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| Company | Bellamy's Australia |
| Code | BAL |
| Meeting | Scheme Meeting |
| Date | 5 December 2019 |
| Venue | Greenfields Albert Park, Melbourne |
| Monitor | John Whittington (proxy collector) |

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| Number attendees at meeting | About 50 |
| Number of holdings represented by ASA | 24 |
| Value of proxies | \$0.538m |
| Number of shares represented by ASA | 40,688 |
| Market capitalisation | \$1.5b |
| Were proxies voted? | Yes, on a poll |
| Pre AGM Meeting? | No |

Bellamy's Goes to China

This meeting was called to approve a scheme of arrangement which would result in the acquisition of 100% of Bellamy's Australia by a subsidiary of China Mengniu Dairy Company.

The scheme of arrangement was unanimously supported by the Board (in the absence of a superior offer) however it should be noted that:

- All directors were first appointed to the board in 1997;
- On completion of the takeover, three of the five directors will benefit from the early vesting of options granted in 2017 which will earn them (after payment of the exercise price) between \$275,000 (two directors) and \$1.471m (one director); and
- One of the remaining two directors is non-independent as he is a nominee of a substantial shareholder Janchor Partners which commenced buying its stake in Bellamy's in 1997.

We have no reason to believe that this had any effect on the board's support of the scheme, but it does highlight the problems of having equity or option plans that vest early on a change of control (something that ASA opposes) and recommendations made by directors who are nominees of relatively recent shareholders.

The meeting itself was a very straightforward affair with the Chair, John Ho, reading through the legalese, asking for questions, receiving none, opening a poll, waiting for votes to be cast, then closing the poll. It was all done in 11 minutes.

ASA voted against the scheme in line with ASA Proxy Collection guidelines however general support was strongly positive with the scheme receiving the support of 99.23% of shares and 82.88% of shareholders.

Both before and after the meeting a photographer was busy taking photos of the happy executives and directors and most of those attending the meeting (few of whom seemed to be retail shareholders) seemed happy with the outcome.