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23 September 2024

To Creditors and Suppliers

Dear Sir/Madam

Beston Global Food Company Limited (Administrators Appointed)

ACN 603 023 383

Beston Pure Dairies Pty Ltd (Administrators Appointed)

ACN 606 417 994

(Collectively referred to as “the Companies”)

James Dampney, Gayle Dickerson, David Kidman and I were appointed Joint and Several Voluntary Administrators (**Administrators**) of the Companies on Friday, 20 September 2024 at 4:30pm (ACST) pursuant to Section 436A of the Corporations Act 2001 (**the Act**).

The Administrators have just commenced the administration process where they now control the assets, trading and day-to-day operations of the Companies, with the priority being to undertake an immediate assessment of the business and its operations to assess options and notify stakeholders of the appointment.

The Administrators current intention is to continue to trade the Companies while an assessment of trading is undertaken and options for its sale and/or recapitalisation are explored.

The purpose of this letter is to provide you with information about the administration of the Companies and your rights as a creditor in the following sections.

- 1 First meeting of creditors
- 2 Declaration by the Administrators
- 3 Information for suppliers and trade creditors - trading arrangements
- 4 Legal proceedings
- 5 Employees
- 6 Report to creditors and second meeting of creditors
- 7 Creditor rights
- 8 Administrators' remuneration
- 9 Electronic notification
- 10 Further information

Annexures enclosed within this letter are described in the table below:

Annexure	Document	Description
A	Notice of first meeting of creditors (Form 529A)	Refer to section 1 of this letter
B	Short Guide to the Creditors' Portal	Refer to section 1 of this letter
C	Declaration of independence, relevant relationships and indemnities	Refer to section 2 of this letter
D	Frequently asked questions (FAQs) – Creditors	Refer to section 3 of this letter
E	Short guide to the Personal Property Securities Act	Refer to section 3.2 of this letter
F	Information sheet - creditor rights in voluntary administration	Refer to section 7 of this letter

Annexure	Document	Description
G	Initial remuneration notice	Refer to section 8 of this letter
H	Forms to be completed	Refer to section 1 of this letter

1 First meeting of creditors

We are required to call a first meeting of creditors to be held within eight business days of our appointment pursuant to Section 436E of the Act. The purpose of this first meeting is to provide creditors with an opportunity to:

- Appoint a Committee of Inspection (COI); and
- Appoint an alternative Administrator, if they so desire.

The notice of meeting is enclosed as **Annexure A**. Details of the meeting are as follows:

Date: Wednesday, 2 October 2024
Time: 12:00pm (ACST), registration from 11:30am (ACST)
Location: Virtual meeting held via Microsoft Teams

We are using the Creditors' Portal to manage creditor claims and allow creditors to vote on resolutions put forward at the meeting of creditors. All creditors are required to register and submit a formal proof of debt form electronically via the Creditors' Portal at the following link <https://creditors.accountants/>. Creditors can find further guidance on how to register, submit and manage a claim at **Annexure B**.

Creditors wishing to vote at the meeting, must complete a formal proof of debt form electronically by registering a claim on the Creditors' Portal and complete a proxy form (**Annexure H1**) no later than **4:00pm (ACST) on Tuesday, 1 October 2024**. A completed proxy form can be emailed to us at beston@kpmg.com.au.

A person is not entitled to vote at the meeting unless they lodge particulars of the debt or claim via the Creditors' Portal before the meeting. All creditors must upload to the Creditors' Portal full details of their claims, indicating whether they rank as secured, preferential or unsecured, and whether they claim title to any goods supplied to the Companies or any lien over goods in their possession which are the property of the Companies.

For your information, a COI is a small working group of creditors appointed to assist the Administrators. Section 80-55 of Schedule 2 to the Act imposes certain limitations on the ability of members of a COI to trade with the Companies and/or purchase assets. Those creditors wishing to nominate a member for appointment to a COI (if one is appointed) must complete the enclosed Nomination Form – COI (**Annexure H2**) and return it to this office no later than **4.00pm (ACST) on Tuesday, 1 October 2024** by email to us at beston@kpmg.com.au.

2 Declaration by the Administrators

Pursuant to Sections 436DA(2) and (3) of the Act and the Australian Restructuring Insolvency & Turnaround Association (**ARITA**) Code of Professional Practice (**the Code**), we attach our 'Declaration of Independence, Relevant Relationships and Indemnities' (**DIRRI**) as **Annexure C**.






3 Information for suppliers and trade creditors - trading arrangements

At this stage, the Administrators current intention is to continue to trade the Companies and we draw your attention to the following information.

3.1 Trading accounts

The Act provides that the Administrators are personally liable for liabilities arising from services rendered, goods bought or property hired, leased, used or occupied during the administration.

- Please close your trading accounts with the Companies in respect of goods supplied and / or services rendered up to 4:29pm (ACST) on Friday, 20 September 2024.
- Please open a new trading account in the name of the relevant entity **with the suffix “(Administrators Appointed)”** for the supply of authorised goods and services to the Administrators.
- From 4:30pm (ACST) on Friday, 20 September 2024, liability will only be accepted by the Administrators in respect of the purchase of goods or services authorised by the Administrators or their representatives, whose specimen signatures are set out below. Accounts will be paid in accordance with your usual terms of credit.

Authoriser name	Authorisation limit	Signature
Tim Mableson	No limit	
James Dampney	No limit	
Gayle Dickerson	No limit	
David Kidman	No limit	
Ned Swifte	\$10,000	
Jackson Adcock	\$10,000	Jackson Adcock

- If there are any outstanding or unfulfilled orders placed by the Companies prior to our appointment, including those under which there are goods in transit, please email us at beston@kpmg.com.au to obtain written confirmation that the order should proceed.

We have written separately to farmers regarding the appointment of the Administrators and their existing supply agreements. Please contact us at beston@kpmg.com.au if you do not receive our letter.

You may be aware that payment of unsecured creditors' accounts as at 4:29pm (ACST) on Friday, 20 September 2024, is postponed pending the outcome of a second meeting of creditors (see section 6 below).

For further information, please refer to the frequently asked questions (FAQs) enclosed as **Annexure D**.

3.2 Consignment stock, goods subject to purchase money security interests and liens / pledges

If you supplied consignment stock to the Companies, or believe you provided stock subject to a purchase money security interest (formerly a retention of title clause), or claim a lien / pledge over any of the Companies' assets, please email us at beston@kpmg.com.au as a matter of urgency. See further information at **Annexure E**.

3.3 Contracts / agreements

The Administrators expressly refrain from personally adopting any of the Companies' contracts existing at the time of their appointment. All contracts are currently under review. The Administrators will advise the status of contracts as soon as practicable.

3.4 Property used but not owned by the Companies

In accordance with Section 443B of the Act, the Administrators' liability under hire purchase or lease agreements does not commence until seven days after the Administrators' appointment. Further, pursuant to Section 440B of the Act, the lessor or owner of property in the Companies' control is not entitled to take possession of such property without leave of the Court or the Administrators' written consent.

We will write separately to known lease and hire purchase creditors regarding such assets. Please contact us at beston@kpmg.com.au if you do not receive our letter.

4 Legal proceedings

The appointment of Administrators stays a proceeding in a Court against the Companies. You cannot commence or continue a proceeding against the Companies without our written consent or the leave of the Court.

5 Employees

We have written separately to employees regarding the appointment of the Administrators and their ongoing employment.

6 Report to creditors and second meeting of creditors

The Administrators will prepare a report to creditors under Section 438A of the Act and Insolvency Practice Rules (Corporations) 2016 (**IPR**) 75-225 which will include details on the Companies' business, property, affairs and financial circumstances.

The second creditors' meeting is held at the end of the administration process for creditors to decide the Companies' future. The default time period is 25 business days unless extended by a Court order.

The Administrators may submit an application to the Court seeking an extension of the convening period for the second meeting of creditors of the Companies. Such an application will be determined over the first 1 to 2 weeks of the administration. Creditors will be advised should an application to Court to extend the convening period be filed.

A report to creditors pursuant to Section 75-225(3) of Insolvency Practice Rules (Corporations) and a notice of meeting will be sent to all known creditors and employees of the Companies at least five (5) business days prior to the second meeting of creditors, whenever that is held.

