



NZX: SML  
ASX: SM1

18 September 2024

## Synlait Special Shareholders' Meeting Poll Results

Synlait Milk Limited (Synlait) advises that the three resolutions put to shareholders at its Special Shareholders' Meeting today have passed.

To reduce Synlait's debt, shareholders were asked to vote on the issuance of approximately \$217.8 million of new equity capital to the company's two largest shareholders, Bright Dairy Holding Limited (Bright Dairy) and The a2 Milk Company, as well as Synlait's settlement with The a2 Milk Company. Shareholders were also asked to vote on certain administrative amendments to Synlait's constitution.

The equity raise is conditional on the refinancing of Synlait's bank facilities and certain other conditions precedent. Synlait entered into definitive documentation to implement the refinancing of its banking facilities on Monday 16 September 2024.

The equity raise, the settlement with The a2 Milk Company, and the bank refinancing are all inter-conditional and therefore must all occur contemporaneously (or substantially contemporaneously) with each other, or not at all. Completion of all three components is expected on Tuesday 1 October 2024, subject to the final conditions precedent to the equity raise and refinancing being satisfied.

Synlait Chair George Adams commented: "This is a watershed vote for Synlait. Shareholders have given us the opportunity to create a positive future for the company, its investors, farmer suppliers, customers, suppliers and for our 1,400 employees. Thank you for support."

On behalf of Bright Dairy's Appointed Directors, Director Julia Zhu commented: "Our decision to participate in this process has been about protecting the long-term value of Synlait and further reflects the scale of our commitment to see it rebuild stronger, while restoring farmer supplier confidence over coming years."

**The resolution results were as follows:**

| Resolution  | For                    | Against              | Abstain    | Total   |
|---|------------------------|----------------------|------------|---|
| <b>Ordinary Resolutions</b>   |                        |                      |            |   |
| <b>Resolution 1</b><br><i>That, subject to Ordinary Resolution 2 being passed, the issuance of 308,333,333 shares to Bright Dairy Holding Limited at an issue price of 60 cents per share, contemporaneously (or substantially contemporaneously) with the occurrence of the matters contemplated in Ordinary Resolution 2 and the Bank Refinancing, as described in the Notice of Meeting dated 20 August 2024, be approved for all purposes, including under NZX Listing Rules 4.2.1 and 5.2.1 and Rule 7(d) of the Takeovers Code.</i> | 86,514,923<br>(94.23%) | 5,296,342<br>(5.77%) | 85,300,714 | 91,811,265<br><br>(42% of total capital issued) |



|   |                         |                      |            |   |
|---|-------------------------|----------------------|------------|---|
| <b>Resolution 2</b><br><br><i>That, subject to Ordinary Resolution 1 being passed: (i) the issuance of 76,283,104 shares to The a2 Milk Company Limited (or, at its direction, a wholly-owned subsidiary of The a2 Milk Company Limited) at an issue price of 43 cents per share; and (ii) the settlement deed dated 16 August 2024 between Synlait, Synlait Milk Finance Limited, A2 Infant Nutrition Limited and The a2 Milk Company Limited becoming effective, in each case contemporaneously (or substantially contemporaneously) with the occurrence of the matters contemplated in Ordinary Resolution 1 and the Bank Refinancing and as described in the Notice of Meeting dated 20 August 2024, be approved for all purposes, including under NZX Listing Rules 4.2.1 and 5.2.1.</i> | 128,275,456<br>(95.93%) | 5,437,398<br>(4.07%) | 43,399,125 | 133,712,854<br><br>(61.17% of total capital issued) |
| <b>Special Resolution</b>   |                         |                      |            |   |
| <b>Special Resolution 1</b><br><br><i>That, subject to Ordinary Resolution 1 being passed, Synlait Milk Limited's constitution be amended, with effect from the issuance of 308,333,333 shares to Bright Dairy Holding Limited contemplated by Ordinary Resolution 1, as described in the Notice of Meeting dated 20 August 2024.</i>   | 171,534,759<br>(96.84%) | 5,595,068<br>(3.16%) | 112,343    | 177,129,827<br><br>(81.04% of total capital issued) |

### Synlait bonds – control giving right to early redemption

With respect to Synlait's listed subordinated bonds (SML010), the company takes this opportunity to remind holders that following the passing of today's resolutions, subject to completion of the equity raise taking place on 1 October 2024 as anticipated, a change of control event will occur in relation to the bonds and holders will have the right to redeem their bonds early from 1 October 2024 until 5.00pm on 15 October 2024 at: [www.synlaitbond.co.nz](http://www.synlaitbond.co.nz)

The redemption price is expected to be \$1.00 per bond (plus accrued interest) if the trading price continues to be less than \$1.00.

Synlait plans to request a suspension of trading of the bonds for the 10 working day period during which holders can exercise their early redemption right. Holders who elect to have their bonds redeemed early will not be able to trade those bonds until they are redeemed on 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 would mature on 17 December 2024.

Further information about the potential early redemption of the bonds is set out on pages 15 and 16 of the notice of meeting, Synlait's announcement on 20 August 2024, and at: [www.synlaitbond.co.nz](http://www.synlaitbond.co.nz)

A replay of the Special Shareholders' Meeting will be available at: <https://www.synlait.com/investors>

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