RISING TO THE OPPORTUNITY

Annual Meeting of Shareholders

29 November 2016

AGENDA

- Welcome and introductions
- Change in Board Director
- Chairman's address
- Chief Executive Officer’s address
- Chief Financial Officer’s review
- Outlook
- Questions
- Long term incentive scheme
- Formal Resolutions
- Any other business
- Annual Meeting concludes

BOARD OF DIRECTORS

GRAEME MILNE
Chair (Independent)

JOHN PENNO
Managing Director and CEO

HON. RUTH RICHARDSON
Bright Dairy appointed, Chair of Remuneration and Governance Committee

BILL ROEST
Non-executive (Independent), Chair of Audit and Risk Committee.

SAM KNOWLES
Non-executive (Independent)

YANG SIHANG
Bright Dairy appointed

QIKAI LU
Bright Dairy appointed

MIN BEN
Bright Dairy appointed

CHANGE IN BOARD DIRECTOR

- Bright Dairy limited representation to change.
- Bright Dairy Limited have appointed Ms Min Ben to represent Bright on the Synlait Milk Limited Board.
- Ms Ben takes over from Ms Li Ke, Bright Dairy Limited's Marketing Director, who resigned from Bright Dairy to pursue other interests.
- Ms Ben joined Bright Dairy in 2001, and holds a master degree of Business Administration. She was formerly the assistant to the Bright Dairy CEO and was a regional HR director.
- Ms Ben is currently the PR director of Bright Dairy.

Ms Min Ben

BRIGHT DAIRY APPOINTED DIRECTOR

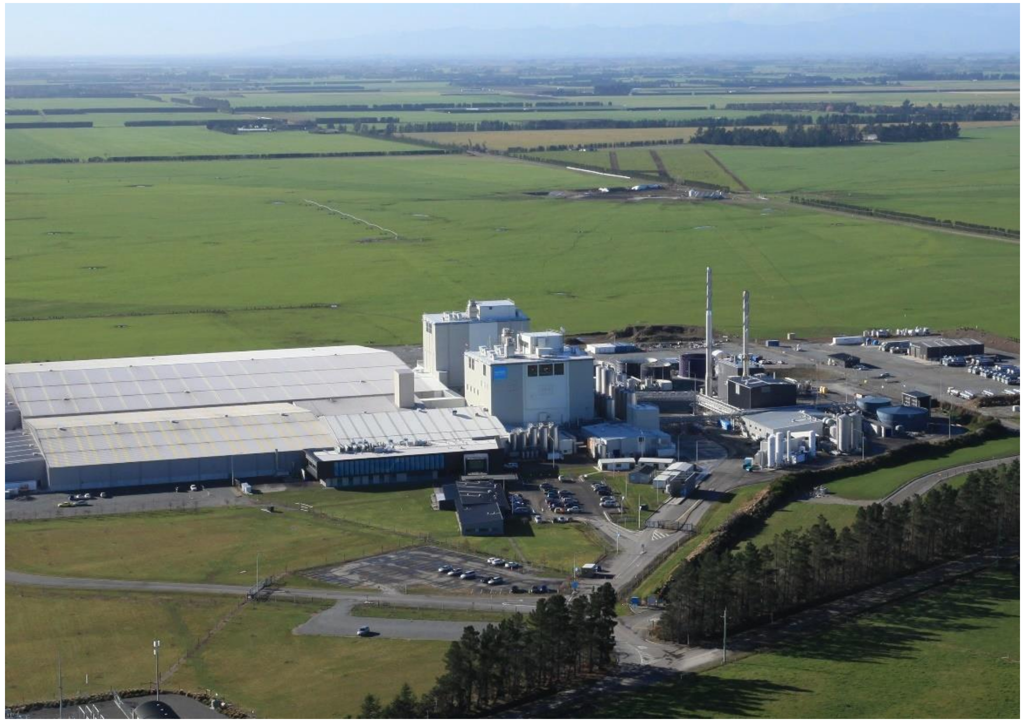
CHAIRMAN'S ADDRESS

Graeme Milne

CHAIRMAN

A WELL ESTABLISHED COMPANY

- Demonstrated success of value added strategy, based on differentiated milk streams.
- Grown from start up to annual production volumes of 125,000 MT.
- Partnering with leading global infant formula companies and market disruptors.



CREATING SHAREHOLDER VALUE

- Total Shareholder Return (TSR) of 55%[1] achieved from IPO to date.
- Within three years of IPO:
  - Completion of $250m expansion programme
  - Return on Capital Employed improves to 13.5%
  - Growth has exceeded original expectations.

[1] After adjusting for the recent rights issue.

WE REMAIN A GROWTH COMPANY

INFANT FORMULA MANUFACTURING CAPABILITY

Including new wet mix kitchen.

CONSUMER PACKAGING CAPABILITY

Second facility and alternative packaging.

VALUE ADDED CREAM MANUFACTURING

Capability to support cream strategy.

SPRAY DRYING CAPACITY

A fourth large scale, nutritional-capable spray dryer.

INFRASTRUCTURE REQUIREMENTS

Additional warehousing, admin facilities and initial second site investment.

THREE YEAR, $300 MILLION CAPITAL EXPANSION PROGRAMME

NZX / ASX DUAL LISTING

- ASX trading began on Friday 25 November.
- Dual listing expected to provide increased liquidity, as well as a broader and more diversified shareholder base.
- Update on pro-rata rights issue provided later in this presentation, but in summary its was extremely successful.

OUR FUTURE

- Committed to our vision of becoming the world's most innovative and trusted dairy company.
- Our strategy focuses on growth, products and partnerships.

IN SUMMARY

- Volatility in global dairy markets continue.
- Our rapid growth will be bolstered with systems and processes.
- We're building a team of good people.
- We'll complement our successful infant formula strategy with investment in adult nutrition and cream opportunities.
- Moving beyond a single site.

CHIEF EXECUTIVE OFFICER'S ADDRESS

John Penno

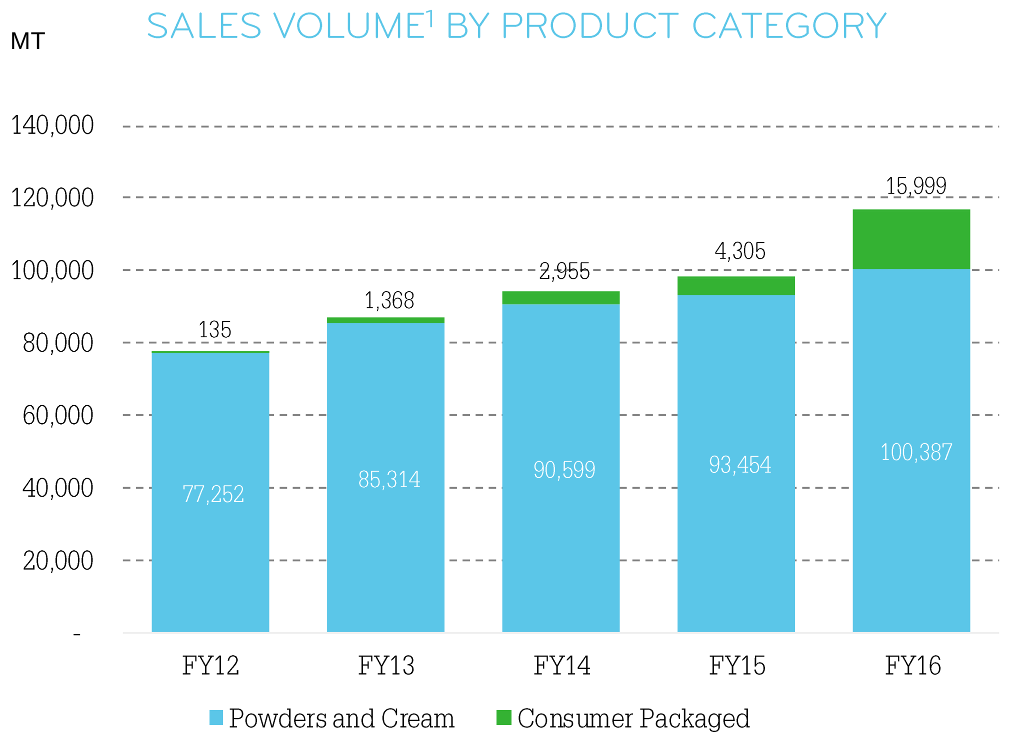
MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER

EXECUTION OF STRATEGY

- Execution of our growth strategy has delivered our strongest performance to date.
- $550m revenue generated from:
  - Ingredient milk powders and cream
  - Infant formula base powders and canned infant formula
  - Specialty ingredients
- Underlying earnings (after tax) for FY16 up $20.5m on prior year, to $32.7m.

