



The a2 Milk Company Limited

2024 ANNUAL RESULTS

We pioneer the future of Dairy for good

19 August 2024



Disclaimer

This presentation dated 19 August 2024 provides additional commentary on the financial results for the 12 months ended 30 June 2024 of The a2 Milk Company Limited (the “Company” or “a2MC”) and accompanying information released to the market on the same date. As such, it should be read in conjunction with the explanations and views in those documents.

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All values are expressed in New Zealand dollars unless otherwise stated.

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Strong execution delivered positive FY24 result

- 1 Delivered a positive full year result** with revenue, EBITDA¹ and EPS growth
- 2 Became a top-5 China IMF brand** growing total IMF sales despite a double-digit decline in China market value
- 3 Achieved record China label IMF market share** and strong sales growth in a year of market-wide product transition
- 4 Stabilised English label IMF sales** with growth in 2H24 following several periods of decline
- 5 Resolved Synlait arbitration disputes** subject to Synlait completing its equity raise and refinancing



¹ Earnings before interest, tax, depreciation and amortisation (EBITDA) is a non-GAAP measure and does not have a standardised meaning prescribed by GAAP. However, the Company believes that, in combination with GAAP measures, it assists in providing investors with a comprehensive understanding of the underlying operational performance of the business. A reconciliation of EBITDA to net profit after tax is shown on slide 59 of the presentation.

Revenue growth, earnings increase and cash generation in line with guidance

Full year result consistent with medium-term plan

- **Revenue growth** of 5.2% to \$1,675.5 million
- **EBITDA** up 6.9% to \$234.3 million with an EBITDA margin of 14.0% (up 0.2ppts)
- Net profit after tax (**NPAT**) attributable to owners of the Company up 7.7% to \$167.6 million¹
- Basic earnings per share (**EPS**) up 9.2% to 23.2 cents
- Closing **net cash**² of \$968.9 million up \$211.7 million on June 2023 with operational **cash conversion** of 126%³

Revenue growth driven by China segment (China label + CBEC)

- **China & Other Asia segment** sales up 14.1%, **ANZ segment** sales down 14.6% due to a change in English label IMF distribution strategy, **USA segment** sales up 8.2% and **MVM** external sales down 11.0%
- Total **IMF sales** up 4.6% with China label sales up 9.5% and English label sales down 0.3%
- **Liquid milk** sales in ANZ and USA up 3.3% and 7.4% respectively
- **Other nutritionals** sales up 36.7%

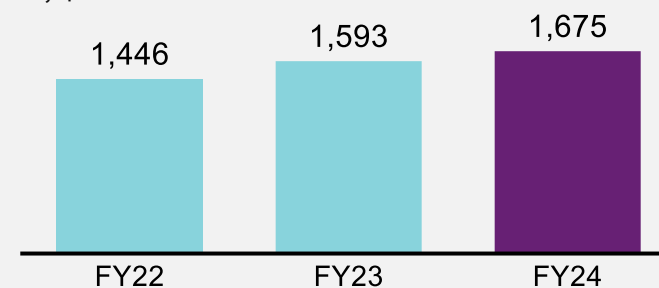
¹ Excludes non-controlling interest in Mataura Valley Milk (MVM), a loss of \$13.7 million.

² Including term deposits and borrowings, excluding subordinated non-current shareholder loans.

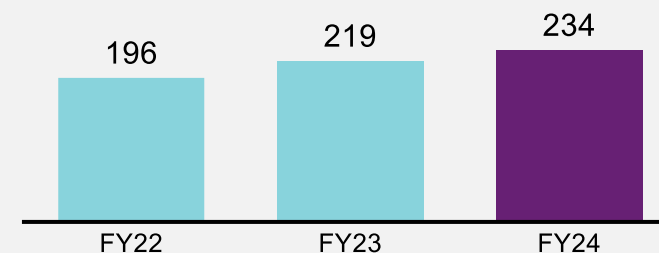
³ Calculated as net cash flow from operating activities before interest and tax divided by EBITDA.

Key financials

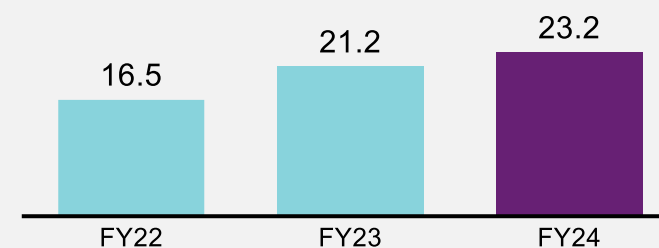
Revenue; \$ millions



EBITDA; \$ millions



Basic EPS; cents per share



Result underpinned by important operational achievements (1/2)

Total IMF

- Delivered **total IMF sales growth** of 4.6% in a challenging China IMF market down 10.7% in value
- Achieved **top-5 brand** position in China IMF market overall
- Improved key **business health** indicators, including market pricing and share of early-stage product sales

China label IMF

- **Launched and successfully transitioned** upgraded GB registered CL IMF product a2 至初® range
- Achieved **record market share** with strong growth in BCD and online
- Improved **China brand health** supported by record marketing investment

English label IMF

- **Stabilised EL IMF channels** over the year with sales growth in 2H24
- Developed **new O2O distribution partnership** with market leader in the channel
- Launched **new EL IMF product in 2H24** with additional range to follow in FY25

Other nutritionals

- Grew **other nutritional products** by 36.7% largely sourced from MVM
- Launched **new fortified EL adult milk powder products** in 2H24



Result underpinned by important operational achievements (2/2)

ANZ liquid milk

- Continued to drive **a2 Milk® Lactose Free** penetration, supported by brand relaunch
- **Progressed major upgrade** of Kyabram milk processing site in Victoria

USA

- Improved **USA profitability** significantly
- **Commenced distribution of IMF** under FDA Enforcement Discretion and progressed long-term new infant formula approval

Supply chain

- **Expanded EL IMF commercial supply chain partnerships** with Yashili NZ (subsidiary of Mengniu) and New Zealand New Milk (subsidiary of Lactalis)
- Produced **new EL IMF and new fortified milk powders** in partnership with MVM
- Continued to invest in upgrading **supply chain capability**

Sustainability

- Commissioned high-pressure **electrode boiler at MVM** powered by certified renewable energy¹
- Invested in **AgriZero^{NZ}** and completed on-farm **methane inhibitor feasibility study** in Victoria

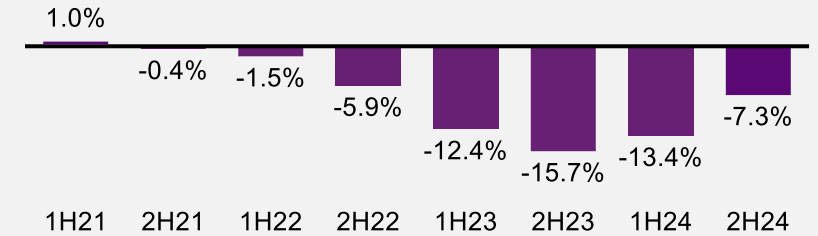


¹ MVM purchases Meridian's Certified Renewable Energy production values product to enable it to exclusively match the amount of electricity it uses on an annual basis with an equivalent amount of electricity put into the national grid from one of Meridian's hydro stations or wind farms (which have been independently verified as producing 100% renewable electricity). Actual electricity received on location is from mixed sources.

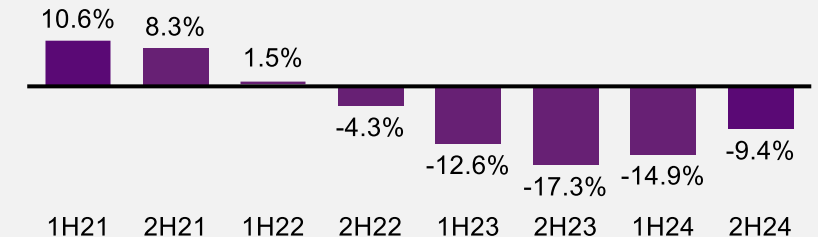
Some improvement in challenging China IMF market conditions

- **Number of newborns** in China¹ in CY23 (9.0m, -6%) reflects an improvement in trajectory over the past few years (ie CY22 -10%, CY21 -12%, CY20 -18%), with a positive outlook for CY24 but longer term decline expected due to socio-demographic trends
- Total **China IMF market declined** 8.6% in volume and 10.7% in value in FY24²
 - Key&A market value declined 11.9%
 - BCD market value declined 9.4%
- Market value decline reflects the cumulative impact of fewer newborns, increased competitive intensity and challenging macroeconomic conditions
- **China label IMF market value declined** 12.5% in FY24², with significant pricing pressure impacted by the combination of lower volumes from fewer newborns and the market-wide transition to new GB registered products
- Following several years of significant declines, the **English label IMF market outperformed** the overall market with value up 3.8% in FY24²
- Total **A2 type protein segment** continues to grow rapidly (up 43% in FY24) and represents 18% of the China IMF market value in FY24, up from 11% in FY23²
- Market dynamics and new GB transition have led to **increasing brand concentration** within the China IMF market with the top-5 brands now representing over 54%² of market value

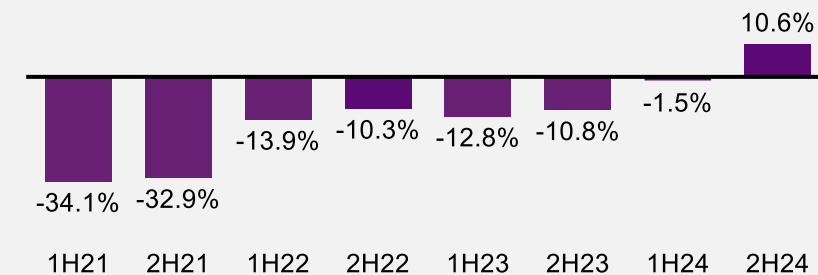
Total China IMF market value vs pcp²



China label IMF market value vs pcp²



English label IMF market value vs pcp²



¹ China National Bureau of Statistics.

² Kantar Worldpanel 0-6 years old Baby & Kids panel: National IMF market tracking (Key&A + BCD cities) for the 52 weeks ending 14 June 2024. Kantar had a significant panel update in 2H24 which resulted in restatement of historical data.

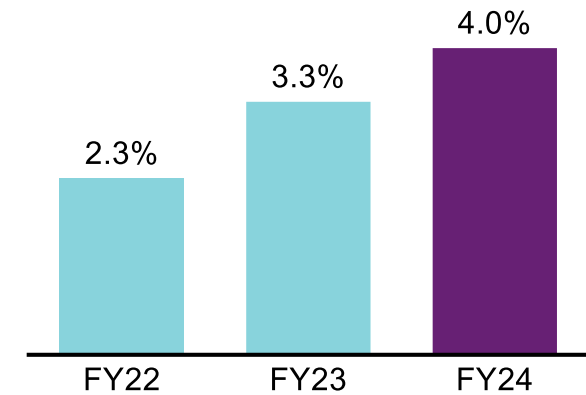
China label IMF achieved record share and sales growth during year of major product transition

China label upgrade and transition

- ✓ Commenced **shipping to distributors** of the Company's upgraded China label IMF product a2至初® in October 2023, and **shipping to retailers** from November 2023
- ✓ Upgraded a2 至初® product range with enhanced formulation and packaging **received well by the trade** with distribution gains
- ✓ Executed **significant marketing campaign** to support launch with positive consumer engagement and adoption
- ✓ **Maintained leadership in the Ultra-Premium segment** and mitigated increased ingredients and packaging costs
- ✓ Maintained strong consumer offtake with **improvements in market share** in both offline (MBS) and online (DOL), with increasing share of early-stage products
- ✓ Recognised **minimal stock write-offs** throughout the transition period

a2MC China label IMF market share

Share of total China IMF market value %¹



¹ Kantar Worldpanel 0-6 years old Baby & Kids panel: National IMF market tracking (Key&A + BCD cities) which projects ~40% of the market.

English label IMF performance improved as a2MC and total market returned to growth

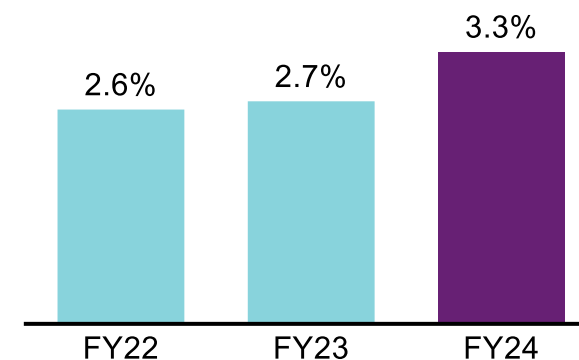
- In FY24 the total English label IMF market returned to growth, up 3.8% vs prior year, compared to the total China label IMF market which declined by 12.5%
- English label IMF increased its share of the total China IMF market from 15.3% in FY23 to 17.2% in FY24
- a2MC English label IMF sales were down 0.3% in FY24, but returned to growth in 2H24 up 6.9% vs pcp, and achieved 3.3% China IMF market share, the highest market share since April 2021

a2MC growth initiatives

- Strategic partnerships (including Yuou) to expand ranging in O2O key accounts and long-tail stores
- Investment in emerging and growing content based e-commerce channels such as Douyin/TikTok and Red
- Shifted more to drop-ship model via Tier-1 distributors to service POP, C2C and O2O stores to improve serviceability
- Dedicated EL marketing activations and leveraged “one brand, two labels” campaigns
- Healthy trade ecosystem supported by enhanced traceability

a2MC English label IMF market share

Share of total China IMF market value %¹

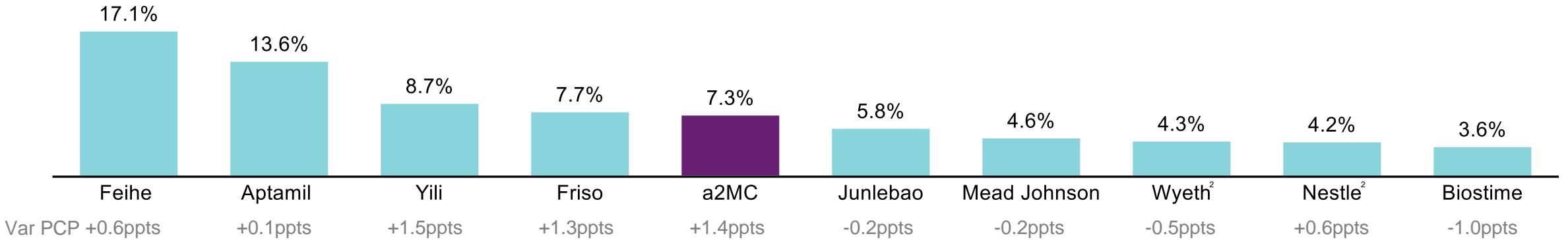


¹ Kantar Worldpanel 0-6 years old Baby & Kids panel: National IMF market tracking (Key&A + BCD cities) which projects ~40% of the market.

a2MC achieved top-5 IMF brand position with increasing concentration of top-5 brands

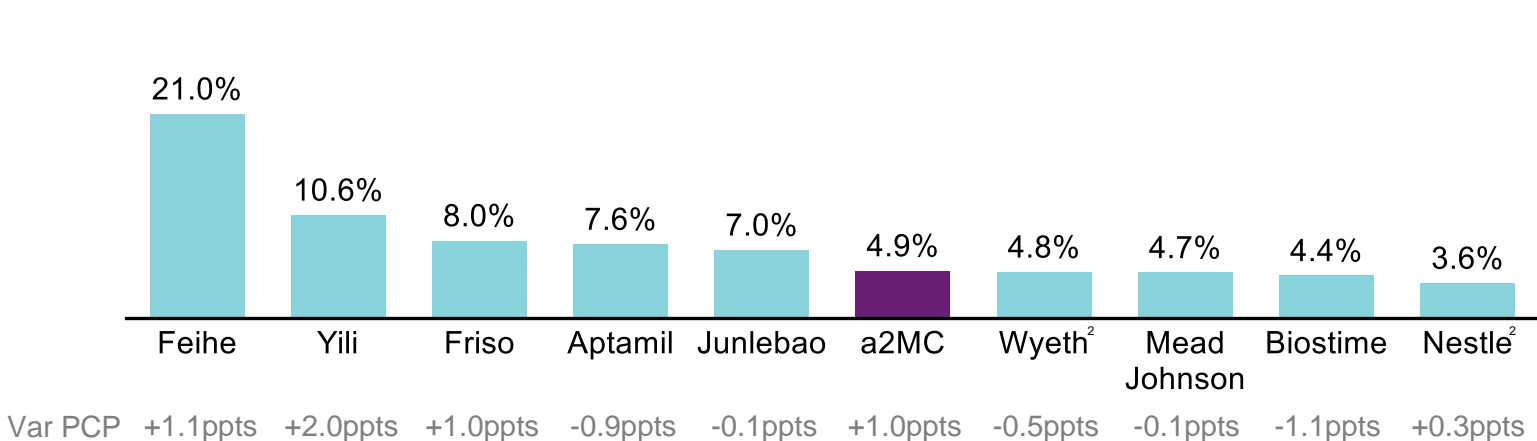
Total China IMF market share

Value % share by brand of total China IMF market (FY24)¹



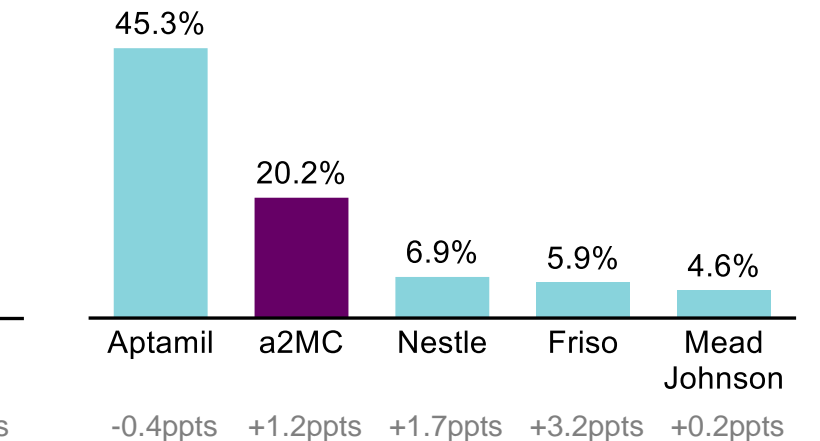
China label IMF market value share

Value % share by brand of total China label IMF market (FY24)¹



English label IMF market value share

Value % share by brand of total English label IMF market (FY24)¹



¹ Kantar Worldpanel 0-6 years old Baby & Kids panel: National IMF market tracking (Key&A + BCD cities) for the 52 weeks ending June 2024.

