



## Takeovers Code (Synlait Milk Limited) Exemption Notice 2013

Pursuant to section 45 of the Takeovers Act 1993, the Takeovers Panel gives the following notice (to which is appended a statement of reasons of the Takeovers Panel).

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### Notice

- 1 Title**  
This notice is the Takeovers Code (Synlait Milk Limited) Exemption Notice 2013.
- 2 Application**  
This notice applies to acts or omissions occurring on or after 15 July 2013.
- 3 Revocation**  
This notice is revoked on the close of 14 July 2014.
- 4 Interpretation**
  - (1) In this notice, unless the context otherwise requires,—  
**Act** means the Takeovers Act 1993

**Bright** means Bright Dairy Holding Limited

**Bright party** means each of the following:

- (a) Bright Dairy & Food Co., Ltd:
- (b) Bright Dairy International Investment Ltd:
- (c) Bright Food Group Co. Ltd

**Code** means the Takeovers Code under the Act

**IPO percentage** means the percentage of voting rights in SML that Bright holds or controls immediately after the allotments of voting securities are made to the public under the offer

**maximum percentage** means 41% of the voting rights in SML

**offer** means the offer of voting securities to the public by SML

**on-market transaction** means an acquisition on a registered exchange

**prospectus** means the combined prospectus and investment statement relating to the offer that was registered on 24 June 2013

**SML** means Synlait Milk Limited

**voting security** means a voting security in SML.

- (2) In this notice, a reference to a person increasing voting control is a reference to the person becoming the holder or controller of an increased percentage of the voting rights in SML.
- (3) In this notice, a reference to an offer of securities to the public has the same meaning as in section 3 of the Securities Act 1978.
- (4) Any term or expression that is defined in the Act or the Code and used, but not defined, in this notice has the same meaning as in the Act or the Code.

## 5 Exemption from rule 6(1) of Code

Bright and each Bright party are exempted from rule 6(1) of the Code in respect of any increase in voting control that is effected through an on-market transaction if, after that transaction, Bright and each Bright party do not hold or control in total more than the maximum percentage.

**6 Conditions of exemption in clause 5**

The exemption in clause 5 is subject to the following conditions:

- (a) the IPO percentage is less than the maximum percentage:
- (b) the increase in voting control is made within 12 months after the allotments are made to the public under the offer:
- (c) the offer, and the allotments made to the public under the offer, are made in accordance with the Securities Act 1978 and the Securities Regulations 2009:
- (d) neither Bright, nor any of the Bright parties, dispose of any voting securities during the period of the exemption:
- (e) the prospectus prominently states the ability of Bright and each Bright party to increase their voting control in total from the IPO percentage to the maximum percentage during the period of the exemption, and the drafting and placement of this disclosure within the prospectus has been approved by the Panel:
- (f) SML's Internet site states in a prominent position the ability of Bright and each Bright party to increase their voting control in total from the IPO percentage to the maximum percentage during the period of the exemption.

Dated at Wellington this 8th day of July 2013.

The Common Seal of the Takeovers Panel was affixed in the presence of:

[Seal]

S H Suckling,  
Member.

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### Statement of reasons

This notice applies to acts or omissions occurring on or after 15 July 2013 and is revoked on 14 July 2014.

Bright Dairy Holding Ltd (**Bright**) has a 51% shareholding in Synlait Milk Limited (**SML**). SML is making an initial public offer (**IPO**) that will result in a decrease in Bright's shareholding. To the extent that the IPO will result in Bright's shareholding decreasing below the maximum percentage, Bright wishes to ensure that it and certain associates have the ability to top up their total shareholding in SML by on-market transactions to the maximum percentage (the **top-up**). The Takeovers Panel (the **Panel**) has granted an exemption for Bright, and for certain other Bright group companies (the **Bright parties**), in respect of rule 6(1) of the Takeovers Code (the **Code**). The Bright parties are—

- Bright Dairy & Food Co., Ltd; and
- Bright Dairy International Investment Ltd; and
- Bright Food Group Co. Ltd.

The exemption relates to Bright and the Bright parties becoming the holders or controllers of an increased percentage of the voting rights in SML that would result from the top-up.

The exemption is subject to conditions that ensure that anyone who decides to invest in SML under the IPO will be able to take into account the maximum percentage that Bright and the Bright parties could obtain under this exemption.

The Panel considers that it is appropriate and consistent with the objectives of the Code to grant the exemption because—

- any person choosing to subscribe for SML shares under the IPO can be expected to take into account the ability of Bright and the Bright parties to increase their total shareholding, as it will be advised in the prospectus; and
- if an offeree subscribes for SML shares offered under the IPO, they can be taken to have subscribed on the basis of the information in the prospectus disclosing that Bright and the Bright

parties may increase their total shareholding to the maximum percentage.

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Issued under the authority of the Acts and Regulations Publication Act 1989.

Date of notification in *Gazette*: 11 July 2013.

This notice is administered by the Takeovers Panel.

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