SALES

- Sales volumes have grown with the commissioning of the third spray dryer and increased milk supply.
- Total sales volume in FY16 was 116,400 metric tonne (MT) (FY15: 97,803 MT).
- Product mix has continued to improve with strong growth in canned infant formula volumes:
  - Increased to 16,000 MT from 4,300 MT last year
  - Driven by strong demand from The a2 Milk Company™.
- Continued investment in developing new customers, including Munchkin Inc.



[1]Sales volumes above excludes specialty ingredients volumes not shown separately on the graph. In FY16 these were 16MT (FY15: 44MT).

INFANT FORMULA

- We have one of the world's largest and most sophisticated infant formula facilities.
- Reaffirmed relationship with The a2 Milk Company™ in FY16, culminating in a new five year contract.
- Munchkin's Grass Fed™ (a registered trademark of Munchkin Inc.) infant formula launched in Australia in June 2016. Plans for China and USA launch over next 12 months.
- Expect China to continue to be the largest infant formula market globally, with the regulatory framework under reform.

BECOMING A WORLD LEADER IN INFANT FORMULA

- Investing to build our position, with the aspiration of becoming a world leader in infant formula.
- New wet mix kitchen ($34m) to meet forecast demand growth.
- Continued demand, in line with expectations, will result in second consumer packaging facility.
- We expect margins will be maintained at current levels.
- Concurrent investment in market and product development, with a focus on markets outside of China.

SPECIALTY INGREDIENTS

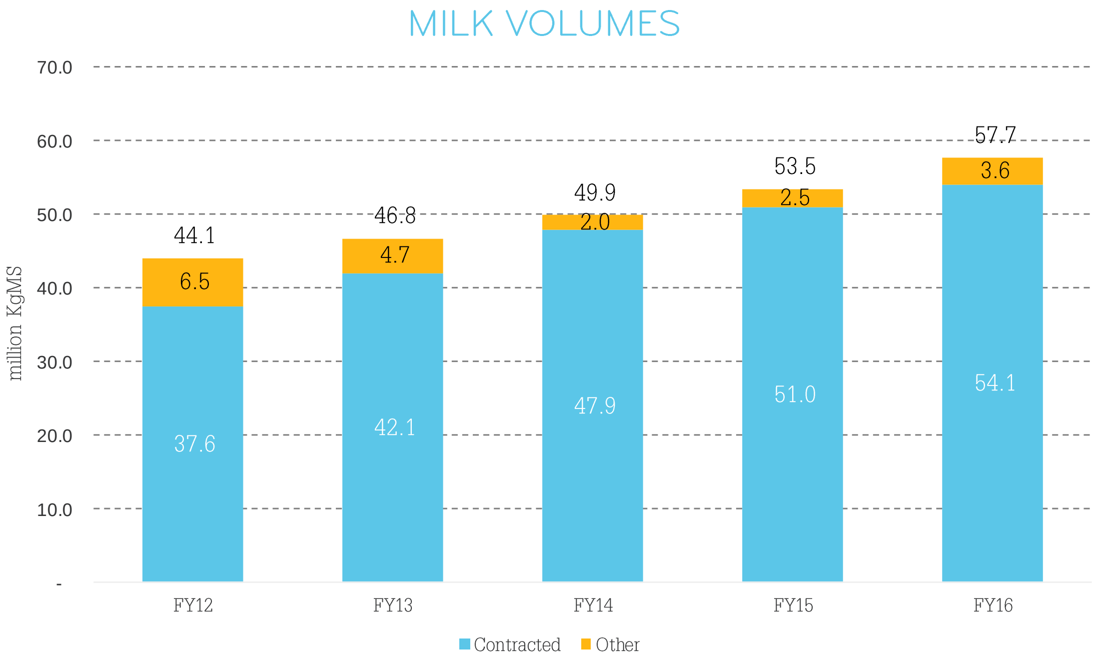
- Our ambition for Specialty Ingredients is to build a portfolio of low volume, high value products.
- Lactoferrin business continues to develop, despite low prices and large increases in global supply.
  - FY16 sales increased to 10 MT (from 7 MT in FY15)
  - Gross margin loss as a result of low global market prices and high fixed cost allocations.
- Portfolio can be developed with little (expected) additional capital investment with significant surplus capacity on our existing special ingredients dryer.

CREAM

- Sold 16,700 MT of AMF in FY16 at an average price of US$3,450 / MT.
- Despite the relatively high returns, AMF is still a highly commoditised product.
- Seeking opportunities to target high returning markets, products and customers for cream.
- Developing strategy to add more value to our cream, over time.
- Investment is expected from late FY17, with returns to be realised from FY19 onwards.

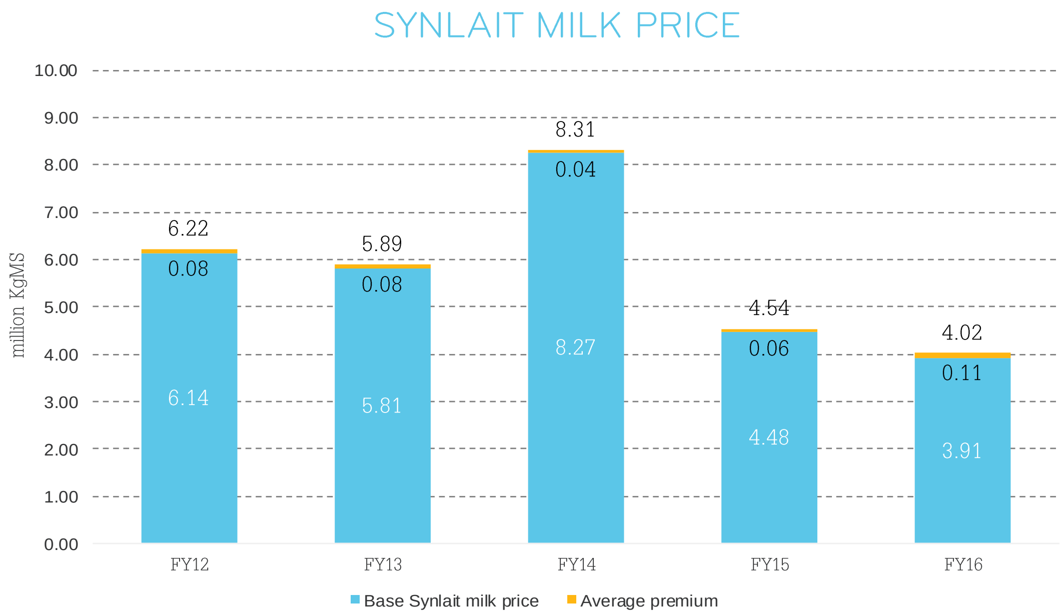
MILK SUPPLY

- Overall milk supply up 7.8% on prior year to 57.7m kgMS.
- Growth has been enabled by:
  - third spray dryer
  - increasing capacity
  - allowing milk flows to increase.
- Dairy Industry Restructuring Act (DIRA) milk has now been fully replaced by contracted milk supply.
- Milk suppliers increased from 161 in FY15 to 173 in FY16.
- 200 milk suppliers contracted for FY17 to supply an estimated 62.0m kgMS.



