



29 April 2020  
NZX/ASX Market Release

## Change of Directors Interest Notice – David Hearn

Attached are the NZX Ongoing Disclosure Notice and equivalent ASX Appendix 3Y relating to changes in the relevant interests in the Company's securities held by the Chair of The a2 Milk Company, Mr David Hearn.

Both of these disclosures relate to:

- the exercise of all of Mr Hearn's remaining 3,100,000 unlisted options to subscribe for Ordinary Shares in the Company granted to Mr Hearn on 30 March 2015 (**Options**); and
- the subsequent on market sale of a proportion of the Ordinary Shares received on exercise of those Options.

The terms of the Options are such that in order to avoid them lapsing, all of the Options needed to be exercised before 30 June 2020. The board was not able to exercise discretion to extend the expiry date beyond that date.

As Mr Hearn is a UK tax resident, significant tax liabilities arise on the *exercise* of Options (rather than on vesting of the Options or sale of the Ordinary Shares). Under the terms of the Options Mr Hearn is liable not only for his personal tax charges but also for the associated tax liabilities that arise for the company. As a result, Mr Hearn's total tax liability is well in excess of 50%. Those tax liabilities are required to be remitted to HM Revenue & Customs within a short period of time following the exercise of the Options.

The on-market sale of shares detailed in the attached disclosure notices was necessary for Mr Hearn to be able to meet those tax liabilities together with the associated transaction costs.

Mr Hearn continues to hold 1,305,000 ordinary shares in the Company.

Mr Hearn has indicated to the Company that were it not for the specific terms of the Options and the UK tax compliance issues, he would not have exercised these Options nor sold any shares at this time.

**By order of the Board of Directors**

**Jaron McVicar**

**General Counsel and Company Secretary**

**The a2 Milk Company Limited**

**For further information, please contact:**

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**Ongoing Disclosure Notice**

**Disclosure of Directors and Senior Managers Relevant Interests**

Sections 297(2) and 298(2), Financial Markets Conduct Act 2013

To NZX Limited; and
Name of listed issuer:
Date this disclosure made:
Date of last disclosure:

The a2 Milk Company Limited ("ATM")
29/04/2020
26/11/2019

**Director or senior manager giving disclosure**

Full name(s):
Name of listed issuer:
Name of related body corporate (if applicable):
Position held in listed issuer:

David Lovat Gordon Hearn
The a2 Milk Company Limited
N/A
Chair & Non-Executive Director

**Summary of acquisition or disposal of relevant interest (excluding specified derivatives)**

Class of affected quoted financial products:
Nature of the affected relevant interest(s):

(1) Unlisted options ( <b>Options</b> ) to subscribe for fully paid ordinary shares in the Company ( <b>Ordinary Shares</b> ).
(2) Ordinary Shares
(1) Beneficial owner of Options.
(2) Legal and beneficial owner of Ordinary Shares.

**For that relevant interest-**

Number held in class before acquisition or disposal:
Number held in class after acquisition or disposal:
Current registered holder(s):
Registered holder(s) once transfers are registered:

(1) 3,100,000 Options
(2) 100,000 Ordinary Shares
1,305,000 Ordinary Shares
(1) Lovat Partners Limited
(2) David Lovat Gordon Hearn
David Lovat Gordon Hearn

**Summary of acquisition or disposal of specified derivatives relevant interest (if applicable)**

Type of affected derivative:
Class of underlying financial products:

N/A
N/A

**Details of affected derivative-**

The notional value of the derivative (if any) or the notional amount of underlying financial products (if any):
A statement as to whether the derivative is cash settled or physically settled:
Maturity date of the derivative (if any):
Expiry date of the derivative(if any):
The price specified in the terms of the derivative (if any):
Any other details needed to understand how the amount of the consideration payable under the derivative or the value of the derivative is affected by the value of the underlying financial products:

N/A

*For that derivative, -*

Parties to the derivative:
If the director or senior manager is not a party to the derivative, the nature of the relevant interest in the derivative:


**Details of transactions giving rise to acquisition or disposal**

Total number of transactions to which notice relates:

3

**Details of transactions requiring disclosure-**

Date of transaction:

(1) 24/04/2020  
(2) 24/04/2020  
(3) 28/04/2020

Nature of transaction:

(1) Issue of Ordinary Shares following exercise of Options held by Lovat Partners Limited. Following this, subsequent transfer from Lovat Partners Limited to David Hearn.  
(2) On market sale of Ordinary Shares (NZX) using broker facilities.  
(3) On market sale of Ordinary Shares (NZX) using broker facilities.