7 Creditor rights

Enclosed at **Annexure F** is an information sheet setting out your rights as a creditor in the administration of the Companies, including:

- Making reasonable requests for a meeting or information.
- Giving directions to the Administrator.
- Appointing a reviewing Liquidator or replacing the Administrator.

8 Administrators' remuneration

For the purposes of the Companies' administration, the Administrators' remuneration will be fixed on the basis of time spent by the Administrators and the Administrators' staff of an appropriate level having regard to the nature and complexity of the work, and calculated by reference to hourly rates.

Enclosed at **Annexure G** for your information is the Administrators' Initial Remuneration Notice which sets out the four basic methods of calculating remuneration together with an explanation as to why the time based (hourly rates) method is appropriate in this administration.

An information sheet concerning approval of remuneration in external administrations can be obtained from ASIC at www.asic.gov.au.

Because the Administrators have just commenced the administration process and are conducting an urgent review of the business and its operations to assess options, it is extremely difficult to provide a precise estimate of the Administrators remuneration for the entire voluntary administration. Based on our experience conducting voluntary administrations for company's of this size, we currently estimate fees for the administration of the Companies' affairs to the second meeting of creditors (assuming that meeting is held based on the default convening period of 25 business days, with no extension of the timing) at \$1.5m (excluding GST and disbursements).

It should be noted that if, during the course of the administration, any unanticipated issues arise or the scope of tasks and duties of the Administrators changes which increases the time required by the Administrators to complete their process, including if an application to Court to extend the convening period is granted, it will be necessary to revisit the fee estimate and creditors will be advised accordingly.

9 Electronic notification

You may elect to receive future notices or other documents, including circulars and reports regarding the administration, via email. Once you have registered as a user on the Creditors' Portal, you will be prompted to verify your identity and tick the box under the electronic communication heading should you elect to receive future correspondence regarding the administration via email. Alternatively, email us at beston@kpmg.com.au with the following information:

- The person to who matters regarding the administration should be directed.
- The full name of the creditor entity.
- The email address at which the creditor is to receive future correspondence.

10 Further information

For further information concerning the Voluntary Administration process and KPMG, you may wish to visit our website at www.kpmg.com.au. In addition, you can access general information about external administrations and insolvency from ARITA's website at www.arita.com.au.

Questions regarding the administration should be emailed to us at beston@kpmg.com.au.

Yours faithfully,



TD Mableson
Joint & Several Voluntary Administrator

Encl.

Annexure A

Notice of first meeting of creditors of Companies under administration

Insolvency Practice Rules (Corporations) 2016, Section 75-15

Beston Global Food Company Limited (Administrators Appointed)

ACN 603 023 383

Beston Pure Dairies Pty Ltd (Administrators Appointed)

ACN 606 417 994

(Collectively referred to as "the Companies")

1. Notice is given that on Friday, 20 September 2024 at 4:30pm (ACST), the Companies, under Section 436A, appointed Timothy David MABLESON, James Douglas DAMPNEY, Gayle Louise DICKERSON, David William KIDMAN of KPMG, 151 Pirie Street, ADELAIDE SA 5000 as the joint and several Voluntary Administrators of the Companies.
2. Notice also is given that a meeting of the creditors of the Companies will be held virtually at 12:00pm (ACST) on Wednesday, 2 October 2024 via Microsoft Teams.
3. The purpose of the meeting is to determine:
 - 3.1 Whether to appoint a committee of inspection; and
 - 3.2 If so, who are to be the committee's members.
4. At the meeting, creditors may also, by resolution:
 - 4.1 Remove the Administrators from office; and
 - 4.2 Appoint someone else as Administrator of the Companies.

Creditors wishing to vote at the meeting, must complete a formal proof of debt form electronically by registering a claim on the Creditors' Portal and complete a proxy form (**Annexure H1**) by no later than **4:00pm (ACST) on 1 October 2024**. A completed proxy form can be emailed to us at beston@kpmg.com.au.

A person is not entitled to vote at the meeting unless they lodge particulars of the debt or claim via the Creditors' Portal before the meeting. All creditors must upload to the Creditors' Portal full details of their claims, indicating whether they rank as secured, preferential or unsecured, and whether they claim title to any goods supplied to the Companies or any lien over goods in their possession which are the property of the Companies.

Should you wish to attend the meeting, please click on the following link to register to attend – <https://creditors.accountants/>. Once you have registered you will receive an automatic response providing you with a link to the meeting and dial in details.

Dated this 23rd day of September 2024



TD Mableson

Joint & Several Voluntary Administrator

c/- KPMG

Tel: +61 8 8236 3111

Fax: +61 8 8236 3299

Email: beston@kpmg.com.au

Note: In accordance with IPR Section 75-15(1)(c) please see effect of IPR Section 75-85 Entitlement to vote at meetings of creditors on the following page.

Effect of IPR Section 75-85 – Entitlement to vote at meetings of creditors

1. A person other than a creditor (or the creditor's proxy or attorney) is not entitled to vote at a meeting of creditors.
2. Subject to subsections (3), (4) and (5), each creditor is entitled to vote and has one vote.
3. A person is not entitled to vote as a creditor at a meeting of creditors unless:
 - (a) his or her debt or claim has been admitted wholly or in part by the external administrator; or
 - (b) he or she has lodged, with the person presiding at the meeting, or with the person named in the notice convening the meeting as the person who may receive particulars of the debt or claim:
 - (i) those particulars; or
 - (ii) if required—a formal proof of the debt or claim.
4. A creditor must not vote in respect of:
 - (a) an unliquidated debt; or
 - (b) a contingent debt; or
 - (c) an unliquidated or a contingent claim; or
 - (d) a debt the value of which is not established;unless a just estimate of its value has been made.
5. A creditor must not vote in respect of a debt or a claim on or secured by a bill of exchange, a promissory note or any other negotiable instrument or security held by the creditor unless he or she is willing to do the following:
 - (a) treat the liability to him or her on the instrument or security of a person covered by subsection (6) as a security in his or her hands;
 - (b) estimate its value;
 - (c) for the purposes of voting (but not for the purposes of dividend), to deduct it from his or her debt or claim.
6. A person is covered by this subsection if:
 - (a) the person's liability is a debt or a claim on, or secured by, a bill of exchange, a promissory note or any other negotiable instrument or security held by the creditor; and
 - (b) the person is either liable to the company directly, or may be liable to the company on the default of another person with respect to the liability; and
 - (c) the person is not an insolvent under administration or a person against whom a winding up order is in force.

Annexure B

Beston Global Food Company Limited (Administrators Appointed)
ACN 603 023 383
Beston Pure Dairies Pty Ltd (Administrators Appointed)
ACN 606 417 994
(Collectively referred to as “the Companies”)

Short guide to the Creditors’ Portal

We are using the Creditors’ Portal as the primary tool for communicating with creditors and managing claims.

We have prepared this short guide to assist you as a creditor to understand the process that you must undertake to ensure you are appropriately registered as a creditor of the Companies.

Please note, the email registered on the Creditors’ Portal will receive all notifications including circulars and reports issued by the Administrators.

Please refer to the following link for further guidance on how to register, submit and manage a claim:
<https://creditors.accountants/Help>



Step 1: Register

- Register as a user at the following link: <https://creditors.accountants/> (use chrome, edge or firefox).
- You will receive a confirmation email to verify your account (verify your email address within 24 hours of registering as a user).
- Once verified, you will be redirected to the Portal.
- If you are already a registered user, please skip to “Login” below.



Step 2: Log in

- Log into the Portal using your username and password.
- You will be redirected to a screen where you need to input the following details:
 - Company creditor – an ABN; or
 - Individual creditor – first and last name.
- You will be prompted to make a declaration to confirm that you are authorised to act on behalf of the company or individual and agree on how you wish to receive future correspondence.



Step 3: Link creditor

- Once you have completed your declaration, you will be redirected to the Portal landing page where you can view the Company under “Recent Interactions”.
- If you cannot view the Company listed on the landing page you may need a creditor code to link your profile to the Company.
- Please contact the External Administrators for a unique code to register your claim.
- Once you receive your creditor code, log in and click on your user name in the top right hand side and click on “Creditor Admin” and input your code and click “Link”
- There will be an option to provide an ABN (if relevant) for company creditors, click “I do not have an ABN” (individuals) and then click “continue”
- Follow the prompts and confirm you are authorised to act on behalf of the creditor.



