



## Market Announcement

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21 July 2022

### Communication to Fonterra farmers

The attached communication was provided to Fonterra Co-operative Group Limited farmers by the Chairman, Peter McBride, on 21 July 2022.

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#### **For further information contact:**

Fonterra Communications  
24-hour media line  
Phone: +64 21 507 072

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## **CHAIRMAN'S EMAIL**

**21 JULY 2022**

**Subject:** Share buy-back update

Dear [name],

A short note from me to confirm that the Co-op has purchased some shares in the Fonterra Shareholders' Market (FSM) as part of the up to \$50 million share buy-back we announced on 8 June.

Yesterday we purchased a total of 21,900 shares for an average price of \$2.6968.

Having acquired these shares, they will now be cancelled, which means the Co-op's future earnings will be distributed amongst a lower number of shares.

Each time we purchase shares as part of this buy-back programme, we will report how many shares we buy and the average price the day after, so you will know what we have bought. However, after today that information will be communicated on the NZX and via the My Co-op app.

In making the decision to buy-back shares, we have considered prevailing market dynamics and prices in the FSM, alongside the Co-op's strategy and overall business performance. At this price level, we consider there is a value opportunity for the Co-op as part of our portfolio of investment opportunities.

You can read more details on the buy-back [here](#).

We remind shareholders that, even though share compliance obligations remain on hold until at least 6 months after the new structure is effective, shareholders can still buy or sell shares within Fonterra's current constitutional limits (which is 1x – 2x a supplying shareholders' three-season average milk supply).

You should seek advice from your financial advisor, accountant, lawyer, or rural professional before making any decisions.

Peter