



SYNLAIT MILK LIMITED  
ANNOUNCEMENT

NZX: SML  
ASX: SM1

28 NOVEMBER 2018

## IMPRESSIVE RESULT APPLAUDED BY SHAREHOLDERS

Synlait Milk's (NZX: SML; ASX: SM1) Annual Meeting of Shareholders today celebrated the near doubling of profit in the company's tenth year of operations. Synlait also used the opportunity to shape the next ten years by launching a new corporate brand identity and purpose statement.

Synlait's result for the year ending 31 July 2018 (FY18) was a net after tax profit (NPAT) of \$74.6 million, almost double the NPAT of \$39.5 million announced for the same period last year.

Held in Christchurch, the Annual Meeting of Shareholders commenced at 1pm.

Synlait's Chairman, Graeme Milne, said an increase in finished infant formula sales helped to drive the FY18 profit.

"This was enabled by a number of investments in the blending and consumer packaging space including our second Dunsandel wetmix kitchen and our Auckland blending and consumer packaging facility," said Graeme Milne, Chairman.

"Both these projects have allowed us to increase our finished infant formula capacity, which has helped us to deepen and strengthen the relationships we have with our existing infant formula customers," he said.

Leon Clement, Synlait's new CEO, discussed the company's recent expansion in the Everyday Dairy category.

"The build of our Advanced Liquid Dairy facility is on track, and we're excited to start our partnership with Foodstuffs South Island next April. That leap into the Everyday Dairy space is complemented by our move into cheese with the conditional agreement to acquire selected Talbot Forest Cheese assets," he said.

"The proposed acquisition builds on our existing portfolio of high-quality, flexible dairy manufacturing capabilities that can be tailored to meet customer needs."

Additionally, Synlait is signaling that our current in-market milk price will probably need adjustment.

"The in-market milk price forecast for FY19 at \$6.75 kgMS is looking less likely given current market conditions. Therefore, our next update scheduled for the end of January 2019 will most likely be lower," said Mr Milne.



## REFRESHED PURPOSE STATEMENT AND BRAND IDENTITY

Synlait also launched its new purpose and brand identity at the Annual Shareholder Meeting, which was met with a positive response from shareholders.

Mr Clement explained that “the statement which best fits with where we’ve come from, who we are and where we want to go in the future is *Doing milk differently for a healthier world.*”

“*Doing milk differently* is in our DNA. We have always brought an innovative and disruptive attitude to our industry and we’ll continue to do that into the future. *For a healthier world* is about looking after the planet, looking after our people and our communities, and continuing to serve life-enhancing milk nutrition,” he said.

“We have some clear goals around our strength in being a catalyst for change. And we want to create more value for New Zealand. We take our responsibility seriously and we will lead change in our industry.”

Synlait has also updated its logo and brand colour.

“The more we looked at our changing goals and purpose, the more we realised we needed to change the look of Synlait as well,” says Mr Clement.

“Pink is the colour of disruption and difference. Our new wordmark is friendly and more appropriate for a company working with flowing milk. We think together they work really well to tell the world who we are.”

Shareholders passed four formal resolutions at the meeting, as follows\*:

- 1) **That the Board be authorised to determine the auditor’s fees and expenses for the 2019 financial year.**  
For: 135,894,656 (99.90%); Against: 139,120 (0.10%); Total: 136,033,776; Abstain: 9,278
- 2) **That Graeme Milne be re-elected as a Director.**  
For: 63,441,200 (96.03%); Against: 2,625,760 (3.97%); Total: 66,066,960; Abstain: 69,976,094
- 3) **That the annual fee for each Director be \$85,000, except for the annual fees of each of the two Committee Chairs, which will be \$97,000, and the Chairman of the Board, which will be \$169,000. All of these increases apply from 1 April 2019.**  
For: 134,267,065 (98.91%); Against: 1,478,521 (1.09%); Total: 135,745,586; Abstain: 297,468
- 4) **That Synlait Milk Limited's constitution be amended, with effect from the close of the Annual Meeting, as set out in Appendix One to the notice of the Annual Meeting.**  
For: 135,937,736 (99.94%); Against: 80,768 (0.06%); Total: 136,018,504; Abstain: 24,550
- 5) **That John Penno be re-elected as a Director, and, if Resolution 4 is passed, that John**



**Penno is elected as the Board Appointed Director.**

For: 135,681,930 (99.74%); Against: 353,974 (0.26%); Total: 136,035,904; Abstain: 7,150

Pursuant to ASX Listing Rule 1.15.3, Synlait Milk Limited confirms that it continues to comply with the NZX Listing Rules.

\*Percentages represent votes cast in person and by proxy at the meeting.

**ENDS**

For more information visit [www.synlait.com](http://www.synlait.com) or contact:

Jessica Thorn  
Communications Advisor, Synlait Milk  
P: +64 27 548 4895  
E: [jessica.thorn@synlait.com](mailto:jessica.thorn@synlait.com)