ANNUAL MILK PRICE

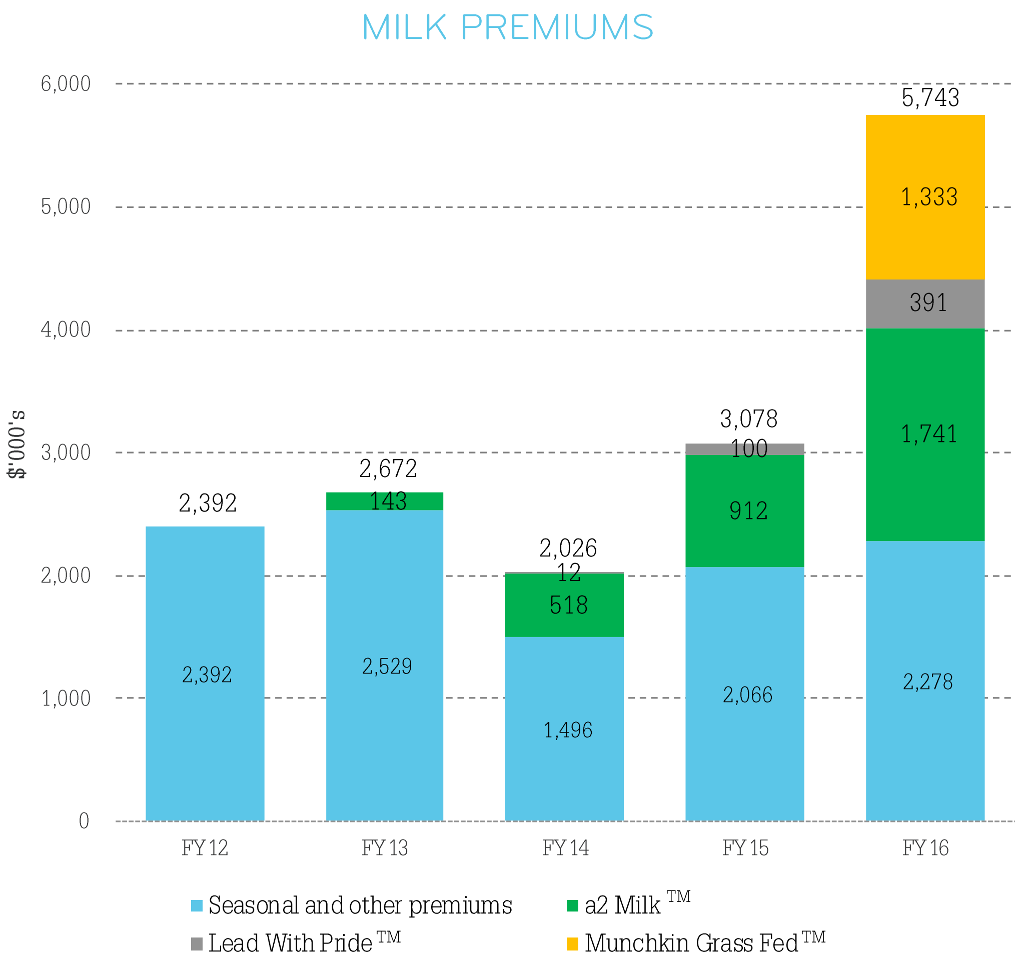
- Total average milk price of $4.02 kgMS in FY16*.
- Final base milk price of $3.91 kgMS reflects the decline in dairy commodity prices during the 2015 / 2016 milk season.
- An additional $0.11 kgMS related to seasonal and value added premiums paid to milk suppliers.
- We increased support to milk suppliers through higher advance rates during the winter off-season.



*Includes premiums

MILK PREMIUMS

- Milk premiums offered to suppliers support differentiation behind the farm gate.
- $5.7m premiums paid in FY16.
- Continued growth in Lead with Pride™ has reached scale to become a focus for business development.
- Strong growth in a2 Milk™ premiums, driven by an increase in contracted a2 Milk™ suppliers from 17 in FY15 to 35 in FY16.
- Introduction of the Grass Fed standard, developed in partnership with Munchkin Inc, to supply milk for Munchkin's Grass Fed™ infant formula.



OUR SYSTEMS AND PROCESSES

- Continued to invest heavily in improving our business systems and processes, centred around two key initiatives:
  - **Balanced scorecards**

    Reporting to provide KPI's needed to manage and measure value drivers in key areas of our business.
  - **Integrated business planning (IBP)**

    Replacing our Sales and Operational Planning process.
- We've identified priorities for process improvement, and a large operational improvement project will be executed through FY17 and beyond.

OUR PEOPLE

- Our team has grown from 326 to 436 in FY16.
- The largest areas of growth have been:
  - two additional shifts in the consumer packaging facility
  - technical roles for the quality testing laboratory
  - new roles to support IBP.
- The calibre of people we attract is truly impressive and continues to be a key driver of our success.
- The Senior Leadership Team (SLT) will continue to evolve to meet the changing needs of the business.
- Global recruitment search is underway for a General Manager Quality and Regulatory.

NEW SLT APPOINTMENTS

Martijn Jager
GM Business Development

Rob Stowell
GM Integrated Business Planning

Chris France
GM Sales (previously GM Business Transformation)

Quentin Lowcay
General Counsel and Commercial Manager

Boyd Williams
GM People and Culture (from 12 Dec 2016)

