



2022 ANNUAL RESULTS

The a2 Milk Company Limited

29 August 2022



Disclaimer

This presentation dated 29 August 2022 provides additional commentary on the Annual Report for the 12 months ended 30 June 2022 of The a2 Milk Company Limited (the “Company” or “a2MC”) and accompanying information released to the market on the same date. As such, it should be read in conjunction with the explanations and views in those documents.

This presentation is provided for general information purposes only. The information contained in this presentation is not intended to be relied upon as advice to investors and does not take into account the investment objectives, financial situation or needs of any particular investor. Investors should assess their own individual financial circumstances and consider talking to a financial adviser or consultant before making any investment decision.

This presentation is not a prospectus, investment statement or disclosure document, or an offer of shares for subscription, or sale, in any jurisdiction.

Certain statements in this presentation constitute forward looking statements. Such forward looking statements involve known and unknown risks, uncertainties, assumptions and other important

factors, many of which are beyond the control of the Company and which may cause actual results, performance or achievements to differ materially from those expressed or implied by such statements.

While all reasonable care has been taken in relation to the preparation of this presentation, none of the Company, its subsidiaries, or their respective directors, officers, employees, contractors or agents accepts responsibility for any loss or damage resulting from the use of or reliance on this presentation by any person.

Past performance is not indicative of future performance and no guarantee of future returns is implied or given.

Some of the information in this presentation is based on unaudited financial data which may be subject to change.

All values are expressed in New Zealand dollars unless otherwise stated.

All intellectual property, proprietary and other rights and interests in this presentation are owned by the Company.

Agenda

Results overview and strategy update	4
Financial overview	15
Regional and product performance	23
Appendix	54

Significant progress implementing refreshed strategy and improving performance during the year

1. Inventory management actions effective

- Significant steps taken last calendar year to address excess IMF inventory have proven effective with channel inventory at target levels, product freshness amongst the best in the industry and improved market pricing

2. Strong early execution of refreshed growth strategy

- Execution of refreshed growth strategy communicated to the market at the Company's Investor Day in October 2021, which is focused on capturing the full potential of the China market opportunity, is having an impact achieving new highs in brand health metrics and record market shares

3. Full year result in line with the Company's expectations

- Delivered double digit revenue and earnings growth in FY22 despite challenging market conditions, driven by refreshed growth strategy and improved execution

4. Outlook for the business is positive

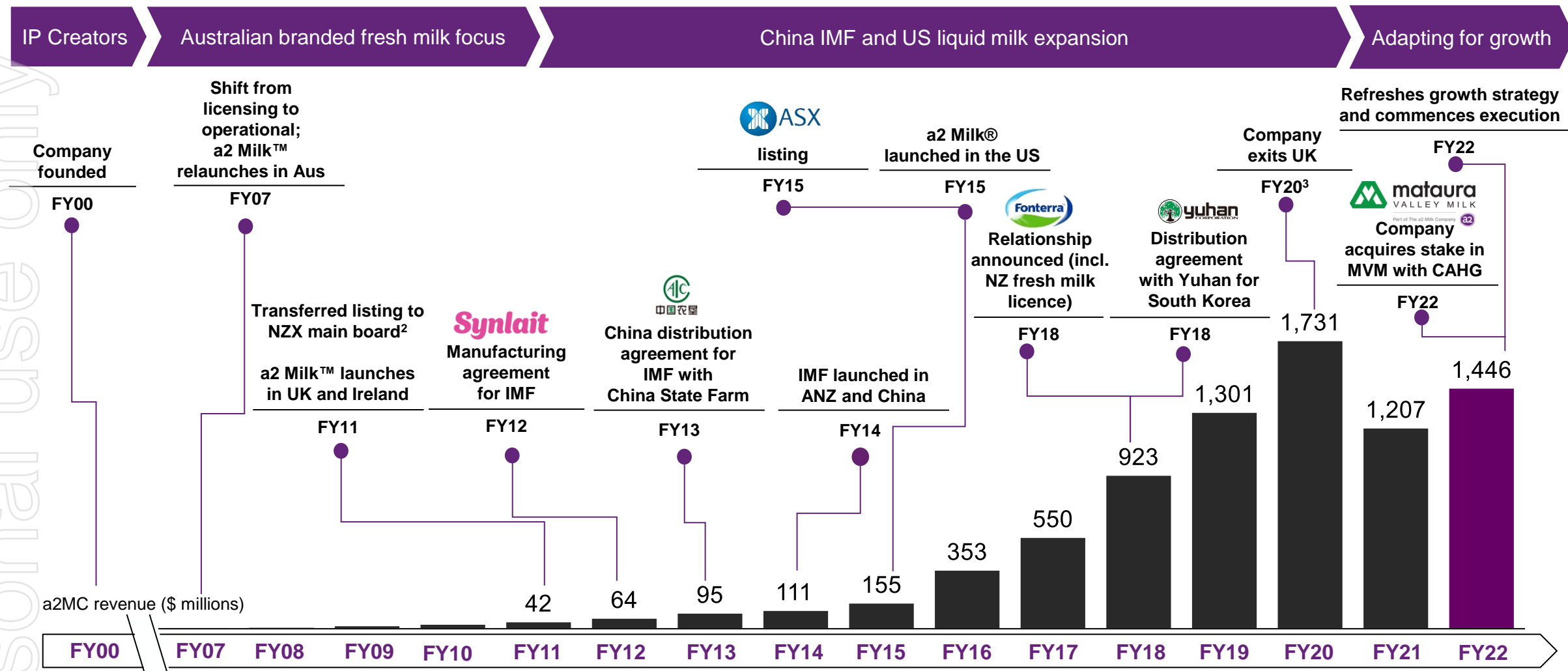
- Continued revenue and earnings growth is expected in FY23, and the Company is on track to deliver on its medium-term financial and non-financial ambition communicated to the market in October 2021