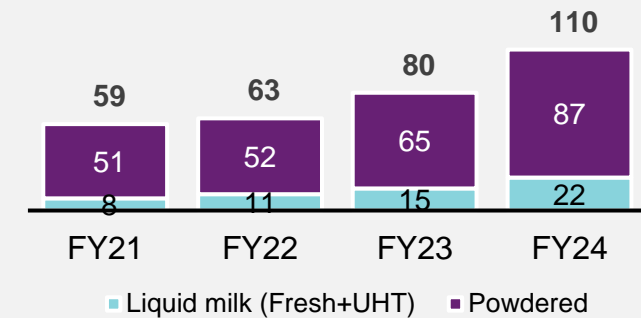
² Wyeth Nutrition is also owned by the Nestle Group.

Other nutritionals and liquid milk growth driven by innovation and improved execution

- **Other nutritionals (ON)** growth increased to 36.7% in FY24
- ON comprises plain and fortified milk powders, UHT and liquid milk in China and other Asia
- Key growth drivers include
 - New organisation structure put in place to focus on opportunity and improve execution
 - FY23 innovation gaining traction, including new tub format for plain milk powders and reformulation of *a2 Smart Nutrition*®
 - FY24 innovation including new fortified and organic milk powders
- **Liquid milk** sales growth of 4.8% in FY24 despite significant cost-of-living pressures in key markets
- Key growth drivers include
 - Lactose-free market share growth in Australia and Grass-fed range growth in USA
 - Refreshed marketing campaign and packaging in Australia
 - Strong account management supporting our key retail partners

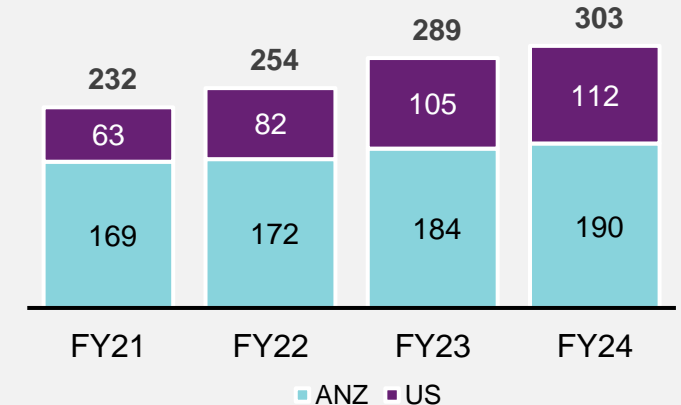
Other nutritionals

Revenue by product type (\$ million)



ANZ and US liquid milk

Revenue by region (\$ million)



Revenue and EBITDA guidance for FY25

FY25 Outlook

- China IMF **market conditions** remain challenging and the Company expects a further market value decline in FY25
- At this stage, the Company is expecting mid single-digit **revenue growth** in FY25 versus FY24, with growth affected by IMF supply constraints which are expected to be resolved in 1H25
- FY25 **gross margin** (% of sales) is expected to be broadly similar to FY24, with 1H25 down (impacted by air freight) and 2H25 up compared to prior year
- An increase in **brand investment** is planned for FY25 with a similar reinvestment rate (% of sales), and **Administrative & Other expenses** are expected to be similar to down compared to FY24 (% of sales)
- The Company expects **EBITDA margin** (% of revenue) to be broadly similar to FY24, with 1H25 down and 2H25 up compared with prior year
- Operational **cash conversion** is expected to be less than 100% impacted by the settlement of Synlait FY24 payments withheld in accordance with contractual arrangements and a reduction in purchase order deposit payment terms going forward
- **Capital expenditure** is expected to be approximately \$20 million

See full outlook statement in results commentary and outlook announcement dated 19 August 2024 including market conditions and key risks

Growth strategy focused on capturing full potential of China market with supply chain transformation a key priority

Purpose	We pioneer the future of Dairy for good				
Vision	An A1-free world where Dairy nourishes all people and our planet				
Goals	PEOPLE Create a safe, diverse, inclusive and engaging place for our people to thrive, support our farmers and contribute to our communities	PLANET Protect our planet and cows, rethink packaging, achieve net zero and become nature positive	CONSUMERS Bring the unique benefits of pure and natural <i>a2 Milk™</i> to as many consumers as possible	SHAREHOLDERS Create long-term, enduring value for shareholders and maintain a trusted, transparent relationship	
Strategic priorities	1	2	3	4	5
	Invest in people and planet leadership <ul style="list-style-type: none"> - Invest in our people to enable them to thrive - Take direct action to lead the industry in GHG emissions reduction, farming practices and sustainable packaging 	Capture full potential in China IMF <ul style="list-style-type: none"> - Increase share in key accounts, expand in lower tier cities and further accelerate online growth - Invest in brand strength and leverage across two labels and wider portfolio 	Ramp-up product innovation <ul style="list-style-type: none"> - Expand EL and CL IMF product portfolios - Develop other nutritionals for kids, adults and seniors - Leverage IMF and other products into new markets - Innovate in liquid milk 	Transform our supply chain <ul style="list-style-type: none"> - Expand CL market access through MVM and other investment opportunities, primarily in NZ and China over time - Develop supply capability to enable innovation 	Accelerate path to profitability <ul style="list-style-type: none"> - Improve USA liquid milk losses and invest in development of IMF opportunity - Increase MVM A1-free milk pool, nutritional capability, utilisation and efficiency
Enablers	Quality & Service		Brand strength	Science & Innovation	Strategic relationships
Values	B Bold passion	O Ownership & agility	L Leading constructively	D Disruptive thinking	

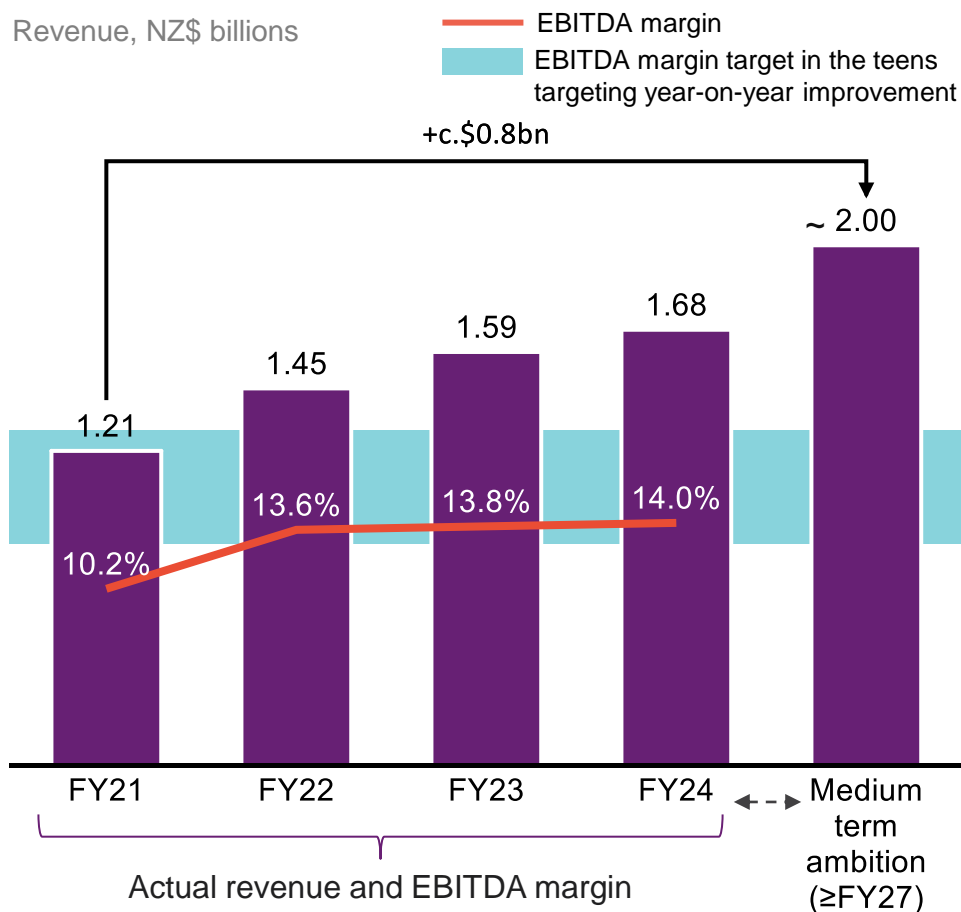
Continued to make progress towards achieving medium-term goals reflected in measures of success

PEOPLE	PLANET	CONSUMERS				SHAREHOLDERS
		BRAND HEALTH	MARKET SHARE	INNOVATION	SUPPLY CHAIN	
1	2	3	4	5	6	7
<ul style="list-style-type: none"> Safety ● Engagement ▲ Diversity and inclusion ● Gender pay gap ▲ 	<ul style="list-style-type: none"> GHG emissions reduction ● Farm environmental plans ● Animal welfare programmes ● Sustainable packaging ▲ 	<ul style="list-style-type: none"> China brand health ● AU household penetration ● USA household penetration ▲ 	<ul style="list-style-type: none"> MBS share ● DOL share ● CBEC share ▲ O2O + Daigou share ▲ Australian fresh milk share ● USA premium milk share ▲ 	<ul style="list-style-type: none"> China other nutritionals growth ● Emerging markets development ▲ USA sales from new products ▲ ANZ sales from new products ● 	<ul style="list-style-type: none"> Access to ≥3 CL registrations ▲ CL inventory management ● EL inventory management ● Quality and service ▲ Supply chain efficiency ● 	<ul style="list-style-type: none"> Sales ambition of ~\$2.0b (≥FY27) ● EBITDA margin ambition in the 'teens' targeting year-on-year improvement ● USA profitability by FY27 ▲ MVM profitability by FY27 ●

● On track ▲ Work in progress

Since FY21 a2MC has delivered incremental revenue of \$469m and EBITDA margin improvement

Medium-term revenue and EBITDA margin ambition



Areas of planned revenue growth

Market/category	Growth ambition (FY21 to ≥ FY27) ¹	Tracking
China label IMF	\$0.4	On track
English label IMF	\$0.3	Work in progress
China other nutritionals	\$0.2	On track
Emerging markets	\$0.1	Work in progress
ANZ	\$0.1	Work in progress
USA	\$0.1	On track
Non-specific risk	\$(0.4)	-
Net growth	~\$0.8bn	On track

● On track ▲ Work in progress

Commentary

- CL IMF on track with significant share gains
- EL IMF behind due to market decline, particularly Daigou channel, and lower share gains
- Other nutritionals growing towards stretching goal
- ANZ liquid milk behind plan due to speed of innovation and challenging consumer environment
- USA liquid milk progress to date broadly in line with potential IMF opportunity
- On track to achieve medium-term revenue ambition of ~\$2 billion by FY27 or later

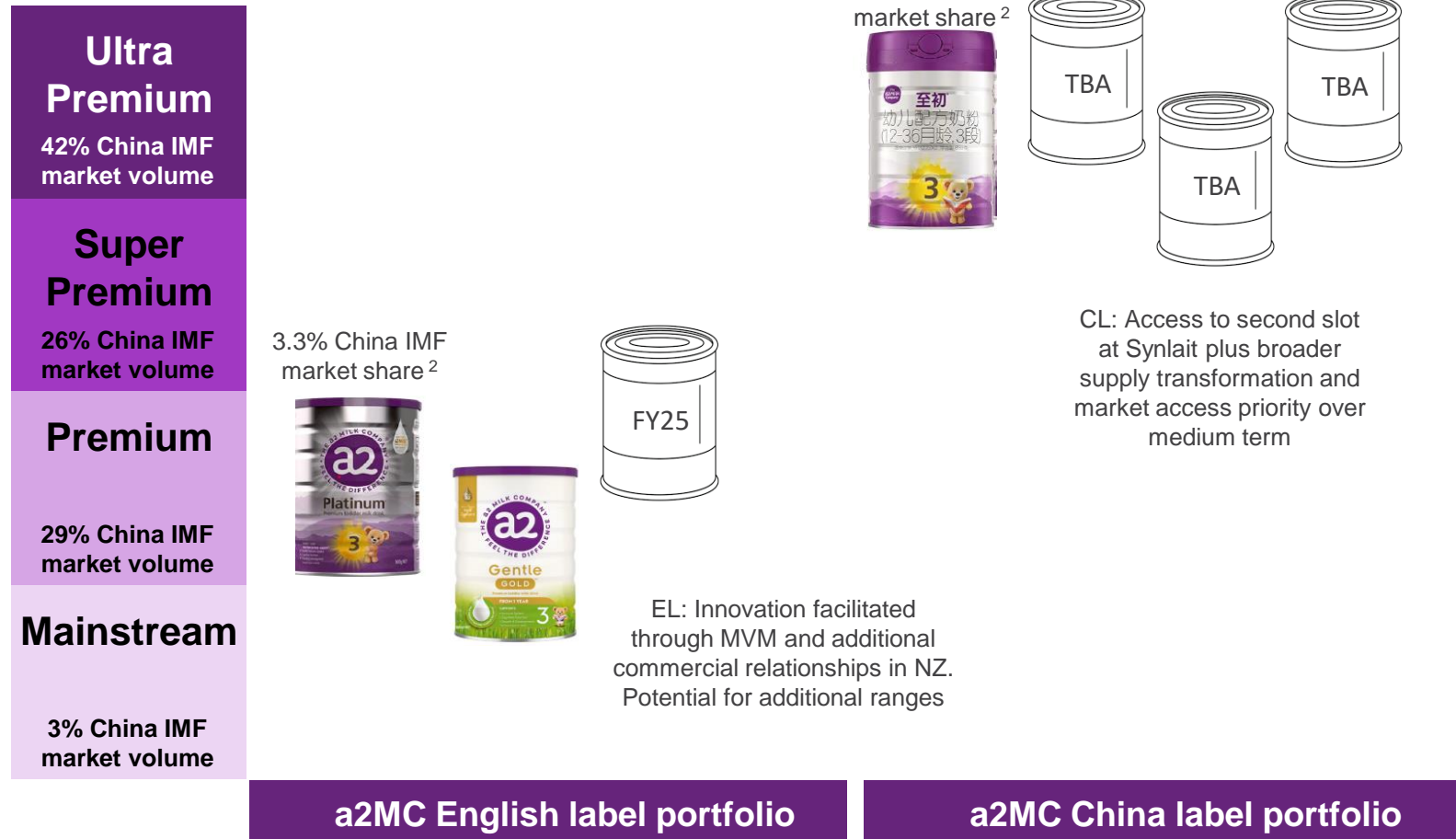
Refer to Investor Day materials communicated to the market on 27 October 2021 for further information on medium-term ambition, strategy, risks and opportunities

¹ Incremental revenue ambition growth bridge from \$1.21 billion in FY21 to ~\$2.0 billion in ≥ FY27. Provided for tracking purposes and should not be added to FY24 actual revenue result.

IMF portfolio expansion important to achieve medium term ambitions, with new EL IMF product to be launched in FY25

a2MC IMF portfolio segmentation

Market price segments based on Stage 1 average selling price (RMB/KG)¹



Commentary

- Current a2MC IMF product portfolio has three products covering 2 to 3 price segments
- Opportunity to expand further to meet the needs of a broader consumer base in the Ultra Premium and Super Premium segments with differentiated benefit propositions in China label and English label portfolio
- Further innovation planned in a2MC’s English label portfolio with a new product expected to be launched in FY25
- Expected access to additional China label registration slot at Synlait’s Dunsandel site (refer next page)
- Additional China label registrations being explored through investment in supply chain transformation

¹ Price segments based on Stage 1 average selling price: Ultra Premium >=390RMB/KG; Super Premium 290-390RMB/KG; Premium 190-290RMB/KG; Mass <=190RMB/K.