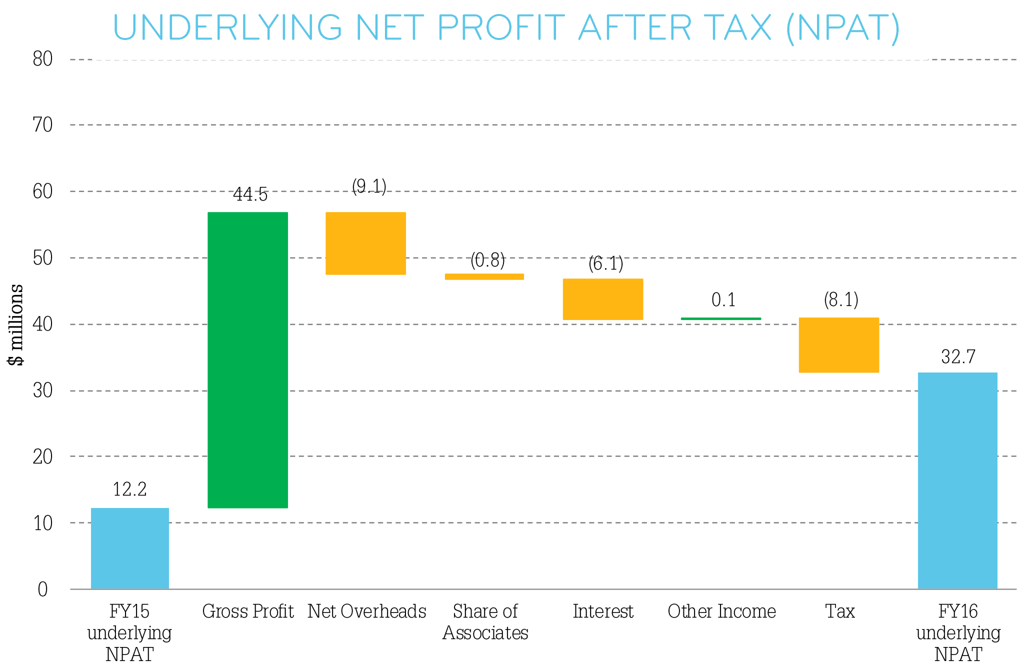
CHIEF FINANCIAL OFFICER'S REVIEW

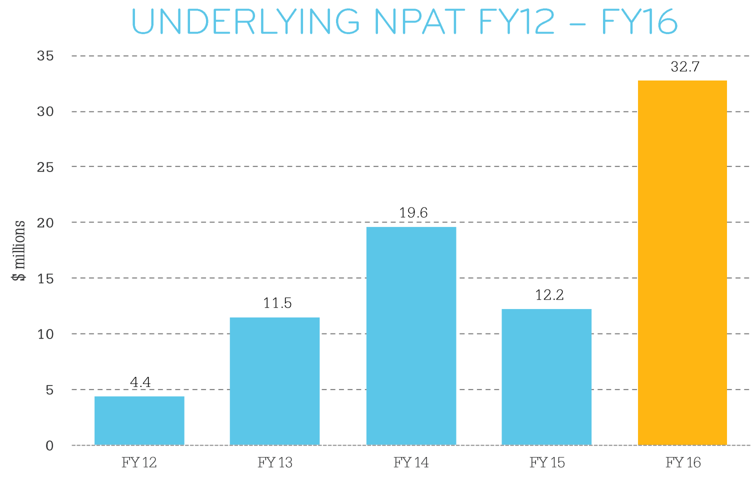
Nigel Greenwood

CHIEF FINANCIAL OFFICER

OVERVIEW

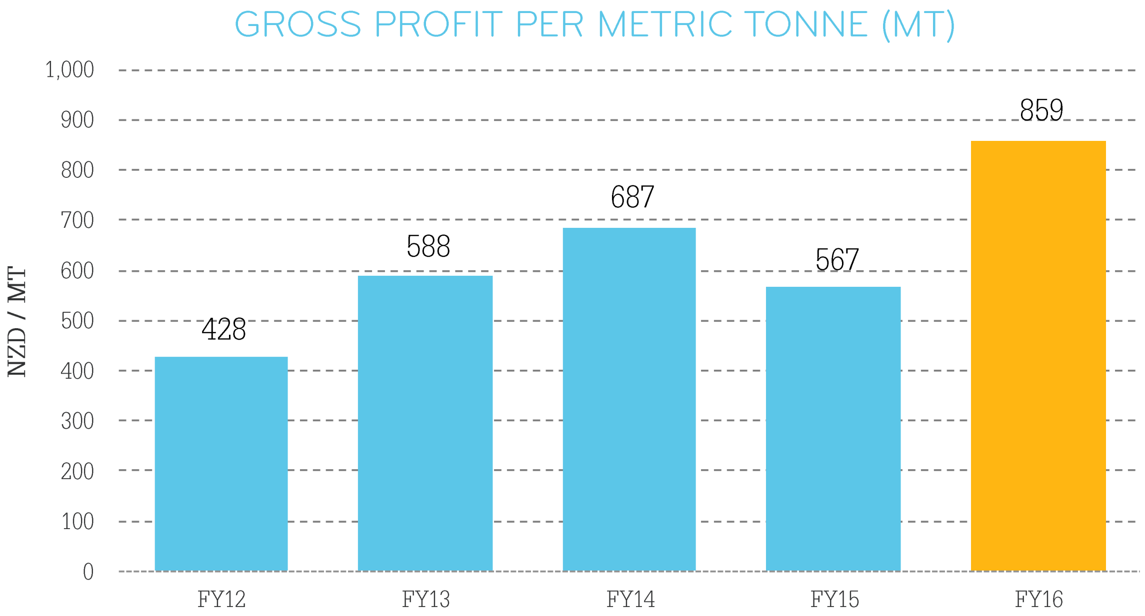
- Our value added strategy has enabled Synlait to make more from milk and continue our growth.
- Underlying earnings after taxation for FY16 improved $20.5m on prior year, to $32.7m.
- Growth in underlying earnings is driven by an increase in canned infant formula volumes and growth provided by the commissioning of the third spray dryer.
- Since IPO in July 2013, underlying earnings have increased by 184%.





GROSS PROFIT PER METRIC TONNE

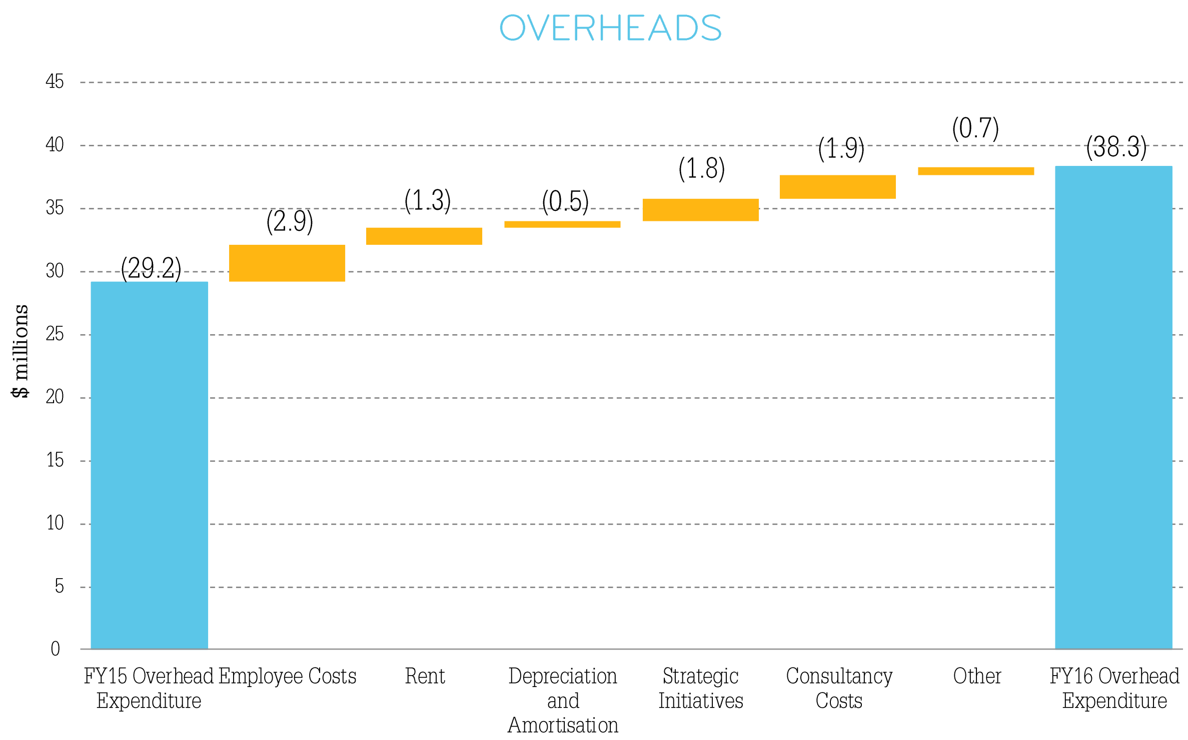
- Continued growth in underlying earnings.
- Gross profit per MT increased to $859/MT from $567/MT last year.
- Margin improvements driven by favourable change in product mix, with sales growth in the higher margin canned infant formula products.
- Improved plant overhead recoveries through increased production in both our dryers and consumer packaging operations.



NOTE: Gross Profit per MT, for all periods, has been restated to include export freight costs, which are recovered from customers and to align with current year classifications of expenditure.

OVERHEADS

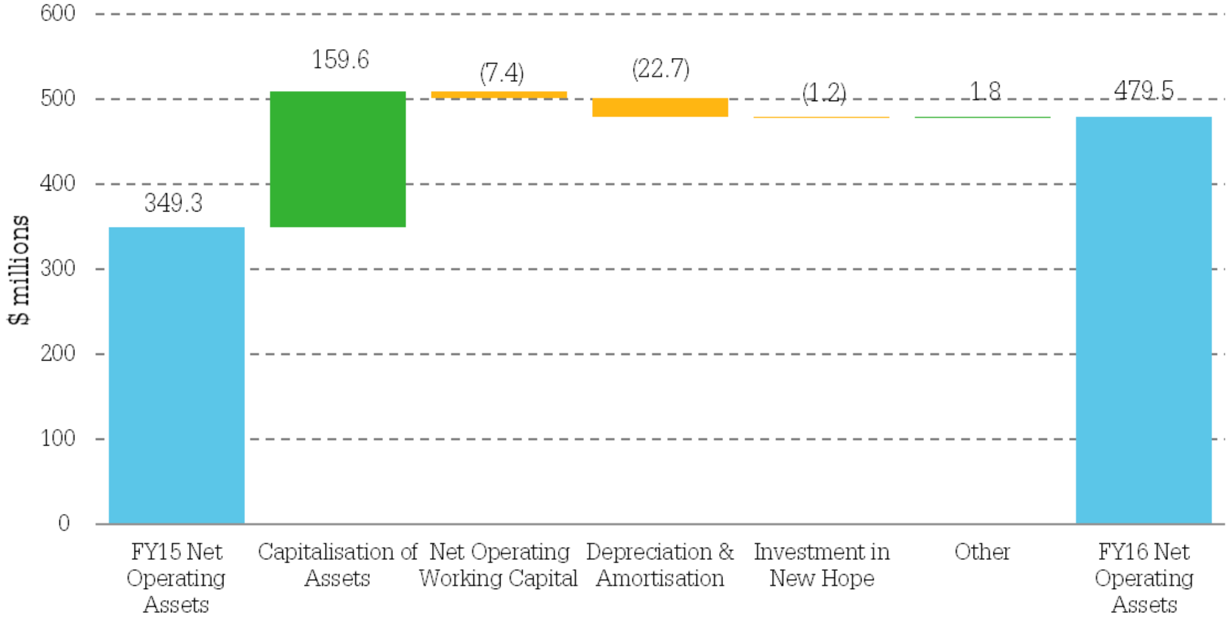
- FY16 overheads increased by $9.1m compared to prior year.
- Synlait is reinvesting strongly in people, systems and processes with a focus on customer development, operational planning and associated process development. This has increased employee and consultancy costs, with spend expected to continue in FY17.
- High peak inventory levels in FY16 resulted in increased external warehousing costs while the commissioning of the new administration facility has increased depreciation.