5. On-market share buyback announced

- As a result of the above, and after considering its strong balance sheet position, the Company intends to execute an on-market share buyback of up to \$150 million



a2MC returns to growth after COVID-19 related disruption in FY21



¹ All figures in New Zealand Dollars (NZ\$), unless otherwise stated.
² Listed on the NZX alternative market (NZAX) in 2004 and transferred listing to NZX main board in 2012.
³ Revenue from continuing operations only.
Source: a2MC.

FY22 result delivers double-digit growth in revenue and earnings in a challenging market

- **Group results in line with the Company's expectations**

- Group revenue growth of 19.8% to \$1,446.2 million (growth of 11.2% ex-MVM) with 2H22 up 18.9% on 1H22 (15.7% ex-MVM)
- EBITDA¹ up 59.0% to \$196.2 million, EBITDA margin 13.6% in FY22 (16.1% ex-MVM)
- NPAT, including non-controlling interest, up 42.3% to \$114.7 million with \$122.6 million attributable to owners of the Company²
- Closing net cash³ of \$816.5 million with operational cash conversion of 114%⁴

- **Results driven by strong performance across the Company's regions and products**

- China label IMF sales up 12.2% driven by record high market shares achieved in MBS and DOL
- English label IMF sales up 11.6% with market share increasing in CBEC (2H22) and O2O, and Daigou trajectory improving (2H22)
- ANZ liquid milk sales up 1.8% with record market share, moderated in 2H22 due to lockdowns easing and reduced in-home consumption
- USA liquid milk sales up 30.2% driven by strong growth in grocery and supported by new innovation
- MVM sales of \$104.4 million for the 11 months under a2MC ownership (75%)

- **Other operational highlights**

- Strong growth in brand health metrics to new highs following material increase in brand investment during the year
- Deliberate shift in distribution of English label IMF to more transparent, performance-based and exclusive partners progressing well
- Increase in innovation with the highest number of new product launches in the Company's history
- Significant increase in sustainability targets, initiatives and impact in many areas of the business, particularly MVM electrification project

¹ Earnings before interest, tax, depreciation and amortisation (EBITDA) is a non-GAAP measure and does not have a standardised meaning prescribed by GAAP. However, the Company believes that, in combination with GAAP measures, it assists in providing investors with a comprehensive understanding of the underlying operational performance of the business. A reconciliation of EBITDA to net profit after tax is shown on page 55 on the presentation.

² The non-controlling interest represents China Animal Husbandry Group's 25% interest in MVM.

³ Including term deposits and borrowings, excluding subordinated non-current shareholder loans.

⁴ Calculated as net cash flow from operating activities before interest and tax divided by EBITDA.






Outlook for FY23 is positive with continued growth expected

See full outlook statement contained in results announcement dated 29 August 2022 including industry and business risks

- Expecting high single digit revenue growth in FY23. 1H23 growth (on 1H22) is expected to be significantly higher than 2H23 growth (on 2H22)
- Expecting revenue growth in China label IMF, English label IMF and USA liquid milk in FY23, ANZ liquid milk broadly in line with FY22 and MVM down compared with FY22 annualised
- Gross margin percentage in FY23 is expected to be broadly in line with FY22, with cost pressures offset by price increases, mix benefits and cost mitigation initiatives
- Brand investment planned to increase further in FY23, skewed marginally towards 1H23 with a significant uplift versus 1H22 due to campaign timing
- Further uplift in SG&A costs planned in FY23, reflecting additional capability build, increased investment in science, innovation and sustainability, and inflation impacts
- EBITDA growth expected in FY23 with a modest improvement in EBITDA margin (% of sales)
- Operational cash conversion expected to be significantly lower in FY23 due to the reversal of working capital timing benefits in FY22 and an increase in inventory levels



Key priorities of a2MC's refreshed growth strategy remain unchanged, with refinements to purpose and vision

Purpose	We pioneer the future of Dairy for good				
Vision	An A1-free world where Dairy nourishes all people and our planet				
Goals	PEOPLE Create a safe, diverse, inclusive and engaging place for our people to thrive, support our farmers and contribute to our communities	PLANET Protect our planet and cows, rethink packaging, achieve net zero and become nature positive	CONSUMERS Bring the unique benefits of pure and natural a2 Milk™ to as many consumers as possible	SHAREHOLDERS Create long-term, enduring value for shareholders and a trusted, transparent relationship	
Strategic priorities	1	2	3	4	5
	Invest in people and planet leadership <ul style="list-style-type: none"> - Invest in our people to enable them to thrive - Take direct action to lead the industry in GHG emissions reduction, farming practices and sustainable packaging 	Capture full potential in China IMF <ul style="list-style-type: none"> - Gain more control over CL and EL distribution and get closer to our consumer - Increase investment in our brand, digital marketing and e-commerce 	Ramp-up product innovation <ul style="list-style-type: none"> - Expand our CL and EL IMF product portfolios - Enter adjacent product categories in relevant markets to drive growth 	Transform our supply chain <ul style="list-style-type: none"> - Expand CL registered market access - Utilise MVM and invest in New Zealand capability - Develop China supply capability over time 	Accelerate path to profitability <ul style="list-style-type: none"> - Take action to realise potential in USA - Expedite insourcing of a2™ product and 3rd party volume to significantly increase MVM utilisation
Enablers	Brand strength		Science & innovation		Strategic relationships
Values	 Bold passion	 Pioneering spirit	 Humility	 Respect	 Integrity

