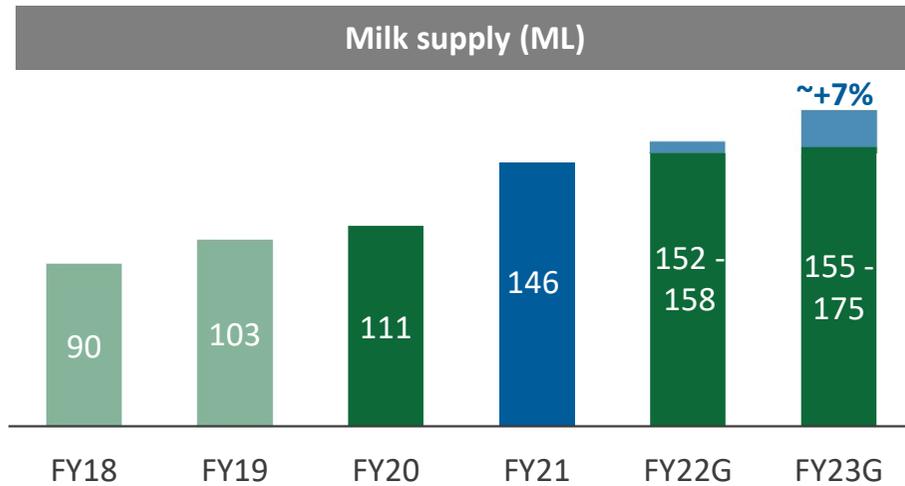
8. Strong operational improvements in FY22

have provided the basis for significantly better margin and profit results in FY23:

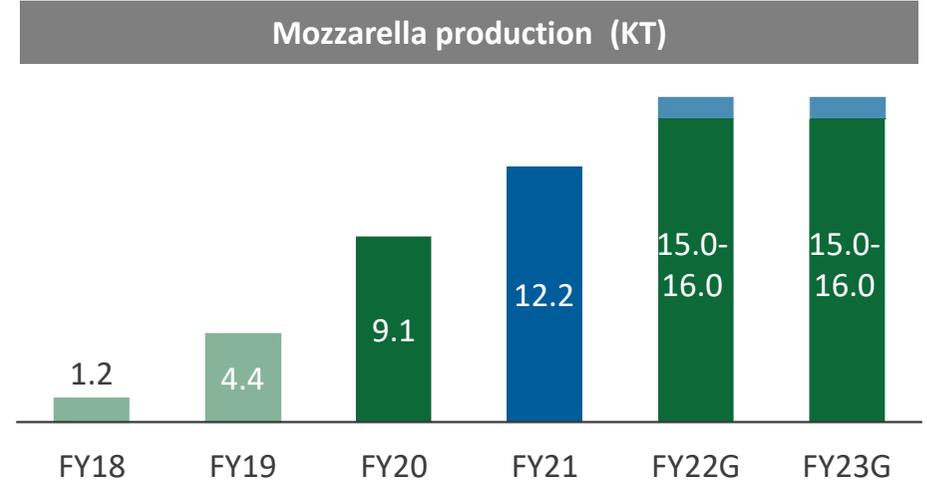
- We are raising the prices paid by all BFC customers, aided by our growing reputation for quality (eg we won the 2022 Australian Dairy Award for the Best Mozzarella Cheese in Australia) and the tailwinds of increasing global food commodity prices.
- Contracts which expire on 30 June 2022 are being re-signed at much higher prices and margins and many major dairy product customers have been switching demand to BFC.
- The average gross margin across all dairy products has increased by more than 50% as a consequence of the price rises.
- Lactoferrin sales are firming up, with a range of new customers from Korea, Taiwan, China and India. We shipped 0.4MT in April and currently have Purchase Orders for 5MT of Lactoferrin to be shipped and invoiced in Q4 of FY22.
- The full year FY22 forecast for Lactoferrin sales is 8.2MT based on current known sales and Purchase Orders.
- TGA approval recently received for TRUEFERRIN and IMMUNE+ products, allowing BFC to capitalise on the ever growing Nutraceuticals marketplace.