Name of any other party or parties to the transaction (if known):

Unknown

The consideration, expressed in New Zealand dollars, paid or received for the acquisition or disposal. If the consideration was not in cash and cannot be readily by converted into a cash value, describe the consideration:

(1) 3,100,000 Options exercised at NZD0.63 per Option  
(2) 280,857 Ordinary Shares sold on-market (NZX) at NZD19.78 per share  
(3) 1,614,143 Ordinary Shares sold on-market (NZX) at NZD19.59 per share

Number of financial products to which the transaction related:

(1) 3,100,000 Options  
(2) 280,857 Ordinary Shares  
(3) 1,614,143 Ordinary Shares*If the issuer has a financial products trading policy that prohibits directors or senior managers from trading during any period without written clearance (a closed period) include the following details—*

Whether relevant interests were acquired or disposed of during a closed period:

No

Whether prior written clearance was provided to allow the acquisition or disposal to proceed during the closed period:

N/A

Date of the prior written clearance (if any):

N/A

**Summary of other relevant interests after acquisition or disposal:**

Class of quoted financial products:

N/A

Nature of relevant interest:

*For that relevant interest,-*

Number held in class:

Current registered holder(s):

*For a derivative relevant interest,-*

Type of derivative:

**Details of derivative,-**

The notional value of the derivative (if any) or the notional amount of underlying financial products (if any):

N/A

A statement as to whether the derivative is cash settled or physically settled:

Maturity date of the derivative (if any):

Expiry date of the derivative (if any):

The price's specified terms (if any):

Any other details needed to understand how the amount of the consideration payable under the derivative or the value of the derivative is affected by the value of the underlying financial products:

*For that derivative relevant interest,-*

Parties to the derivative:

If the director or senior manager is not a party to the derivative, the nature of the relevant interest in the derivative:

**Certification**

I, certify that, to the best of my knowledge and belief, the information contained in this disclosure is correct and that I am duly authorised to make this disclosure by all persons for whom it is made.

Signature of director or officer:

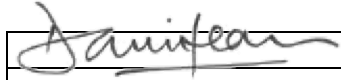
Date of signature:

or

Signature of person authorised to sign on behalf of director or officer:

Date of signature:

Name and title of authorised person:



29 April 2020


# Appendix 3Y

## Change of Director's Interest Notice

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 30/09/01 Amended 01/01/11

<b>Name of entity</b>	The a2 Milk Company Limited (the <b>Company</b> )
<b>ABN</b>	97 769 415 292

We (the entity) give ASX the following information under listing rule 3.19A.2 and as agent for the director for the purposes of section 205G of the Corporations Act.

<b>Name of Director</b>	David Lovat Gordon Hearn
<b>Date of last notice</b>	26 November 2019

### Part 1 - Change of director's relevant interests in securities

*In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust*

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

<b>Direct or indirect interest</b>	Direct and indirect.
<b>Nature of indirect interest (including registered holder)</b> <small>Note: Provide details of the circumstances giving rise to the relevant interest.</small>	Unlisted options ( <b>Options</b> ) to subscribe for fully paid ordinary shares ( <b>Ordinary Shares</b> ) held through Lovat Partners Limited.
<b>Date of change</b>	1. 24 April 2020 2. 24 April 2020 3. 28 April 2020
<b>No. of securities held prior to change</b>	1. 100,000 Ordinary Shares 2. 3,100,000 Options
<b>Class</b>	1. Ordinary Shares 2. Options
<b>Number acquired</b>	3,100,000 Ordinary Shares acquired upon exercise of 3,100,000 Options.
<b>Number disposed</b>	1,895,000 Ordinary Shares sold on-market (NZX) using broker facilities.

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+ See chapter 19 for defined terms.

## Appendix 3Y

### Change of Director's Interest Notice

<b>Value/Consideration</b> Note: If consideration is non-cash, provide details and estimated valuation	1. 3,100,000 Options exercised at NZD0.63 per Option. 2. 280,857 Ordinary Shares sold on-market (NZX) at NZD19.78 per share. 3. 1,614,143 Ordinary Shares sold on-market (NZX) at NZD19.59 per share.
<b>No. of securities held after change</b>	1,305,000 Ordinary Shares.
<b>Nature of change</b> Example: on-market trade, off-market trade, exercise of options, issue of securities under dividend reinvestment plan, participation in buy-back	1. Exercise of Options to subscribe for Ordinary Shares. 2. On-market sale (NZX) of Ordinary Shares. 3. On-market sale (NZX) of Ordinary Shares.

#### Part 2 – Change of director's interests in contracts

Note: In the case of a company, interests which come within paragraph (ii) of the definition of "notifiable interest of a director" should be disclosed in this part.

<b>Detail of contract</b>	N/A
<b>Nature of interest</b>	N/A
<b>Name of registered holder (if issued securities)</b>	N/A
<b>Date of change</b>	N/A
<b>No. and class of securities to which interest related prior to change</b> Note: Details are only required for a contract in relation to which the interest has changed	N/A
<b>Interest acquired</b>	N/A
<b>Interest disposed</b>	N/A
<b>Value/Consideration</b> Note: If consideration is non-cash, provide details and an estimated valuation	N/A
<b>Interest after change</b>	N/A

#### Part 3 – +Closed period

<b>Were the interests in the securities or contracts detailed above traded during a +closed period where prior written clearance was required?</b>	No.
<b>If so, was prior written clearance provided to allow the trade to proceed during this period?</b>	N/A
<b>If prior written clearance was provided, on what date was this provided?</b>	N/A

+ See chapter 19 for defined terms.