Updated purpose and vision highlights the positive impact a2MC wants to have on the world, inspiring its team and partners

PURPOSE – WHY WE EXIST AND THE IMPACT WE CAN HAVE ON THE WORLD

The a2 Milk Company's purpose talks to the positive impact the Company can have. Our Purpose lives at the intersection of the Company's unique strengths and what the world needs.

To be continually at the forefront of change

WE PIONEER THE FUTURE OF DAIRY FOR GOOD

Using the processes and products available today and being open to what dairy could become tomorrow

FOR THE GOOD OF

People

- Our consumers (healthy and tasty nutrition)
- Our team (motivated and engaged)
- Our farmers (sustainable partners)

Planet

- Animal welfare (best practice)
- GHG emissions (net zero)
- Nature positive (thriving ecosystems)
- Sustainable packaging

VISION – THE KIND OF POSITIVE FUTURE THE COMPANY WANTS TO HELP CREATE

Opportunity for more consumers to experience the digestive and other potential health benefits of A1 protein free milk

In combination with other foods, dairy can help deliver on people's complete nutritional needs

AN A1-FREE WORLD WHERE DAIRY NOURISHES ALL PEOPLE AND OUR PLANET

Dairy helps nourish consumers, farmers and communities to take advantage of opportunities to live their best lives

Dairy has the potential to be GHG net zero and nature positive

Significant increase in sustainability targets, initiatives and impact

Targets and commitments

- Committed to more ambitious sustainability targets at Investor Day in October 2021
- Updated climate scenario analysis to include MVM and fully aligned to Task Force on Climate-Related Financial Disclosures (TCFD)
- Commenced pilot assessment for nature risk analysis

Investing to significantly reduce GHG emissions

- Investing in a new high pressure electrode boiler at MVM to replace the coal-fired boiler currently on site by October 2023, to reduce MVM's processing emissions to almost zero
- Contributed to conversion of Boiler 2 at Synlait's Dunsandel site from coal-fired to biomass to significantly reduce carbon emissions at the site
- Launched New Zealand Farm Sustainability Fund with Lincoln University to support sustainable dairy farming projects in NZ focused on reducing GHG emissions on-farm
- Further exploration of on-farm commercial trial utilising Sea Forest's SeaFeed™ product – a methane inhibitor from asparagopsis seaweed

Committed to making meaningful change in packaging

- Aligned to APCO targets for products sold in all markets and received "Leading" rating
- Commenced long-term sustainable packaging project

Continuing to support the communities in which the Company operates

- ANZ: Partnered with KidsCan to support low-equity early childhood education centres across New Zealand; Sponsored Foodbank School Breakfast Program to support indigenous communities; Contributed to CureKids in NZ, flood relief in AU and Save the Children in Ukraine
- China: Partnered with rural schools and Guangming Daily to provide nutrition stations to children; Partnered with Operation Smile to support children suffering from cleft lip palate
- USA: Supported Feed the Children back to school campaign; Provided disaster relief support for families affected by fires in Boulder

