



SYNLAIT MILK LIMITED ANNOUNCEMENT

NZX: SML

ASX: SM1

22 November 2019

SYNLAIT CONSIDERS SUBORDINATED RETAIL BOND OFFER

Synlait Milk Limited (Synlait) is considering an offer of up to \$150 million of five-year unsecured subordinated fixed rate bonds (with the ability to accept up to \$50 million of oversubscriptions at Synlait's discretion) to New Zealand institutional and retail investors (the Offer). The bonds will be subordinated to Synlait's senior bank debt facilities and the proceeds are intended to be used to repay a portion of Synlait's existing bank debt.

It is expected that full details of the Offer will be released in late November/early December 2019.

Synlait has appointed ANZ Bank New Zealand Limited (ANZ) and Jarden Securities Limited (Jarden) as Joint Arrangers. ANZ, Deutsche Craigs Limited, Forsyth Barr Limited and Jarden have been appointed as Joint Lead Managers, with Hobson Wealth Limited appointed as a Co-Manager in relation to the proposed Offer.

Investors can register their interest in the Offer by contacting a Joint Lead Manager or the Co-Manager, as detailed below, or their financial adviser. Registrations of interest will not create an obligation or commitment of any kind to acquire any bonds.

No money is currently being sought and no bonds can be applied for or acquired until the Offer opens and the investor has received a copy of the Offer document for the bonds. If Synlait offers the bonds, the Offer will be made in accordance with the Financial Markets Conduct Act 2013. Application will be made to NZX for any bonds to be quoted on the NZX Debt Market on completion of the Offer.

JOINT LEAD MANAGERS



0800 269 476

DeutscheCRAIGS

0800 226 263



0800 367 227



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CO-MANAGER

H O B S O N
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For more information about Synlait visit www.synlait.com

ABOUT SYNLAIT

- Synlait is a manufacturer with a focus on supplying high value fully finished infant formulas and dairy ingredients to leading milk-based health and nutrition companies internationally.
- The company has grown from start-up to 146,000 MT of annual production volume in 11 years, with revenue growing by a 25% CAGR and exceeding \$1 billion for the first time in FY19.
- Synlait operates from a powder manufacturing, blending and canning and advanced liquid dairy facility in Dunsandel, a powder manufacturing facility in Pokeno, a blending and canning facility in Auckland, a bulk and speciality cheeses manufacturing facility in Temuka, and recently announced the acquisition of all of the shares in the branded dairy products business Dairyworks Limited in Christchurch. This acquisition is subject to Overseas Investment Office approval.
- Synlait is the largest exporter of high value infant formula in New Zealand, supplying customers including The a2 Milk Company™.
- The company has recently entered the Everyday Dairy category, supplying fresh milk and cream to Foodstuffs South Island, and acquiring Talbot Forest Cheese and Dairyworks Limited.

Synlait does not intend that the bonds be offered for sale, and no action has been taken or will be taken to permit a public offering of bonds in any jurisdiction other than New Zealand.

This document is not, and should not be construed as, an offer to sell or a solicitation of an offer to buy Synlait bonds and may not be relied upon in connection with any purchase of Synlait bonds. This document may not be published, delivered or distributed in or from any country other than New Zealand.

The information in this document has been prepared by Synlait solely for informational purposes and does not purport to be complete or comprehensive and does not constitute financial product, investment, tax or other advice.

Synlait has been designated as a "Non-Standard" (NS) issuer by NZX because Bright Dairy Holdings Limited, its cornerstone shareholder, has the right to appoint four Directors to the Board.