



1 October 2024

Synlait – Change of Control Event Notice in respect of SML010 subordinated bonds

We are writing to you as a holder (a **Holder**) of Synlait Milk Limited (**SML**) subordinated bonds which are quoted on the NZX Debt Market under the ticker code SML010 (the **Bonds**). The terms and conditions applicable to the Bonds are set out in the master trust deed dated 28 November 2019 (the **Master Trust Deed**) and the series supplement dated 28 November 2019 (the **Series Supplement**).

Capitalised terms used but not defined in this notice have the meaning given to those terms in the Series Supplement.

Change of Control Event

SML has today completed a placement of new shares under which, among other things, Bright Dairy Holding Limited (**Bright**) increased its shareholding to 65.25%. The placement to Bright constitutes a “Change of Control Event” under the Series Supplement. In accordance with clause 6.2 of the Series Supplement, SML hereby notifies Holders that a Change of Control Event has occurred. For more details on the placement, please see the notice of meeting dated 20 August 2024 (a copy is available on the NZX website at the following [link](#)).

Optional Redemption Right

Under the Series Supplement, Holders have the right to elect to require SML to redeem all (but not some only) of their Bonds following the occurrence of a Change of Control Event. The redemption price for such early redemption is an amount equal to the greater of:

- (a) the “Redemption Amount” (being the principal amount of each Bond, accrued interest and any other amounts due and payable); or
- (b) the “VWAP Amount” and all accrued interest in respect of each bond. The “VWAP Amount” is the arithmetic average of the daily volume weighted average price of the Bonds (excluding interest) traded through the NZX Debt Market on each business day during the period of 20 consecutive business days immediately preceding (but not including) the date of this notice.

SML confirms that the “VWAP Amount” calculated in accordance with the Series Supplement is less than the Redemption Amount. The redemption price will be the Redemption Amount (being \$1.00 per bond plus accrued interest for the period from the last interest payment date up to (but excluding) the early redemption date).

Process for elections

Holders will have a 10 working day period, until 5:00pm, Tuesday, 15 October 2024 to make their election to redeem their Bonds. Bondholders who want to elect to have their Bonds redeemed early can do so by giving notice to SML through the website set-up by SML to facilitate the redemptions available here www.synlaitbond.co.nz. If Holders elect to redeem their bonds, that election will be irrevocable.

Redemption

Bondholders who elect to have their Bonds redeemed early will have their Bonds redeemed on Wednesday, 13 November 2024.

A suspension of trading of the bonds will apply for the 10 working day period until pre-market open on 16 October 2024.

Holders who elect to redeem will not be able to trade those bonds until they are redeemed on Wednesday, 13 November 2024.

Holders who do not elect to have their Bonds redeemed early will be able to trade those Bonds once the suspension of trading is lifted on 16 October 2024. In that case, holders should note that the reduced number of outstanding bonds on issue may impact trading of the remaining bonds during the



period from when the suspension of trading is lifted until the bonds cease trading on 4 December 2024. Those remaining bonds will mature on 17 December 2024.

Synlait Milk Limited

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