Step 4: View company and documents

- You will be able to view the Companies on the landing page or under the “Debtors” tab and click “My debtors” or “My claims”. Click on “Details” to be directed to the Companies.
- You will be able to view any documents uploaded under the “Documents” tab that relate to the Companies.
- There are additional resources that you can also access under the “Resources” tab.



Step 5: Submit a Formal Proof of Debt Form (POD)

- You will be able to view the Companies on the landing page or under the “Debtors” tab and click “My debtors” or “My claims”. Click on “Details” to be directed to the Companies.
- Click on the “Proof of Debt” tab.
- Click on the “Submit” button and start completing the POD form.
- Tick “No” to the question “Is your proof of debt informal”. If you are an employee creditor, this will not be an option.
- Upload any supporting documentation for consideration.
- Press “Next” and “Submit”.



Step 6: Be admitted for voting (performed by the External Administrators)

- Once you have submitted a POD with supporting documentation, we will evaluate your claim to admit for voting purposes at the online meeting .
- If necessary, the External Administrators will request further information with respect to your claim.
- The External Administrators will announce your admission status once the online meeting commences.



Step 7: Appoint a proxy (required for company creditors, optional for individuals)

- If you are a company creditor or individual that is appointing the Chairperson or an alternative person to vote (alternate email to the email registered initially) please complete a proxy form attached to the report to creditors and submit **via email** to the External Administrators.
- The External Administrators will provide the nominated proxy holder with a unique creditor code prior to the meeting for voting purposes only.
- The nominated proxy holder will need to register on the Portal (**Step 1 to Step 3**) to be provided with access to vote at the online meeting on behalf of the creditor.



Step 8: Voting at the online meeting

- You will only be able to vote from the time the online meeting commences (one hour before).
- Log into the Portal and click on “Open for voting” on the landing page or the “Debtors” tab and “My debtors” and click on the relevant company.
- You will be able to view the online meeting under the “Polls” tab.
- You will be able to view the resolutions on the screen with the option to vote “in favour, against or abstain”.
- If you are a nominated proxy holder, you will be able to view the resolutions and the creditor that you are acting on behalf of.
- The chairperson will read the resolutions, allow you to vote prior to locking the resolutions.
- Please ensure you click “Submit” after placing your votes.

Annexure C

Declaration of Independence, Relevant Relationships and Indemnities' (**DIRRI**)



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Corporations Act 2001

Beston Global Food Company Limited (Administrators Appointed)
ACN 603 023 383
Beston Pure Dairies Pty Ltd (Administrators Appointed)
ACN 606 417 994
(Collectively referred to as “the Companies”)

Declaration of Independence, Relevant Relationships and Indemnities

The purpose of this document is to assist creditors with understanding any relevant relationships that we have with parties who are closely connected to the Companies and any indemnities or upfront payments that have been provided to us. None of the relationships disclosed in this document are such that our independence is affected.

This information is provided so you have trust and confidence in our independence and, if not, you can ask for further explanation or information and can act to remove and replace us if you wish.

This declaration is made in respect of ourselves, our partners, KPMG Australia and related parties covered by the extended definition of the firm (collectively **KPMG**).

We are a Professional Member(s) of ARITA – Australian Restructuring Insolvency and Turnaround Association. We acknowledge that we are bound by the ARITA Code of Professional Practice.

A. Independence

We, Tim Mableson, James Dampney, Gayle Dickerson and David Kidman, have assessed our independence and we are not aware of any reasons that would prevent us from accepting this appointment.

There are no other relevant relationships, including personal, business and professional relationships that should be disclosed beyond those we have disclosed in this document.

B. Circumstances of appointment

(i) How we were referred this appointment

The initial invitation to speak with the Directors of the Companies was to David Kidman through Andrew Corletto, Partner at Minter Ellison on 13 March 2024. However, no conversation with the Directors of the Companies took place until David Kidman spoke with Kevin Reid, Deputy Chair and Chair of Audit and Finance on 19 March 2024.

We believe that these relationships do not result in a conflict of interest or duty because referrals from solicitors, business advisors and accountants are commonplace and do not impact our independence in carrying out our duties as administrator.

(ii) Did we meet with the Companies before we were appointed?

Yes No

We had 8 meetings, (together with associated telephone calls and email correspondence) with the Companies' Directors and advisors between 18 March 2024 and 20 September 2024. A summary is provided at Annexure A.

These meetings / telephone calls / email correspondence were for the purposes of:

- Briefing Tim Mableson, David Kidman and James Dampney and relevant KPMG staff on the organisation, operations and financial circumstances of the Companies.
- Explaining and discussing the various options available to the Companies and the nature and consequences of an insolvency appointment with the Companies' Directors.
- Obtain sufficient information about the financial position of the Companies to perform preliminary planning for any future Voluntary Administration appointment.
- Providing a consent to act.

In our opinion, these communications do not affect our independence for the following reasons:

- KPMG's advice was limited to assessing the Companies' financial position, the consequences of insolvency and restructuring options from a contingency planning perspective.
- Advice was given to the Companies only. We did not advise the Directors personally or others.
- The Courts and the applicable professional standards specifically recognise the need for practitioners to provide advice on the insolvency process and the options available and do not consider that such advice results in a conflict or an impediment to accepting the appointment.
- The nature of the advice is such that it would not be subject to review and challenge during the administration.
- The pre-appointment advice will not influence our ability to fully comply with the statutory and fiduciary obligations associated with the administration in an objective and impartial manner.

We received no remuneration for the pre-appointment work undertaken in the table above, including the contingency planning document prepared under an engagement letter. The engagement letter made clear no remuneration was to be charged.

We have provided no other information or advice to the Companies prior to our appointment beyond that outlined in this DIRRI.

C. Declaration of relationships

Within the previous two years, have we, or KPMG, had a relationship with:	
The Companies?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
The directors?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Any associates of the Companies?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

	Nature of relationship	Reasons no impediment or conflict of interest or duty
	<p>We were appointed Voluntary Administrators of the below entities on 20 September 2024:</p> <ul style="list-style-type: none"> • Beston Global Food Company Limited • Beston Pure Dairies Pty Ltd 	<p>The nature of the business operations mean that the administrations can be conducted more efficiently by the same external administrator.</p> <p>At the time of our appointment, we were not aware of any conflicts of interest between the Companies.</p> <p>If a conflict arises, we will inform creditors and take appropriate action to resolve the conflict.</p>
<p>A former insolvency practitioner appointed to the Companies?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	
<p>A secured creditor entitled to enforce a security over the whole or substantially the whole of the Companies property?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>	
	Nature of relationship	Reasons no impediment or conflict of interest or duty
	<p>National Australia Bank (NAB) holds security interests over the Companies' property. We and KPMG have professional relationships with most of the major banks and lenders in Australia and with a number of staff within the NAB's organisation, particularly in the credit and workout areas. We and KPMG have previously undertaken formal and informal assignments on behalf of the NAB for a number of years.</p>	<p>We believe that this relationship does not result in a conflict of interest or duty because KPMG's previous relationships with the NAB were not in relation to the Companies' and/or the director's affairs, or related parties of the Companies and/or the directors.</p>

	Nature of relationship	Reasons no impediment or conflict of interest or duty
	<p>ScotPac holds security interests over the Companies' property. We and KPMG have professional relationships with banks and lenders in Australia and with a number of staff within the ScotPac organisation, particularly in the credit and workout areas. We and KPMG have previously undertaken formal and informal assignments on behalf of the ScotPac for a number of years.</p>	<p>We believe that this relationship does not result in a conflict of interest or duty because KPMG's previous relationships with ScotPac were not in relation to the Companies' and/or the director's affairs, or related parties of the Companies and/or the directors.</p>

<p>Do we, or KPMG, have any other relationships that we consider are relevant to creditors assessing our independence?</p>
<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>

D. Indemnities and up-front payments

We have not received any upfront payments or indemnities for this appointment. This does not include any indemnities that we may be entitled to under the law.

Dated this 23rd day of September 2024



Tim Mableson
Joint & Several Administrator



James Dampney
Joint & Several Administrator



Gayle Dickerson
Joint & Several Administrator



David Kidman
Joint & Several Administrator

Note:

- 1 The assessment of independence has been made based on an evaluation of the significance of any threats to independence and in accordance with the requirements of the relevant legislation and professional standards.
- 2 If circumstances change, or new information is identified, we are required under the Corporations Act and ARITA's Code of Professional Practice to update this Declaration and provide a copy to creditors with our next communication as well as table a copy of any replacement Declaration at the next meeting of creditors. For creditors' voluntary liquidations and voluntary administrations, this document and any updated versions of this document are required to be lodged with ASIC.