² Kantar Worldpanel 0-6 years old Baby & Kids panel: National IMF market tracking (Key&A + BCD cities) for 52-weeks ending 14 June 2024.

Resolution of Synlait arbitration disputes improves IMF supply chain certainty and flexibility

For further detail refer to a2MC's announcement dated 16 August 2024

Conditionality

- Resolution of Synlait arbitration disputes subject to Synlait completing its proposed equity raise and refinancing

Exclusivity and IP ownership

- Cancellation of Synlait's manufacturing and supply exclusivity rights¹ from 1 January 2025
- Confirmation that a2MC owns the IP rights in relation to its IMF product specifications and is free to source any products from Synlait, third party suppliers or internally

Pricing disputes and payments

- Resolution of IMF pricing disputes with an immaterial impact on FY24 financial results
- Incremental increase in certain IMF product conversion costs going forward
- Ongoing purchase order deposit payment terms reduced to support Synlait's cash flow
- One off settlement payment of \$24.75 million largely reflects withholding of FY24 payments subject to dispute resolution process in accordance with contractual arrangements

China market access

- Secured access to potential additional China label registration slot at Synlait's Dunsandel site
- a2MC and Synlait to work together to develop new product, prepare dossier and seek SAMR registration

US market access

- Agreed terms of support from Synlait for a2MC's planned submission of its New Infant Formula Notification in relation to securing long-term US IMF approval subject to FDA approval
- US IMF products to be supplied by Synlait under the terms of the existing nutritional products manufacturing and supply agreement with a2MC

Recapitalisation

- Agreed to support and subscribe for shares under Synlait's equity raise on terms to be agreed

¹ In respect of Stages 1 to 3 of a2MC's current infant milk formula products (being a2 Platinum® and a2 至初®) for sale by a2MC in the markets of China, Australia and New Zealand.

Capital allocation focused on supply chain transformation needs, including additional China label registrations

Capital allocation framework

Available capital + operating cash flow

Investment

Grow core business in existing markets

- Invest in building core business including brand, product innovation and channel development
- Develop execution capability through investing in talent, systems, quality, safety, infrastructure and partnerships
- Transform supply chain and existing market access
- Assess M&A opportunities to support core business growth and supply chain transformation

Expand the boundaries

- Expand in existing markets with new product categories
- Leverage existing products into new markets
- Assess M&A opportunities to expand boundaries

Balance sheet strength and flexibility

- Support business growth and risk management initiatives
- Maintain a conservative cash reserve to manage in an uncertain environment

Excess capital

Shareholder returns

Commentary

- Transforming a2MC's supply chain is a key strategic priority
- Progress made in FY24, expanding EL IMF commercial supply chain partnerships with New Zealand New Milk and Yashili NZ in collaboration with MVM
- Expected access to potential additional China label IMF registration slot at Synlait
- Gaining control of additional China label IMF registrations remains critically important and may require significant investment
- The Company continues to explore M&A, joint venture and alliance opportunities
- Once supply chain transformation is further developed and other investment opportunities are considered, to the extent there is surplus capital available, the Board will make a disciplined assessment of the potential to return capital to shareholders and the most appropriate option to do so

Meaningful progress towards achieving our Planet related goals

a2MC is pleased to release its first Climate Statement¹ which has been prepared in accordance with the Aotearoa New Zealand Climate Standards (NZCS) issued by the External Reporting Board (XRB)

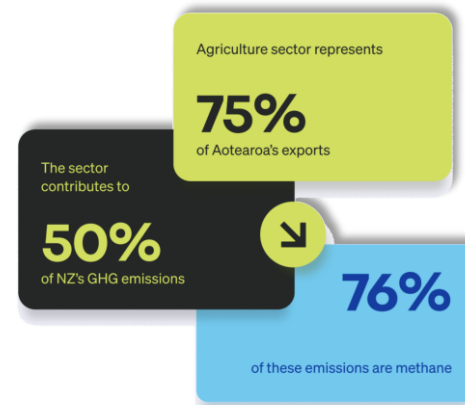
GHG emissions reduction initiatives

- Significantly reduced Scope 1 and 2 GHG emissions by 45%² in FY24
 - Reduction primarily due to the electrification of the manufacturing process at MVM through the installation of a high-pressure electrode boiler powered by certified renewable energy³ replacing the coal-fired boiler with co-investment from the New Zealand Government
- Good progress also made against target of net zero Scope 3 GHG emissions by 2040 including
 - Completion of an innovative on-farm methane inhibitor feasibility study in Australia
 - Continued to support farmers to implement more sustainable on-farm practices including manure management and feed strategies



AgriZero^{NZ} investment

- Invested in AgriZero^{NZ}, a partnership between the New Zealand Government and other industry stakeholders
- Focused on opportunities and innovations relating to emissions reduction tools for reducing methane and nitrous oxide
- Investment demonstrates our commitment to sustainability and emissions reduction



¹ 2024 Climate Statement will be published on the Company's website under 'Our ESG Reporting': <https://thea2milkcompany.com/ESG-reporting>

² MVM purchases Meridian's Certified Renewable Energy production values product to enable it to exclusively match the amount of electricity it uses on an annual basis with an equivalent amount of electricity put into the national grid from one of Meridian's hydro stations or wind farms (which have been independently verified as producing 100% renewable electricity). Actual electricity received on location is from mixed sources.

³ Using market based calculation for Scope 2.



Financial overview



China revenue growth, SG&A leverage and increased interest income contributed to NPAT and EPS growth

\$ million ¹	FY24	FY23	% change
Net Sales Revenue	1,673.3	1,591.1	5.2%
Gross Margin	766.6	739.2	3.7%
GM % ²	45.8%	46.5%	(0.6ppts)
Other Revenue ³	2.1	1.8	19.4%
Distribution	(50.2)	(50.8)	(1.3%)
Marketing	(280.1)	(260.2)	7.6%
Administrative and other (SG&A)	(236.2)	(228.7)	3.3%
Interest Income and Finance Costs	35.9	21.6	65.9%
Profit Before Tax	238.1	222.9	6.9%
Income Tax Expense	(84.3)	(78.0)	8.0%
NPAT	153.9	144.8	6.2%
- Attributable to owners of the Company	167.6	155.6	7.7%
- Attributable to non-controlling interests	(13.7)	(10.8)	26.8%
Group Revenue⁴	1,675.5	1,592.9	5.2%
EBITDA⁵	234.3	219.3	6.9%
EBITDA Margin % ⁶	14.0%	13.8%	0.2ppts
EPS – basic (cents)	23.2	21.2	9.2%

¹ All figures quoted in New Zealand Dollars (NZ\$) and all comparisons are with the 12 months ended 30 June 2023 (FY23) unless otherwise stated. Numbers may not add down due to rounding.

² Gross margin percentage is calculated by dividing gross margin by net sales revenue.

³ Other revenue comprises royalty, licence fee and rental income.

⁴ Group revenue comprises net sales revenue and other revenue.

⁵ Earnings before interest, tax, depreciation and amortisation (EBITDA), earnings before interest and tax (EBIT). EBITDA and EBIT are non-GAAP measures.

⁶ EBITDA margin percentage is calculated by dividing EBITDA by Group revenue.

- **Net sales revenue** reflects strong growth in China & Other Asia and USA segments that were up 14.1% and 8.2% respectively, partially offset by a 14.6% decrease in the ANZ segment and 11.0% decrease in MVM net sales
- **Gross margin** of 45.8% down 0.6ppts driven by higher input costs associated with upgraded China label IMF product (net of price rises), adverse channel sales mix and the impact of MVM coal-boiler accelerated depreciation – partially offset by margin improvement initiatives
- **Distribution expenses** were slightly lower, with higher costs associated with China label IMF product transition more than offset by an improvement in US freight rates and increased focus on customer cost-to-serve
- **Marketing expenses** higher to support the Company's growth strategy in China and to support launch of the upgraded China label IMF product
- **Administrative and other expenses (SG&A)** slightly up due to capability investment and inflationary pressures, partially offset by reduced FX hedge losses and lower LTI expenses
- **Interest income** increased due to higher cash balances and increased market interest rates
- **NPAT** attributable to owners of the Company increased by 7.7% to \$167.6 million
- **Basic EPS** was up 9.2% to 23.2 cents per share

Double-digit China & Other Asia sales growth reflects China focus and deliberate shift in EL IMF distribution strategy

\$ million		China & Other Asia	ANZ	USA	MVM ¹	Corporate	Total Group
FY24	Revenue	1,143.1	317.3	113.7	101.4	-	1,675.5
	EBITDA	290.1	63.0	(15.5)	(20.5)	(82.4)	234.3 ²
	EBITDA %	25.4%	19.9%	nm	nm	-	14.0%

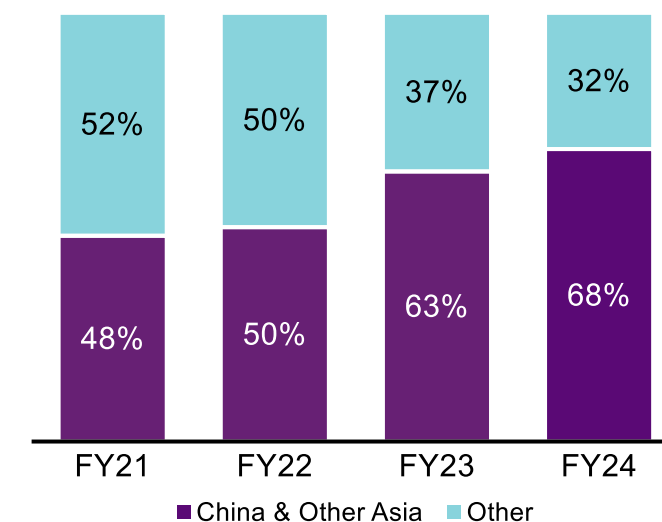
FY23	Revenue	1,002.2	371.7	105.1	113.9	-	1,592.9
	EBITDA	254.1	93.5	(23.3)	(26.5)	(78.5)	219.3
	EBITDA %	25.4%	25.2%	nm	nm	-	13.8%

% change	Revenue	14.1%	(14.6%)	8.2%	(11.0%)	-	5.2%
	EBITDA	14.2%	(32.6%)	33.7%	22.8%	(5.0%)	6.9%



Segment revenue mix

Percent of total revenue



¹ MVM excludes intercompany sales.

² EBITDA includes \$0.5M inter-segment eliminations related to MVM.

China and Other Asia IMF achieved \$1 billion sales up 90% on FY21. Other nutritionals growth increased to 37%

Net sales revenue \$ million		China & Other Asia	ANZ	USA	MVM ¹	Total Group
FY24	IMF	1,060.2	98.5	0.8	-	1,159.5
	Liquid milk ²	-	190.2	112.5	-	302.6
	Other nutritionals ³	82.9	26.8	-	-	109.7
	Ingredients	-	-	-	101.4	101.4
	TOTAL	1,143.1	315.5	113.3	101.4	1,673.3

FY23	IMF	945.6	162.5	-	-	1,108.1
	Liquid milk ²	-	184.1	104.7	-	288.8
	Other nutritionals ³	56.6	23.6	-	-	80.2
	Ingredients	-	-	-	113.9	113.9
	TOTAL	1,002.2	370.2	104.7	113.9	1,591.1

% change	IMF	12.1%	(39.4%)	NM	-	4.6%
	Liquid milk ²	-	3.3%	7.4%	-	4.8%
	Other nutritionals ³	46.4%	13.5%	-	-	36.7%
	Ingredients	-	-	-	(11.0%)	(11.0%)
	TOTAL	14.1%	(14.8%)	8.2%	(11.0%)	5.2%

¹ MVM excludes intercompany sales.

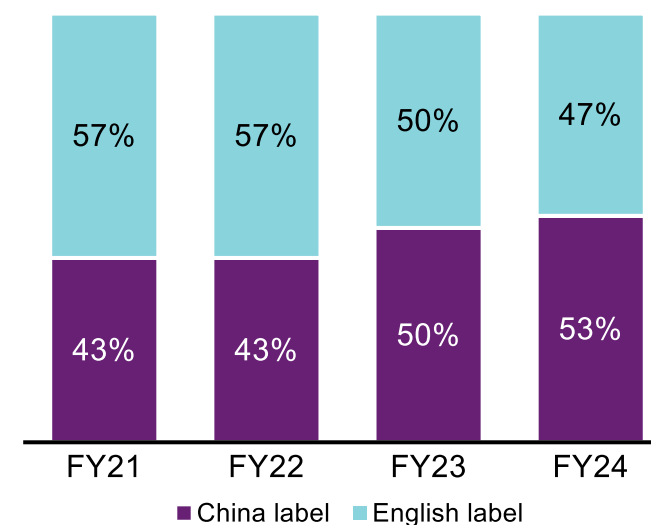
² Excludes liquid milk products (plain and fortified) exported to China and Other Asia markets.

³ Comprises powdered milk products (plain and fortified), and liquid milk products (plain and fortified) exported to China and Other Asia markets.



IMF sales mix

Percent of total IMF revenue



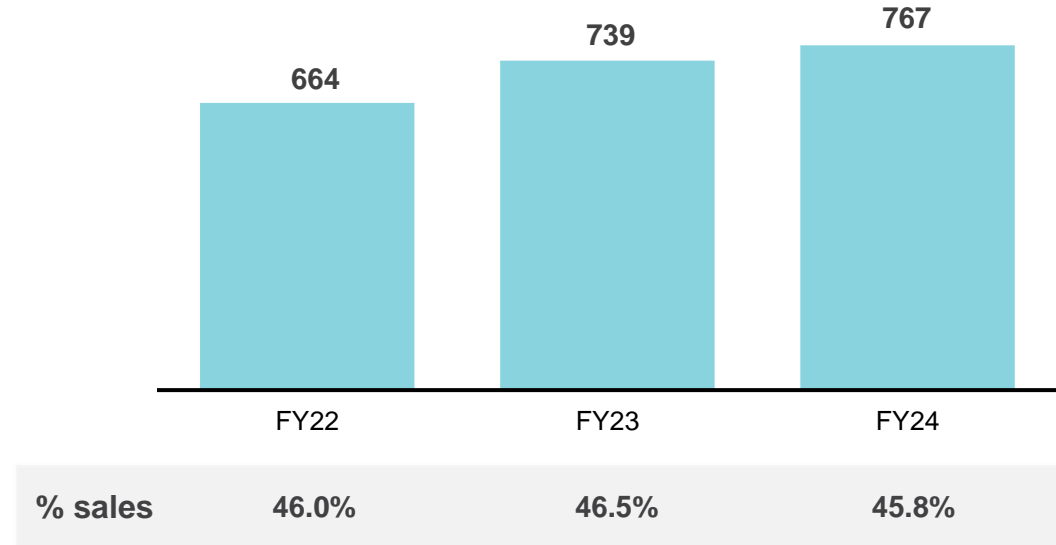
Gross margins flat excluding accelerated depreciation of MVM's coal-fired boiler

Gross margin drivers

- Gross margin (GM%) was slightly lower due to accelerated depreciation of \$10 million related to MVM's coal-fired boiler following successful commissioning of the new high-pressure electrode boiler
- Excluding the accelerated depreciation, GM% was flat compared to prior year. GM% improvements, particularly in MVM and US, were offset by slightly lower IMF GM%
- IMF GM% was slightly down due to:
 - higher input costs associated with upgraded formulation and packaging of the upgraded CL IMF product, offset in absolute \$ terms (not % terms) by price rises
 - lower EL IMF Daigou sales relative to CBEC sales
- 2H24 GM% of 45.0% was down from 46.7% in 1H24 primarily reflecting the higher costs associated with the upgraded CL IMF product, in addition to the impact of the accelerated depreciation of MVM's coal-fired boiler

Gross margin % slightly lower

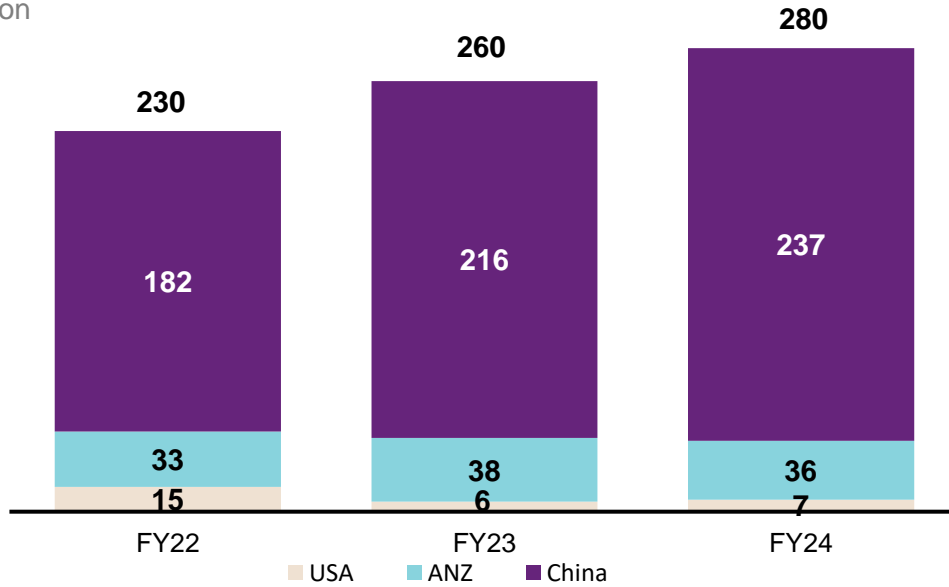
Gross margin (\$ million)



