

10<sup>th</sup> November 2020

## The a2 Milk Company Ltd (ATM)

The company will hold its Annual Shareholders Meeting **11.00am Wednesday 18 November 2020**.

It will be a virtual only meeting. You can join the meeting online at [www.virtualmeeting.co.nz/a2MC20](http://www.virtualmeeting.co.nz/a2MC20)

The a2 Milk Company was founded in New Zealand in 2000 by Dr. Corran McLachlan. While studying at Cambridge University, he learned that proteins in milk affect people differently. He also learned that ordinary cows produce milk with different beta-casein protein types, called A1 and A2. Research over the years has demonstrated that many people who have digestive discomfort when drinking ordinary cows' milk find a2 milk easier on digestion. That is because a2 milk contains only the A2 protein and no A1.

The Company listed on the NZX in 2004 and is also listed on the ASX. It sells its products, the bulk being infant nutrition, in New Zealand and Australia 56%, China and Asia 40%, and the US 4%. Sales in China and Asia increased from 32% of total sales in the previous year. In March, the company announced it had entered into a licensing agreement to commence sales in Canada.

Also, in March the company announced it had increased its shareholding in Synlait Milk Ltd from 17.4% to 19.84%.

In August it announced the appointment of a new Managing Director and CEO, David Bortolussi, who is based in Sydney. Shareholders will be hoping this will prove a more popular appointment than was the previous Managing Director and CEO.

The company had a strong year with Revenue up 32.8% at \$1.73 billion, EBITDA up 32.9% at \$549.7 million and NPAT up 34.1% at \$385.8 million. The shares are trading at \$15.15 and have traded through a range of \$12.44 /\$21.51 over the past year.

### Board Composition

The Board comprises a Non-Independent Chair, an Independent Deputy Chair and three Independent Directors.

### Resolutions

- 1. That the Board is authorised to fix the auditor's remuneration for the coming year.**

This is an administrative resolution.

We will vote undirected proxies **IN FAVOUR** of this resolution.

**2. To re-elect David Hearn as a Non-Independent Director.**

David Hearn was appointed to the Board in February 2014 and appointed Chair in March 2015. He is a director of SafeStore Holdings PLC, Robin Partington & Partners Limited, Committed Capital Limited, and his own company, Lovat Partners Limited. He resides in the United Kingdom.

We will vote undirected proxies **IN FAVOUR** of this resolution.

**3. To re-elect Julia Hoare as an Independent Director.**

Julia Hoare was appointed to the Board in November 2013. She is a member of the New Zealand External Reporting Advisory Panel and the Vice President of the New Zealand Institute of Directors. She is also Deputy Chair of Watercare Services, a director of Port of Tauranga, Auckland International Airport and Meridian Energy Limited. She is also a member of The New Zealand Sustainable Finance Forum Leadership Group. NZSA policy is that Directors should not hold more than five NZX or equivalent governance roles in order that they can commit the necessary time to each. We would be concerned if Ms Hoare undertook any additional role.

We will vote undirected proxies **IN FAVOUR** of this resolution.

**4. To re-elect Jesse Wu as an Independent Director.**

Jesse Wu was appointed to the Board in May 2017. He was formerly Worldwide Chair of the Johnson & Johnson Consumer Group. He is a director of Aptar Group and serves on the Board of Visitors at Duke University's Fuqua School of Business. He resides in China.

We will vote undirected proxies **IN FAVOUR** of this resolution.

**Proxies**

You can vote online or appoint a proxy at <https://vote.linkmarketservices.com/ATM/>

Instructions are on the Proxy/voting paper sent to you. Voting and proxy appointments close **11.00am Monday 16 November 2020**. Please note you can appoint the Association as your proxy. We will have a representative attending the meeting.

**STANDING PROXIES - AUTOMATICALLY APPOINT NZSA AS YOUR PROXY MAKE YOUR VOTE COUNT!** Details on the NZSA website.

**The Team at NZSA**