9. Key Metrics show the upward trend in the Dairy Business

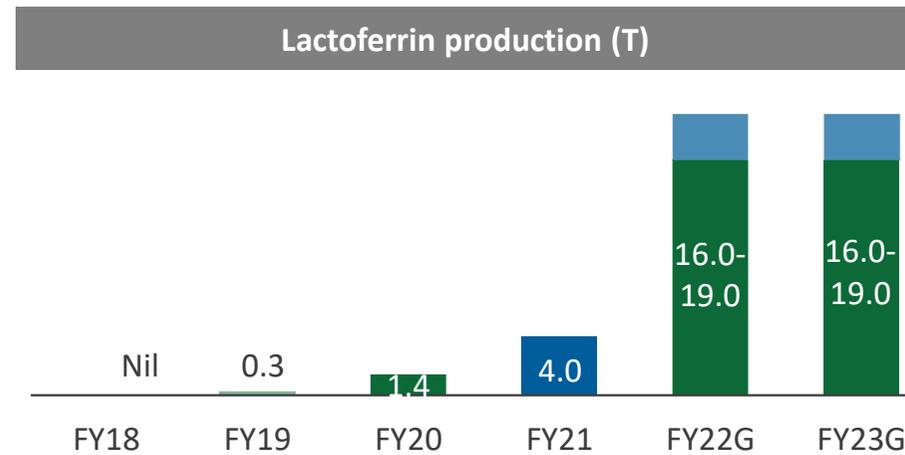
Production and revenue increases enabled by strong operational performance and increased Lactoferrin sales



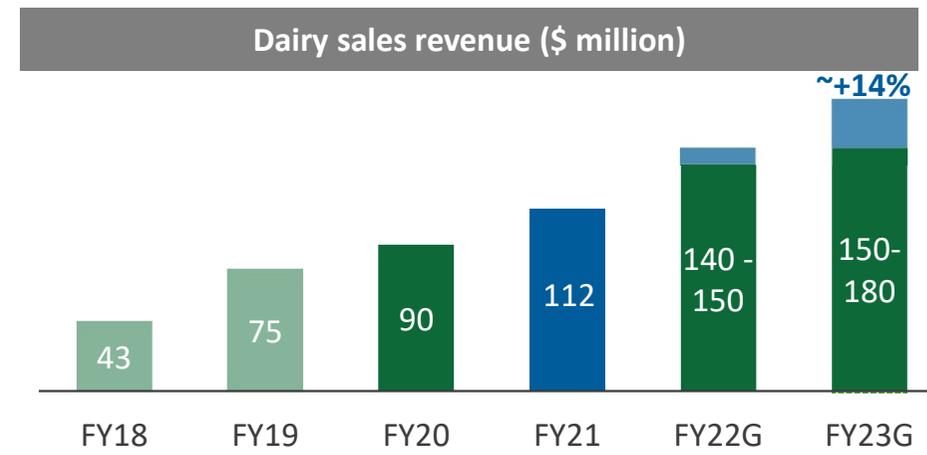
✓ Contracts secured to supply min 155 ML in FY23



✓ Higher-margin mozzarella production driving growth



✓ Step-change in lactoferrin production



✓ Volume growth and transition to higher value products

10. Management Bench Strength

We have the right team in place for our next stage of growth

- The CEOs who have led BFC since listing in 2015 were “right” for the relevant stage of the Ten Year Business Plan: ie Sean Ebert, an Engineer, took BFC through Phase 1 (Fix, Focus and Build Out) 2014-2018; Jonathan Hicks, a Cheesemaker, took BFC through Phase 2 (Capitalise on Asset Build-out to Grow Earnings) 2019-2021
- Fabrizio Jorge became CEO on 1 April, 2022. He is a highly skilled, globally experienced dairy industry executive with a stellar career working for Nestle and Fonterra, in senior executive positions in sales/marketing, operational and management roles across Brazil, Asia, Oceania, Africa and the Middle East.
- He is the “right” person to lead BFC through Phase 3 of its Ten Year Business Plan (Accelerate the Growth in Earnings and Realise Economic Value from the Investments Made). Fabrizio’s background and strategic priorities can be seen in the video on the following YouTube channel:
<https://youtu.be/OK52pXgtLas>
- David Isherwood (ex Fonterra) joined BFC on 26 April 2022 as Chief Manufacturing Officer. David has a wealth of experience in building and operating dairy manufacturing plants around the world, and is a highly credentialed leader in achieving manufacturing excellence.
- Cameron Woods (ex Leprino) joined BFC on 16 May 2022 as Director, Food and Beverages Unit. Cameron has been Managing Director, APAC (based in Singapore) for Leprino (one of the world’s largest manufacturers of mozzarella and dairy ingredient products).
- Nick Wagner, previously Financial Controller, and employed with BFC for over 5 years, has been promoted to Chief Financial Officer.