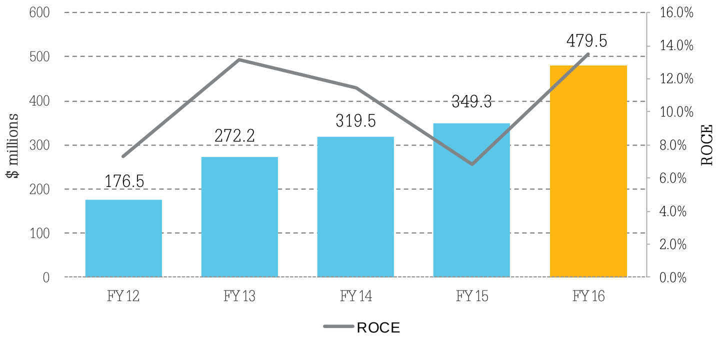
NET OPERATING ASSETS

- The commissioning and capitalisation of our third spray dryer in September 2015 has been the major driver in the increase of net operating assets in FY16.
- Reduction in net operating working capital of $7.4m driven by the continued expansion of our receivables assignment programmes ($33.0m) offset by higher advance rates to milk suppliers.
- ROCE has improved to 13.5% in FY16 as a result of strong earnings growth.

NET OPERATING ASSETS



NET OPERATING ASSETS FY12 – FY16

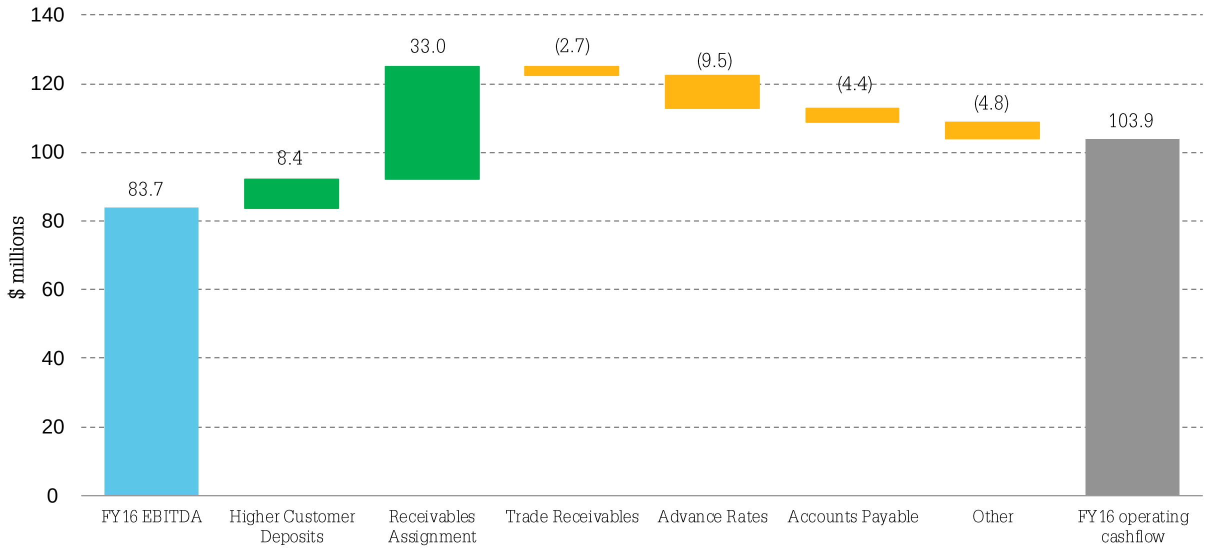


NOTE: ROCE is calculated by dividing EBIT by the average capital employed at the start and end of the financial year.

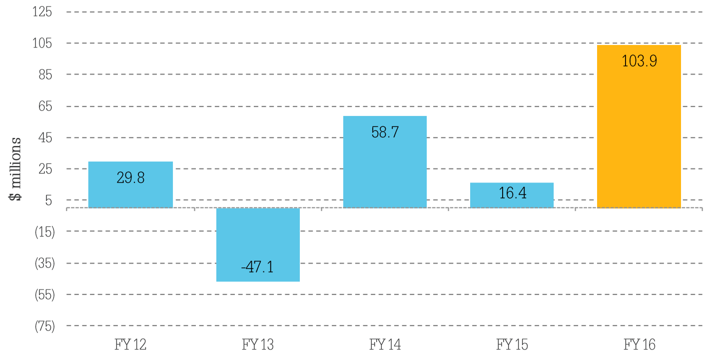
OPERATING CASH FLOW

- Operating cash flow was greater than EBITDA following the expansion of the receivables assignment programme and higher customer deposits.
- This has enabled our continued support of milk suppliers through the payment of higher advance rates through the season.
- Growth in EBITDA to $83.7m (FY15 $40.9m) is the most important driver of our improved cash flow over FY15.