MVM manufacturing site, Southland, New Zealand



KidsCan
MAJOR
PARTNER

Operation Smile

cure kids

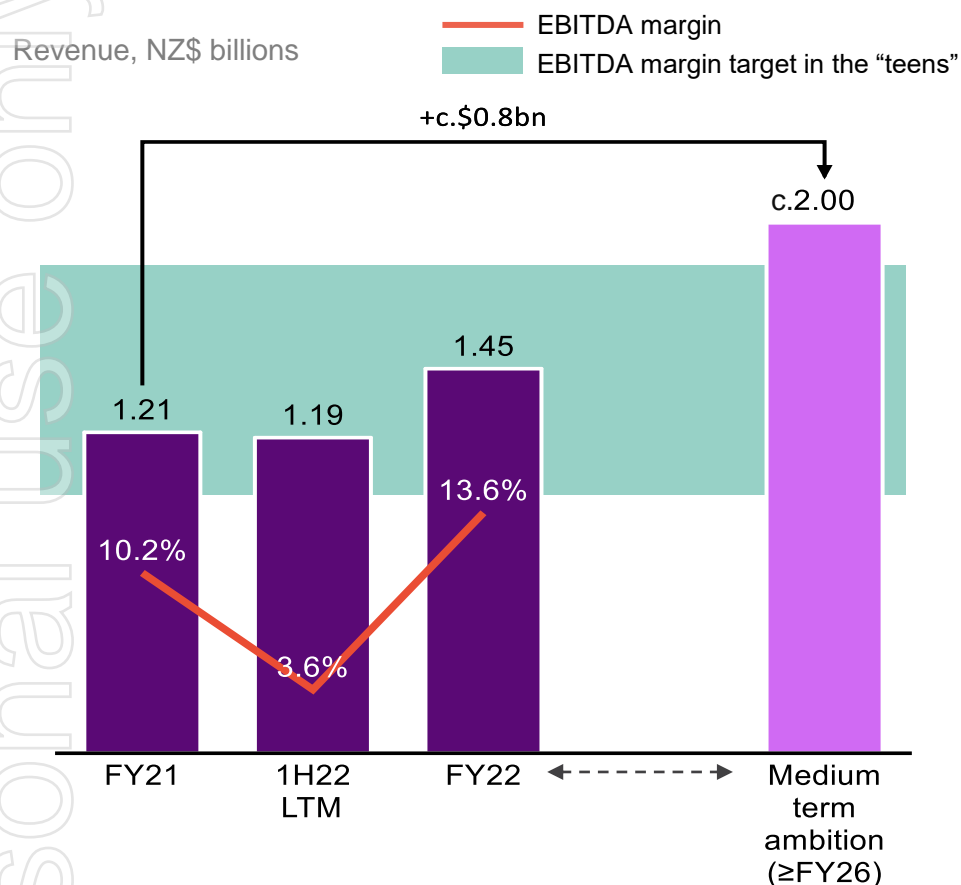
FOOD
BANK

FEED THE
CHILDREN®

FIGHTING HUNGER
IN AUSTRALIA

On track to achieve ambition to grow sales to \$2 billion and improve EBITDA margins over time

Medium-term revenue and EBITDA margin ambition



Areas of planned revenue growth

Market / category	Growth ambition (FY21 to ≥FY26) ¹	Tracking
China label IMF	\$0.4	On track
English label IMF	\$0.3	On track
China and other nutritionals	\$0.2	Work in progress
Emerging markets	\$0.1	Work in progress
ANZ	\$0.1	On track
USA	\$0.1	On track
Non-specific risk	\$(0.4)	
Net growth	c.\$0.8b	On track

On track Work in progress

Comments

- \$2 billion revenue goal implies a 4-year CAGR of 8.5% from FY22 if achieved by FY26
- Solid progress in FY22 towards medium-term ambition with most growth drivers and associated initiatives on track to plan
 - China label is ahead
 - Other nutritionals and emerging markets is work in progress
- Positive indicators, including:
 - Brand health metrics
 - Market share gains
- Outlook for FY23 is for high single digit revenue growth broadly consistent with achieving medium-term ambition over time

Refer to Investor Day materials communicated to the market on 27 October 2021 for further information on medium-term ambition, strategy, risks and opportunities

¹ Incremental revenue ambition growth bridge from \$1.21 billion in FY21 to c.\$2.0 billion in ≥FY26 provided in Investor Day materials in October 2021. Provided for tracking purposes and should not be added to FY22 actual revenue result of \$1.45 billion.

Encouraging progress against our non-financial measures of success and key leading indicators

People

1

Safety TRIFR



Engagement



Diversity & inclusion



Sustainability

2

GHG emissions reduction



Environmental plans on farms



Animal welfare programmes



Sustainable packaging



Brand health

3

China unprompted brand awareness



Australian fresh milk loyalty



USA household penetration



Market share

4

CL MBS share



CL DOL share



EL CBEC share



EL Daigou share



EL O2O share



Australian fresh milk share



USA premium milk share



Innovation

5

Access to ≥3 CL registrations



China other dairy / nutritionals growth



Emerging markets development



USA sales from new products



ANZ sales from new products



China new GB registration process update

- a2MC and Synlait are working closely together in relation to the new GB registration process by China's State Administration for Market Regulation (SAMR) for a2MC's China label IMF product, a2 至初®. China label product manufactured after 21 February 2023 needs to comply with the new GB standard
- While the Company's new GB registration process is progressing, timing is uncertain and subject to SAMR approval. However, it is noted that the Ministry for Primary Industries (MPI) has co-operation arrangements in place with SAMR which, amongst other things, positions New Zealand well in relation to China registration processes
- a2MC's current China label IMF product a2 至初® registration expires in late September 2022. a2MC and Synlait have applied for a renewal of this existing registration which the Company anticipates receiving in September consistent with SAMR's practice with other brands in similar situations
- Such renewal would in effect allow Synlait to manufacture a2MC's current registered product up until the end of the grace period on 21 February 2023 when transition to the new GB standard is required. The current registered product manufactured up until this date is allowed to be sold in market after that date. This period through to 21 February 2023 is sometimes referred to as an "extension" of the existing registration
- In all circumstances, a2MC fully respects SAMR's governance and timing of this important registration process



On-market share buyback announced reflecting strong balance sheet and improved confidence in outlook

- The Company regularly reviews its balance sheet position, consistent with its capital allocation framework, which prioritises investment opportunities in growth initiatives and maintaining balance sheet flexibility ahead of capital returns to shareholders
- The balance sheet is in a strong position with a closing net cash¹ balance of \$816.5 million in FY22, which provides sufficient capital reserve to fund investment opportunities and the capacity for a return of capital to shareholders up to \$150 million
- The Board has reviewed alternative options, and determined that an on-market share buyback is the most appropriate form of capital management at this time
- Accordingly, the Company announces that it intends to undertake a capital return of up to \$150 million through an on-market share buyback
- The buyback is expected to commence towards the end of September and is subject to market conditions, a2MC's prevailing share price and all other relevant considerations²



¹ Including term deposits and borrowings, excluding subordinated non-current shareholder loans.