11. Progress to date points to strong forward potential

Updated FY22 Operating Guidance and FY23 Guidance

Measure		FY21A	Previous FY22G	Updated FY22G	FY23G
Milk Supply	ML	146	152-158	152-158	155-175
Mozzarella production	MT	12,150	15,000 – 16,000	15,000 – 16,000	15,000 – 16,000
Lactoferrin production	MT	16 - 19	16 - 19	16 - 19	16 - 19
Group Sales	\$M	112	160 – 185	140 – 150	150 – 180
EBITDA	\$M	N/A	N/A	N/A	8 - 10
Revenue/litre milk	\$/l	0.77	1.05 – 1.17	0.90 – 1.10	1.00 – 1.15
Capex	\$m	17	8 – 12	6 – 8	6 – 8

NOTE: These guidance numbers are subject to caveats around plant and equipment performance and other factors as set out on page 19.

12. aided by strong economic tailwinds

Dairy commodities:

Strong international demand for dairy products and weak global supply is pushing up the prices of Beston’s dairy products (mozzarella, whey powder, cream, butter etc.)

Buyers in recent months have shown less concern about “price” and more concern about supply chain security. This situation is expected to continue well into FY23 and FY24.

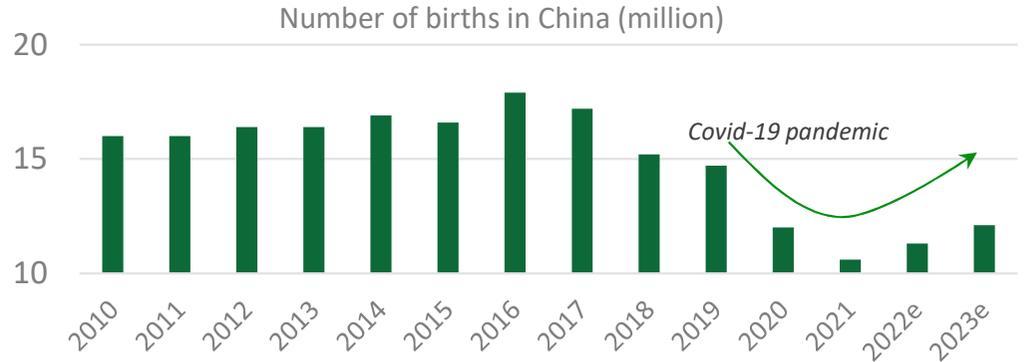
Global prices for dairy commodities have increased between 40% and 50% since February 2021.

US\$/t FOB	Mozzarella	Cheddar	Whey Powder	Butter
May 22	5,600-6,000	6,200-6,600	1,800-2,000	6,600-7,000
Feb 22	5,100-5,400	5,700-6,000	1,650-1,850	6,650-6,950
Dec 21	4,500-4,700	5,000-5,400	1,400-1,600	5,700-6,000
Feb 21	3,950-4,250	4,100-4,400	1,200-1,400	4,600-5,000
Increase Feb 21 to May 22	41%	50%	43%	40%

Source: Dairy Australia Indicative International Spot Price Report May 22

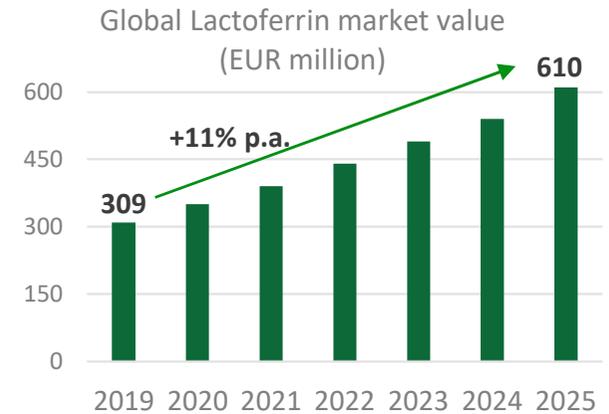
Lactoferrin:

Lactoferrin market has been soft due to Covid-19 impact on birth rates in China. Lactoferrin in infant formula for the China market has been the largest global user of Lactoferrin. When this market contracted, global demand for Lactoferrin was impacted. Indications are that this is beginning to revert and that birth rates in China will begin to increase over the next 9-12 months, increasing global demand for Lactoferrin



