



26 November 2019
NZX/ASX Market Release

CHANGE IN RELEVANT INTERESTS OF DIRECTORS

David Hearn - Chair

Attached are the NZX Ongoing Disclosure Notice and equivalent ASX Appendix 3Y relating to changes in the relevant interests in the Company's securities held by the Chair of The a2 Milk Company, David Hearn.

Mr Hearn exercised 100,000 unlisted options to subscribe for Ordinary Shares in the Company (**Options**) and subsequently sold 100,000 Ordinary Shares on market on 25 November 2019 as part of his management of personal finances, including to meet tax obligations.

Following these transactions, Mr Hearn retains a relevant interest in 100,000 Ordinary Shares and 3,100,000 Options (of which 2,100,000 have already vested).

Mr Hearn intends to use some of the funds received from his sale of shares to shortly exercise a further 260,000 Options. This will take Mr Hearn's holding to 360,000 Ordinary Shares and 2,840,000 Options. Details of this expected exercise of options by Mr Hearn will be disclosed at the relevant time.

Jayne Hrdlicka – Managing Director & CEO

Also attached are the NZX Ongoing Disclosure Notice and equivalent ASX Appendix 3Y relating to changes in the relevant interests in the Company's securities held by the Managing Director & Chief Executive Officer, Jayne Hrdlicka.

These include details relating to (1) the grant of performance rights under the Company's FY20 LTI Plan on 19 November 2019; and (2) the on-market sale of a portion of Ms Hrdlicka's Ordinary Shares on 22 November 2019 in order to meet the expected tax obligations arising from the vesting of her Time-Based Rights.

Performance Rights under FY20 LTI Plan – 19 November 2019

On 19 November, Ms Hrdlicka was granted 164,312 performance rights under the Company's FY20 LTI Plan. Details in relation to the FY20 LTI Plan are set out in the market announcement that was released to the market on 19 November 2019.

Sale of Ordinary Shares – 22 November 2019

In respect of Ms Hrdlicka's sale of Ordinary Shares on 22 November 2019:

- In June and August 2019, a total of 242,022 Ordinary Shares were issued to Ms Hrdlicka on the vesting and automatic exercise of an equivalent number of Time-Based Rights.
- As previously noted, these are the last tranches of the Time-Based Rights granted to Ms Hrdlicka as a one-off transition benefit. These Time-Based Rights were granted as compensation for the forfeiture of incentive entitlements from her former employer as a result of her resignation to take up employment with the Company.

- In order to meet the expected tax obligations incurred when the Time-Based Rights were automatically exercised in June and August, Ms Hrdlicka has sold approximately 61% (146,684 of 242,022 shares) of the total number of Ordinary Shares received.
- Ms Hrdlicka's sale of shares, like all previous trades, were approved by the Chair of the Board in accordance with the Company's Securities Trading Policy, under which clearance to trade is usually only considered appropriate within a limited number of 'trading windows' each year.

Following Ms Hrdlicka's recent sale of shares she retains a relevant interest in 95,338 Ordinary Shares in the Company, with a market value today of approximately 85% of her fixed annual remuneration before tax, as well as 410,099 Performance Rights received under the Company's FY19 and FY20 LTI Plans.

Further details are provided in the NZX Ongoing Disclosure Notice and the ASX Appendix 3Y.

It should be noted that the decision of Directors and senior executives to sell their shares in the Company from time to time is an individual choice as part of the management of their personal finances, including to meet tax obligations incurred in connection with those shares.

Jaron McVicar

General Counsel & Company Secretary by order of the Board of Directors

The a2 Milk Company Limited