² a2MC reserves the right to vary, suspend without notice or terminate the on-market buyback at any time.

ersonal use only

FINANCIAL OVERVIEW



Income statement reflects higher IMF revenue underpinned by increased marketing investment and MVM acquisition

\$ million ¹	FY22	FY21	% change
Net Sales Revenue	1,443.7	1,205.0	19.8%
Gross Margin	663.5	509.7	30.2%
GM % ²	46.0%	42.3%	
Other Revenue & Income ³	6.5	4.9	31.5%
Distribution	(48.9)	(45.2)	8.1%
Marketing	(230.0)	(168.7)	36.3%
Administration & Other	(209.7)	(181.5)	15.6%
Profit Before Tax	181.4	119.3	52.1%
Income Tax Expense	(66.6)	(38.6)	72.6%
NPAT	114.7	80.7	42.3%
- Attributable to owners of the Company	122.6	80.7	52.0%
- Attributable to non-controlling interests	(7.9)	-	
Group Revenue⁴	1,446.2	1,206.7	19.8%
EBITDA^{5,6}	196.2	123.4	59.0%
EBIT ⁵	177.3	116.0	52.9%
EPS – basic and diluted (cents)	16.5	10.9	51.8%

¹ All figures quoted in New Zealand Dollars (NZ\$) and all comparisons are with the 12 months ended 30 June 2021 (FY21) unless otherwise stated. Numbers may not add down due to rounding.

² Gross margin percentage is calculated by dividing gross margin by net sales revenue.

³ Other revenue & income comprises royalty, licence fee and rental income of \$2.5 million and net finance income of \$4.0 million.

⁴ Group Revenue comprises Net Sales Revenue and other revenue.

⁵ Earnings before interest, tax, depreciation and amortisation (EBITDA), Earnings before interest and tax (EBIT).

⁶ EBITDA is a non-GAAP measure and represents earnings before interest, tax, depreciation and amortisation.

- **Net sales revenue** growth reflects strong IMF performance, incremental sales from inclusion of MVM and US liquid milk growth. 2H22 was significantly higher than 1H22 following efforts to rebalance inventory in 1H22, as well as positive results from growth strategy execution in China, strong China label IMF consumer demand in part due to COVID-19 related lockdowns, plus pricing benefits and favourable foreign exchange
- **Gross margin** of 46.0% (+3.7ppts vs pc) due to cycling of stock write-downs in FY21, price increases, reduced trade spend and favourable foreign exchange; partially offset by higher raw material and logistics costs and inclusion of MVM
- **Distribution costs** higher than prior year primarily driven by increased sales, along with elevated in-market freight rates and distribution costs, particularly in the US
- **Marketing investment** significantly higher to support execution of the Company's growth strategy in China
- **Administration & other costs** reflects further investment in capability building, an increase in employee incentive costs which were significantly reduced in FY21 due to business performance, and higher professional services fees and insurance costs
- **NPAT** including the MVM non-controlling interest was \$114.7 million, an increase of 42.3% with \$122.6 million attributable to owners of the Company
- **EPS** was up 51.8% to 16.5 cents per share

Growth in China and USA segments with shift in ANZ revenue towards China due to route-to-market change

\$ million		ANZ	China & Other Asia	USA	MVM ²	Corporate	Total Group
FY22	Revenue	532.7	726.5	82.7	104.4	-	1,446.2
	EBITDA	173.2	145.1	(36.7)	(18.8)	(66.6)	196.2
	EBITDA %	32.5%	20.0%	nm	nm	-	13.6%

FY21	Revenue	559.7	583.4	63.6	-	-	1,206.7
	EBITDA	148.8	75.6	(33.5)	-	(67.5)	123.4
	EBITDA %	26.6%	13.0%	nm	-	-	10.2%

% change ¹	Revenue	(4.8%)	+24.5%	+30.0%	-	-	19.8%
	EBITDA	+16.4%	+92.0%	nm	-	(1.3%)	59.0%

¹ Total Group revenue growth includes MVM, growth excluding MVM is +11.2% above prior year.

² MVM excludes intercompany sales.



Growth in IMF and other product categories overall

Revenue \$ million		ANZ	China & Other Asia	USA	MVM ²	Total Group
FY22	IMF	328.8	693.4	-	-	1,022.2
	Liquid milk	172.0	11.1	82.4	-	265.4
	Other	31.9	22.1	0.3	104.4	158.6
	TOTAL	532.7	726.5	82.7	104.4	1,446.2

FY21	IMF	357.0	556.8	-	-	913.8
	Liquid milk	169.0	8.3	63.3	-	240.5
	Other	33.7	18.4	0.3	-	52.4
	TOTAL	559.7	583.4	63.6	-	1,206.7

% Change ¹	IMF	(7.9%)	+24.5%	-	-	+11.9%
	Liquid milk	+1.8%	+34.4%	+30.2%	-	+10.4%
	Other	(5.2%)	+19.7%	(13.0%)	-	+202.6%
	TOTAL	(4.8%)	+24.5%	+30.0%	-	+19.8%

¹ Total Group revenue growth includes MVM, growth excluding MVM is +11.2% above prior year.

² MVM excludes intercompany sales.

