



SYNLAIT MILK LIMITED ANNOUNCEMENT

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ASX: SM1

19 November 2019

Synlait and The a2 Milk Company extend supply agreement

Synlait Milk Limited has renegotiated aspects of its comprehensive manufacturing and supply arrangements with The a2 Milk Company. Changes reinforce the companies' long-term partnership.

Synlait Milk CEO Leon Clement commented: "Our long-term partnership is a key part of what has made Synlait and The a2 Milk Company successful. Infant nutrition is a core focus for both companies as we continue to invest in our future; building capacity and capability to support our respective growth stories. We are pleased to be able to update the market on an extension to our supply agreement."

The supply agreement for a2 Platinum® and other nutritional products, announced to the market on 3 July 2018, provided for a minimum term of five years, with a rolling three-year term from 1 August 2020.

The key components of the revised agreement are:

- a two-year extension to the term of the agreement, effectively providing for a new minimum term to, at the earliest, 31 July 2025;
- an increase in the volume of nutritional products over which Synlait already has exclusive supply rights;
- increased committed production capacity from Synlait; and
- pricing terms that reflect the commitment on the part of both companies to an ongoing market-competitive pricing regime.

The agreed variation was approved by NZX Regulation who have waived Synlait's requirement to obtain shareholder approval under listing rule 5.1.1 and 5.2.1. The waiver can be accessed [here](#).

For more information please visit www.synlait.com or contact:

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