Significant investment in marketing to support GB transition and continued capability investment in China and supply chain

Marketing investment increased

\$ million

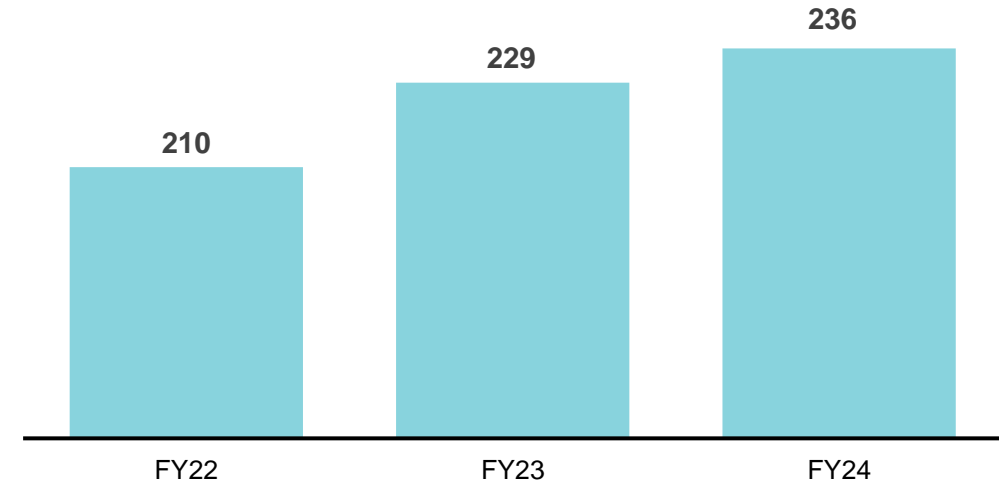


% sales	FY22	FY23	FY24
	15.9%	16.4%	16.7%

- Marketing investment higher than FY23, reflecting investment to support upgraded CL IMF product launch and transition
- New CL IMF launch campaign and transition included investment in collaborating with key account customers, in-store activation leveraging IP collaboration and utilising livestreaming and online store management

Administrative & other expenses lower as % of sales

\$ million



% sales	FY22	FY23	FY24
	14.5%	14.4%	14.1%

- Administrative and other expenses decreased as a % of sales demonstrating operating leverage from certain mature parts of the business (eg Corporate)
- Investment in China and supply chain continued and was partly mitigated by reduced lower LTI expenses and FX hedge losses

Strong cash conversion benefited from prior year China label stock build and transition

\$ million	FY24	FY23	% change
Cash flows from operating activities			
Receipts from customers	1,676.7	1,619.6	3.5%
Payments to suppliers and employees	(1,382.2)	(1,492.1)	(7.4%)
Net interest flows and taxes paid	(38.7)	(16.2)	139.6%
Net operating cash flows	255.7	111.3	129.8%
Net cash flows from investing activities	(37.1)	(14.0)	164.5%
Net cash flows from financing activities	(49.8)	(178.4)	(72.1%)
Net increase/(decrease) in cash	168.8	(81.1)	(308.2%)
Cash at the beginning of the period	352.2	437.3	(19.5%)
Effect of exchange rate changes on cash	(2.1)	(4.0)	(47.6%)
Closing cash at the end of the period	518.9	352.2	(47.3%)
Net cash comprised of:			
Cash and short-term deposits	518.9	352.2	(47.3%)
Term deposits	450.0	450.0	-
Bank borrowings	-	(45.0)	(100.0%)
Total net cash	968.9	757.2	28.0%

- **Cash flows from operating activities**

- Higher cash conversion of 126%¹ (FY23: 58%) due to:
 - lower payments in FY24 made for China label stock as all opening China label stock was manufactured before end of Feb-23 (due to prior registration ceasing) and paid for in FY23
 - Synlait FY24 payments subject to dispute resolution withheld in accordance with contractual arrangements to be paid in FY25
 - large catch-up payments in China in FY23 due to COVID-19 related delays that impacted FY22 payments (outside the Company's control)

- **Cash flows from investing activities**

- Relates to PP&E and investment property additions mainly in relation to the expansion and upgrade of the Kyabram milk processing facility

- **Cash flows from financing activities**

- Relates to the repayment of MVM bank borrowings (no bank borrowings at 30 June 2024)

¹ Calculated as net cash flow from operating activities before interest and tax divided by EBITDA.

Operating cash flow and working capital improvements further strengthened a2MC's balance sheet

\$ million	FY24	FY23	% change
Cash and term deposits	968.9	802.2	20.8%
Trade and other receivables	78.1	79.2	(1.4%)
Inventories	179.6	193.4	(7.1%)
Other current assets	61.3	47.3	29.6%
Total current assets	1,287.9	1,122.1	14.8%
Property, plant & equipment	231.4	245.2	(5.6%)
Intangible assets	111.1	108.4	2.5%
Other non-current assets	104.4	136.0	(23.2%)
Total non-current assets	446.9	489.6	(8.7%)
TOTAL ASSETS	1,734.8	1,611.7	7.6%
Trade and other payables	347.6	313.2	11.0%
Other current liabilities	69.2	66.0	4.8%
Total current liabilities	416.8	379.2	9.9%
Total non-current liabilities	61.3	83.0	(26.1%)
TOTAL LIABILITIES	478.1	462.2	3.4%
NET ASSETS	1,256.7	1,149.5	9.3%

- **Cash and term deposits** balance and consolidated net cash position of \$968.9 million¹ with cash conversion at 126%
- **Inventories** lower by \$13.8 million or 7.1% driven by lower EL stock due to late deliveries in prior year, and lower early stage CL and EL stock due to sales performance in 2H24
- **Other current assets** higher due to the timing of IMF purchase deposits, impacted by the FY23 CL stock build
- **Other non-current assets** reduced by \$31.6 million mainly due to the devaluation of the Company's investment in Synlait, valued at \$9.8 million (June 2023: \$72.0 million)
- **Trade and other payables** higher mainly due to higher payments made for CL stock build during FY23 to support upgraded CL product transition in FY24
- **Other current and non-current liabilities** mainly consist of MVM's loans from the non-controlling shareholder of \$37.9 million and income tax payable of \$57.4 million

¹ Including term deposits and borrowings, excluding subordinated non-current shareholder loans.



Regional and product performance



China label key messages

Strategic priorities

- 1 **Continue to invest in brand to create demand pull**
- 2 **Achieve full potential in key accounts**
- 3 **Capture opportunity in lower tier cities**
- 4 **Accelerate online growth**
- 5 **Broaden product portfolio**

Progress

- Successfully launched and transitioned upgraded GB registered China label IMF product ahead of plan supported by large scale integrated marketing campaign
- Further extended joint business planning into more regional key accounts
- Increased offline distribution in lower tier cities, with more integrated approach to new user recruitment
- Improved new user recruitment online with upgraded GB registered China label IMF product first launched online
- Continued to grow other nutritionals leveraging significant campaign

Business impact

- Continued to improve brand health metrics, particularly in awareness among pregnant and early-stage users and in lower tier cities with strong consumer value proposition
- Grew share in priority key accounts
- BCD cities remained the biggest driver of offline growth in FY24, reflected in MBS share growth
- DOL achieved record high share, with biggest share gains in early stage product
- Delivered strong growth across fresh milk, UHT and adult milk powder categories

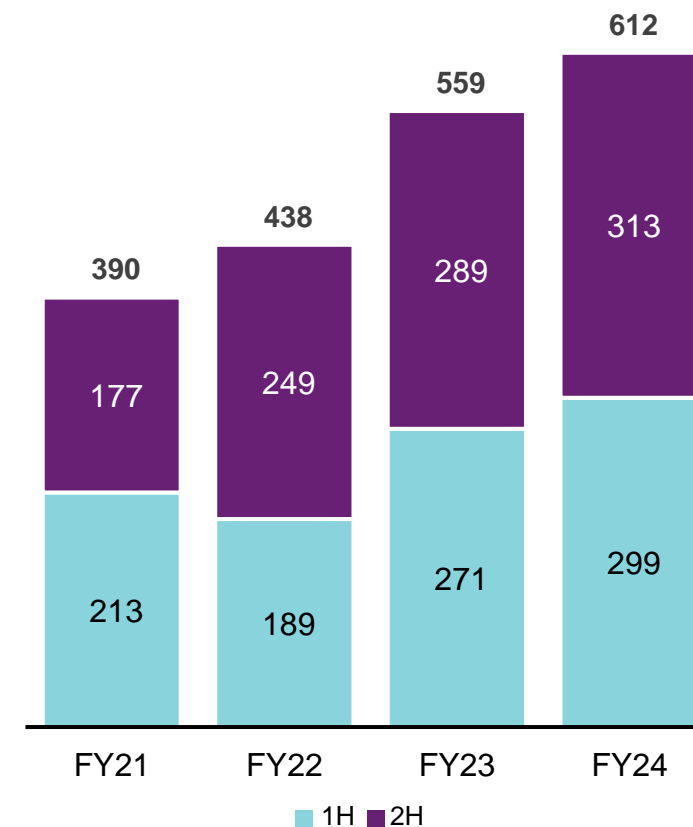
China label IMF sales growth continued through new GB transition period

Sustained growth despite wider market decline and GB product transition

- CL IMF sales up 9.5% to \$612.3 million
- Revenue growth achieved in a market declining 12.5%¹, and in a period of heightened volatility as the IMF market was transitioning to new GB registered products, alongside wider channel and economic pressures
- a2MC's upgraded CL IMF product (a2 至初®) continues to be well received by the trade and consumers
- Successful transition underpinned by diligent planning and execution with minimal product write-offs incurred
- Strong in-market performance and continued momentum through 2H24 underpinned by record marketing investment and strong execution, translating to increased share and improved brand health metrics
- Strong market share performance resulting in the brand being a leading share gainer:
 - MBS share increased to 3.5%² (FY23: 3.3%)
 - DOL share increased to 3.9%³ (FY23: 3.3%)

China label net sales revenue

\$ million by half⁴



¹ Kantar Worldpanel 0-6 years old Baby & Kids panel: National IMF market tracking (Key&A + BCD cities) for the 52 weeks ending 14 Jun 2024.

² Nielsen MBS retail measurement service: mother and baby stores only retail sales (by value) 12-month rolling share. Nielsen had panel enhancement in Jan-24 which led to restatement of historical data.

³ Smart Path China IMF online market tracking: domestic online platform sales (by value) 12-month rolling share.

⁴ Subject to rounding.

Significant campaign launch and marketing investment during 2H24 to support upgraded China label product transition

Upgraded formula and packaging

- High-purity lactoferrin at increased levels
- Contains innate nutrients such as HMO, OPN and OPO
- Made with pure and natural New Zealand *a2 Milk*[®]
- New proprietary lid with unique press to open innovation easier to unlatch
- Stage number marked on spoon to avoid potential confusion on transition
- Spoon separated from powder with locating holder to avoid contact with powder
- Leveler inside the can for measurement to recommend dosage

Significant campaign launch and marketing investment in 2H24

- High traffic and high impact out-of-home advertising to drive brand exposure, especially in BCD cities, including 300+ shopping malls in 200+ cities
- New point of sales materials rolled out across ~21k stores and achieved a high proportion of off-location displays
- ~12k instore fresh milk tasting, ~5k IMF blind test events combined *with No-Worry Refund* mechanism to support the campaign
- Promotional people trained as brand ambassadors to engage online



Strong execution with key MBS accounts in store integrated with high impact marketing campaigns

Collaboration with key account customers



Significant contribution from in-store promotional team

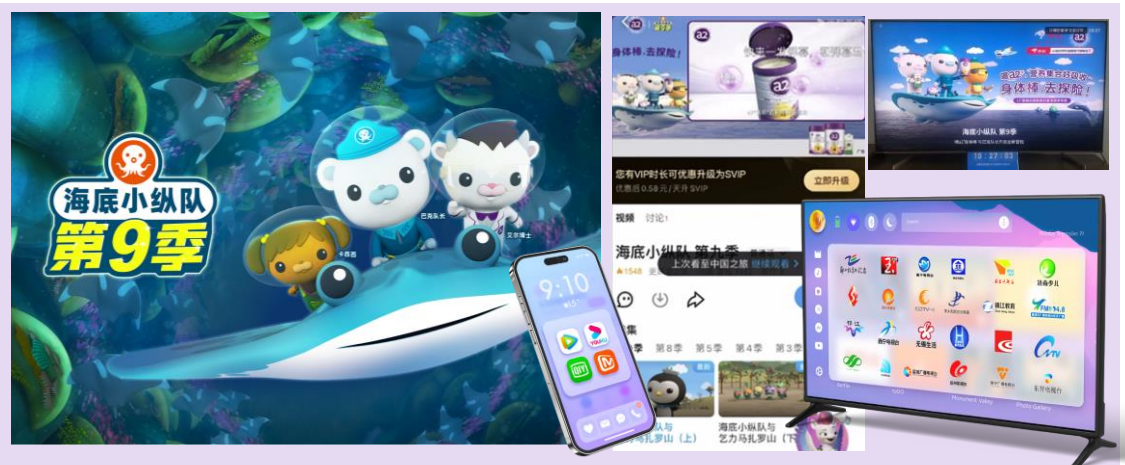


In-store activation leveraging Octonauts collaboration



Omni-touchpoints both online and offline to maximise exposure, including through Octonauts collaboration

Significant campaign launch integrated across traditional and digital channels



High impact sales channels exposure to drive awareness



- Octonauts new season launch achieved 4M+ impressions, including cartoon TV, video platforms, OTT and other platforms. A2 type beta casein protein only benefits educational content in all 23 cartoon episodes at the end of each episode. Douyin PK race generated 76k+ UGC (reached a record high) along with 4M+ viewership
- Sales materials customised for Stage 4 rolled out across 4k+ stores and 2k+ instore LED touchpoints in key accounts
- Mystery box mechanism appeals to children and boosts sales, reaching 700k+ people and gifting 260k+ mystery boxes
- Promotional people trained as brand ambassadors to output ~2k posts on RED, ~6k videos on Douyin and generating ~7k UGC

Strong execution in DOL driven by focus on new users, collaboration with key DOL accounts and utilisation of livestream events

Focus on early stage products



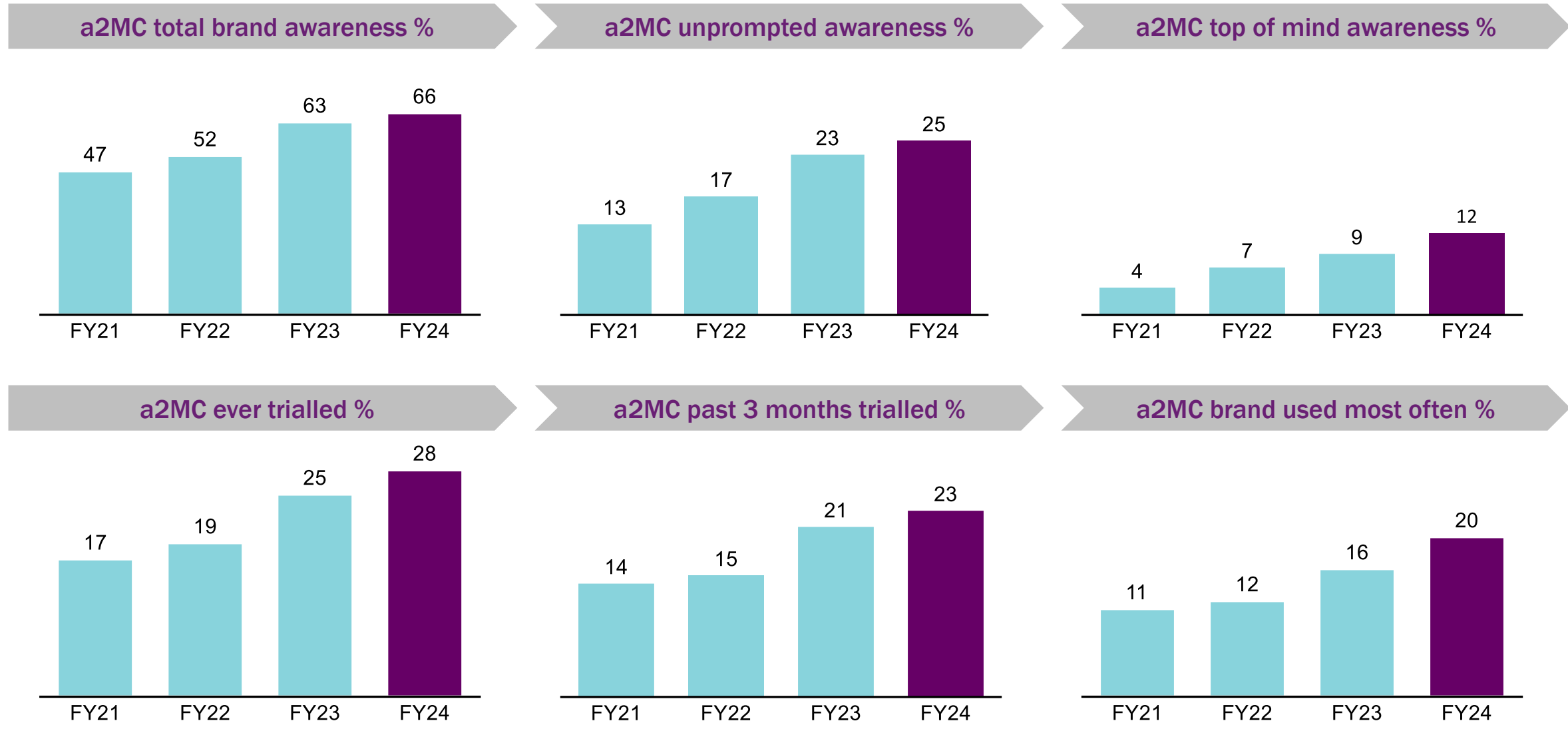
Collaboration with key account customers