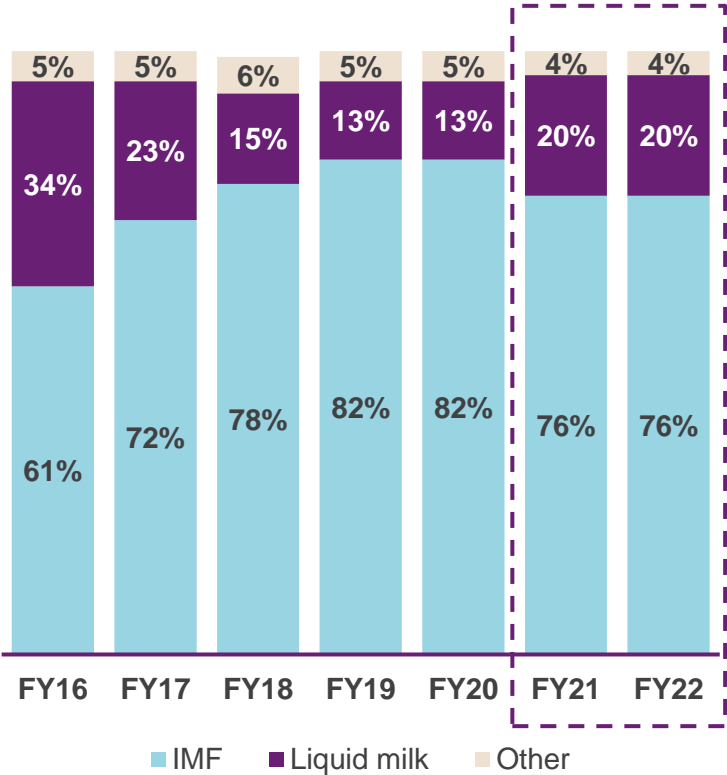


Like-for-like gross margin % reflects consistent product & label mix

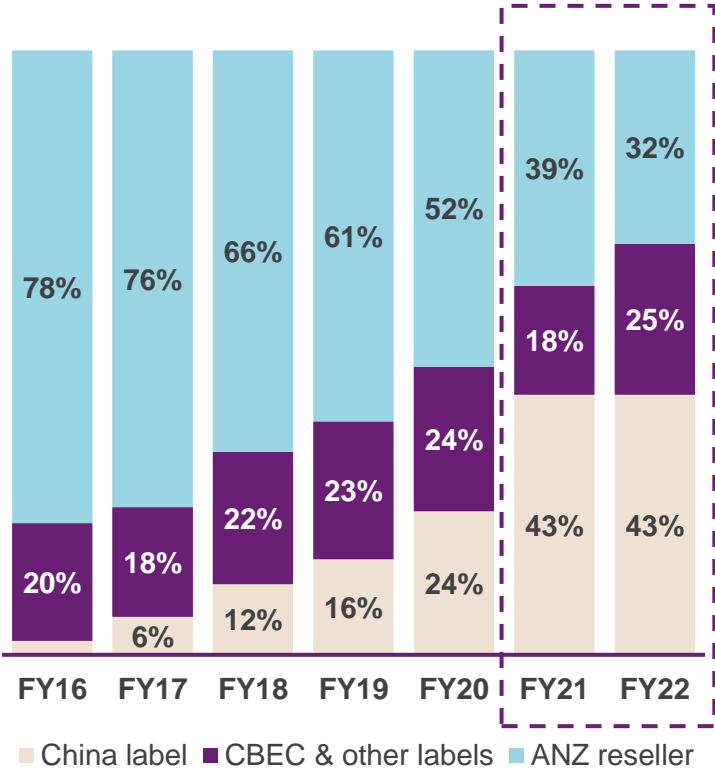
Gross margin drivers

- Gross margin of 46.0%, was up 3.7ppts compared with prior year
- Several factors have contributed to FY22 GM% increase including cycling prior year stock write-downs, price increases, reduced trade spend and favourable foreign exchange
- These factors were partially offset by the inclusion of MVM and higher raw material and logistic costs which were impacted by COVID-19
- On a like-for-like basis, GM% was broadly consistent with prior year excluding the impact of MVM in FY22 and significant stock write-downs in FY21
- Product and channel mix (excluding the impact of MVM) had a minor impact on GM% in the period

Revenue % by product category (ex MVM)



IMF revenue % by channel/label



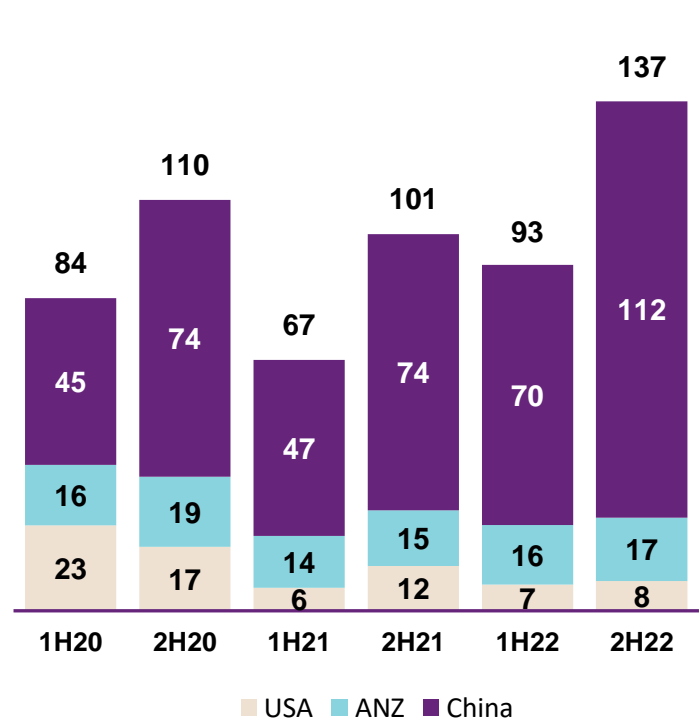
Marketing investment increased significantly consistent with growth strategy