Annexure A – summary of pre-appointment meetings, telephone calls and email correspondence

Date	Type of correspondence	KPMG attendees	External attendees	Purpose
19 March 2024	Telephone call	David Kidman	Kevin Reid	David Kidman received a telephone call from Kevin Reid, for the purpose of organising an introductory meeting with the Chair, Roger Sexton.
25 March 2024	Meeting at KPMG office	David Kidman Tim Mableson	Roger Sexton Kevin Reid	Meeting to discuss the organisation, operational and financial circumstances of the Companies.
26 March 2024	Engagement letter	David Kidman Tim Mableson	Roger Sexton	David Kidman and Tim Mableson issued an engagement letter to the Companies for contingency planning.
27 March 2024	Engagement letter	David Kidman Tim Mableson	Roger Sexton	Roger Sexton returned a signed engagement letter to KPMG to commence contingency planning.
27 March 2024	Telephone call	David Kidman	Kevin Reid	David Kidman received a telephone call from Kevin Reid to discuss timeframe for receiving contingency planning document.
28 March 2024	Email correspondence	David Kidman Tim Mableson	Directors	David Kidman and Tim Mableson issued draft contingency planning document to the Directors.
29 March 2024 to 1 April 2024	Email correspondence	David Kidman Tim Mableson	Directors	Various emails regarding contingency planning document and timing for issuing.
2 April 2024	Email correspondence	David Kidman Tim Mableson	Directors	David Kidman and Tim Mableson issued final contingency document to the Directors.
4 April 2024	Telephone call	David Kidman	Roger Sexton	David Kidman received a telephone call from Roger Sexton for the purposes of contingency planning.
4 April 2024	Email correspondence	David Kidman	Roger Sexton and Directors	Email correspondence requesting clarification regarding certain matters within the contingency planning document.

8 April 2024	Email correspondence	David Kidman	Roger Sexton and Directors	Email correspondence requesting information to the operations and financial circumstances of the Companies.
9 April 2024	Email correspondence	David Kidman	Roger Sexton	Email correspondence received advising Nick Martin, CFO of the Companies will facilitate information request and to organise a meeting to discuss contingency planning.
9 April 2024	Email correspondence	David Kidman	Nick Martin	Email correspondence received with financial information per information request issued.
12 April 2024	Meeting at KPMG office	David Kidman Tim Mableson	Roger Sexton	Meeting for the purposes of providing an update and answering general questions about the appointment of a VA.
13 May 2024	Email correspondence	David Kidman	Roger Sexton	Email correspondence to arrange a meeting to discuss further updates.
17 May 2024	Meeting at KPMG office	David Kidman Tim Mableson	Roger Sexton Kevin Reid	Meeting to discuss further updates on contingency planning.
17 May 2024	Email correspondence	David Kidman	Kevin Reid	Email correspondence received advising introductory meeting organised with Nick Martin.
21 May 2024	Meeting at KPMG office	David Kidman Tim Mableson George Choimes	Nick Martin Fabrizio Jorge	Introductory meeting with Fabrizio Jorge, CEO of the Companies and Nick Martin to facilitate further questions.
21 May 2024	Email correspondence	David Kidman	Roger Sexton Kevin Reid Nick Martin Fabrizio Jorge	David Kidman issued a further planning document detailing Day 1 timeline and stakeholder management strategy should a VA need to proceed.
7 June 2024	Telephone call	David Kidman	Roger Sexton	David Kidman made a telephone call to Roger Sexton for the purposes of providing an update following Board changes and status of dairy payments.
14 June 2024	Telephone call	David Kidman	Roger Sexton	David Kidman received a telephone call from Roger Sexton

				for the purposes of advising that a potential VA appointment is possible next week after Board meeting on 19 June 2024.
21 June 2024	Telephone call	David Kidman	Roger Sexton	David Kidman made a telephone call to Roger Sexton for the purposes of providing an update following recent board meeting and status of funding. Advised potential appointment of VA on hold.
4 July 2024	Meeting at Beston office	Tim Mableson George Choimes	Roger Sexton Ian Campbell Fabrizio Jorge Nick Martin	Meeting to receive an update regarding the status of funding and to further discuss contingency planning.
5 July 2024	Meeting at Beston office	James Dampney George Choimes Julian Shii	Nick Martin	Meeting to provide further information into financial circumstances including suppliers, trading position, employees and stock on hand to assist with contingency planning.
8 July 2024	Email correspondence	Tim Mableson	Roger Sexton	Email correspondence containing draft VA media release for contingency planning purposes.
10 July 2024	Email correspondence	Tim Mableson	Roger Sexton	Email update from Roger Sexton regarding status of refinance and sale options being considered.
11 July 2024	Email correspondence	Tim Mableson	Roger Sexton	Further email update from Roger Sexton regarding status of refinance and sale options being considered.
15 July 2024	Email correspondence	Tim Mableson	Roger Sexton	Further email update from Roger Sexton regarding status of refinance and sale options being considered.
25 July 2024	Telephone call	Tim Mableson	Roger Sexton	Roger Sexton call to provide an update regarding the sale process for the Jervois site/business and funding. Asked questions relating to contingency planning.

14 August 2024	Telephone call	Tim Mableson	Roger Sexton	General update regarding sale process for Jervois site/business, confirmation Provincial Food Group sale has settled and status of funding.
19 August 2024	Email correspondence	Tim Mableson	Roger Sexton	Email from Roger Sexton providing ASX announcement issued on 16 August 2024 and an update regarding the sale process for the Jervois site/business.
12 September 2024	Telephone call	Tim Mableson	Roger Sexton	Telephone call from Roger Sexton providing update regarding the status of the sale process for Jervois site/business and to arrange meeting with the Board.
13 September 2024	Meeting at Beston office	Tim Mableson David Kidman	Roger Sexton Ian Campbell Fabrizio Jorge Nick Martin	Meeting to receive an update regarding the status of funding and status of sale process for Jervois site/business.
20 September 2024	Meeting at Beston office	Tim Mableson David Kidman George Choimes	Roger Sexton Stephen Gerlach Ian Campbell Fabrizio Jorge Nick Martin	Meeting to advise status of sale process for Jervois site/business and that a VA appointment is required. Answering final questions before Board were to meet to consider the VA appointment.

Annexure D

Creditors Frequently Asked Questions (**FAQ**)



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Frequently Asked Questions (FAQs) - Creditors

Beston Global Food Company Limited (Administrators Appointed)

ACN 603 023 383

Beston Pure Dairies Pty Ltd (Administrators Appointed)

ACN 606 417 994

(Collectively referred to as “the Companies”)

Current Status

1 What is the status of the Companies?

Tim Mableson, James Dampney, Gayle Dickerson and David Kidman were appointed Joint and Several Administrators (**Administrators**) of the Companies at 4:30pm ACST on 20 September 2024 pursuant to Section 436A of the Corporations Act 2001 (**the Act**). Please be advised that there are other international subsidiaries of Beston Global Food Company Limited which are not subject to the appointment of Voluntary Administrators.

Creditors should note that:

- The Administrators are in control of the assets, trading and day-to-day operations of the Companies and will be responsible for any future sale process.
- The Administrators have just commenced the Administration process with the priority being to undertake an immediate assessment of the business and its operations to assess options and notify stakeholders of the appointment.
- The Administrators current intention is to continue to trade the Companies while an assessment of trading is undertaken and options for its sale and/or recapitalisation are explored.
- The Administrators' appointment is limited to entities listed above. If you are a creditor, employee or supplier of an entity not listed above, then you should direct any queries to your normal contact.

2 What is a Voluntary Administration?

Under Australian Law, a company experiencing financial difficulty, can be placed into voluntary administration.

Voluntary administration is a process in which an independent professional (the voluntary administrator) takes full control of the company with the aim of restructuring its affairs so that it, or as much as possible of its business, can return to solvent operation. The voluntary administrator, who is required to be registered with the Australian Securities and Investments Commission (ASIC), is usually appointed by a company's directors, after they decide that the company is insolvent or likely to become insolvent.

