



29 June 2026

NZX Regulation Limited (NZ RegCo)
Level 2, NZX Centre
11 Cable Street
Wellington

Email: issuer@nzregco.com

Synlait Milk Limited (SML) - Directors' certificate

BACKGROUND

1. We refer to the proposed waiver to be issued by NZ RegCo in regard to Listing Rule 5.2.1 (the **Waiver**).
2. The Waiver has been sought to allow SML to enter into and perform a replacement shareholder loan (the **Replacement Bright Loan**) that is to be advanced by Bright Dairy International Investment Limited (the **Bright Lender**).
3. The Replacement Bright Loan is on substantially the same terms as the existing \$130 million shareholder loan approved by shareholders on 11 July 2024, which is currently set to mature on 13 July 2026 (the **Existing Bright Loan**) other than as described in the application letter made on behalf of SML seeking the Waiver.
4. SML's entry into the Replacement Bright Loan will constitute a Material Transaction with a Related Party for the purpose of Rule 5.2.1, being the Bright Lender as an Associated Person of Bright Dairy Holding Limited (**Bright**, and together with the Bright Lender, **Bright Dairy**), which holds 65.3% of the shares in SML.
5. The Waiver is conditional on the non-interested directors of SML giving this certificate. Each of George Adams and Katherine Turner are Independent Directors and have confirmed to the SML Board that they are not "interested" (as such term is defined in the Companies Act 1993) in the Replacement Bright Loan transaction. Leon Fung is the acting Chief Executive Officer of SML and holds office as a Non-independent Director. Mr Fung is not an Independent Director (and therefore has not participated in the IDC (as defined below)) but has confirmed to the SML Board that he is not interested (as such term is defined in the Companies Act 1993) in the Replacement Bright Loan transaction.
6. Capitalised terms not defined in this certificate shall have the meanings given to them in the Listing Rules.

CERTIFICATION

As the non-interested directors of SML, we hereby certify that, in relation to the Waiver:

- (a) the granting of the Waiver is in the best interest of each of SML and all of SML's shareholders;
- (b) the terms of the Replacement Bright Loan have been entered into, and have been negotiated, on an arm's length commercial basis;
- (c) SML was not influenced to enter into the Replacement Bright Loan by Bright or the Bright Lender; and
- (d) SML entering into the Replacement Bright Loan is in the best interests of SML, all of SML's shareholders and SML's shareholders who are not precluded from voting under Rule 6.3.

FOUNDATIONS FOR THE CERTIFICATION

A summary of the core grounds for the certification is as follows:

The granting of the Waiver is in the best interest of each of SML and all of SML's shareholders.

1. Although SML has recently repaid significant borrowings to its banks (\$200 million repaid on 2 April 2026), Synlait is still reliant upon:
 - (a) the Existing Bright Loan as a core part of its capital structure for which it does not currently have an alternative; and
 - (b) the Replacement Bright Loan to support the critical bank refinancing due by 30 June 2026.
2. SML's existing \$185m committed banking facilities (excluding a \$15m "on-demand" overdraft facility) (the **Syndicated Facilities**) mature on 30 June 2026 and must be repaid or refinanced by that date. Execution and approval of the Replacement Bright Loan is a condition of the new Syndicated Facilities being made available (as the New Lending Group requires certainty that the Existing Bright Loan will be refinanced concurrently). The refinancing of the Syndicated Facilities is intended to refinance those facilities with an expanded syndicate of lenders and provide additional headroom for increased total available drawings under the Syndicated Facilities.
3. Because the new lending group under the new Syndicated Facilities is not yet in place to approve the terms of the Replacement Bright Loan, SML is not in a position to seek approval of its shareholders of the terms of that Replacement Bright Loan. When the lending group is formed on or about 26 June, there will not be sufficient time available to seek SML shareholder approval.
4. Without the Replacement Bright Loan being in place, the new Syndicated Facilities will not be advanced. If the new Syndicated Facilities are not advanced, SML will default on repayment of its existing Syndicated Facilities on 30 June 2026. A default would have severe consequences for SML and all of its shareholders.
5. The Waiver provides the certainty required to complete the refinancing within the required timetable. Without a waiver, SML cannot be assured that the new Syndicated Facilities will be unconditional by 30 June 2026.
6. SML shareholders had the opportunity to consider and vote on the terms of the Existing Bright Loan when it was approved at the special meeting of shareholders on 11 July 2024. Shareholders voted overwhelmingly in favour of the Existing Bright Loan in 2024 (the resolution was approved by a majority of 99.59% of votes cast). There has not been any material change in circumstances since then which should alter the way in which shareholders ought to view the Replacement Bright Loan.
7. The ongoing support from SML's major shareholder in the form of the Replacement Bright Loan, to facilitate the refinancing of SML's Syndicated Facilities, is a significant benefit for, and is not a detriment to, shareholders.
8. The Replacement Bright Loan includes the same interest deferral and principal deferral terms as the Existing Bright Loan, which are borrower-friendly and which the non-interested directors of SML consider are unlikely to be obtainable from a commercial lender.

The Replacement Bright Loan has been entered into, and has been negotiated, on an arm's length commercial basis.