Using livestreaming and online store management



Driving further improvement in China brand health metrics

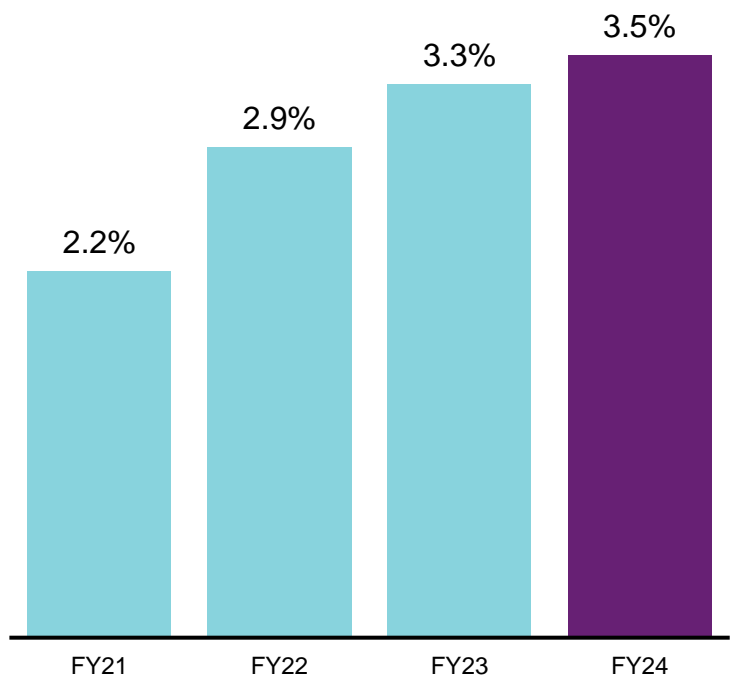


Source: a2MC internal data based on the Company's brand health tracking. Average brand health metrics for relevant financial year. Sample skews to a2MC target consumers ie higher income earners based in Provinces/cities that are the focus of sales and marketing activities.

Growth reflected in record MBS market share led by BCD cities

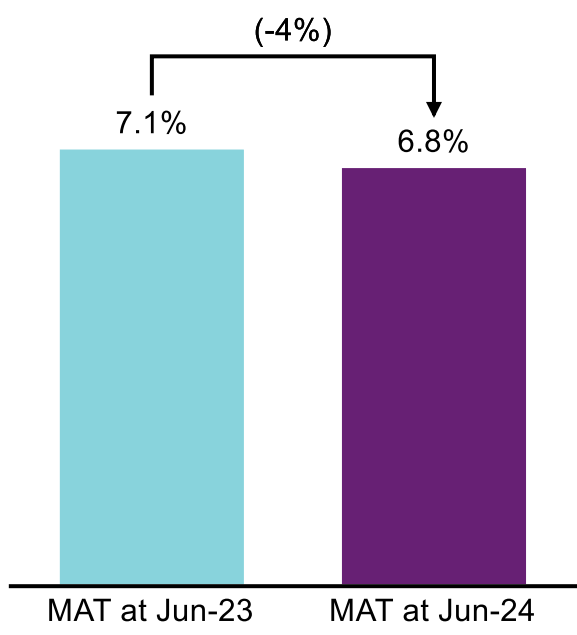
National MBS value share

a2MC MBS MAT value share (%)¹



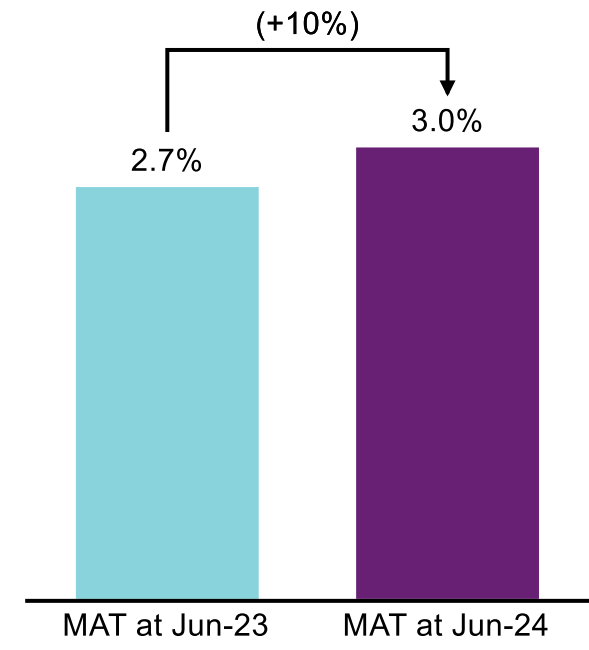
Key&A MBS value share

a2MC Key&A MBS MAT value share (%)¹



BCD MBS value share

a2MC BCD MBS MAT value share (%)¹



Nielsen's coverage varies between Key&A and BCD cities that could impact reported market share

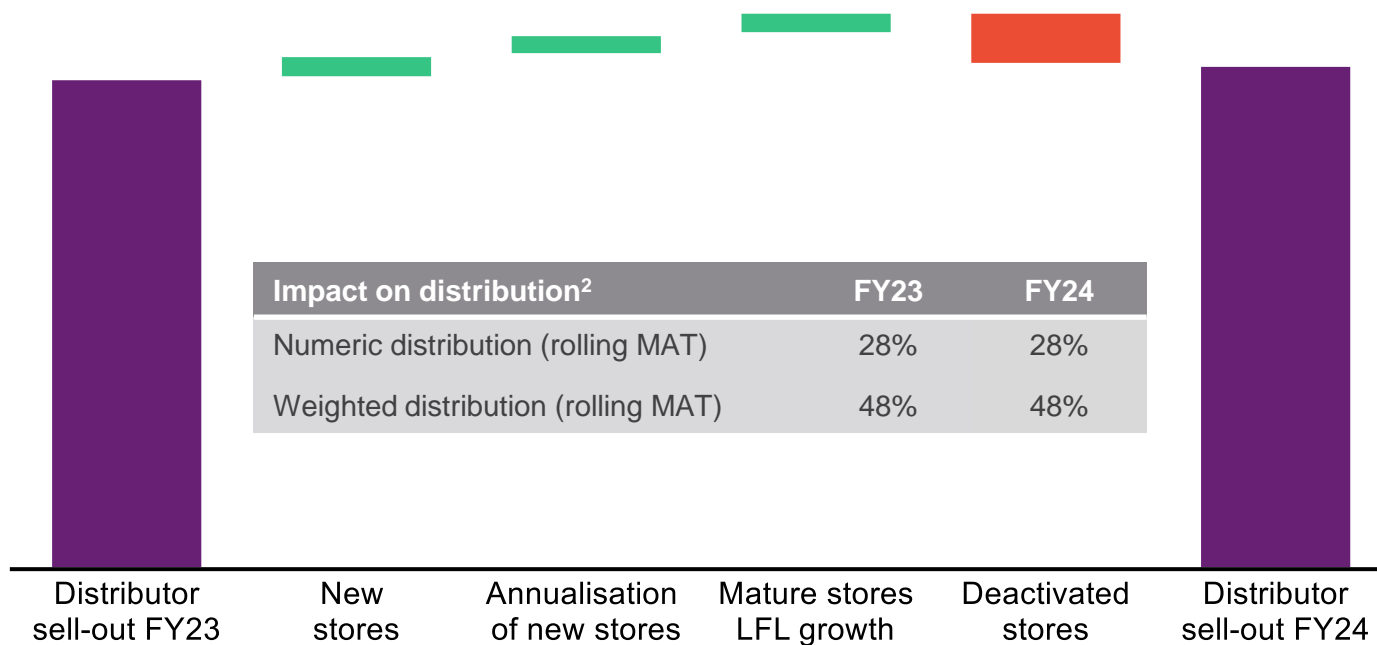
¹ Nielsen MBS retail measurement service: mother and baby stores only retail sales (by value). Nielsen had panel enhancement in Jan-24 which led to restatement of historical data.

Distribution expansion in BCD cities continues

Improvement in LFL store growth with significant store network change

a2MC China label IMF distributor sell-out to stores (units)¹

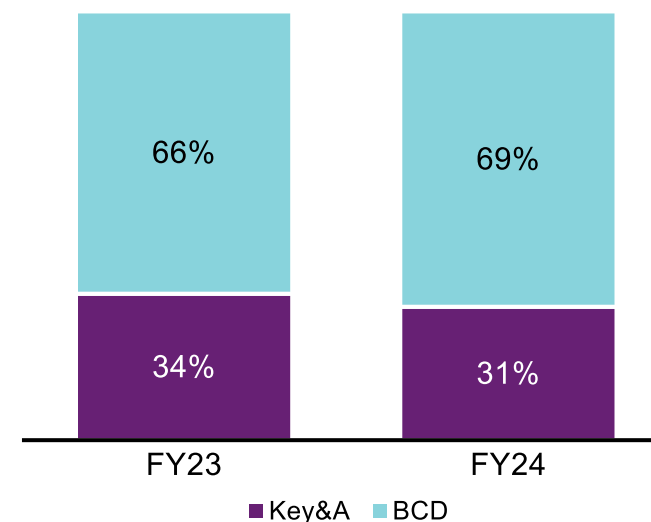
INDICATIVE



BCD store expansion continues

a2MC MBS stores Key&A versus BCD (%)¹

Distribution in BCD cities ²	FY23	FY24
Numeric distribution (rolling MAT)	25%	26%
Weighted distribution (rolling MAT)	42%	44%



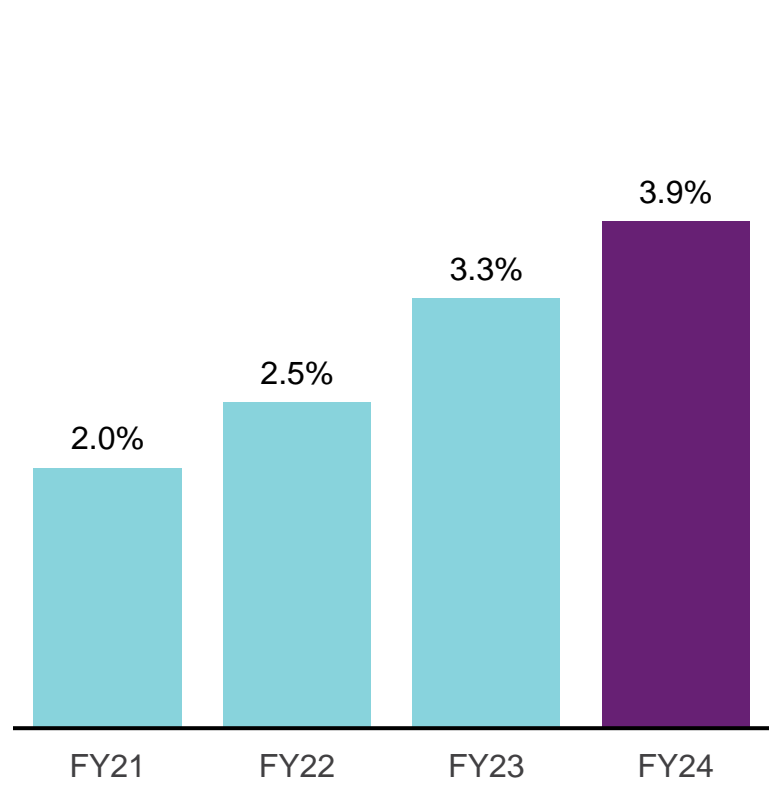
¹ a2MC internal data and tracking of stores with active sales in the past 6 months.

² Nielsen MBS retail measurement service: mother and baby stores only.

Record market share achieved in domestic online (DOL), now higher than MBS share

DOL value share

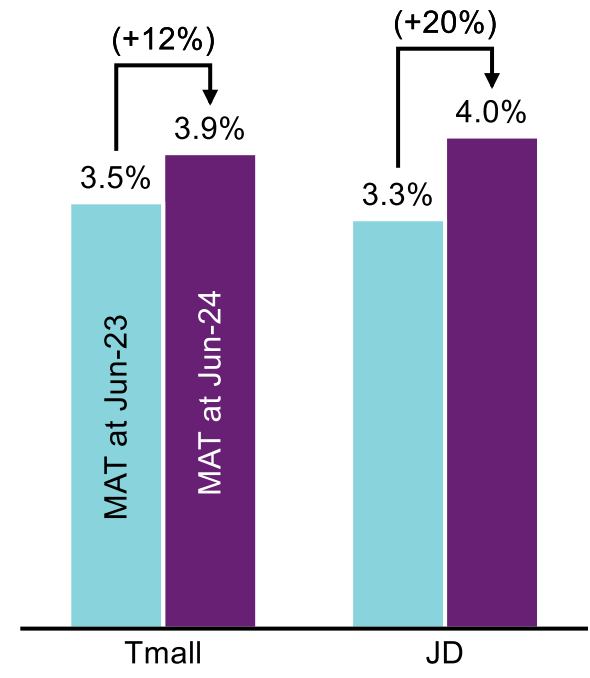
a2MC DOL MAT value share (%)¹



Smart Path data excludes certain emerging channels and is subject to data capture limitations

Tmall and JD value share

a2MC Tmall and JD MAT value share (%)¹



Commentary

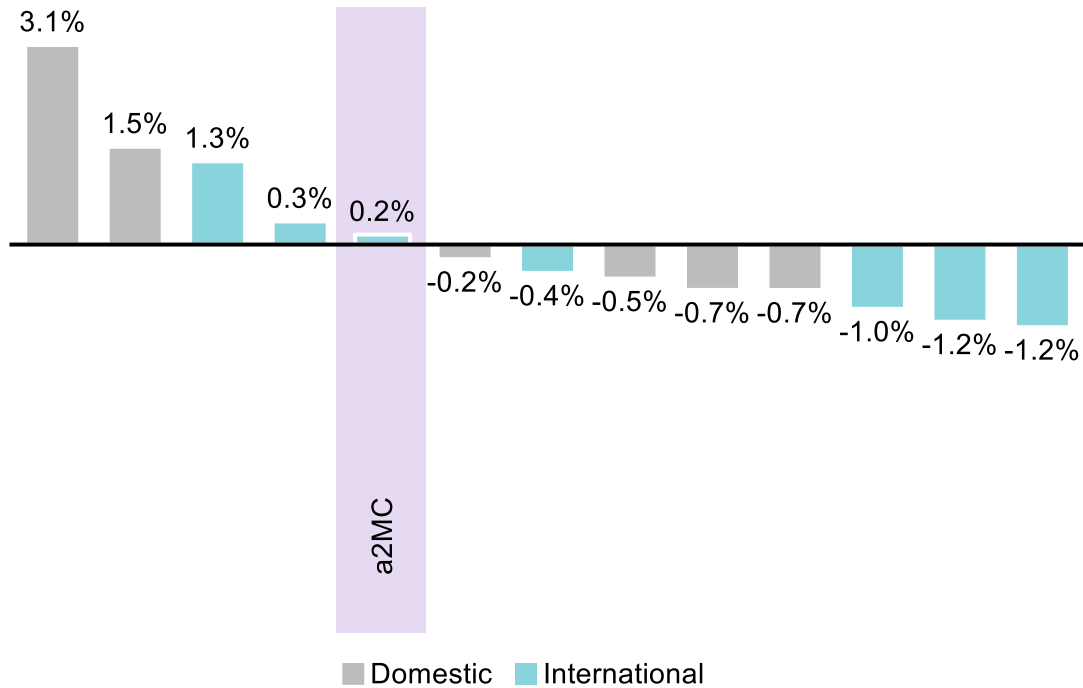
- Online growth outpaced offline sales growth for a2MC in FY24 with online share exceeding MBS share – by more on a like-for-like basis if Goat and Specialty categories are excluded as per MBS data
- The Company is pursuing growth in emerging content-based online channels including Douyin/TikTok and Red which generated significant growth in the period
- Good performance in 618, particularly in JD and Douyin/TikTok, with limited discounting throughout the period

¹ Smart Path China IMF online market tracking: domestic online platform sales (by value). 12-month rolling share.