The administration process is designed to resolve the company's future direction as quickly as possible. An automatic stay of actions against the company applies during the period of Administration. This provides the company with breathing space to restructure and continue operating. If it is not possible to save the company or its business, the aim is to administer the affairs of the company in a way that results in a better return to creditors than they would have received if the company had instead been placed straight into liquidation.

The Administrator has powers to operate the business, to sell the business and assets or to propose a restructuring plan to the company's creditors in the form of a Deed of Company Arrangement (DOCA). If a DOCA is not proposed to creditors or if creditors reject the proposed DOCA the company will most likely be placed into liquidation.

3 What does an administration mean for unsecured creditors and shareholders?

The Administrators are in control of the affairs, assets, trading and day-to-day operations of the Companies and will be responsible for any future sale process.

The Administrators will investigate and ultimately report to creditors about the company's business, property, affairs and financial circumstances. The Administrators are required to report on the following three options available to creditors (including employees):

- end the voluntary administration and return the company to the directors' control; or
- approve a DOCA through which the company will pay all or part of its debts and then be free of those debts; or
- wind up the company and appoint a liquidator.

The Administrators must give an opinion on each option, including an opinion on any DOCA proposal, and recommend which option is in the best interests of creditors.

Administrators have a duty to take reasonable care to sell the secured assets for not less than their market value or, if there is no market value, the best price reasonably obtainable having regard to the circumstances existing when the assets are sold.

Trading and operations

4 What happens to the operations and trading of the business?

As mentioned previously, the Administrators are in control of the assets, trading and day-to-day operations of the Companies and the current intention is to continue to trade the Companies while an assessment of trading is undertaken and options for its sale and/or recapitalisation are explored.

Please refer below for information regarding trading arrangements with suppliers and trade creditors.

Trading accounts

The Act provides that the Administrators are personally liable for liabilities arising from services rendered, goods bought or property hired, leased, used or occupied during the administration.

- Please close your trading accounts with the Companies in respect of goods supplied and / or services rendered up to 4:29pm (ACST) on Friday, 20 September 2024.
- Please open a new trading account in the name of the relevant entity **with the suffix "(Administrators Appointed)"** for the supply of authorised goods and services to the Administrators.
- From 4:30pm (ACST) on Friday, 20 September 2024, liability will only be accepted by the Administrators in respect of the purchase of goods or services authorised by the Administrators or their representatives, whose specimen signatures are set out in the circular to creditors dated 23 September 2024. Accounts will be paid in accordance with your usual terms of credit.
- If there are any outstanding or unfulfilled orders placed by the Companies prior to our appointment, including those under which there are goods in transit, please email us at beston@kpmg.com.au to obtain written

confirmation that the order should proceed.

You may be aware that payment of unsecured creditors' accounts as at 4:29pm (ACST) on Friday, 20 September 2024 is postponed pending the outcome of a second meeting of creditors (see section 6 below).

Consignment stock, goods subject to purchase money security interests and liens / pledges

If you supplied consignment stock to the Companies, or believe you provided stock subject to a purchase money security interest (formerly a retention of title clause), or claim a lien / pledge over any of the Companies' assets, please email us at beston@kpmg.com.au as a matter of urgency.

Contracts / agreements

The Administrators expressly refrain from personally adopting any of the Companies' contracts existing at the date of their appointment. All contracts are currently under review. The Administrators will advise the status of contracts as soon as practicable.

Property used but not owned by the Companies

In accordance with Section 443B of the Act, the Administrators' liability under hire purchase or lease agreements does not commence until seven days after the Administrators' appointment. Further, pursuant to Section 440B of the Act, the lessor or owner of property in the Companies' control is not entitled to take possession of such property without leave of the Court or the Administrators' written consent.

The Administrators will write separately to known lease and hire purchase creditors regarding such assets. Please contact us at beston@kpmg.com.au if you do not receive our letter.

Meetings of creditors

5 What happens next in the Voluntary Administration?

There are two creditors' meetings in the administration procedure.

The Administrators are required to call a first meeting of creditors within eight business days of the Administrators appointment pursuant to Section 436E of the Act. The purpose of this meeting is to provide creditors with an opportunity to:

- Appoint a Committee of Inspection (COI); and
- Appoint an alternative Administrator, if they so desire.

The second creditors' meeting is held at the end of the administration process. The default time period is 25 business days unless extended by a Court order.

The Administrators may submit an application to the Court seeking an extension of the convening period for the second meeting of creditors of the Companies be extended for a period of time which will be determined over the first 1 to 2 weeks of the administration. Creditors will be advised should an application to Court to extend the convening period be filed.

A report to creditors pursuant to Section 75-225(3) of Insolvency Practice Rules (Corporations) and a notice of meeting will be sent to all known creditors and employees of the Companies at least five (5) business days prior to the second meeting of creditors.

6 What happens at the second meeting of the creditors?

Creditors can decide at this meeting to:

- return the company to the directors' control; or
- accept a DOCA (a binding arrangement between a company and its creditors governing how the company's affairs will be dealt with); or
- put the company into liquidation (this happens immediately, and the administrator usually becomes the liquidator).

Prior to the second meeting of creditors, the Administrators will prepare a report to creditors which will make a recommendation in relation to the future of the Companies. This report must give enough information to explain the company's business, property, affairs and financial circumstances. The report should allow the creditors to make an informed decision about the company's future.

7 Do I have to attend the creditors meetings?

If you are owed amounts by the Companies as at 4:29pm (ACST) on Friday, 20 September 2024, you are entitled to attend and vote at meetings of creditors. However, you are not obliged to attend the meetings.

It is important to note that your claim against the Companies is not prejudiced by your attendance or absence from the meetings of creditors.

8 How do I vote at the meetings?

The Administrators wrote to all creditors contained within the Companies' records on our appointment to notify them of the Voluntary Administration.

The Administrators are using a portal to manage creditor claims (Creditors' Portal).

Creditors wishing to vote at the meeting, must complete a formal proof of debt form electronically by registering a claim on the Creditors' Portal and complete a proxy form no later than 4:00pm (ACST) on Tuesday, 1 October 2024. A completed proxy form can be emailed to us at beston@kpmg.com.au.

A person is not entitled to vote at the meeting unless they lodge particulars of the debt or claim via the Creditors' Portal before the meeting. All creditors must upload to the Creditors' Portal full details of their claims, indicating whether they rank as secured, preferential or unsecured, and whether they claim title to any goods supplied to the Companies or any lien over goods in their possession which are the property of the Companies.

Should you wish to attend the meeting, please click on the following link to register to attend – <https://creditors.accountants/>. Once you have registered you will receive an automatic response providing you with a link to the meeting and dial in details.

We will be using the Creditors' Portal to allow creditors to vote for all resolutions put forward at the meeting of creditors. Creditors who will be attending will be required to log in via the Creditors' Portal and attend the meeting via the teleconference facilities.

Creditor claims

9 How do I lodge my creditor claim and what documentation is required to substantiate my claim?

All creditors must upload to the Creditors' Portal full details of their claims, indicating whether they rank as secured, preferential or unsecured, and whether they claim title to any goods supplied to the Companies or any lien over goods in their possession which are the property of the Companies.

Supporting documentation includes but is not limited to outstanding invoices issued to the Companies, creditor ledgers, contracts and other documents which substantiate your claim.

10 Will I get my money back?

The effect of the voluntary administration is that payment of creditors by the Companies is placed on hold pending the outcome of the administration. At this stage and until the outcome of the administration is known, it is not known whether there will be sufficient funds to pay a dividend (i.e. a % return) to unsecured creditors.

As mentioned previously, the Administrators will send a detailed report on options for the future of the Companies to all creditors, 5 business days prior the second creditors' meeting. This report will contain further information regarding the potential financial outcome for unsecured creditors.

11 I am a supplier. Who can I speak to about existing contracts and agreements with the Companies?

The Administrators refrain from adopting any of the Companies' contracts existing at the date of their appointment.

All queries regarding the Companies' contracts should be directed to the Administrators at beston@kpmg.com.au.

12 I am a creditor of a Beston entity not currently under Administration. Who can I talk to?

There are other international subsidiaries of Beston Global Food Company Limited which are not subject to the appointment of Voluntary Administrators.

As mentioned previously, the Administrators' appointment is limited to the Companies.

If you are a creditor, employee or supplier of an entity other than the Companies, then the procedures set out in this letter do not apply and you should direct any queries to your normal contact.