Marketing and SG&A drivers

- Marketing investment was up 36.3% compared with prior year, with a larger proportion invested in 2H22. Increase reflects significant step-up in China in line with refreshed growth strategy and building on 1H22 execution themes – with more balanced functional and emotional brand messaging, more precise targeting of consumers, greater use of health care professional marketing, increased social seeding and stronger integration across all channels and of both labels
- Higher SG&A costs driven by capability investment in China and corporate functions to support future growth, short-term and long-term employee incentive costs which increased from a low base last year, and higher professional services fees and insurance costs

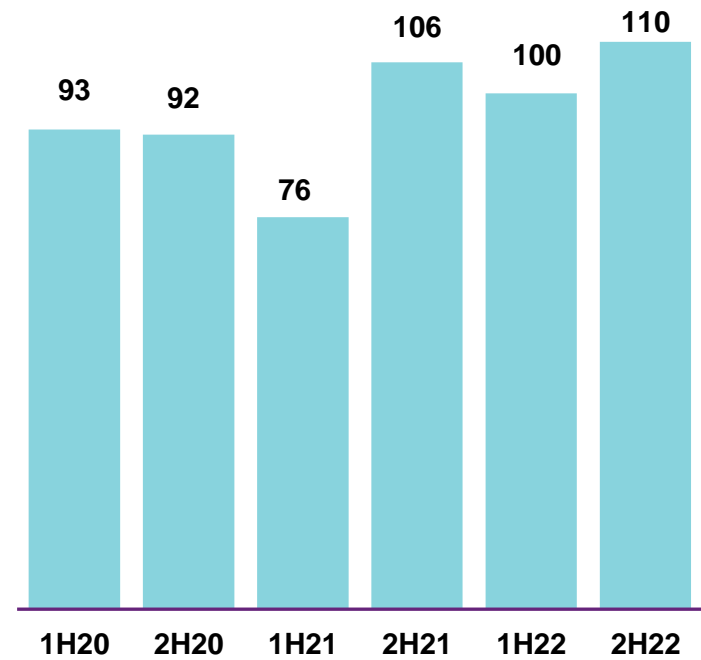
Marketing investment increased

\$ million



Administrative and other expenses

\$ million



Balance sheet remains very strong post MVM acquisition

\$ million	FY22	FY21	% change
Cash and term deposits	887.3	875.2	1.4%
Trade and other receivables	83.5	65.3	27.9%
Inventories	140.0	112.2	24.8%
Other current assets	60.4	44.3	36.4%
Total current assets	1,171.2	1,096.9	6.8%
Property, plant & equipment	240.5	17.2	1,301.6%
Intangible assets	109.3	15.1	622.2%
Other non-current assets	194.7	242.8	(19.8%)
Total non-current assets	544.6	275.1	98.0%
TOTAL ASSETS	1,715.9	1,372.0	25.1%
Trade and other payables	376.1	266.3	41.2%
Other current liabilities	64.1	8.4	663.5%
Total current liabilities	440.2	274.7	60.2%
Total non-current liabilities	81.8	13.4	511.6%
TOTAL LIABILITIES	521.9	288.1	81.2%
NET ASSETS	1,194.0	1,084.0	10.1%

- Closing **cash and term deposits balance** of \$887.3 million driven by strong operating cash conversion, offset by \$213.7 million of capital invested in the acquisition of MVM (net of cash acquired)
- **Inventory** higher than FY21, primarily driven by inclusion of MVM stock
- **Property, plant & equipment** increase primarily driven by \$228.9 million worth of PP&E acquired as part of the MVM acquisition
- **Intangible assets** includes \$94.1 million of goodwill arising from MVM acquisition
- **Other non-current assets** mainly consists of the Company's investment in Synlait, valued at \$135.3 million
- **Trade and other payables** mainly relates to timing of brand investment in 4Q22 and inventory orders, combined with delayed invoicing and payments processing in China due to COVID-19 related lockdown impacts
- **Other current and non-current liabilities** mainly consists of MVM's bank borrowing of \$57.0 million and loan with China Animal Husbandry Group (CAHG) of \$50.0 million
- Consolidated **net cash** position of \$816.5 million being cash and term deposits of \$887.3 million less MVM financial debt of \$70.8 million (excl. \$36.2 million of subordinated non-current shareholder loans provided by non-controlling interest)