Source: Citi Research, National Statistics Bureau

These observations are consistent with a recent study by GIRA (France) who forecast that the global market for Lactoferrin will grow by >10% between 2021 and 2025



Source: CLR

13. Meat, Alternative Meat and Water Businesses

Provincial Foods



Key Updates:

- Capabilities and capacity for the production of ready-to-heat meat products and alternative-meat products
- Impacted by COVID-19 closures in Melbourne and Shepparton
- Sales recovering well with cornerstone client base (i.e. Campbells, ALDI and Kanematsu)
- Expected to deliver ~\$14.5M in sales in FY23, delivering a top line growth of 25% vs FY22 actuals
- Bottom line improvement due to revenue growth and savings across purchasing initiatives in Raw Materials & Energy
- Accelerated growth on Plant Based Meats production capability via a strategic alliance with key partners
- Export potential being explored in conjunction with Mozzarella business

AQUA ESSENCE



Key Updates:

- Unique water company, supplying naturally sourced Alkaline Water to the Australian Domestic market
- Well proven Alkaline Water health benefits
- 12Litres Alkaline Water for Office, Hospitals and Out of Home consumption sets us apart from competition
- We now have sourcing capabilities for still and sparkling water which is export ready
- Ongoing discussions with major retailers, foodservices and export clients.
- Break even business in FY22 with potential for significant expansion in revenues and profits

14. Summary the future is now

- BFC has been implementing a 10 year Business Plan to build out our asset base and scale up production
- Despite numerous set-backs (including two years of drought and two years of COVID-19), the objectives in the Plan have been achieved and BFC now has a well scaled business (currently processing 155ML of milk)
- The past results are a direct consequence of the “commissioning state” of our plant and technologies. Hence, the past performance (during the scaling-up period) is not an indicator of future performance
- The more relevant indicator of future performance is the Q4FY22 performance which is demonstrating **positive cashflows** on the back of significantly **higher product margins**
- BFC has built scale, and a sales book to achieve capacity utilization, enabling a shift in focus from **volume** performance to **value** performance
- BFC is well positioned for the opportunities emerging right now and in the long-term
- Right **now**, strong international demand for dairy products and other protein products is pushing up prices amidst a weak global supply and a “battered global food system” resulting from the effects of COVID-19, climate change, energy shocks and the Russian invasion of Ukraine
- In the **long term**, the Company’s capacities and capabilities in the production of dairy protein, meat protein and alternative meat protein are well placed to meet the growing global demand for protein

