



30 September 2024  
NZX/ASX Market Release

## Response to Price Query letter

Please see attached response to the “Price – Query” letter from ASX Compliance received on Friday, 27 September 2024.

**Authorised for release by the Board of Directors**

**David Bortolussi**  
**Managing Director and CEO**  
**The a2 Milk Company Limited**

**For further information, please contact:**

**Investors / Analysts**

David Muscat  
CFO  
M +61 407 449 058  
[david.muscat@a2milk.com](mailto:david.muscat@a2milk.com)

**Media – New Zealand**

Barry Akers  
M +64 21 571 234  
barryakers9@gmail.com

**Media – Other markets**

Rick Willis  
M +61 411 839 344  
rick@networkfour.com.au



30 September 2024

ASX Compliance  
Exchange Centre  
20 Bridge Street  
Sydney NSW 2000  
Australia

By email: ListingsComplianceSydney@asx.com.au

Dear Sir/Madam,

**The a2 Milk Company Limited (ASX:A2M; NZX:ATM) (A2M) Price Query**

We refer to the "Price – Query" letter from ASX Compliance received on Friday, 27 September 2024.

A2M sets out below its responses to the questions in that letter.

- 1. Is A2M aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?**

Response: Possibly.

On 24 September 2024, various government economic stimulus measures were announced in China. These were widely reported in the media from 24 to 27 September 2024, as well as speculation that China may introduce additional stimulus measures.

For example, on page 21 of the Australian Financial Review 27 September 2024 edition, it was reported that *"Commonwealth Bank told clients that it was expecting more stimulus measures as soon as this week, supporting the surge in commodity prices and equities exposed to the world's second-largest economy."*

In response to these measures the China A 300 Consumer Staples index was up 27% for the week ended 27 September 2024 with the share prices of companies operating in the dairy and nutrition sector increasing significantly over the same period, such as Ausnutria, Bright Dairy, Feihe, H&H, Mengniu and Yili which increased in the range of 13% to 35%. Given A2M's exposure to Chinese consumer demand, A2M considers this to be the most likely explanation for the increase in its share price last week.

For completeness, consistent with its publicly announced strategy which includes developing infant milk formula manufacturing capability and increasing China market access, A2M is currently in discussions regarding the potential acquisition of a manufacturing facility. The discussions are incomplete with no binding terms agreed, due diligence not yet completed and there is no certainty a transaction will occur. As such there is no further meaningful information to disclose at this stage.

2. If the answer to question 1 is “yes”.

(a) Is A2M relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1? Please note that the recent trading in A2M’s securities would suggest to ASX that such information may have ceased to be confidential and therefore A2M may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is “yes”, you need to contact us immediately to discuss the situation.

Response: As noted above, A2M considers it likely that the recent trading is likely to have been driven by the news relating to actual and speculated China stimulus measures. A2M doubts that its participation in confidential and incomplete discussions regarding a potential acquisition is materially price sensitive given uncertainties including whether it will proceed, if so on what terms and conditions and what impact it may have on the company. Accordingly, A2M mentions this only for completeness and out of an abundance of caution.

However, if this was materially price sensitive, Listing Rule 3.1A applied to those discussions prior to their disclosure through the release of this response on ASX.

(b) Can an announcement be made immediately? Please note, if the answer to this question is “no”, you need to contact us immediately to discuss requesting a trading halt (see below).

Response: See response to 2(a) above. This letter discloses the information which may arguably be materially price sensitive.

(c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?

Response: Not applicable.

3. If the answer to question 1 is “no”, is there any other explanation that A2M may have for the recent trading in its securities?

Response: Not applicable.

4. Please confirm that A2M is complying with the Listing Rules and, in particular, Listing Rule 3.1.

Response: Confirmed.

5. Please confirm that A2M’s responses to the questions above have been authorised and approved under its published continuous disclosure policy or otherwise by its board or an officer of A2M with delegated authority from the board to respond to ASX on disclosure matters.

Response: Confirmed.

Yours sincerely



Jaron McVicar  
Chief Legal & Sustainability Officer and Company Secretary  
The a2 Milk Company Limited





27 September 2024

Reference: 100588

Mr Jaron McVicar  
Company Secretary  
The a2 Milk Company Limited

By email only.

Dear Mr McVicar

### **The a2 Milk Company Limited ('A2M'): Price - Query**

ASX refers to the following:

- A. The change in the price of A2M's securities from a close of \$5.74 on 26 September 2024 to a high of \$6.77 today.

#### **Request for information**

In light of this, ASX asks A2M to respond separately to each of the following questions and requests for information:

1. Is A2M aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?
2. If the answer to question 1 is "yes".
  - (a) Is A2M relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1? Please note that the recent trading in A2M's securities would suggest to ASX that such information may have ceased to be confidential and therefore A2M may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is "yes", you need to contact us immediately to discuss the situation.
  - (b) Can an announcement be made immediately? Please note, if the answer to this question is "no", you need to contact us immediately to discuss requesting a trading halt (see below).
  - (c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?
3. If the answer to question 1 is "no", is there any other explanation that A2M may have for the recent trading in its securities?
4. Please confirm that A2M is complying with the Listing Rules and, in particular, Listing Rule 3.1.
5. Please confirm that A2M's responses to the questions above have been authorised and approved under its published continuous disclosure policy or otherwise by its board or an officer of A2M with delegated authority from the board to respond to ASX on disclosure matters.

#### **When and where to send your response**

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **1 PM AEST Friday, 27 September 2024**. You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall

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within the exceptions mentioned in Listing Rule 3.1A, A2M's obligation is to disclose the information 'immediately'. This may require the information to be disclosed before the deadline set out in this paragraph and may require A2M to request a trading halt immediately.

Your response should be sent to me by e-mail at **ListingsComplianceSydney@asx.com.au**. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

### **Trading halt**

If you are unable to respond to this letter by the time specified above, or if the answer to question 1 is "yes" and an announcement cannot be made immediately, you should discuss with us whether it is appropriate to request a trading halt in A2M's securities under Listing Rule 17.1. If you wish to request a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

### **Suspension**

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in A2M's securities under Listing Rule 17.3.

### **Listing Rules 3.1 and 3.1A**

In responding to this letter, you should have regard to A2M's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure*: Listing Rules 3.1 – 3.1B. It should be noted that A2M's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

### **Release of correspondence between ASX and entity**

ASX reserves the right to release all or any part of this letter, your reply and any other related correspondence between us to the market under Listing Rule 18.7A.

Yours sincerely

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ASX Compliance