9. The proposed terms of the Replacement Bright Loan are substantially the same as the terms of the Existing Bright Loan;
10. the Replacement Bright Loan has been negotiated on an arm's length basis. The IDC was formed specifically to deal with the negotiation of the refinancing of the Existing Bright Loan and the terms of the Replacement Bright Loan. It was formed in March before discussions commenced with any party and under a mandate provided by the SML Board. The members of the IDC are the two Independent Directors, with it chaired by the independent Chair, George Adams.

11. Directors of SML who are not sitting on the IDC have not been involved in the development of the Replacement Bright Loan, the wider terms of the refinancing of the Existing Bright Loan or engagement with the proposed lenders under the new Syndicated Facilities. In particular, those Directors who are nominees or representatives of Bright Dairy have been excluded from all IDC deliberations and have not had access to any IDC papers, legal advice or negotiation strategies. The non-interested directors of SML consider that the arm's-length nature of the negotiation is demonstrated by:
- (a) the use of separate independent legal advisors for each party;
 - (b) the exclusion of Bright-nominated or associated Directors from the process;
 - (c) the IDC initiating and proposing the Terms Sheet (rather than receiving terms from the lender); and
 - (d) the limited nature of the changes from the Existing Bright Loan.

SML has not been influenced to enter into the Replacement Bright Loan by Bright or the Bright Lender.

12. The non-interested directors of SML do not consider that the terms of the Replacement Bright Loan or the transaction to replace the Existing Bright Loan was subject to any undue influence because:
- (a) those terms (including the principal deferral and interest deferral provisions) are already in existence under the Existing Bright Loan. The Bright Lender has been prepared to replace the Existing Bright Loan on substantially the same terms — it has not sought to extract any additional benefit or concession in return for maintaining these provisions;
 - (b) there have been no material concessions made by the IDC to the Bright Lender in order to agree the Replacement Bright Loan on substantially the same terms as the Existing Bright Loan. The limited changes made are either minor (removal of the Dairyworks provisions and certain events of review that are no longer relevant) or reflect the new interest rate and maturity date, with the new interest rate mechanism still being concessionary;
 - (c) SML, as represented by the IDC, and the Bright Lender are both aware of the importance of the continuation of the Existing Bright Loan on substantially the same terms in order to secure the refinancing of the Syndicated Facilities;
 - (d) the IDC initiated and drove the process. It prepared the proposed Terms Sheet, identified the limited changes from the Existing Bright Loan, and put the proposal to the Bright Lender for consideration — rather than receiving and responding to terms proposed by the Bright Lender;
 - (e) Directors of SML who are nominees or representatives of Bright Dairy were excluded from all IDC deliberations, did not have access to IDC papers or legal advice, and were not involved in the development of the Replacement Bright Loan or engagement with the proposed lenders under the new Syndicated Facilities;
 - (f) each party was separately advised by independent legal counsel. The Replacement Bright Loan was negotiated between counsel with input from their respective clients; and
 - (g) the IDC conducted its assessment of the fairness of the Replacement Bright Loan having regard to: the absence of alternative funding sources; the borrower-friendly terms being retained; the concessional interest rate (given the subordination); and the overall benefit to SML and all shareholders of securing the refinancing of the Syndicated Facilities.

SML entering into the Replacement Bright Loan is in the best interests of SML, all of SML's shareholders and SML's shareholders who are not precluded from voting under Rule 6.3.

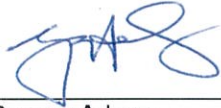
13. The Replacement Bright Loan is considered by the non-interested directors to be an appropriate and necessary liquidity solution for SML based on its assessment of the capital and liquidity needs of SML and on the basis that better terms are not reasonably likely to be able to be obtained in the market at this time.

14. The \$130 million Existing Bright Loan represents a substantial portion of SML's capital structure. Replacing this with a new third-party lender is not feasible in the available timeframe given SML's current financial position;
15. The Replacement Bright Loan is proposed to be on substantially the same terms as the Existing Bright Loan that was approved by shareholders by a 99.59% majority in 2024. Entry into the Replacement Bright Loan preserves the status quo and does not materially alter the transaction previously approved by shareholders.
16. The terms of the Replacement Bright Loan contain only limited changes from the Existing Bright Loan. These changes are not materially adverse to SML compared to the current position under the Existing Bright Loan. The Replacement Bright Loan will include interest deferral and principal deferral terms and with the new interest rate mechanism still being concessionary. In particular, the obligation on SML to make a payment of principal at maturity can be deferred in the event that SML would not satisfy the solvency test immediately following such payment, or if SML has breached or will breach a financial covenant that applies in respect of the Syndicated Facilities. This principal deferral provision is of importance to SML and is advantageous.
17. The interests of all shareholders are aligned — Bright and minority shareholders benefit from SML avoiding a default and refinancing its current facilities in an orderly manner.


SIGNATURES

This certificate may be signed by the relevant non-interested directors of SML in one or more counterparts (by PDF or otherwise), each of which when so signed will be deemed to be an original and such counterparts together will constitute one and the same instrument.

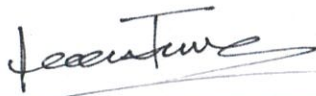
DATED:



George Adams



Katherine Turner



Leon Fung