OPERATING CASH FLOW

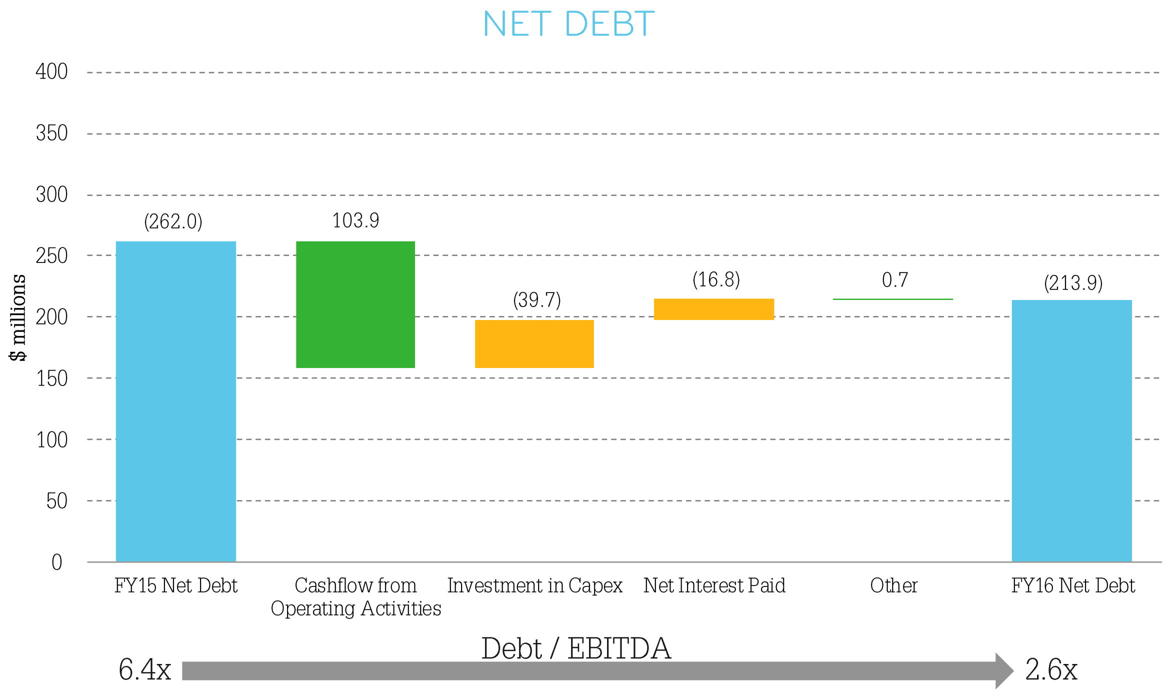


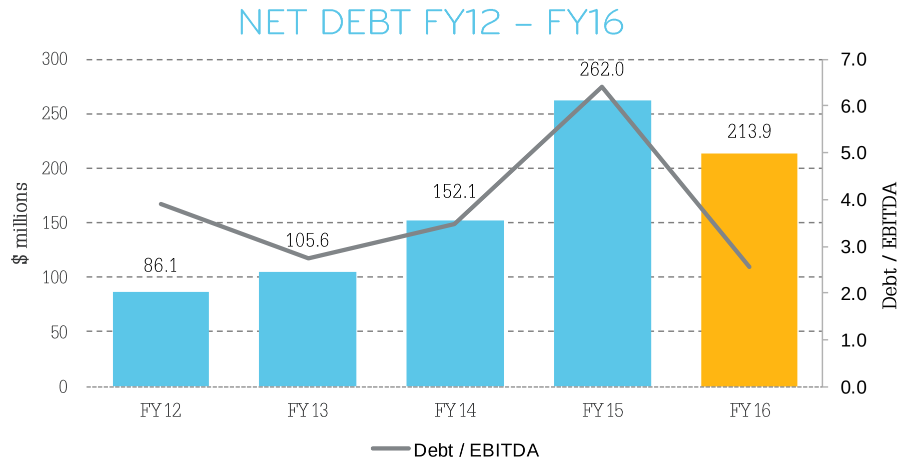
OPERATING CASH FLOW FY12 – FY16



NET DEBT

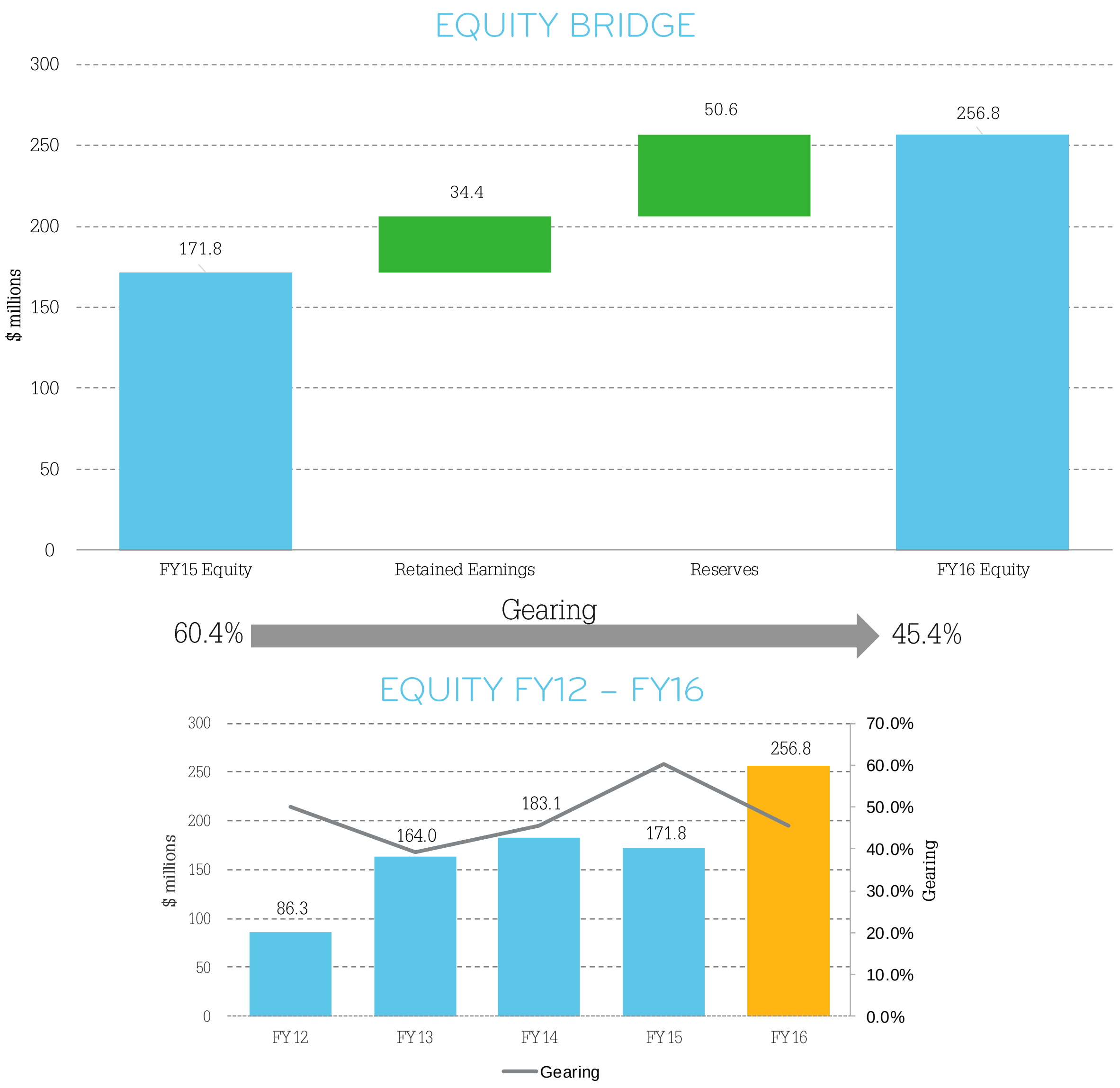
- Net debt peaked in FY15 as construction of our third spray dryer neared completion ahead of achieving any earnings.
- Operating cash flows for FY16 at $103.9m have enabled capital expenditure to be self funded and surplus cash applied to debt reduction.
- As a result net debt has reduced to $213.9m and leverage improved to 2.6x EBITDA, compared to 6.4x in FY15.





EQUITY

- Strong earnings of $34.4m has driven equity growth of $85m.
- Also impacted by the mark to market valuation adjustment associated with our derivatives held at year end.
- Significant improvement in net debt to net debt + equity down to 45%.