Resulting in a2MC gaining share in MBS and DOL channels

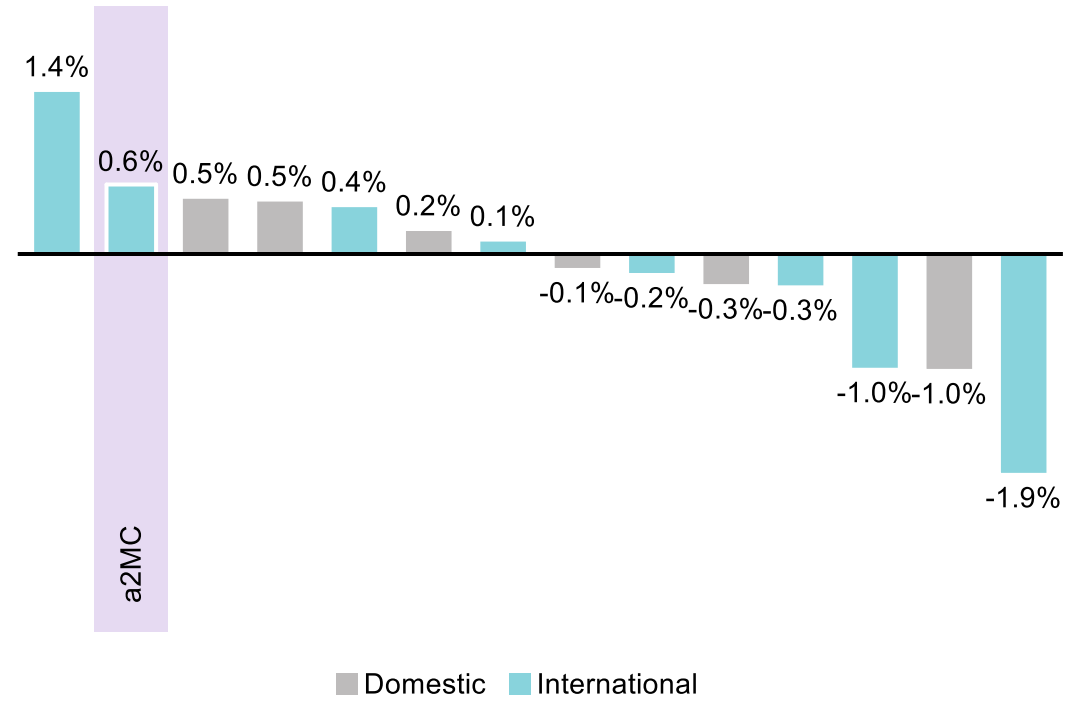
Market share movements by IMF brand in MBS channel

Change in MBS value share (% pts)¹



Market share movements by IMF brand in DOL channel

Change in DOL value share (% pts)²



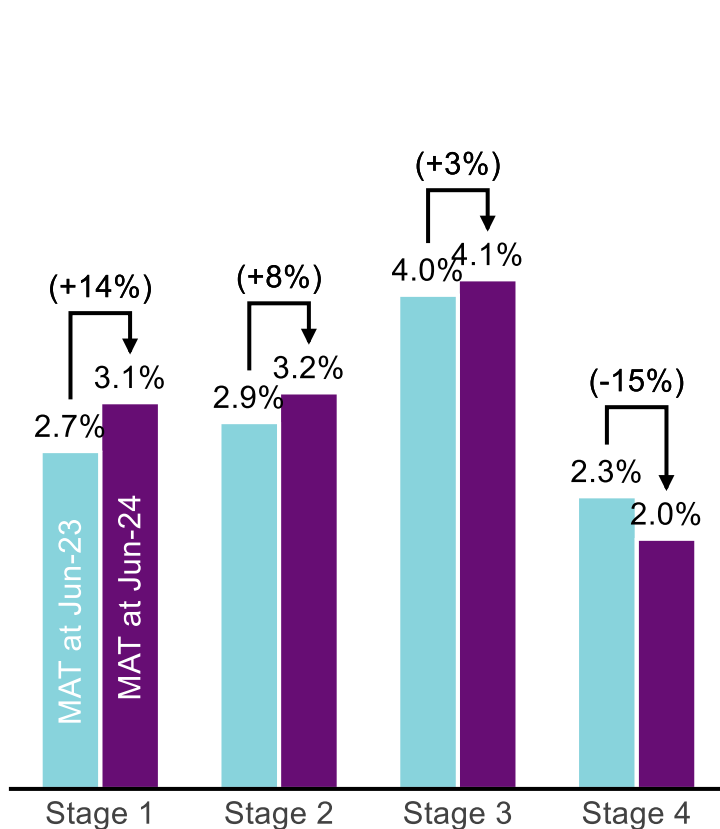
¹ Nielsen MBS retail measurement service: mother and baby stores only retail sales (by value). MAT Jun-23 to MAT Jun-24.

² Smart Path China IMF online market tracking: domestic online platform sales (by value). MAT Jun-23 to MAT Jun-24.

Share gains achieved across virtually all stages in MBS and DOL with strong growth in early stages

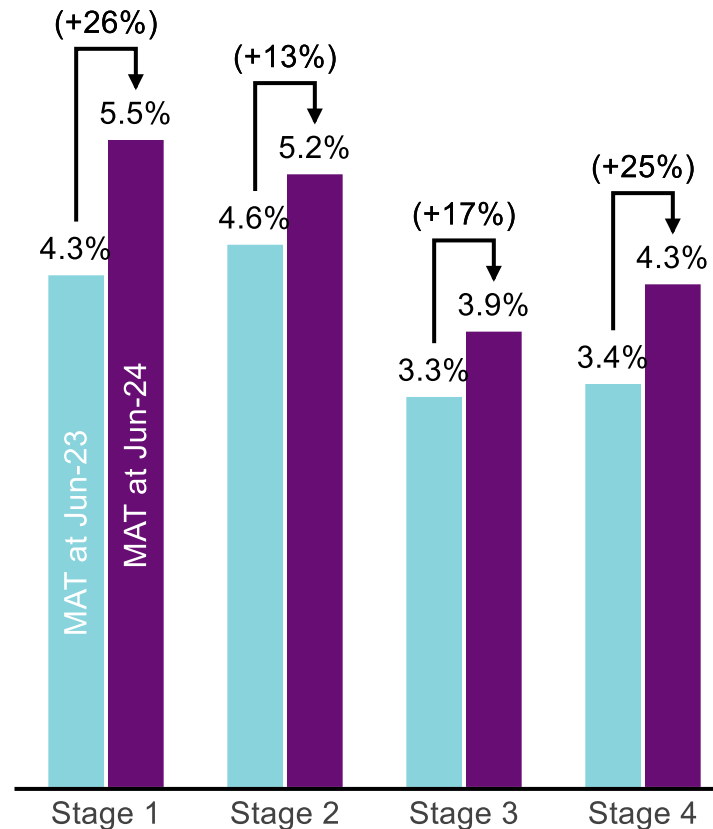
MBS share by stage

MAT value share by stage¹



DOL share by stage

MAT value share by stage²



Commentary

- a2MC brand benefits from strong loyalty across usage stages
- Within MBS, a2MC delivered share gains in Stages 1-3 and accelerated share growth in early stages. Stage 4 share declined reflecting increasing competition from local competitors' kids fortified powder and increasing a2MC channel shift to online for Stage 4
- Within DOL, a2MC delivered share growth across all stages with continued share gain in early stages. a2MC DOL mix skewed towards early stages, a healthy indicator that the channel is growing through new users rather than switching consumers from offline channels. Stage 4 share growth improved with a focus on late stage retention and capturing channel switching opportunities

¹ Nielsen MBS retail measurement service: mother and baby stores only retail sales (by value) across stages. 12-month rolling share.

² Smart Path China IMF online market tracking: domestic online platform sales (by value). Excludes goat and specialty. 12-month rolling share.

English label IMF key messages

Strategic priorities

- 1 Accelerate online growth in CBEC
- 2 Focus on developing O2O channel
- 3 Remain preferred brand for reseller network
- 4 Broaden IMF portfolio
- 5 Expand to emerging markets

Progress update

- Invested in significant EL IMF brand campaign in 1H24
- Focused on CBEC direct account management of POP and C2C channels and emerging social EC platforms (eg Douyin/TikTok)
- Continued to optimise RTM through drop-shipping, plus expanded O2O MBS distribution and Yuou partnership
- Launched new IMF product, *a2 Gentle Gold™* and *a2™ Immune* and *a2™ Move* fortified milk powders to expand portfolio and market reach
- Commenced IMF shipments to Vietnam

Business impact

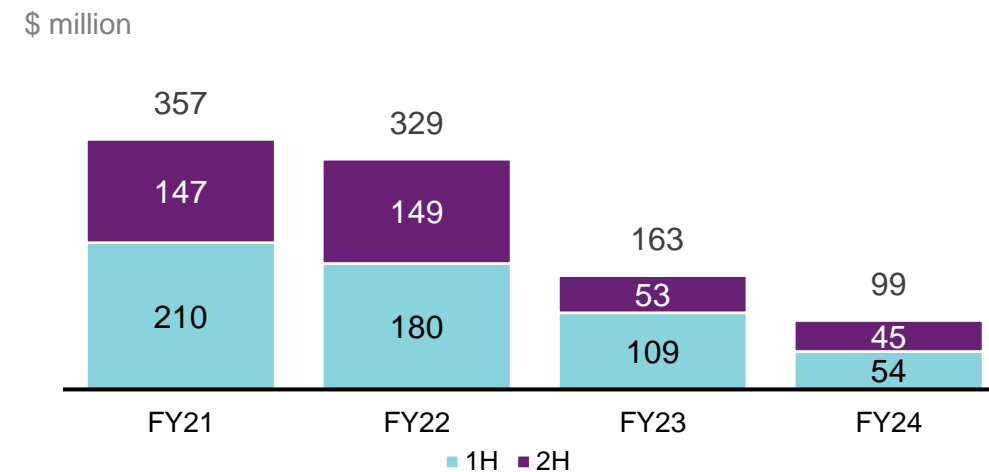
- Steady overall EL market share and a2MC EL awareness in China
- Use of drop-shipping at Tier 1 distributor level shortening lead time from manufacturer to consumer and lowering trade inventory requirements
- Increased share in key O2O retailer and expanded O2O distribution in smaller MBS stores
- More stable market pricing across channels
- Grew other nutritionals with progress in emerging markets

English label IMF sales in line with prior year but up in 2H24

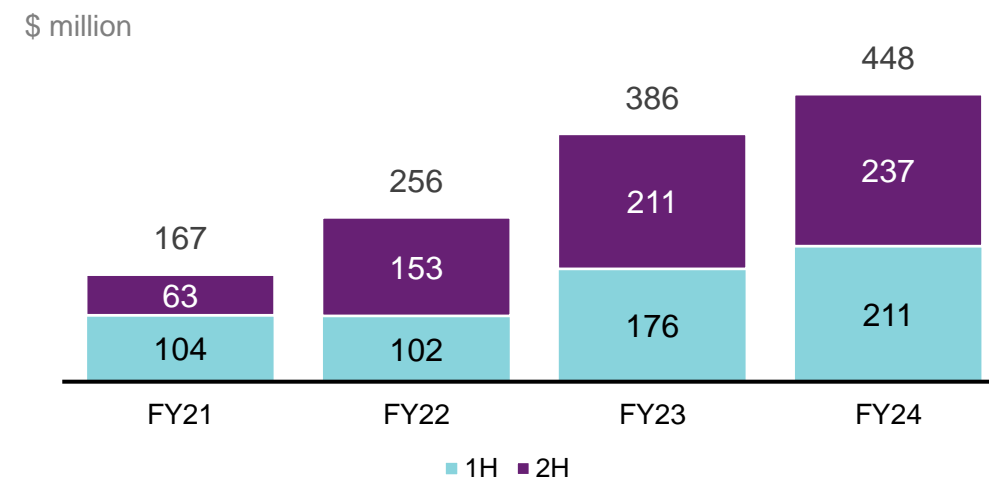
Sales reflected continued channel mix shift and refined operating model

- EL IMF market grew by 3.8%¹ in value in FY24 with further growth in CBEC, up 11.0%² and O2O, up 5.5%¹, largely offset by weakness in the Daigou channel (down 14.3%¹)
- FY24 net sales revenue of total English and other label IMF³ was \$546.4 million, broadly in line with FY23 (down 0.4%³). 2H24 revenue was \$17.4 million higher versus 1H24, reflecting improved EL channel trajectory
 - CBEC revenue (including O2O) increased 16.0% versus FY23 to \$447.8 million and now represents 82% of all EL sales, up from 70% in FY23
 - CBEC and O2O performance reflects strategic decision to continue to focus on these channels with further refinement including a shift to a drop-ship model via Tier-1 distributors to service POP, C2C and O2O stores
 - ANZ IMF revenue decreased 39.4% versus FY23 to \$98.5 million, consistent with a2MC's strategic focus on CBEC and O2O channels
- Launch of *a2 Gentle Gold™* in Australia and selected online channels in China from May
- Appointment of distribution partner and first shipment of IMF to Vietnam in 2H24
- FY24 a2MC market value shares
 - Total EL share 20.2% (FY23 19.0%)¹
 - CBEC share 20.5% (FY23: 22.6%)²
 - O2O + Daigou share 19.7% (FY23: 20.3%)¹

ANZ English label IMF net sales revenue



CBEC (including O2O) English label IMF net sales revenue



¹ Kantar Worldpanel 0-6 years old Baby & Kids panel: National IMF market tracking (Key&A + BCD cities). Note: Due to sample size, data classification and associated volatility reasons, the Company focuses more on its combined O2O and Daigou channel market share. Kantar had a significant panel update in 2H24 resulting in restatement of historical data.

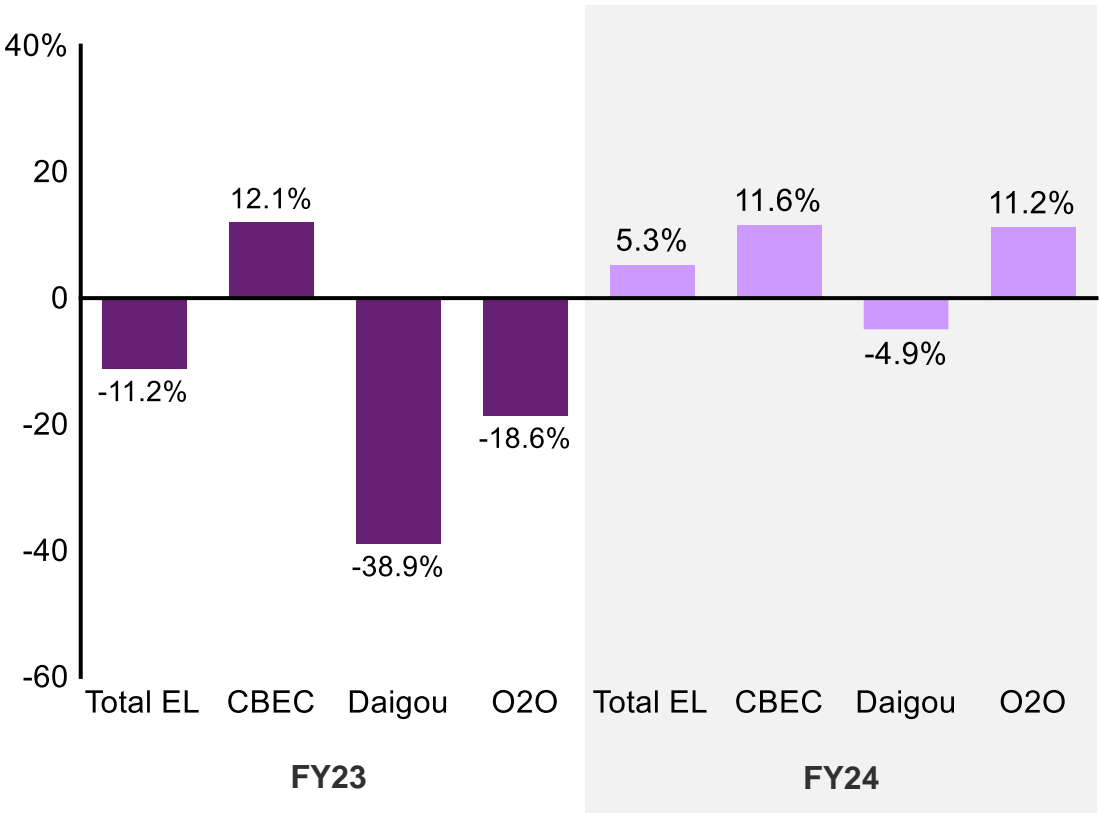
² Smart Path China IMF online market tracking: for CBEC only retail sales (by value).

³ Excludes USA IMF sales.

