



30 September 2024
NZX/ASX Market Release

Response to Price Query letter

Please see attached response to the “Price – Query” letter from ASX Compliance received on Friday, 27 September 2024.

Authorised for release by the Board of Directors

David Bortolussi
Managing Director and CEO
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30 September 2024

ASX Compliance
Exchange Centre
20 Bridge Street
Sydney NSW 2000
Australia

By email: ListingsComplianceSydney@asx.com.au

Dear Sir/Madam,

The a2 Milk Company Limited (ASX:A2M; NZX:ATM) (A2M) Price Query

We refer to the "Price – Query" letter from ASX Compliance received on Friday, 27 September 2024.

A2M sets out below its responses to the questions in that letter.

1. **Is A2M aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?**

Response: Possibly.

On 24 September 2024, various government economic stimulus measures were announced in China. These were widely reported in the media from 24 to 27 September 2024, as well as speculation that China may introduce additional stimulus measures.

For example, on page 21 of the Australian Financial Review 27 September 2024 edition, it was reported that *"Commonwealth Bank told clients that it was expecting more stimulus measures as soon as this week, supporting the surge in commodity prices and equities exposed to the world's second-largest economy."*

In response to these measures the China A 300 Consumer Staples index was up 27% for the week ended 27 September 2024 with the share prices of companies operating in the dairy and nutrition sector increasing significantly over the same period, such as Ausnutria, Bright Dairy, Feihe, H&H, Mengniu and Yili which increased in the range of 13% to 35%. Given A2M's exposure to Chinese consumer demand, A2M considers this to be the most likely explanation for the increase in its share price last week.

For completeness, consistent with its publicly announced strategy which includes developing infant milk formula manufacturing capability and increasing China market access, A2M is currently in discussions regarding the potential acquisition of a manufacturing facility. The discussions are incomplete with no binding terms agreed, due diligence not yet completed and there is no certainty a transaction will occur. As such there is no further meaningful information to disclose at this stage.

2. If the answer to question 1 is “yes”.

(a) Is A2M relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1? Please note that the recent trading in A2M’s securities would suggest to ASX that such information may have ceased to be confidential and therefore A2M may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is “yes”, you need to contact us immediately to discuss the situation.

Response: As noted above, A2M considers it likely that the recent trading is likely to have been driven by the news relating to actual and speculated China stimulus measures. A2M doubts that its participation in confidential and incomplete discussions regarding a potential acquisition is materially price sensitive given uncertainties including whether it will proceed, if so on what terms and conditions and what impact it may have on the company. Accordingly, A2M mentions this only for completeness and out of an abundance of caution.

However, if this was materially price sensitive, Listing Rule 3.1A applied to those discussions prior to their disclosure through the release of this response on ASX.

(b) Can an announcement be made immediately? Please note, if the answer to this question is “no”, you need to contact us immediately to discuss requesting a trading halt (see below).

Response: See response to 2(a) above. This letter discloses the information which may arguably be materially price sensitive.

(c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?

Response: Not applicable.

3. If the answer to question 1 is “no”, is there any other explanation that A2M may have for the recent trading in its securities?

Response: Not applicable.

4. Please confirm that A2M is complying with the Listing Rules and, in particular, Listing Rule 3.1.

Response: Confirmed.

5. Please confirm that A2M’s responses to the questions above have been authorised and approved under its published continuous disclosure policy or otherwise by its board or an officer of A2M with delegated authority from the board to respond to ASX on disclosure matters.

Response: Confirmed.

Yours sincerely



Jaron McVicar
Chief Legal & Sustainability Officer and Company Secretary
The a2 Milk Company Limited