OUTLOOK

John Penno

MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER

INVESTING IN GROWTH

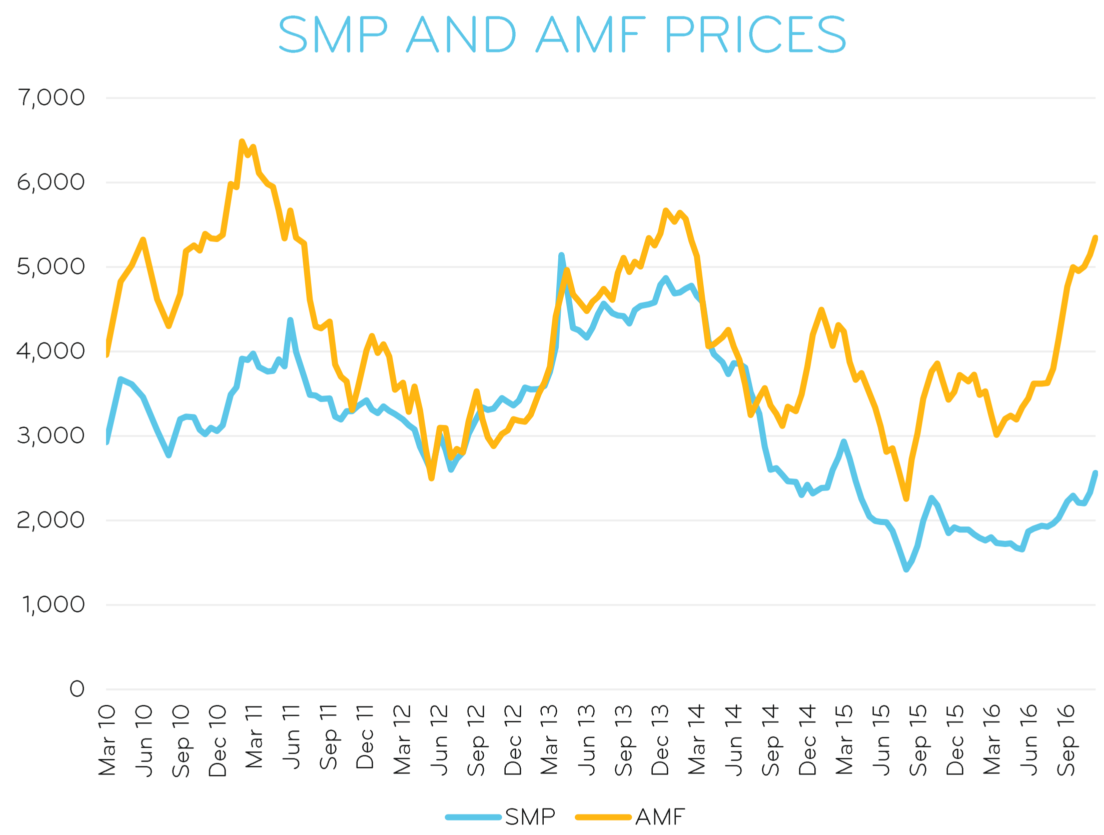
- Focus on growth opportunities for new and existing products, customer development and major internal system and process improvements.
- Proposed Chinese regulations likely to moderate canned infant formula growth in FY17.
- Investment in customer and market development will also support volume growth to reduce reliance upon the China market.
- Developing cream and adult nutrition opportunities for the business.

MUNCHKIN'S GRASS FED™ INFANT FORMULA

[(CLICK FOR EXTERNAL LINK TO VIDEO)]

CREAM OPPORTUNITIES

- Cream presents an underdeveloped opportunity.
- Traditional dairy consumers are switching back to butter.
- Significant growth in dairy fat consumption in China and South East Asia, especially as bakery and food service develops.
- We are developing a strategy for adding value to our cream product category for execution over the coming year.



MILK PRICE UPDATE

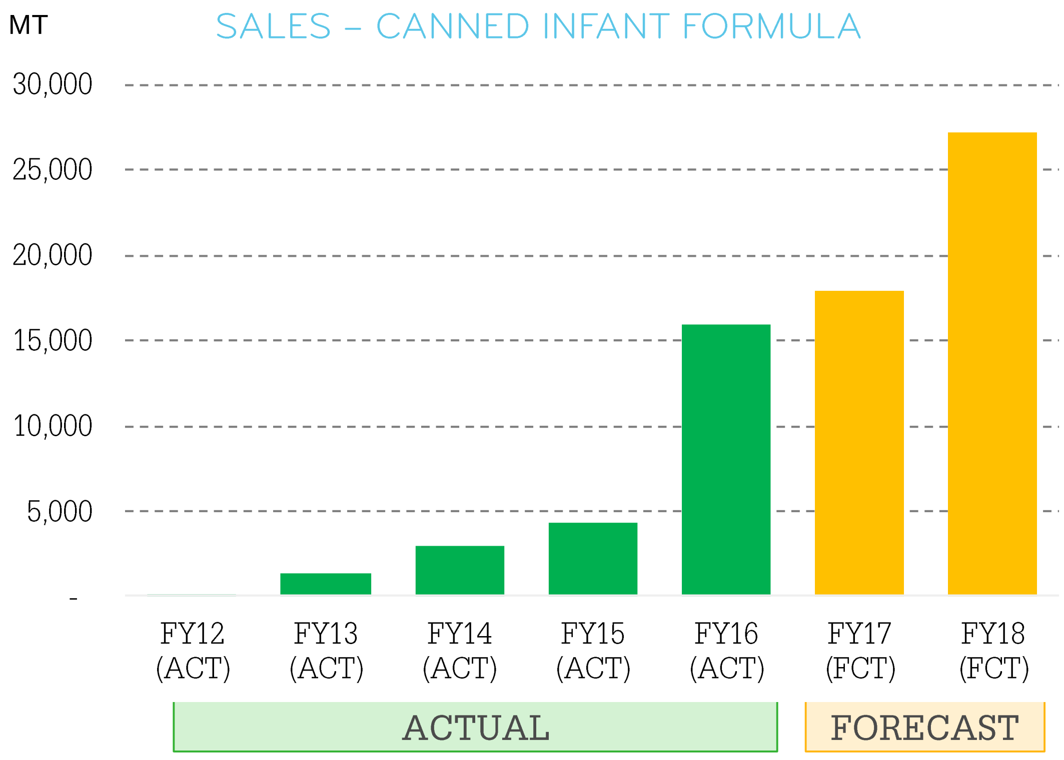
- Increasing our forecast milk price from $5.00 kgMS to $6.00 kgMS.
- Reflects sustained commodity price growth seen since September.
- Advance rates increasing to $4.50 kgMS from $3.50 kgMS for December 2016.

UPDATE ON CHINESE REGULATIONS

- The proposed Chinese regulations for infant formula (IF) manufacturers continue to develop and evolve, as new information is released by the Chinese Authorities.
- From 1 January 2018, IF manufacturers may apply to:
  - Register up to three brands, with nine recipes (stages 1,2 & 3) for an initial five year period.
  - Each recipe must be scientifically different and made on the registered premises, with access to R&D and laboratory facilities.
- IF manufacturers are able to register up to three brands per facility so long as sufficient differences can be scientifically demonstrated.
- We are working with our lead customers to submit the necessary applications to the Chinese Authorities early in 2017.

FY17 / FY18 EXPECTATIONS

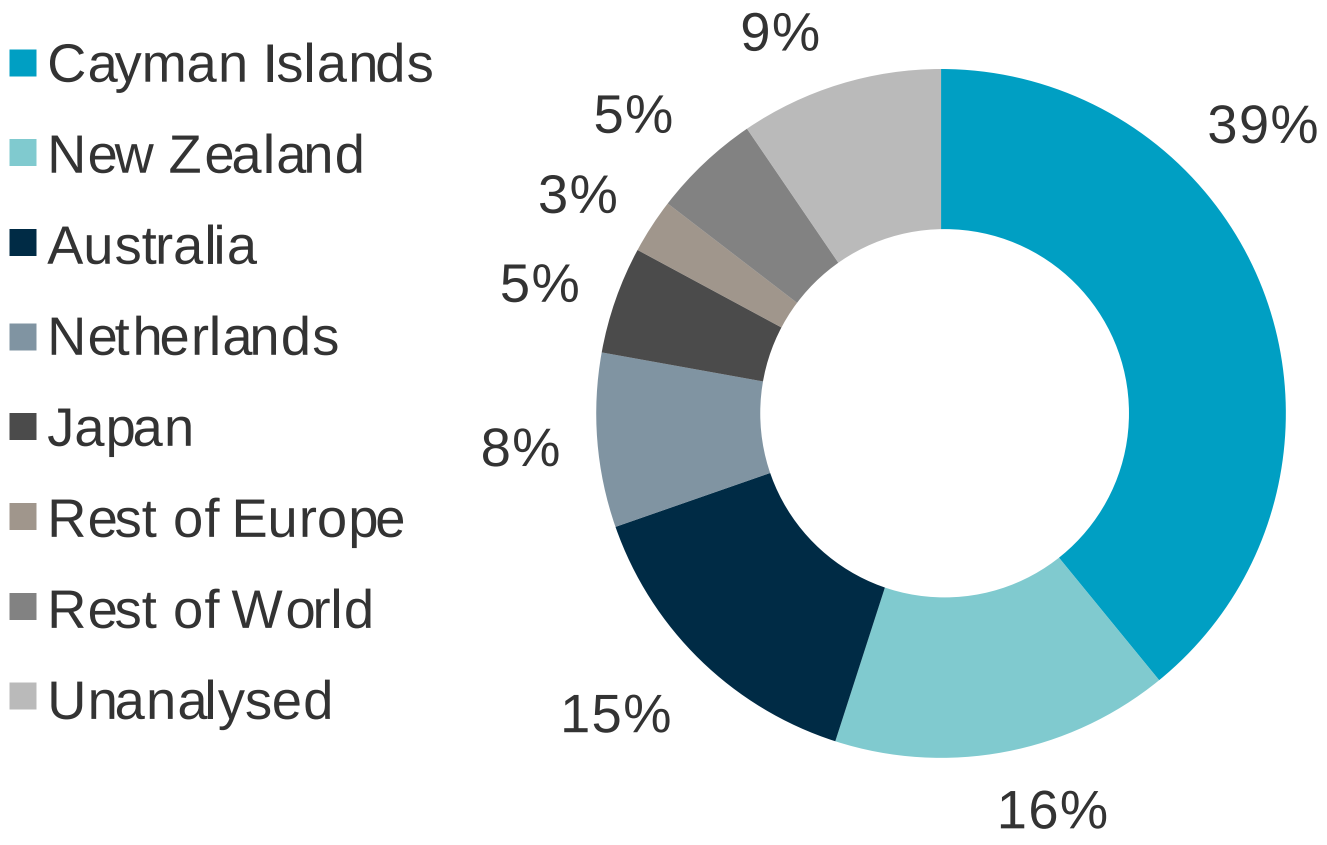
- Canned infant formula volumes expected to grow by 2,000 MT in FY17 and another 10,000 MT in FY18 based on current estimates of customer demand.
- Growth of base infant powders is expected to be flat in FY17 with growth of 4,000 MT into FY18.
- Anticipated margin growth expected to be offset by incremental investment of $5 - $6m into:
  - customer, market and product development opportunities
  - improving internal business processes.
- These investments will support our growth strategy.
- We continue to maintain our guidance provided on 19 September that we expect only modest growth in our FY17 earnings over FY16.



