

23 March 2026

## Synlait publishes HY26 result and recovery roadmap

Synlait Milk Limited (Synlait) has announced its half year result for the six months ended 31 January 2026.

CEO Richard Wyeth said: “The numbers we are presenting today are frustratingly disappointing. They are the result of a period where Synlait faced multiple headwinds and had little choice as to how to deal with them. They reflect a severe lack of optionality, not effort, and they do not define the company’s future – although recovery will take time.”

Alongside, today’s result Synlait is releasing ‘Stabilise, Simplify and Scale’, the company’s roadmap to recovery.

Board Chair George Adams said: “We know, like us, those who support Synlait are hungry for positive financial performance. Unfortunately, we cannot present that today. Instead, we are sharing the roadmap designed to reposition Synlait for success. This begins with the sale of the company’s North Island assets and we are on track to complete that next week.”

### Financial results at a glance<sup>1</sup>

- A reported EBITDA loss of (\$34.7 million)<sup>2</sup>, with underlying EBITDA of \$4.1 million.
- A reported net loss after tax of (\$80.6 million), with an underlying net loss after tax of (\$27.3 million).
- Net debt of \$472.1 million – an increase of 88%.
- Revenue of \$949 million<sup>2</sup> – an increase of \$32.3 million.
- Gross profit of \$3.1 million<sup>2</sup> – a decrease of \$83.9 million.
- Forecast base milk price for the 2025/26 season is \$9.50 per kg MS with additional premium payments taking the total forecast average milk payment to \$9.90 per kg MS.

At a macro level the result is impacted by three core issues:

1. The need to adjust the company’s manufacturing plan.
2. Lower returns in the ingredients business unit.
3. A decision on tax assets.

Points one and two delivered a dairy processor’s perfect storm. In summary, it was a lack of choices that shaped Synlait’s first half performance. The third point is that Synlait has taken a conservative approach in not recognising further deferred tax assets arising from unused tax losses beyond those recorded at 31 July 2025.

### The challenges that impacted HY26

The manufacturing challenges in Dunsandel which Synlait reported in July 2025 resulted in a need to rebuild customer inventory.

<sup>1</sup> All comparisons are to HY25 unless otherwise stated.

<sup>2</sup> Includes continuing and discontinued operations.



Synlait adjusted its manufacturing plan to enable teams to focus on this catch-up production. The revised plan resulted in Synlait having surplus milk, particularly during peak season. Following an assessment of the plan to rebuild customer inventory, Synlait sold the excess milk.

A number of the milk sales did not go to plan, requiring Synlait to pause catch-up production to process the unsold milk. Whole milk powder (WMP) is then the only ingredient that can be made due to dryer configurations.

To deliver the perfect storm, the price of WMP decreased sharply at the end of the 2025 calendar year resulting in significant losses in Synlait's Ingredients portfolio.

### **Stabilise, Simplify and Scale | Synlait's roadmap to recovery**

Synlait's recovery plan contains three interconnected horizons that will be delivered at pace. These are:

1. Stabilise | Position for future growth  
Deliver operational stability that meets customer expectations, strengthens financial resilience and builds greater optionality.
2. Simplify | Action transformation  
Align priorities, sharpen capability, and grow high-margin products from existing assets to lift profitability.
3. Scale | Accelerate growth  
Expand markets, channels and customer relationships. Execute future growth opportunities.

Chair George Adams said there is a lot to do to cement Synlait's recovery.

"Behind our roadmap, sits a real determination to ensure the coming 12 to 24 months will be seen as a period where Synlait under promised and over delivered."

CEO Richard Wyeth said there is a key takeaway from HY26.

"The core takeaway from today's result is that it does not reflect Synlait's future. Next week's North Island assets sale is on track to deliver a stronger and simpler Synlait. From there, we will focus on further uplifting operational stability and creating greater optionality so we can get the most out of our worldclass South Island assets."

### **For more information contact:**

#### **Media**

Jo Scott

Corporate Affairs Manager

P: +64 21 883 123

E: [jo.scott@synlait.com](mailto:jo.scott@synlait.com)

#### **Investors**

Hannah Lynch

Head of Milk Supply, Strategy & Corporate Affairs

P: +64 21 252 8990

E: [hannah.lynch@synlait.com](mailto:hannah.lynch@synlait.com)