



Capital Change Notice

Section 1: Issuer information	
Name of issuer	Synlait Milk Limited
NZX ticker code	SML
Class of financial product	Performance Share Rights (PSR)
ISIN (If unknown, check on NZX website)	N/A
Currency	\$NZ
Section 2: Capital change details	
Number issued/acquired/redeemed	197,276
Nominal value (if any)	N/A
Issue/acquisition/redemption price per security	PSRs are issued for nil consideration
Nature of the payment (for example, cash or other consideration)	N/A
Amount paid up (if not in full)	N/A
Percentage of total class of Financial Products issued/acquired/redeemed/ (calculated on the number of Financial Products of the Class, excluding any Treasury Stock, in existence) ¹	71.5%
For an issue of Convertible Financial Products or Options, the principal terms of Conversion (for example the Conversion price and Conversion date and the ranking of the Financial Product in relation to other Classes of Financial Product) or the Option (for example, the exercise price and exercise date)	Each PSR converts on a 1:1 basis for nil consideration into fully paid ordinary shares, subject to the participant remaining employed and vesting of the PSRs on a progressive scale dependent on SML's TSR and EPS growth over a 3 year vesting period. Vesting is also subject to pro-rata scaling if the total value of all PSRs vesting in a given calendar year exceeds 5% of the increase in market capitalisation over the vesting period. Ordinary shares are issued within 20 working days of the Board determining the extent of vesting of the PSRs. PSRs rank behind SML's ordinary shares, are non-transferable and have no voting or other share rights and are otherwise subject to the rules of the SML Employee Share Scheme and individual award agreements.

¹ The percentage is to be calculated immediately before the issue, acquisition, redemption or Conversion.

Reason for issue/acquisition/redemption and specific authority for issue/acquisition/redemption/ (the reason for change must be identified here)	Issue of PSRs under the SML Employee Share Scheme
Total number of Financial Products of the Class after the issue/acquisition/redemption/Conversion (excluding Treasury Stock) and the total number of Financial Products of the Class held as Treasury Stock after the issue/acquisition/redemption.	473,089 performance share rights.
In the case of an acquisition of shares, whether those shares are to be held as treasury stock	N/A
Specific authority for the issue, acquisition, or redemption, including a reference to the rule pursuant to which the issue, acquisition, or redemption is made	Resolution of the Board and Listing Rule 4.6.1
Terms or details of the issue, acquisition, or redemption (for example: restrictions, escrow arrangements)	The grant of PSRs is made under the SML Employee Share Scheme as part of employee remuneration. No cash consideration is payable by the employee on the grant of PSRs or on the issue of fully paid ordinary shares following vesting of PSRs. As noted above, vesting of PSRs is subject to certain performance hurdles, pro-rata scaling and continued employment.
Date of issue/acquisition/redemption	24 November 2020
Section 3: Authority for this announcement and contact person	
Name of person authorised to make this announcement	Tania Pearson
Contact person for this announcement	Tania Pearson
Contact phone number	+6433733000
Contact email address	tania.pearson@synlait.com
Date of release through MAP	24 December 2020