13 The amount listed on the Creditors portal is different to the amount I am owed. What should I do?

Please upload a formal proof of debt via the Creditors' Portal and provide the relevant supporting documentation to substantiate your claim.

14 Can I nominate someone else to deal with my claim?

You can appoint an individual as proxy to attend and vote at a meeting of creditors on your behalf. You must provide the completed proxy form to the Administrators before the meeting.

15 How can I receive updates on the Administration?

You may elect to receive future notices or other documents, including circulars and reports regarding the administration, via email. Once you have registered as a user on the Creditors' Portal, you will be prompted to verify your identity and tick the box under the electronic communication heading should you elect to receive future correspondence regarding the administration via email. Alternatively, email us at beston@kpmg.com.au with the following information:

- The person to whom matters regarding the administration should be directed.
- The full name of the creditor entity.
- The email address at which the creditor is to receive future correspondence.

16 How long does the process last?

The second creditors' meeting is held at the end of the administration process. The default time period is 25 business days unless extended by a Court order.

The Administrators may submit an application to the Court seeking an extension of the convening period for the second meeting of creditors of the Companies be extended for a period of time which will be determined over the first 1 to 2 weeks of the administration. Creditors will be advised should an application to Court to extend the convening period be filed.

Any timeframe thereafter will be dependent on the resolutions passed at the second meeting of creditors.

17 Who should I contact if I have further questions?

For further information concerning the Voluntary Administration process and KPMG, you may wish to visit our website at www.kpmg.com.au. In addition, you can access general information about external administrations and insolvency from ARITA's website at www.arita.com.au.

Should you have questions regarding the administration, please email us at beston@kpmg.com.au.

18 How can I stay informed about the Administration?

The Administrators will continue to update creditors on material developments on the KPMG website at www.kpmg.com.au.

Annexure E

Short guide to the Personal Property Securities Act

What is Personal the Property Securities Act?

The Personal Property Securities Act 2009 (PPSA) established national legislation governing security interests in personal property. It replaced a large number of existing Commonwealth, State and Territory laws. "Personal Property" is any property that is not "Real Property" being land and buildings or fixtures. Personal Property generally includes all property (tangible and intangible) other than land, fixtures, most water rights and some statutory licences. It includes goods or inventory, intellectual property, shares, debts and contractual rights.

There is a single national Register for parties to record their interests in personal property, called the Personal Property Securities Register (PPSR); on which all security interests in personal property can be registered. The PPSR replaced a number of State and Commonwealth registers, including the ASIC Register of Company Charges and all State Registers of Encumbered Vehicles (REVs). Any holder of a security interest in a personal property must register to ensure they have a priority to claim that property.

The PPSA has changed the way security interests are dealt with across Australia. Legal title to personal property in some situations is no longer enough to protect owners, as this legislation overturns fundamental personal property law concepts.

What is a 'Security Interest'?

A security interest is an interest in personal property, created by a transaction that secures payment or performance of an obligation.

Security interests can include:

- Interests of owners in assets leased to other parties;
- Interests of sellers of goods subject to hire purchase agreements;
- Interests of suppliers in stock delivered but subject to retention of title arrangements.

The PPSA states that a security interest exists regardless of the form of the transaction, or the identity of the person who has title to the property. The concept of a security interest under PPSA covers a broader range of interests than traditional security concepts.

If you have a security interest, it must be perfected. If you have not perfected your security interest, usually by registration on the PPSR, you may lose the ability to enforce your claim.

This document is intended to provide commentary and general information only. It is not intended to provide legal or professional advice, is not intended as a substitute for legal or professional advice, and should not be relied upon as such. Readers of this document should seek their own legal or professional advice with respect to their own circumstances

How does PPSA impact your business?

There are some significant implications for businesses arising from the PPSA, for example:

Retention of title arrangements

Some transactions that were not previously security interests are now registrable on the PPSR. For example, if you sell goods on retention of title terms, you may need to review your terms of trade and register an interest on the PPSR to protect your interest in stock delivered but not paid for.

Leases

Under the PPSA, 'title' or 'ownership' of goods can have a lower status than possession or control of goods if the owner of the goods has not registered their interest on the PPSR. You should register your security interest to 'perfect' your rights. If you do not register, then you may not be able to recover your goods or receive payment if the customer becomes insolvent. You may also lose your rights to another creditor of the customer who has 'perfected' their security interest over the property.

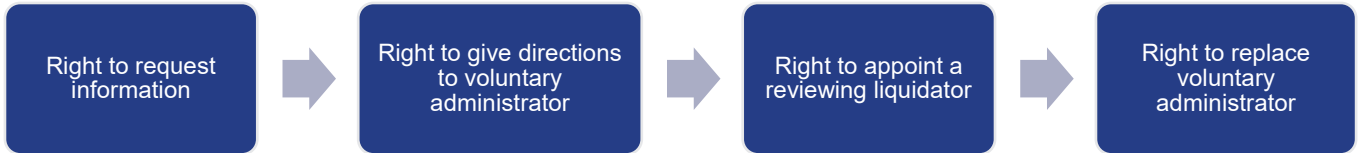
You should seek legal advice about the implications of the PPSA to your individual circumstances.

SecuriSearch is an Android, iOS and Windows application allowing users to search and review the PPSA quickly and easily from a mobile device. Visit our website at: <http://www.securisearch.com.au/>

Annexure F

Creditor Rights in Voluntary Administrations

As a creditor, you have rights to request meetings and information or take certain actions:



Right to request information

Information is communicated to creditors in a voluntary administration through reports and meetings.

In a voluntary administration, two meetings of creditors are automatically held. You should expect to receive reports and notice of these meetings:

- The first meeting is held within 8 business days of the voluntary administrator's appointment. A notice of meeting and other information for this meeting will be issued to all known creditors.
- The second, or decision, meeting is usually held within 6 weeks of the appointment, unless an extension is granted. At this meeting, creditors will get to make a decision about the Companies future. Prior to this meeting the voluntary administrator will provide creditors with a notice of the meeting and a detailed report to assist in making your decision.

Important information will be communicated to creditors prior to and during these meetings. Creditors are unable to request additional meetings in a voluntary administration.

Creditors have the right to request information at any time. A voluntary administrator must provide a creditor with the requested information if their request is 'reasonable', the information is relevant to the voluntary administration, and the provision of the information would not cause the voluntary administrator to breach their duties.

A voluntary administrator must provide this information to a creditor within 5 business days of receiving the request, unless a longer period is agreed.

If, due to the nature of the information requested, the voluntary administrator requires more time to comply with the request, they can extend the period by notifying the creditor in writing.

Requests must be reasonable.

They are not reasonable if:

- (a) complying with the request would prejudice the interests of one or more creditors or a third party
- (b) the information requested would be privileged from production in legal proceedings
- (c) disclosure would found an action for breach of confidence
- (d) there is not sufficient available property to comply with the request
- (e) the information has already been provided
- (f) the information is required to be provided under law within 20 business days of the request
- (g) the request is vexatious

If a request is not reasonable due to (d), (e) or (f) above, the voluntary administrator must comply if the creditor meets the cost of complying with the request.

Otherwise, a voluntary administrator must inform a creditor if their information request is not reasonable and the reason why.

Right to give directions to voluntary administrator

Creditors, by resolution, may give a voluntary administrator directions in relation to a voluntary administration. A voluntary administrator must have regard to these directions, but they are not required to comply with the directions.

If a voluntary administrator chooses not to comply with a direction given by a resolution of the creditors, they must document their reasons for not complying.

An individual creditor cannot provide a direction to a voluntary administrator.

Right to appoint a reviewing liquidator

Creditors, by resolution, may appoint a reviewing liquidator to review a voluntary administrator's remuneration or a cost or expense incurred in a voluntary administration. The review is limited to:

- remuneration approved within the six months prior to the appointment of the reviewing liquidator, and
- expenses incurred in the 12 months prior to the appointment of the reviewing liquidator.

The cost of the reviewing liquidator is paid from the assets of the voluntary administration, in priority to creditor claims.

An individual creditor can appoint a reviewing liquidator with the voluntary administrator's consent, however the cost of this reviewing liquidator must be met personally by the creditor making the appointment.

Right to replace voluntary administrator

At the first meeting, creditors have the right to remove a voluntary administrator and appoint another registered liquidator to act as voluntary administrator.

A creditor must ensure that they have a consent from another registered liquidator prior to the first meeting if they wish to seek the removal and replacement of a voluntary administrator.