Key&A cities driving English label market stabilisation in FY24 primarily through CBEC and O2O channels

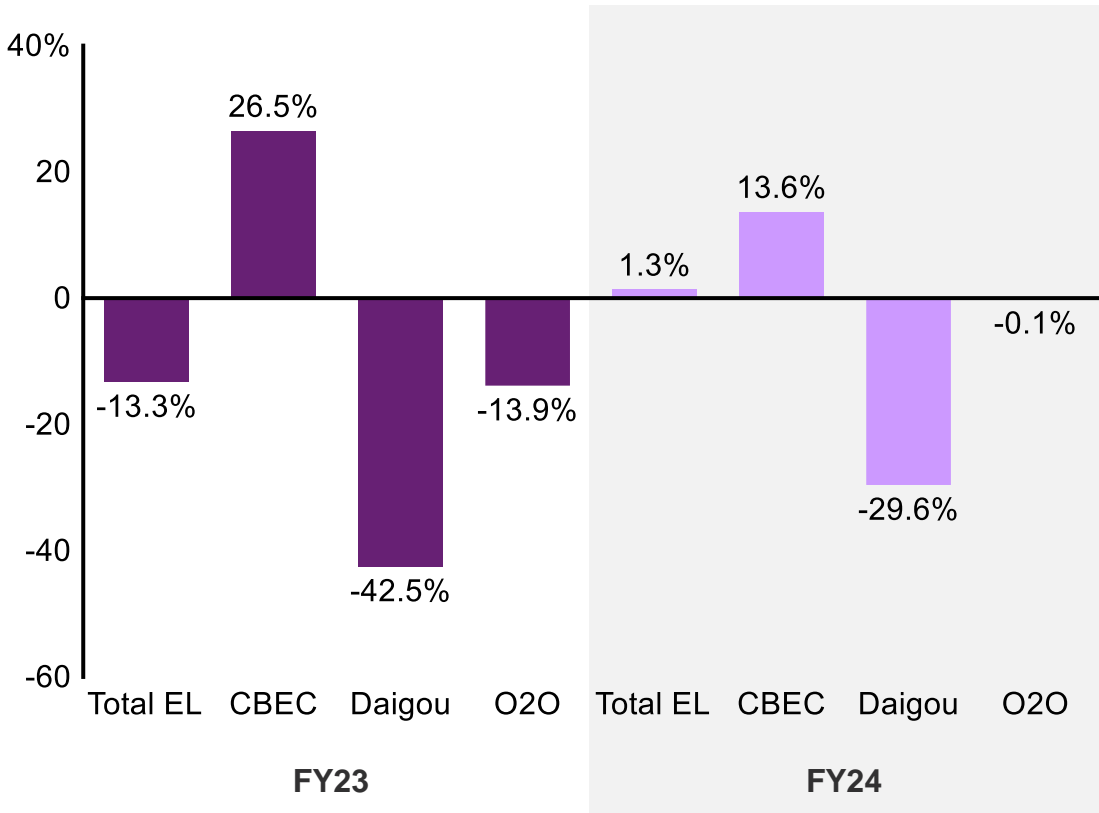
Key&A: Daigou decline slowed, with CBEC and O2O growth¹

EL channel value growth (Key&A cities)



BCD: CBEC maintained double-digit growth, Daigou in decline¹

EL channel value growth (BCD cities)

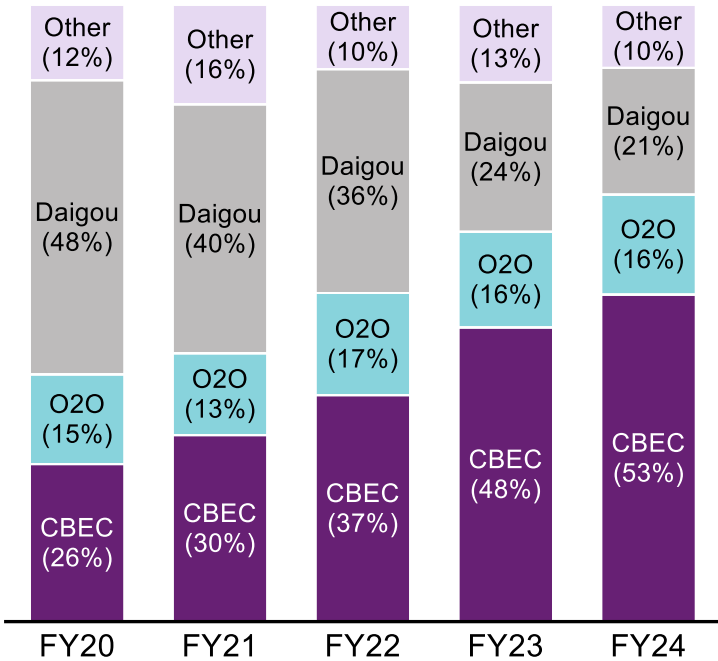


¹ Kantar Worldpanel 0-6 years old Baby & Kids panel: National IMF market tracking (Key&A + BCD cities).

Continued channel mix shift towards CBEC channels with Douyin/TikTok a key emerging platform

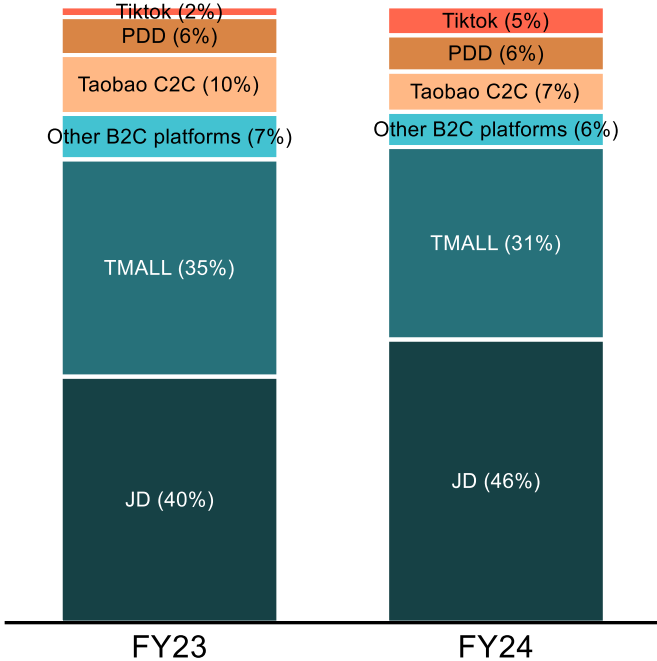
CBEC now over half of English label

Market MAT value sales by channel¹



CBEC growth driven by JD and TikTok

CBEC market MAT value sales by sub-channel²



Commentary

CBEC

- CBEC channel now the largest EL sales channel across all IMF Stages
- JD continues to be the largest CBEC channel but emerging platforms, such as TikTok, also growing strongly

O2O

- Enables consumers to experience brand in-store and order product for home delivery
- Channel growth driven by expansion of model across retail environments

Daigou

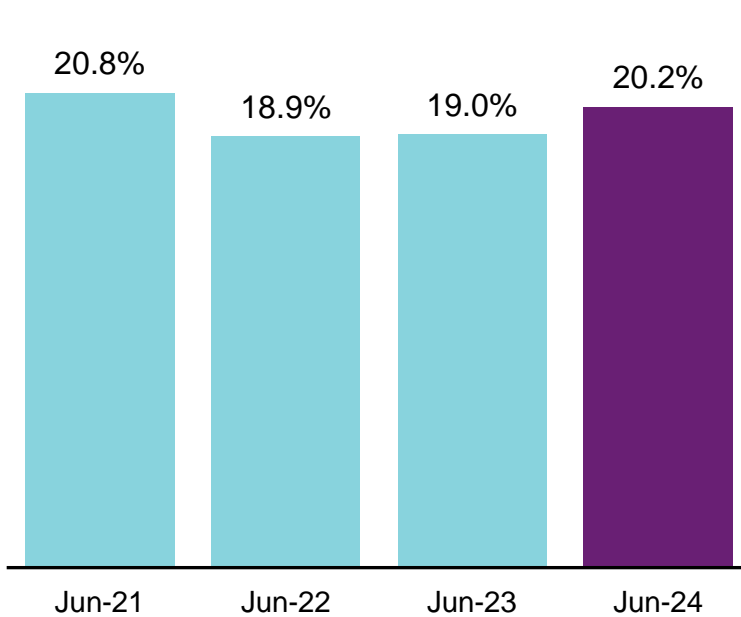
- Daigou seller base in Australia impacted by border closures during pandemic
- Tourism and international student inflows continue to lag pre-pandemic levels

¹ Kantar Worldpanel 0-6 years old Baby & Kids panel: National IMF market tracking (Key&A + BCD cities).
² Smart Path China IMF online market tracking: for CBEC only retail sales (by value) 12-month rolling share.

English label market share stabilising across channels with high growth in emerging online channels

Total English label market share

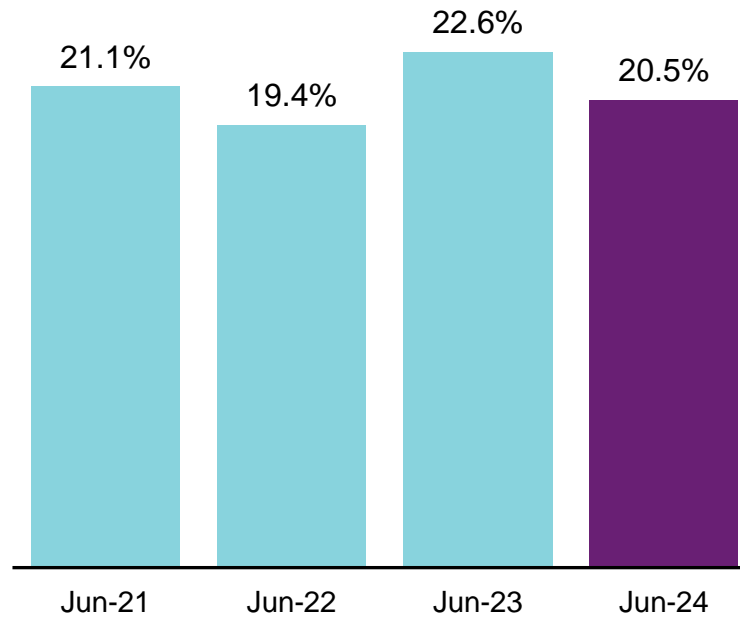
a2MC Total EL value share (%)¹



Kantar panel data for all EL channels

CBEC market value share

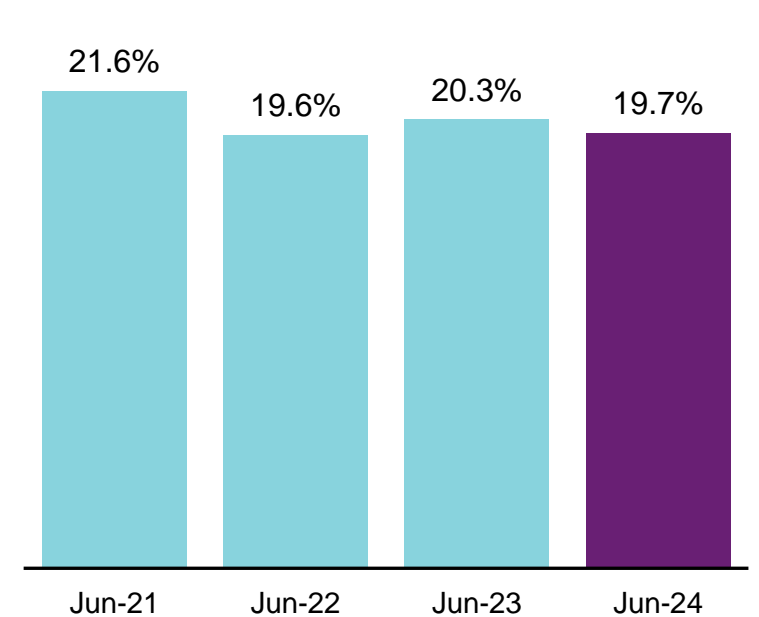
a2MC CBEC EL value share (%)²



Smart Path data excludes certain emerging channels and is subject to data capture limitations

O2O and Daigou market value share

a2MC CBEC EL value share (%)¹



Kantar panel data with sample size limitations

¹ Kantar Worldpanel 0-6 years old Baby & Kids panel: National IMF market tracking (Key&A + BCD cities) 52-week rolling share. Note: Due to sample size, data classification and associated volatility reasons, the Company focuses more on its combined O2O and Daigou channel market share. Kantar had a significant panel data update in 2H24 which resulted in restatement of historical data.

² Smart Path China IMF online market tracking: for CBEC only retail sales (by value) 12-month rolling share.

Executing integrated Brand and e-commerce campaigns to drive awareness and trial

Case example: JD Super Brand Day (April 2024)



Activation on major digital platforms through paid and owned channels ...

... combined with store livestreaming ...

... driving to in-store sales conversion

Campaign results



+35%

Growth in offtake versus pcp

+55%

Growth in new users versus pcp

52%

Offtake of early-stage products (Stage 1 & 2)



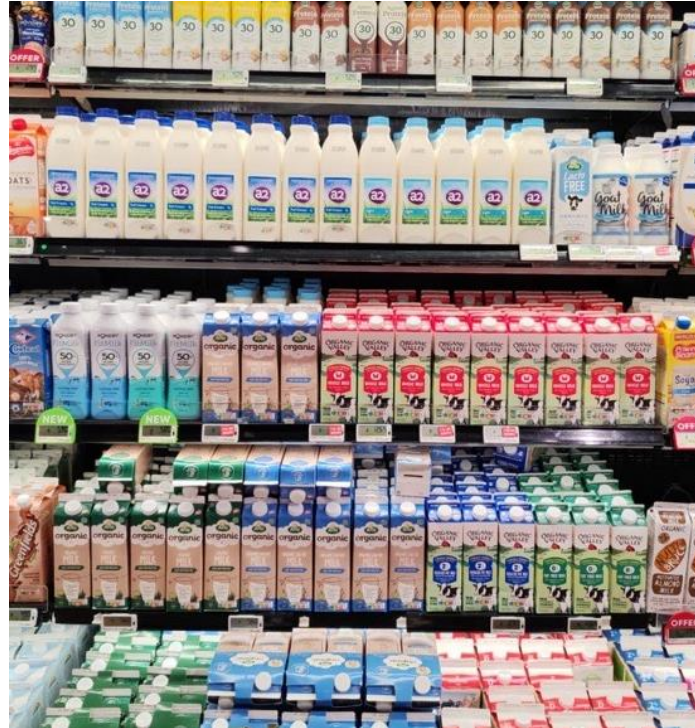
Actively expanding reach and product portfolio in emerging markets

Korea Expanding retail distribution



UHT sales growth +147.7%
IMF sales growth +5.9%

Singapore Fresh milk launched in major retailers



Ranged in Cold Storage,
Fair Price and Redmart

Vietnam Launching IMF and macro milk portfolio



First shipment of IMF
to Vietnam in 2H24

First new English label IMF range since *a2 Platinum*[®] launched in 2H24, *a2 Gentle Gold*[™], plus new fortified powders targeting adults and seniors



English label IMF portfolio

- Overall focus on broadening IMF portfolio to appeal to more consumers
- Working in partnership with MVM and Yashili NZ to develop and produce new product ranges using pure and natural New Zealand *a2 Milk*[™]
- *a2 Gentle Gold*[™] launched in 2H24 targeting Australian retail channels and selected channels in China
- *a2 Gentle Gold*[™] positioned below *a2 Platinum*[®] in the Premium segment
- Additional English label product to be positioned above *a2 Platinum*[®] expected to launch in FY25



Other nutritionals portfolio

- New fortified milk powder in a tub launched in 2H24 targeting growing adult and senior consumer segments
 - *a2*[™] *Immune* with Lactoferrin to support a healthy immune system
 - *a2*[™] *Move* with *Fortigel*[®] for bone, joint and muscle support
- Made with pure and natural New Zealand *a2 Milk*[™] with milk powder produced by MVM

ANZ liquid milk key messages

Strategic priorities

- 1 **Maintain brand leadership**
- 2 **Increase household penetration**
- 3 **Drive product innovation**
- 4 **Invest in sustainability**
- 5 **Expand supply chain capability**

Progress update

- Completed brand relaunch in Australia, with updated packaging and new TVC
- Invested in *a2 Milk[®] Lactose Free* to drive awareness, trial and brand penetration
- Expanded Core and Lactose Free ranges, including 1L ESL carton in WA, and larger format Lactose Free SKUs
- Completed a2MC's first methane inhibitor feasibility study on-farm
- Completed site upgrade at Smeaton Grange with Kyabram upgrade on track

Business impact

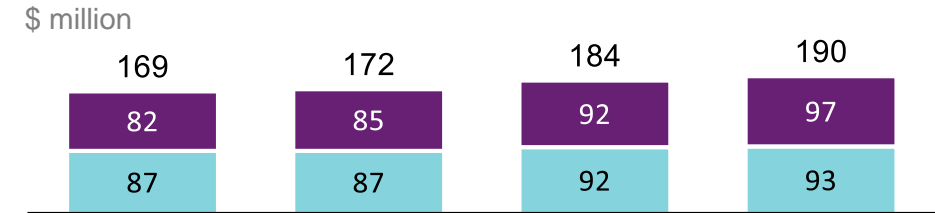
- Achieved new highs in top-of-mind, spontaneous awareness and trial conversion
- *a2 Milk[®]* ranked as the #1 dairy brand in FY24 based on Australian grocery weighted sales
- Achieved 11.5% overall share; with *a2 Milk[®] Lactose Free* achieving a national MAT share of 13.7% (vs 11.3% at 1H24)
- Maintained strong *a2 Milk[®]* household penetration rates at 15.1%
- *a2 Milk[®]* achieved the highest consumer loyalty amongst branded milk for both Core and Lactose Free