UPDATE ON PRO-RATA RIGHTS ISSUE

- We successfully completed our pro rata entitlement offer on 14 October, raising $97.6 million of new equity.
- We now have a market capitalisation of almost $600m.
- The funds will be used for:
  - a mix of debt repayment
  - contributing to our next growth phase, which is a three-year, circa $300 million capital expansion programme.
- We dual-listed on the ASX on 25 November 2016, as a foreign exempt issuer.
- Most of our corporate shareholders participated in the rights issue (Bright Dairy, Munchkin, Mitsui), and institutional ownership increased post rights-issue, with 8.8m shares being bought by funds and investment houses.
- Of the identified institutional shareholder base (around 15% of our shareholding), Australian investment posted an increase of 5.0m shares to now account for 72% of this category of shareholders.
- Our top four shareholders account for around 60% of our shares:
  - Bright Dairy (39.1%)
  - Mitsui & Co (8.4%)
  - FrieslandCampina (8.2%)
  - Munchkin (3.9%)

TOTAL SHARES BY GEOGRAPHY



As at 26 October 2016

QUESTIONS

Graeme Milne

CHAIRMAN

LTI SCHEME

Graeme Milne

CHAIRMAN

PREVIOUS LTI SCHEME MATURED

IPO Incentive Scheme

- The Long Term Incentive (LTI) scheme implemented in 2013 as part of the IPO (IPO incentive scheme) matured on 31 July 2016.
- Participants in the IPO incentive scheme were awarded their FY16 share allocation (FY14 and FY15 share allocations were forfeited).
- A total of 362,593 shares were allocated to 12 participants.

Replacement LTI scheme

- LTI schemes can be a highly effective means of attracting, retaining and incentivising key people in today's global employment market place.
- Most NZX 50 companies employ at least one form of LTI scheme.
- The Board considers that a new LTI scheme should be implemented and has worked with KPMG and senior management to design a new LTI scheme.
- The purpose of the new LTI scheme is to:
  - Incentivise senior management to act in the best interests of shareholders through the optimisation of shareholder value and business performance, and
  - Attract and retain the best talent.

OVERVIEW OF THE NEW LTI SCHEME

How does the new LTI scheme operate?

- The new LTI scheme is a rolling rights based share scheme with new tranches (three year maturity) being granted to participants each year.
- The rights granted to participants could convert to ordinary shares dependent on meeting Company performance targets over a three year period.
- Company performance is measured by reference to total shareholder return (relative to NZX50) and earnings per share targets that have been set by the Board.
- If all or some rights convert to ordinary shares, participants will be issued new ordinary shares of the Company for nil consideration.
- The maximum number of the rights allocated each year will not exceed 25% of the participant's salary at the start of each three year tranche.

FORMAL RESOLUTIONS

Graeme Milne

CHAIRMAN

FORMAL RESOLUTIONS

RESOLUTION 1: AUDITOR'S REMUNERATION.

- To consider and, if thought fit, pass the following as an ordinary resolution:

  "That the Board be authorised to determine the auditor's fees and expenses for the 2017 financial year."

FORMAL RESOLUTIONS

RESOLUTION 2: ELECTION OF DIRECTOR.

- To consider and, if thought fit, pass the following as an ordinary resolution:

  "That Sam Knowles be re-elected as a Director."

SAM KNOWLES

FORMAL RESOLUTIONS

RESOLUTION 3: DIRECTORS' REMUNERATION.

- To consider and, if thought fit, pass the following as an ordinary resolution:

  "That the annual fee for all Directors be $70,000, except for the annual fees of each of the two Committee Chairs which will be $82,000 and the Chairman of the Board which will be $130,000. All these increases apply from 1 April 2017."

ANY OTHER BUSINESS

Graeme Milne

CHAIRMAN

THANK YOU

Visit our Investor Centre at www.synlait.com for more information.

Media or investor queries can be directed to:
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Communications Manager
Synlait Milk Limited
P: +64 3 373 3069
E: daniel.walraven@synlait.com

APPENDIX

IPO GROWTH CAPEX PROGRAMME

- ROCE improved to 13.5% at the conclusion of the growth programme.
- Investments announced at IPO totalling $174.0m now completed are:
  - Dryer Three
  - Consumer Packaging Facility
  - Lactoferrin Recovery Facility
  - 22,500m^2 drystore
  - Administration building and Quality Testing Laboratory
- The scope of projects increased by $47.1m from those announced at IPO. Had scope not been increased, key plant would already be hitting or exceeding capacity.
- All investments meeting, or exceeding, original expectations with the exception of lactoferrin.
- Achieved TSR of 55% since IPO to date (annualised CAGR of 14%). Market capitalisation now $530m.
- We are now embarking on our next stage of growth and have raised approximately $98m to support funding a $300m capital expansion programme over the next three years.

NEW GROWTH CAPEX PLAN

- ROCE forecast to improve to circa 16% in FY20, following the conclusion of the new growth plan.

	$'m *	Timing of spend *	Comment
Wet Mix Kitchen 2	34	FY17	Double infant capacity to 80,000MT p.a.
Cream Manufacturing	30	FY18	Manufacturing capability to support value added cream strategy
Dryer four	130	FY19	New 10.5MT/hr dryer to meet demand growth
Other Projects	10	FY17-18	Includes differentiated milk stream processing
Total Powders & Cream	**204**	**FY17-FY19**	
Consumer Packaging Facility 2	35	FY18	Double canning capacity to circa 60,000MT p.a.
New Consumer Packaging Options	9	FY19	Sachet Line
Total Consumer Packaging	**44**	**FY18-19**	
Infrastructure	**57**	**FY17-19**	Includes 30,000m2 drystore, admin facilities & initial second site investment
Total	**305**	**FY17-19**	

* Excepting investment in the new wet mix kitchen, the timing and quantum of investment will be driven by customer demand and is therefore subject to change.

OUR CAPABILITY

- Three spray dryers capable of manufacturing 120,000MT of milk powders (inclusive of 40,000MT of infant base powders) per annum.
- AMF plant capable of manufacturing 20,000MT of AMF per annum.
- Consumer packaging facility capable of packaging 30,000MT of canned infant formula per annum.
- Lactoferrin recovery facility capable of manufacturing 20MT of high-grade dried lactoferrin powder per annum.
- World class Quality Testing Laboratory, enabling Synlait to conduct 90% of its product and environmental testing on site.