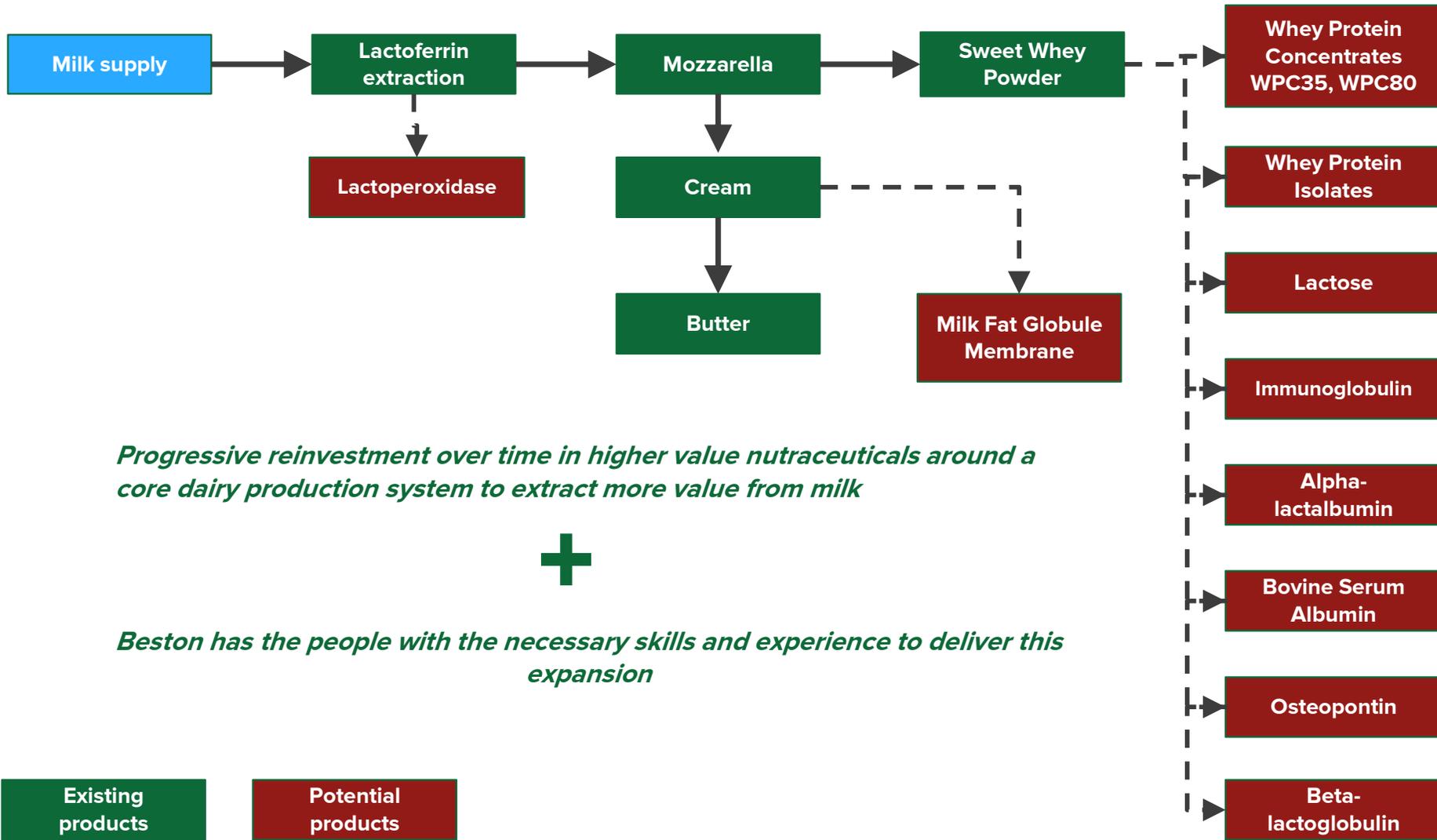
Appendices





Extracting More Value From Milk at Jervois

The production system lends itself to modular expansion of nutraceuticals production