Creditors also have the opportunity to replace a voluntary administrator at the second meeting of creditors:

- If creditors vote to accept a proposed deed of company arrangement, they can appoint a different registered liquidator as the deed administrator.
- If creditors vote to place the Companies into liquidation, they can appoint a different registered liquidator as the liquidator.

It is however usual for the voluntary administrator to act as deed administrator or liquidator. It would be expected that additional costs would be incurred by an alternate deed administrator or liquidator to gain the level of knowledge of the voluntary administrator. These additional costs of appointing another registered liquidator are paid from the assets of the deed of company arrangement or liquidation, in priority to creditor claims.

Like with the first meeting, a creditor must ensure that they have a consent from another registered liquidator prior to the second meeting if they wish to seek to appoint an alternative registered liquidator as deed administrator or liquidator.

Annexure G

Beston Global Food Company Limited (Administrators Appointed)
ACN 603 023 383
Beston Pure Dairies Pty Ltd (Administrators Appointed)
ACN 606 417 994
(Collectively referred to as “the Companies”)

Initial Remuneration Notice

The purpose of the Initial Remuneration Notice is to provide you with information about how the Administrators' remuneration for undertaking the administration will be set.

1 Remuneration methods

There are four basic methods that can be used to calculate the remuneration charged by an Insolvency Practitioner as follows:

1.1 Time based (hourly rates)

This is the most common method. The total fee charged is calculated by reference to the hourly or time unit rate charged for each person who carries out the work multiplied by the number of hours spent by each person on necessary work properly performed.

1.2 Fixed fee

The total fee charged is normally quoted at the commencement of the administration and is the total cost for the administration. Sometimes, a practitioner will finalise an administration for a fixed fee.

1.3 Percentage

The total fee charged is based on a percentage of a particular variable such as the gross proceeds of asset realisations.

1.4 Contingency

The insolvency practitioner's fee is contingent on achieving a particular outcome.

2 Remuneration method chosen

Given the nature and complexity of this administration, we propose that the remuneration of the Administrators be calculated using the time based method. Time based remuneration is appropriate in this administration given:

- It ensures actual time is billed at an hourly rate applicable to staff experience;
- It ensures that remuneration claimed is only for necessary work properly performed in the administration; and
- It covers tasks required to be undertaken in the administration which not only relate to asset realisations but also to reporting requirements and other tasks of an administrative or statutory nature.

3 Explanation of hourly rates

The hourly rates for our remuneration calculation are set out in the following table together with a general guide showing the qualifications and experience of staff engaged in the administration and the role they take. The hourly rates utilised are KPMG's standard national rates given the nature and complexity of this administration and encompass the total cost of providing professional services and should not be compared to an hourly wage.

Title	Rate \$/hour (excl GST)	Experience
Appointee / Partner	\$960.00	Registered Liquidator. Appointee bringing his or her specialist skills to the administration or insolvency task.
Director	\$850.00	Minimum of twelve years insolvency experience, at least five years at manager level, qualified accountant and capable of controlling all aspects of an administration.
Associate Director	\$730.00	More than 7 years insolvency experience, more than 3 years as a manager, qualified accountant. Answerable to the appointee but otherwise responsible for all aspects of administration. Experienced at all levels and considered very competent. Control staff and their training.
Manager	\$670.00	5-7 years, qualified accountant, with well-developed technical and commercial skills. Self-sufficiently conducts small insolvency appointments and takes a supervisory role on work streams in larger matters.
Executive	\$565.00	2-5 years. Post graduate qualification (or equivalent) would normally be completed within this period. Assists planning and control of small to medium sized jobs as well as performing some of the more difficult work on larger jobs.
Analyst	\$475.00	0-2 years. Completed an undergraduate degree and commenced post graduate qualification (or equivalent) in this period. Assists senior staff members on aspects of the administration and completes administrative and statutory tasks independently.
Senior Treasury	\$350.00	
Treasury	\$330.00	Appropriately experienced and undertakes support activities.
Personal Assistant	\$250.00	

Notes:

- *The guide to staff experience is intended only as a general guide to the qualifications and experience of staff working on the administration. Staff may be engaged under a classification considered appropriate for their experience.*
- *Time is recorded and charged in six-minute increments.*
- *KPMG regularly reviews its professional rates having regard to market conditions. From time to time, KPMG may seek creditor approval to adopt revised professional rates charged to this matter.*

4 Estimated remuneration

Because the Administrators have just commenced the administration process and are conducting an urgent review of the business and its operations to assess options, it is extremely difficult to provide a precise estimate of the Administrators remuneration for the entire voluntary administration. Based on our experience conducting voluntary administrations for company's of this size, we currently estimate fees for the administration of the Companies' affairs to the second meeting of creditors (assuming that meeting is held based on the default convening period of 25 business days, with no extension of the timing) at \$1.5m (excluding GST and disbursements).

It should be noted that if, during the course of the administration, any unanticipated issues arise or the scope of tasks and duties of the Administrators changes which increases the time required by the Administrators to complete their process, including if an application to Court to extend the convening period is granted, it will be necessary to revisit the fee estimate and creditors will be advised accordingly.

5 Disbursements

Disbursements are divided into three types:

- Externally provided professional services. These are recovered at cost. An example is legal fees.
- Externally provided non-professional costs such as travel, accommodation and search fees. These disbursements are recovered at cost.
- Internal disbursements such as photocopying, printing and postage. These disbursements, if charged to the administration, would generally be charged at cost; although if a data room is utilised, the fee will comprise an initial setup fee and then a fee based on the duration and size of the data room or the number of users per month. Certain services provided by KPMG may require the processing of electronically stored information into

specialist review platforms. Where these specialist resources are utilised, the fee will be based on units (e.g. number of computers), size (e.g. per gigabyte) and/or period of time (e.g. period of hosting).

We are not required to seek creditor approval for disbursements paid to third parties, but must account to creditors. However, we must be justified that these disbursements are appropriate, justified and reasonable.

We are required to obtain creditor's consent for the payment of internal disbursements where there may be a profit or advantage. Creditors will be asked to approve our internal disbursements prior to these disbursements being paid from the administration.

Details of the basis of recovering disbursements in this administration are provided below:

Disbursement type	Charges (excl GST)
Advertising	At cost
ASIC industry funding model levy – metric events	At prescribed ASIC rates
Couriers	At cost
Data room hosting (incl 100GB of data + 40 users)	\$2,500 per month
Data room hosting (burst user fees above 40 users)	\$50 per user per month
Data room hosting (burst storage fees per GB above 100GB)	\$10 per GB per month
eDiscovery services	Variable
KPMG National Service Centre (engagement administrative support)	\$9,030
Photocopying / printing (outsourced)	At cost
Postage	At cost
Searches	At cost
Staff travel reimbursement	Up to \$100/day
Staff vehicle use	At prescribed ATO rates
Storage and storage transit	At cost
Telephone calls	At cost

Notes:

- *KPMG regularly reviews its disbursement charges having regard to market conditions. From time to time, KPMG may seek creditor approval to adopt revised disbursement charges for this matter.*

Dated this 23rd day of September 2024



TD Mableson
Joint & Several Administrator

Annexure H

Forms to be completed

Creditors should review the contents of this circular and complete the following forms by **4:00pm (ACST) on 1 October 2024**:

Form/ voting	Where to submit
Appointment of proxy – (Form 532) (Annexure H1)	Email: beston@kpmg.com.au
COI nomination form (Annexure H2)	Post: GPO Box 2499, ADELAIDE SA 5001
Proof of debt – (Form 535)	Via Creditors' Portal https://creditors.accountants/
Online voting at the meeting of creditors	Via Creditors' Portal and teleconference details

Annexure H1

Form 532 - Appointment of Proxy
Insolvency Practice Rules (Corporations) 2016, Section 75-25

Return no later than 4:00pm (ACST) on 1 October 2024 to:
KPMG, GPO Box 2499, ADELAIDE SA 5001
Tel: +61 8 8236 3111
Fax: +61 8 8236 3299
Email: beston@kpmg.com.au

Indebted Companies:

Beston Global Food Company Limited (Administrators Appointed)
ACN 603 023 383
Beston Pure Dairies Pty Ltd (Administrators Appointed)
ACN 606 417 994

Date of Appointment: 20 September 2024

A. Name and Contact Details of Person or Entity Entitled to Attend Meeting

1

(if entitled in a personal capacity, given name and surname; if a corporate entity, full name of company, etc)

2 of

(address)

3 Tel:

4 Email:

B. Appointment of Person to Act as Proxy

Note: You may nominate "the Chairperson of the meeting" as your proxy (or your alternate proxy in the event that the first-named proxy is not in attendance).

