



NZX: SML  
ASX: SM1

26 September 2025

## Synlait finalises bank refinancing

Synlait Milk Limited (Synlait) advises that it has finalised its planned bank refinancing. The new funding arrangements total \$350 million and are made up of:

- a secured overdraft facility of NZ\$15 million
- a secured revolving credit facility A of NZ\$123 million.
- a secured revolving credit facility B of NZ\$110 million.
- a secured term loan facility A of NZ\$25 million.
- a secured term loan facility B of NZ\$47 million.
- a secured revolving credit NZD/CNH facility of NZ\$15 million.
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Each of the above facilities mature on 30 June 2026 (excluding the secured overdraft facility), with a \$50 million step down in the size of the revolving credit facility A on and from 28 February 2026. The new facilities are subject only to the satisfaction of customary conditions precedent, which are expected to be satisfied on or about Monday 29 September 2025.

Synlait's new banking syndicate, is made up of ANZ Bank, China Construction Bank, Bank of China, Rabobank, Industrial Commercial Bank of China, HSBC, Bank of Communications, and Bank of East Asia. The banking syndicate remains highly supportive of Synlait.

The key financial covenants are:

- A net senior leverage ratio of 2.5x for FY26. This covenant has been amended to only apply on Net Senior Debt to EBITDA for FY26 and applies at balance date.<sup>1</sup>
- A working capital ratio of 1.35x for the period from 1 August to 31 March and 1.5x from 1 April to 31 July. This is an "at all times" covenant.<sup>2</sup>
- An interest cover ratio of 2.5x for FY26. This covenant applies quarterly and is based on actual EBITDA for the completed applicable period and forecast for the remaining part of the financial

<sup>1</sup> In broad terms, the net senior leverage ratio is the ratio of (a) the total borrowed money and lease liabilities of the guaranteeing group (excluding the Bright Shareholder Loan), less any cash held with a lender or cash equivalents and (b) EBITDA.

<sup>2</sup> In broad terms, the working capital ratio is the ratio of (a) the aggregate value of inventory and debtors of the guaranteeing group (after making certain adjustments) to (b) the aggregate of the amount outstanding under the facilities referred to above (and any other transactional facilities), less any credit balances held on deposit in an account of the guaranteeing group held with a lender.



year, based on the lower of the minimum EBITDA event of review levels, or any revised forecast EBITDA.<sup>3</sup>

- Shareholders' Funds to always exceed \$500 million.

In addition to the above, Synlait continues to have the \$130 million shareholder loan from Bright Dairy International Investment Limited, a related company of Bright Dairy Holding Limited, for a further 12-month term, maturing 12 July 2026.

**For more information contact:**

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<sup>3</sup> In broad terms, the interest cover ratio compares the earnings of the guaranteeing group to the interest expenses it must pay.

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