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

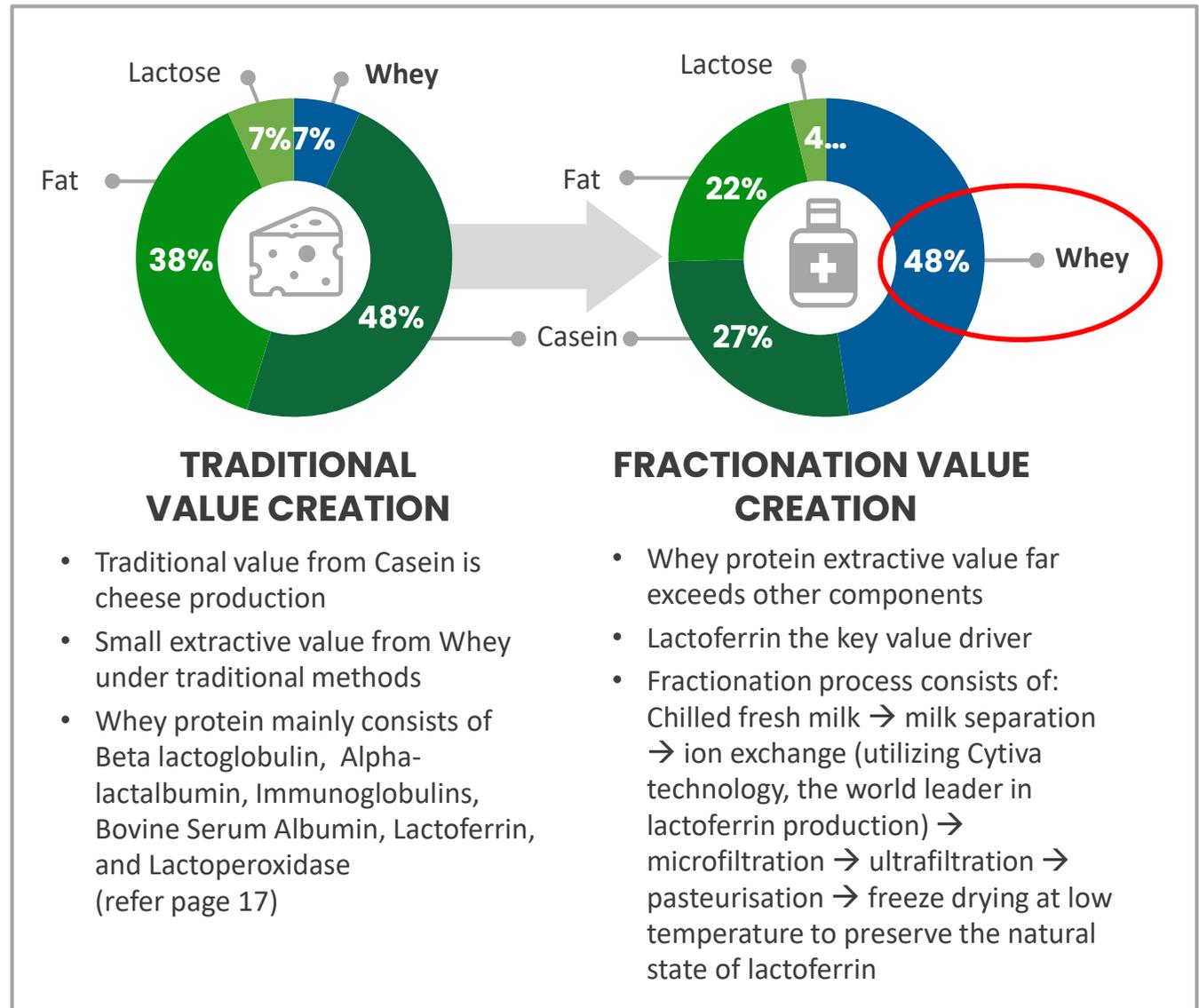
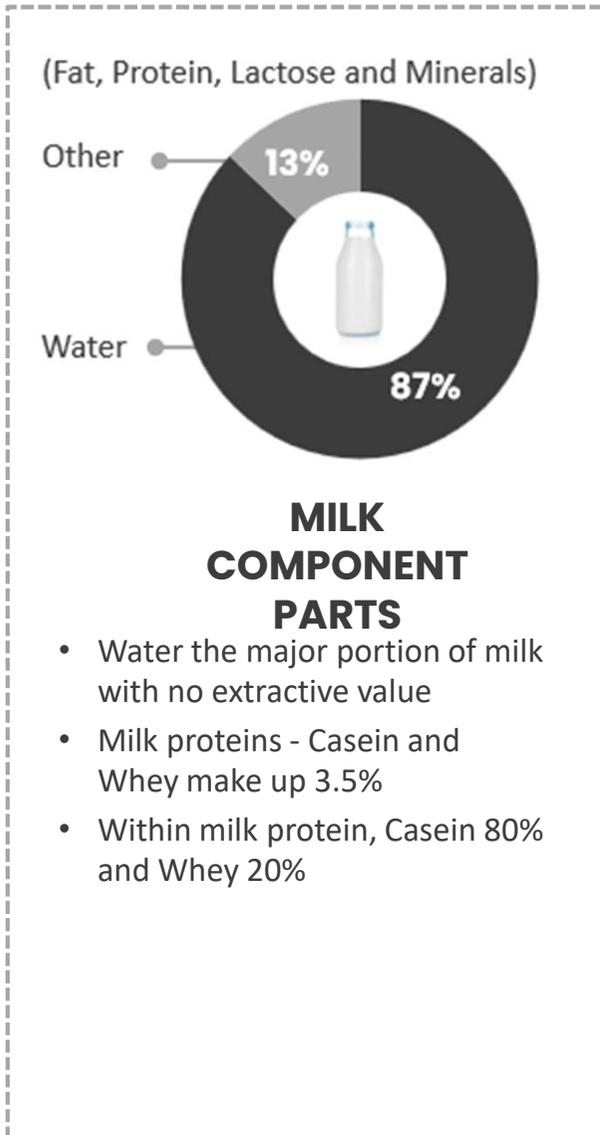
583 amino acids within its structure, used as a media in chemical labs with fatty acid binding properties

Bioactive Peptides

Particles that have a positive impact on body functions and health

Milk fractionation value creation

Milk fractionation has resulted in significant value extracted from whey protein



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 forecasts resulting in unplanned down time, higher repair costs and lost production
- 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

- Potential performance and reliability issues with new skim-based technology
- Daily performance may be below forecasts due to unplanned downtime
- Key operating costs include electricity, gas and insurance (some of which are not fixed and without forward contracts in place)



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

Disclaimers



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

- 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

- 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

- 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.
