



ASX Announcement

Joint Venture Shareholding in Vitasoy Australia Products Pty Ltd

Vitasoy Australia Products Pty Ltd ACN 088 959 835 (**Vitasoy Australia**) is a joint venture owned as to 51% by Hong Kong company Vita International Holdings Limited (**Vita International**) and, as to 49% by Bega Cheese Limited's subsidiary National Foods Holdings Ltd ACN 051 195 067 (**NFHL**). Vita International is a subsidiary of Hong Kong listed company Vitasoy International Holdings Limited (**Vitasoy International**).

This interest in Vitasoy Australia was part of the Lion Dairy & Drinks business acquired by Bega Cheese in 2021 and, as outlined to investors at that time, Vita International has "change of control" rights under the Shareholders Agreement that regulates the affairs of Vitasoy Australia (**Shareholders Agreement**). The relevant provisions of the Shareholders Agreement provide Vita International with an option to acquire all of the shares held by NFHL at a price that is either agreed between the parties or, if agreement is not reached, a fair value determined by an independent expert, with the option being exercisable during a 90-day period commencing from the end of October 2022 (**Call Option**).

Although the Call Option exercise period has not commenced and no exercise notice has been received by NFHL, Vitasoy International has lodged the attached announcement with the Stock Exchange of Hong Kong. That announcement includes the following:

"The board of directors of the Company (the "**Board**") is pleased to announce that the Australian Foreign Investment Review Board has issued a no-objection notification, which confirms the Australian Government has no objections to the potential acquisition by Vita International of the remaining 49% of the issued share capital in Vitasoy Australia that is currently held by National Foods, resulting in Vita International holding 100% of the issued share capital in Vitasoy Australia (the "**FIRB Approval**").

As at the date of this announcement, and in light of the FIRB Approval, it is the intention of the board of Vita International to exercise the Call Option."

Bega Cheese will provide a further market update as and when appropriate.

Bega Cheese recognises the growing market importance of plant-based beverages and products and will assess its options to continue involvement in this sector if its interest in Vitasoy Australia is acquired by Vita International.

ends

17 October 2022

For further information please contact:

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Executive Chairman
Bega Cheese
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(Incorporated in Hong Kong with limited liability)
(Stock code: 345)

INSIDE INFORMATION

This announcement is made by Vitasoy International Holdings Limited (the “**Company**”) pursuant to Rule 13.09 of The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance, Chapter 571, of the Laws of Hong Kong (“**SFO**”).

Vitasoy Australia Products Pty Ltd ACN 088 959 835 (“**Vitasoy Australia**”), incorporated in Australia, is a joint venture between Vita International Holdings Limited (“**Vita International**”), a wholly-owned subsidiary of the Company, and National Foods Holdings Ltd ACN 051 195 067 (“**National Foods**”), an indirect wholly-owned subsidiary of Bega Cheese Limited ACN 008 358 503. Vita International holds 51% of the issued share capital of Vitasoy Australia and National Foods holds the remaining 49% of the issued share capital of Vitasoy Australia.

The key arrangements for the management and administration of Vitasoy Australia and the respective obligations and rights of the joint venture parties in Vitasoy Australia are set out in a shareholders’ agreement among Vita International, National Foods and Vitasoy Australia (the “**Shareholders’ Agreement**”). The Shareholders’ Agreement grants Vita International an option (which is exercisable at Vita International’s discretion) to acquire the remaining 49% of the issued share capital in Vitasoy Australia that is held by National Foods. Such option is exercisable from the end of October 2022 for a 90-day period (the “**Call Option**”).

Vitasoy Australia has been one of the leading plant-based producers in Australia since its incorporation in 1999, offering a wide range of plant-based milk, beverage, and yoghurt to consumers in Australia, New Zealand, and overseas markets. The Company has, directly or through its indirect wholly owned subsidiary, been licensing the Company’s intellectual property rights and providing technical knowhow and quality assurance services to Vitasoy Australia since Vitasoy Australia’s incorporation over 20 years ago.

The board of directors of the Company (the “**Board**”) is pleased to announce that the Australian Foreign Investment Review Board has issued a no-objection notification, which confirms the Australian Government has no objections to the potential acquisition by Vita International of the remaining 49% of the issued share capital in Vitasoy Australia that is currently held by National Foods, resulting in Vita International holding 100% of the issued share capital in Vitasoy Australia (the “**FIRB Approval**”).

As at the date of this announcement, and in light of the FIRB Approval, it is the intention of the board of Vita International to exercise the Call Option.

If the exercise of the Call Option were to proceed, the exercise of the Call Option may constitute a discloseable and connected transaction for the Company under the Listing Rules. If that happens, the Company will comply with the applicable requirements prescribed by the Listing Rules and/or Part XIVA of the SFO as and when appropriate.

Shareholders and potential investors in the Company should be aware that the exercise of the Call Option may or may not proceed, and if it does proceed, the terms of the exercise of the Call Option are at this stage uncertain. If the Call Option is exercised, the price at which the share capital of Vitasoy Australia held by National Foods will be acquired by Vita International may be subject to determination by a third party valuer. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

The Company will make further announcement(s) in respect of the exercise of the Call Option pursuant to all applicable requirements under the Listing Rules as and when appropriate.

By Order of the Board
Winston Yau-lai LO
Executive Chairman

Hong Kong, 14 October 2022

As at the date of this announcement, Mr. Winston Yau-lai LO, Mr. Roberto GUIDETTI and Mr. Eugene LYE are executive Directors. Ms. Yvonne Mo-ling LO, Mr. Peter Tak-shing LO and Ms. May LO are non-executive Directors. Dr. the Hon. Sir David Kwok-po LI, Mr. Jan P. S. ERLUND, Mr. Anthony John Liddell NIGHTINGALE, Mr. Paul Jeremy BROUGH and Dr. Roy Chi-ping CHUNG are independent non-executive Directors.