ANZ liquid milk sales supported by strong growth from *a2 Milk*[®] *Lactose Free*

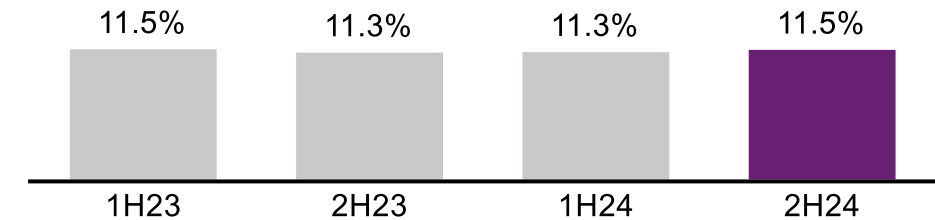
Lactose Free growth supported by brand refresh

- Australian liquid milk net sales revenue up 3.3% to \$190.2 million led by contribution of *a2 Milk*[®] *Lactose Free*, despite a challenging consumer environment
- Category share of branded milk continued to decrease, albeit at a slower rate versus 1H24, with private label gaining 2.4ppts¹ during FY24 reflecting continued cost-of-living pressures
- Despite category challenges, a2MC's market value share of 11.5%² grew 0.2ppts, with continued growth in *a2 Milk*[®] *Lactose Free* and stabilising core volumes
- *a2 Milk*[®] *Lactose Free* achieved 13.7%³ national share on a MAT basis to the end of FY24 (up from 11.3% at 1H24), with share gain 2H24 weighted, as investment in price and marketing activations supported growth
- *a2 Milk*[®] (including *a2 Milk*[®] *Lactose Free*) is now the #1 dairy milk brand nationally⁴
- Upgrade of Smeaton Grange facility completed, and upgrade of the Kyabram milk processing facility with Kyvalley Dairy Group on track for completion in FY25

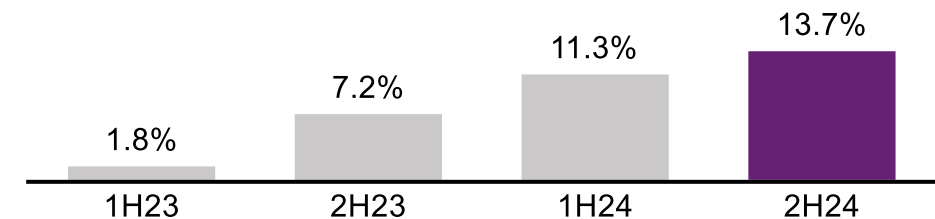
Australia liquid milk net sales revenue



Australia liquid milk market value share²



Australia lactose free market value share³



¹ Coles and Woolworths branded share of Dairy Milk market, in litres, Australia Grocery Weighted.

² IRI Australian Grocery Weighted Scan, share of Dairy Milk market, MAT period.

³ IRI Australian Grocery Weighted Scan, share of Lactose Free market, MAT period.

⁴ IRI Australian Grocery Weighted Scan, dollar share, MAT to end of FY24.

ANZ liquid milk sales growth supported by marketing investment



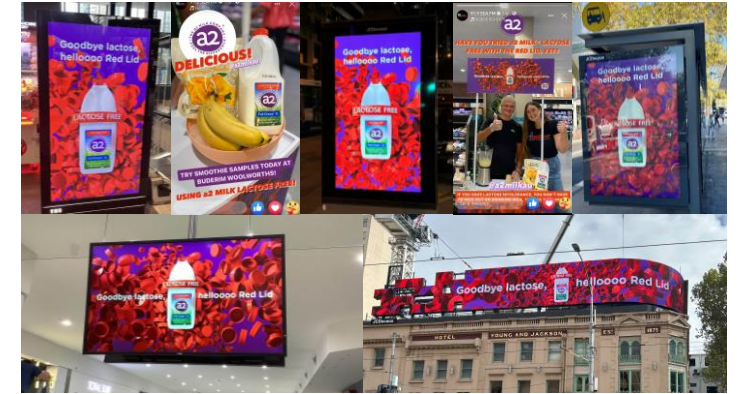
Refreshed milk packaging

Incorporating digestion related claims and delivering stronger on-shelf impact



Launched new TVC

Reinforcing naturally A1 protein free message while still celebrating core a2 Milk® brand attributes



Invested in a2 Milk® Lactose Free

Including through promotions, OOH, social media, radio and in-store activations

USA key messages

Strategic priorities

- 1 Obtain long-term FDA approval
- 2 Build IMF brand and distribution
- 3 Expand margin accretive innovation in liquid milk
- 4 Optimise supply chain
- 5 Improve profitability

Progress update

- New Infant Formula Notification (NIFN) progressing to plan
- *a2 Platinum*® available for sale to USA consumers in FY24, trialing different sales and marketing approaches
- Expanded distribution of *a2 Milk*® *Grassfed* product
- New agreements reached with co-manufacturers
- Significantly improved landed margin in FY24

Business impact

- Targeting NIFN submission to be filed during 1Q25, with long-term approval expected to be achieved in FY26 subject to FDA approval
- IMF sales in FY24 not material
- Revenue growth supported by growth in *a2 Milk*® *Grassfed* product
- Supply chain optimisation supporting profitability improvement
- Significant reduction in EBITDA losses in FY24

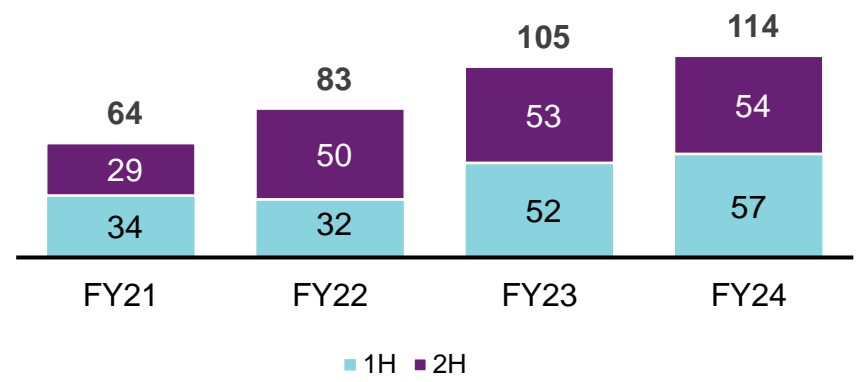
Focus on improving liquid milk profitability while investing in IMF approval

Accelerating the path to profitability remains a priority, alongside progressing IMF approval

- Revenue increased 8.2% to \$113.7 million
- Sales growth reflects ongoing contribution from innovation, plus continued focus on optimising promotional plan through reduced depth and frequency
- EBITDA loss of \$15.5 million reduced versus FY23 driven by lower promotional activity, improved input costs and distribution rates and reduced SG&A costs, partly offset by higher costs for long term FDA approval for *a2 Platinum*[®]
- a2MC’s market value share in the premium milk category for the Grocery channel was slightly down at 2.2%¹ in June 2024 (FY23: 2.3%)
- Following the receipt of FDA enforcement discretion to import IMF, a2MC has focused on building awareness and trial, with a particular emphasis online (including Amazon and Walmart)
- a2MC is pursuing longer term FDA approval to import *a2 Platinum*[®], and its New Infant Formula Notification is on track to be filed during 1Q25, with long-term approval targeted during FY26 subject to FDA approval
- Whilst US losses have reduced significantly, the timeframe to achieve profitability is now more likely to be by FY27, with the USA liquid milk business expected to achieve breakeven contribution margin in FY26 while investing in IMF

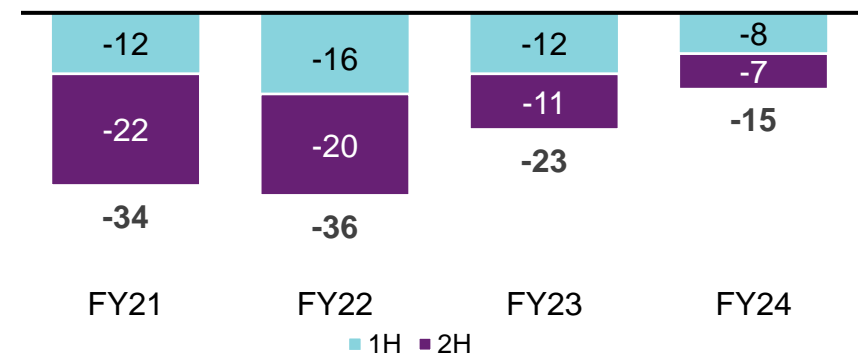
Revenue

\$ million²



EBITDA

\$ million²



¹ SPINS data for the Grocery channel only for the 52 weeks ending June 2023 and June 2024.
² Subject to rounding.

Progressing USA IMF opportunity and on track for long-term approval

- In November 2022, a2MC received confirmation from the US Food and Drug Administration (FDA) that its **application for enforcement discretion (ED)** to import, sell and distribute *a2 Platinum*[®] from New Zealand into the USA had been approved
- **Commenced distribution** of *a2 Platinum*[®] under the FDA's short-term ED with selected retailers in-store and online during FY24, including Amazon and Walmart
- Sales recognised during FY24 were not material, with a focus on **establishing the supply chain** and **trialing different sales and marketing approaches**, whilst pursuing long-term FDA approval
- a2MC collaborated with Synlait, to complete and prepare for the **New Infant Formula Notification (NIFN)** submission, to seek FDA approval for the long-term sale of IMF product beyond the ED period
- A **growth monitoring study** was completed in July 2024 as part of the NIFN submission
- **NIFN is on track to be filed during 1Q25**, with long-term approval expected to be achieved in FY26

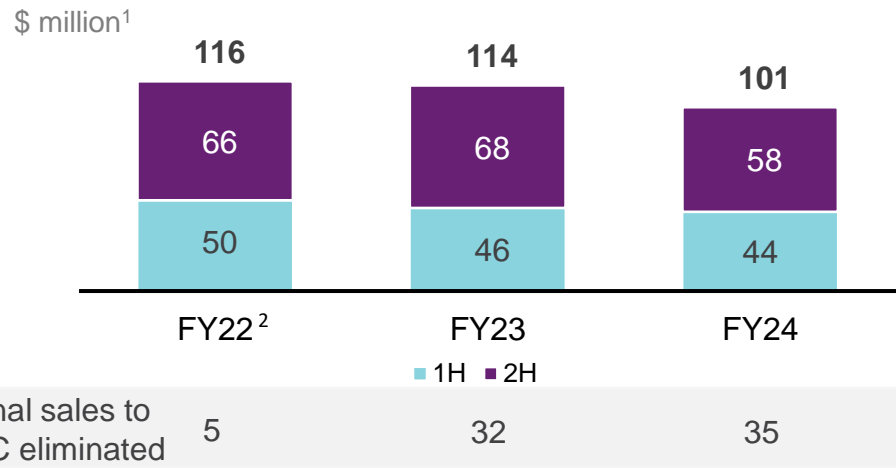


MVM remains focused on building nutritional manufacturing capability and reducing operating losses

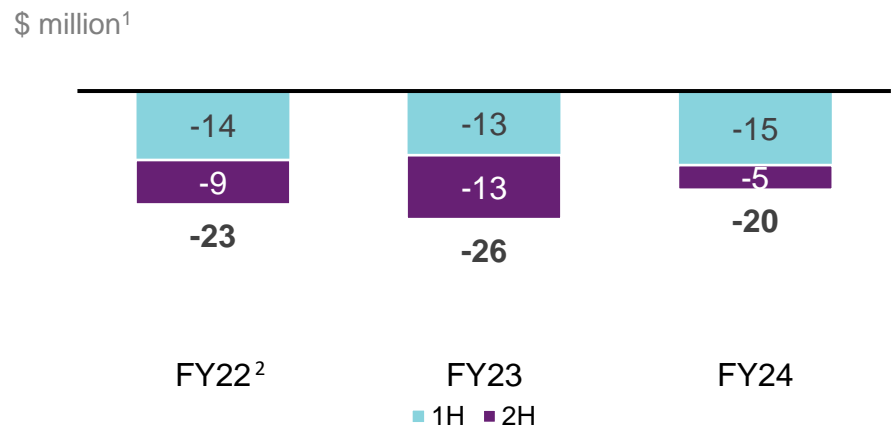
EBITDA improvements reflect sales mix and productivity gains

- Reported net sales revenue of \$101.4 million down compared to FY23 reflecting lower GDT and higher insourced a2MC sales (eliminated)
- EBITDA loss of \$20.5 million in FY24, compared to a reported loss of \$26.5 million in FY23 reflects an improved sales mix, with increased volume of higher-value products, plus a continued cost and productivity focus across the site
- Profitability improvement in 2H24 largely reflects the seasonal nature of production and sales (winter shutdown during 1H), plus timing of higher margin nutritional and A1 protein free sales in 2H24
- Commenced production and sale of *a2 Platinum*[®] Stage 4 IMF base powder partnering with a new EL IMF commercial supply partner (New Zealand New Milk, subsidiary of Lactalis)
- Partnered with new EL IMF commercial supply partner (Yashili NZ, a subsidiary of Mengniu) to supply *a2 Milk*[™] milk powder for *a2 Gentle Gold*[™], with further products planned for FY25
- Significantly increased access to A1 protein free milk, including organic
- Advanced sustainability programme including commissioning of a high-pressure electrode boiler at MVM, powered by certified renewable energy³, to materially reduce greenhouse gas emissions
- Accelerating path to profitability is a key priority

Revenue



EBITDA



¹ Subject to rounding.
² 1H22 represents pro-forma unaudited results for 6-months. Comprises 5-months reported results under a2MC ownership (acquired at the end of July 2021) plus unaudited financial results for the month of July 2021.
³ MVM purchases Meridian's Certified Renewable Energy product to enable it to match the amount of electricity it uses on an annual basis with an equivalent amount of electricity put into the national grid from one of Meridian's hydro stations or wind farms (which have been independently verified as producing 100% renewable electricity).



Questions





Appendix



Reconciliation of non-GAAP measures

\$ million	FY24	FY23
Australia & New Zealand segment EBITDA	63.0	93.5
China & Other Asia segment EBITDA	290.1	254.1
USA segment EBITDA	(15.5)	(23.3)
MVM segment EBITDA	(20.5)	(26.5)
Eliminations EBITDA	(0.5)	-
Corporate EBITDA	(82.4)	(78.5)
EBITDA¹	234.3	219.3
Depreciation/amortisation	(32.2)	(18.2)
EBIT¹	202.1	201.1
Net interest income	36.0	21.8
Income tax expense	(84.3)	(78.0)
Net profit for the period	153.9	144.8



¹ EBITDA and EBIT are non-GAAP measures. However, the Company believes they assist in providing investors with a comprehensive understanding of the underlying performance of the business.

a2MC glossary of terms

Acronym	Meaning	Acronym	Meaning	Acronym	Meaning
a2MC	The a2 Milk Company Limited	GHG	Greenhouse gas	NZD/NZ\$	New Zealand Dollar
ANZ	Australia and New Zealand	GM	Gross margin	OOH	Out of home advertising
ASP	Average selling price	HMO	Human milk oligosaccharides	OPO	1,3-dioleoyl-2-palmitate, a component of the human milk fat
AU	Australia	IMF	Infant milk formula (Stage 1-4)	O2O	Offline to online
BCD	Lower tier cities in China	IT	Information Technology	PCP	Prior corresponding period
CBEC	Cross-border e-commerce	JD	Jingdong	POP	Platform Open Plan
CL	China label	KA-MT	Key Account Modern Trade	POSM	Point of sales marketing
CY	Calendar year	Key&A	Upper tier cities in China	PP&E	Property, plant and equipment
C2C	Consumer-to-consumer	KG	Kilogram	PR	Public relations
DOL	Domestic online channel	KMBS	Key Mother and Baby stores	RMB	Official currency of China
EBIT	Earnings before interest and tax	KOL	Key opinion leader	RRP	Recommended retail price
EBITDA	Earnings before interest, taxes, depreciation and amortisation	LFL	Like-for-like	RTM	Route-to-market
ED	Enforcement discretion	LKA	Local key accounts	SAMR	State Administration for Market Regulation
EL	English label	LTI	Long term incentive	SG&A	Selling, general and administrative expenses
EPS	Earnings per share	LTM	Last twelve months	Tmall	Taobao Mall
ESL	Extended shelf life	MAT	Moving annual total	TRIFR	Total recordable injury frequency rate
FDA	Food & Drug Administration	MBS	Mother & baby stores	UHT	Ultra-high-temperature treated milk
FX	Foreign exchange	MVM	Mataura Valley Milk Limited	UP	Ultra Premium
FY	Financial year	NIFN	New Infant Formula Notification	USA	United States of America
GAAP	Generally accepted accounting principles	NKA	National key accounts	USD	United States Dollar
GB	Guo Biao, national standards of China	NPAT	Net profit after tax	VIC	Victoria
		NSW	New South Wales		



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