



NZX: SML

ASX: SM1

6 December 2019

Synlait bond offer – interest rate set

Synlait Milk Limited (Synlait) today announced that, following a successful bookbuild for its offer of five-year unsecured subordinated fixed rate bonds (the Offer), NZ\$180 million of bonds have been allocated. This included oversubscriptions of NZ\$30 million.

The interest rate has been set at 3.83% per annum. This reflects a margin of 2.50% per annum above the five-year swap rate. The bonds are expected to be quoted on the NZX Debt Market under the ticker code SML010.

Synlait Chair Graeme Milne commented: “The proceeds from this Offer will be used to reduce a portion of Synlait’s existing bank debt and provide diversification of funding sources to support Synlait’s growth strategy.”

The Offer will open on Monday, 9 December 2019 and close on Friday, 13 December 2019. There is no public pool available for the Offer.

A copy of the final terms sheet for the Offer is attached and is also available at: www.synlait.com/bondoffer

Synlait has lodged a Product Disclosure Statement (PDS) with the Registrar of Financial Services Providers in New Zealand (Registrar) and made available further information on the register of offers of financial products administered by the Registrar (Register Entry) (the PDS and the Register Entry are the Offer Materials) in respect of the Offer. The Offer Materials are available at www.companies.govt.nz/disclose under Synlait’s offer number (OFR12776). The PDS is also available at www.synlait.com/bondoffer or from a Joint Lead Manager, the Co-Manager or a NZX Participant. The Offer Materials contain details of the Offer and should be read before any investment decision is made. Investors should not subscribe for any bonds in Synlait except on the basis of information in the Offer Materials and should consult their financial and other advisers before making any investment in Synlait.

JOINT LEAD MANAGERS



0800 269 476

DeutscheCRAIGS

0800 226 263



0800 367 227



0800 005 678

CO-MANAGER

H Q B S O N
W E A L T H

0800 742 737



For investor relations enquiries:

Hannah Lynch

Corporate Affairs Manager

P: + 64 21 252 8990

E: Hannah.Lynch@synlait.com

For media enquiries:

Linda Chalmers

Senior Communications Advisor – External

P: +64 21 951 347

E: linda.chalmers@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, including The a2 Milk Company™.
- 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.
- 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.

For more information about Synlait visit www.synlait.com

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.