

Market Announcement

28 March 2024

Synlait Milk Limited (ASX: SM1) – Trading Halt

Description

The securities of Synlait Milk Limited ('SM1') will be placed in trading halt at the request of SM1, pending it releasing an announcement. Unless ASX decides otherwise, the securities will remain in trading halt until the earlier of the commencement of normal trading on Tuesday, 2 April 2024 or when the announcement is released to the market.

Issued by

ASX Compliance



28 March 2024

To: ASX Limited
20 Bridge St
Sydney NSW 2000
Australia

NZX Limited
11 Cable St
Wellington
New Zealand

Request for trading halt: Synlait Milk Limited (ASX Code: SM1, NZX Code: SML and SML010)

We request a trading halt to be applied to Synlait's equity securities (NZX:SML, ASX:SM1) and debt securities (NZX:SML010) under ASX Listing Rule 17.1 and NZX Listing Rule 9.9.1(a) and set out below details of the request as per the rules of each of ASX and NZX.

We would like the trading halt to commence prior to the commencement of trading on Thursday, 28 March 2024.

Reasons for trading halt: As previously announced, Synlait Milk Limited (i) is required under its syndicated banking facilities to make a prepayment of at least \$130 million on Thursday 28 March 2024; (ii) is running a sale process in respect of Dairyworks; (iii) has announced that it will provide an update to the market on Tuesday 2 April 2024 regarding its plans to deleverage its balance sheet; and (iv) is due to announce its half-year results for the six months ended 31 January 2024 on Tuesday 2 April 2024. Synlait is in discussions with its banking syndicate regarding an extension to the \$130 million prepayment obligation, and with its major shareholder, Bright Dairy, regarding the provision of financial support. The trading halt is being requested to provide Synlait Milk Limited with additional time to finalise those separate discussions with both parties and to update the market in an orderly and complete manner at the time of announcing its half-year results for the six months ended 31 January 2024 on Tuesday 2 April 2024.

How long we want the trading halt to last: Synlait Milk Limited requests the trading halt remain in place for one trading day, being Thursday, 28 March 2024.

The event we expect to happen that will end the trading halt: The earlier of (i) the release of SML's half-year results for the six months ended 31 January 2024 (which will include information in relation to the outcome of discussions with its banking syndicate and Bright Dairy), and which is expected to be made before the open of trading on NZX's markets on Tuesday 2 April 2024; and (ii) market open on Tuesday, 2 April 2024.

Information to include in any market memorandum relating to the halt: Synlait Milk Limited has requested a trading halt of its ordinary shares and quoted bonds on the NZX Main Board and ASX to provide it with additional time to finalise separate discussions with its banking syndicate regarding an extension to the \$130 million prepayment obligation due on Thursday, 28 March 2024, and with its major shareholder, Bright Dairy, regarding the provision of financial support, with a view to updating the market in an orderly and complete manner at the time of announcing its half-year results for the six months ended 31 January 2024 on Tuesday 2 April 2024.

We confirm that we are not aware of any reason why the trading halt should not be granted.

Yours sincerely



Amon Nunns / Christopher Goddard
Partners, Bell Gully

Trading halt requests should be emailed to NZX Regulation at: regulation@nzx.com, and to the entity's designated Listings Compliance Adviser and the relevant general trading halt email address at ASX: tradinghaltssydney@asx.com.au, tradinghaltsmelbourne@asx.com.au or tradinghaltspertth@asx.com.au