1 I/We, as named in Section A above, a creditor/employee/contributory/member of the Companies, appoint

2

(name of person appointed as proxy)

3

4 or in his / her absence

(address of person appointed as proxy)

5

(name of person appointed as alternate proxy)

6

7 as *my / *our proxy

(address of person appointed as alternate proxy)

to vote at the meeting of creditors to be held as a virtual meeting on 2 October 2024 at 12:00pm (ACST), or at any adjournment of that meeting in accordance with the instructions in Section C below.

C. Voting Instructions

1 *My / *Our proxy, as named in Section B above, is entitled to act as *my / *our:

2 **general proxy**, to vote on *my / *our behalf **and / or**

3 **special proxy**, to vote on *my / *our behalf specifically as follows:

Resolution	For	Against	Abstain
1. If an alternate Administrator is proposed, a resolution will be put to the meeting to consider any alternative appointee (if applicable).	To be voted on at the meeting	To be voted on at the meeting	To be voted on at the meeting
2. That a Committee of Inspection be appointed, the members of which are to be determined by the meeting.	To be voted on at the meeting	To be voted on at the meeting	To be voted on at the meeting

D. Signature

1 Dated:

2 Signature:

3 Name / Capacity:

Creditor Assistance Sheet: Completing a Proxy Form

Section A – Name and Contact Details of Person or Entity Entitled to Attend Meeting

1. Insert the full name of the employee, individual, sole trader, partnership or company that the debt is owed to.
2. Insert the address of the employee, individual, sole trader, partnership or company that the debt is owed to.
3. Insert the telephone number of the employee, individual, sole trader, partnership or company that the debt is owed to.
4. Insert the email address of the employee, individual, sole trader, partnership or company that the debt is owed to.

Section B – Appointment of Person to Act as Proxy

1. Cross out any wording that is **not** applicable. For example, if the employee/individual/sole trader/partnership/company is a creditor, cross out ‘*eligible employee creditor’, ‘*contributory’, ‘*debenture holder’ and ‘*member’.
2. Insert the name of the person who will be exercising the creditor’s vote at the meeting. If someone is attending the meeting in person, that person’s name should be inserted. Alternatively, if someone is unable to attend, but you still want to cast a vote at the meeting, then you can appoint the Chairperson of the meeting to vote on your behalf by inserting the words ‘the Chairperson’ here.
3. Insert the address of the person nominated at (2) that will be attending the meeting as proxy. If you have elected ‘the Chairperson’ because no one is attending in person, leave this row blank.
4. Cross out any wording that is **not** applicable.
5. If the person you have elected to attend is unavailable on the day, you may nominate a second person to attend in their absence. Alternatively, you can appoint the Chairperson of the meeting to vote on your behalf by inserting ‘the Chairperson’.
6. Insert the address of the second person here. If you have elected ‘the Chairperson’, leave this row blank.
7. Cross out any wording that is not applicable.

Section C – Voting Instructions

1. Cross out any wording that is not applicable.
2. Insert an ‘X’ in this box if you want the person who is attending the meeting to vote as they see fit on each of the resolutions in the ‘Resolution’ table. If you select this option, proceed to Section D, **unless** you wish to vote specifically on certain resolutions, in which case you also insert an ‘X’ in the special proxy box and select ‘For’, ‘Against’ or ‘Abstain’ on the resolutions. The person voting at the meeting will have discretion to vote as they see fit on any resolutions where you have **not** selected ‘For’, ‘Against’ or ‘Abstain’.
3. Insert an ‘X’ in this box if you want the person who is attending the meeting, to vote exactly in accordance with your instructions. If you select this option, you must select ‘For’, ‘Against’ or ‘Abstain’ for each of the resolutions in the ‘Resolution’ table. Do not tick more than one box for each resolution.

Section D – Signature Instructions

1. Insert the date that the proxy form is being signed.
2. The form should be signed by **one** of the following persons:
 - If the debt is owed to an employee/individual, then the individual that the debt is owed to; or
 - If the debt is owed to a sole trader, then the sole trader that the debt is owed to; or
 - If the debt is owed to a partnership, then one of the partners of the partnership; or
 - If the debt is owed to a company, then a duly authorised office of the company (normally a director or secretary of the company).
3. Insert the name of the person signing the form, and note their capacity (that is, their role):
 - If the debt is owed to a sole trader, note their capacity as proprietor, eg: “[Full name], proprietor”; or
 - If the debt is owed to a partnership, note their capacity as partner, eg: “[Full name], partner of the firm named in Section A above”; or
 - If the debt is owed to a company, note their capacity as director or secretary, eg: “[Full name], director/secretary of the company named in Section A above”]

Annexure H2

Nomination Form – Committee of Inspection

Section 80-55 of Schedule to the Corporations Act 2001

Return no later than 4:00pm (ACST) on 1 October 2024 to:
KPMG, GPO Box 2499, ADELAIDE SA 5001

Tel: +61 8 8236 3111
Fax: +61 8 8236 3299
Email: beston@kpmg.com.au

Indebted Companies:

Beston Global Food Company Limited (Administrators Appointed)
ACN 603 023 383
Beston Pure Dairies Pty Ltd (Administrators Appointed)
ACN 606 417 994

Date of Appointment: 20 September 2024

A. Name and Contact Details of Person or Entity Entitled to Attend Meeting

1

(if entitled in a personal capacity, given name and surname; if a corporate entity, full name of company, etc)

2 of

(address)

3 Tel:

4 Email:

B. Nomination of Person as Member of Committee of Inspection, if one is appointed

I/We, as named in Section A above, nominate

1

(name of person nominated as member of Committee of Inspection, if one is appointed)

2

(address of person nominated as member of Committee of Inspection, if one is appointed)

3

(email address of person nominated as member of Committee of Inspection, if one is appointed)

C. Declaration in relation to Transactions with the Indebted Companies

During the external administration, I/We, as named in Section A above, contemplate entering into the following transactions with the Indebted Companies during the external administration¹:

continuance of service and/or supply agreements as detailed below:

.....
.....

potential acquisition of the business and/or assets of the Indebted Companies

other – please provide details below:

.....
.....

D. Signature

¹ Dated:

² Signature:

³ Name / Capacity:

Creditor Assistance Sheet: Completing a Committee of Inspection Nomination Form

Section A – Name and Contact Details of Person or Entity Entitled to Attend Meeting

1. Insert the full name of the employee, individual, sole trader, partnership or company that the debt is owed to.
2. Insert the address of the employee, individual, sole trader, partnership or company that the debt is owed to.
3. Insert the telephone number of the employee, individual, sole trader, partnership or company that the debt is owed to.
4. Insert the email address of the employee, individual, sole trader, partnership or company that the debt is owed to.

Section B – Nomination of Person as Member of Committee of Inspection, if one is appointed

1. Insert the name of the person who is being nominated by the creditor as the member of the Committee of Inspection.
2. Insert the address of the person nominated at (1).
3. Insert the email address of the person nominated at (1).

Section C – Declaration in relation to Transactions with the Indebted Companies

1. Indicate the type of transactions contemplated between the person/entity named in Section A and the Indebted Companies during the course of the external administration.

Section D – Signature Instructions

1. Insert the date that the nomination form is being signed.
2. The form should be signed by **one** of the following persons:
 - If the debt is owed to an employee/individual, then the individual that the debt is owed to; or
 - If the debt is owed to a sole trader, then the sole trader that the debt is owed to; or
 - If the debt is owed to a partnership, then one of the partners of the partnership; or
 - If the debt is owed to a company, then a duly authorised office of the company (normally a director or secretary of the company).
3. Insert the name of the person signing the form, and note their capacity (that is, their role):
 - If the debt is owed to a sole trader, note their capacity as proprietor, eg: “[Full name], proprietor”; or
 - If the debt is owed to a partnership, note their capacity as partner, eg: “[Full name], partner of the firm named in Section A above”; or
 - If the debt is owed to a company, note their capacity as director or secretary, eg: “[Full name], director/secretary of the company named in Section A above”]