Strong operating cash flow reflects working capital timing benefit

\$ million	FY22	FY21	% change
Cash flows from operating activities			
Receipts from customers	1,431.3	1,251.9	14.3%
Payments to suppliers and employees	(1,207.4)	(1,068.0)	13.1%
Net interest flows and taxes paid	(20.1)	(94.5)	(78.8%)
Net operating cash flows	203.8	89.4	127.9%
Cash flows from investing activities			
Acquisition of subsidiary	(213.7)	-	nm
Payment for listed investment	-	(39.8)	nm
Payment for term deposit	(450.0)	-	nm
Payment for other assets	(6.2)	(24.5)	(74.6%)
Net cash flows from investing activities	(670.0)	(64.4)	940.9%
Net cash flows from financing activities	9.7	(1.0)	nm
Net (decrease)/increase in cash	(456.5)	24.0	nm
Cash at the beginning of the period	875.2	854.2	2.5%
Effect of exchange rate changes on cash	18.7	(3.0)	nm
Closing cash at the end of the period	437.3	875.1	(50.0%)
Cash comprised of:			
Cash and short term deposits	437.3	875.2	(50.0%)
Term deposits	450.0	-	nm
Total cash & term deposits	887.3	875.2	1.4%

- Cash flows from operating activities**

- Relatively high operational cash conversion of 114%¹
- Largely driven by favourable movement in net working capital related to 4Q22 increase in brand investment and inventory orders, combined with delayed invoicing and payments processing in China
- Significant decline in taxes paid reflects refunds received and deductions for the FY21 stock write-off claimed during the year

- Cash flows from investing activities**

- Acquisition of subsidiary reflects consideration for 75% interest in MVM (net of cash balances acquired)
- Payment of \$450m for Term Deposits²

- Cash flows from financing activities**

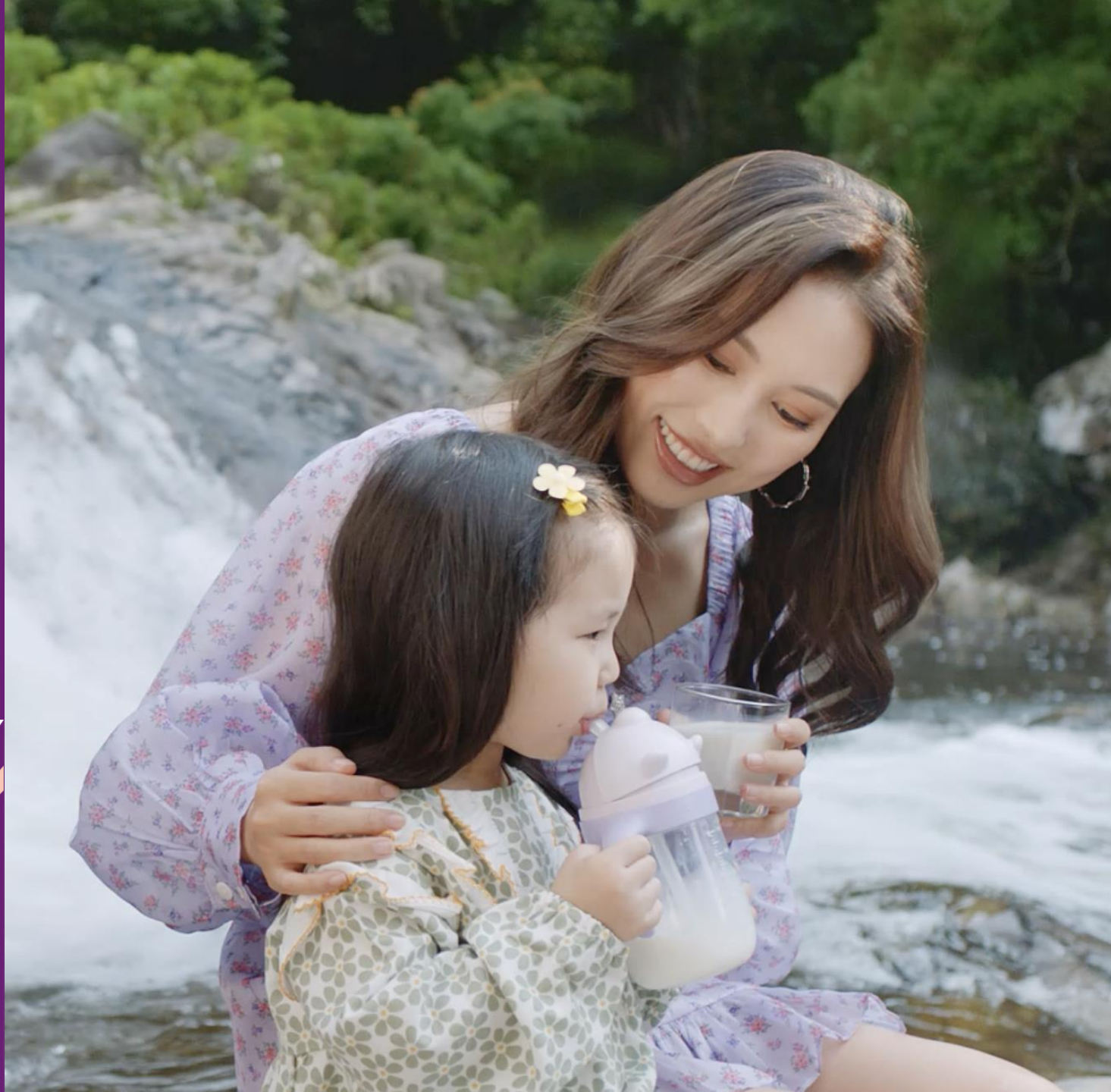
- Includes drawdown of MVM working capital facility

¹ Calculated as net cash flow from operating activities before interest and tax divided by EBITDA.

² These term deposits have an initial maturity of 3+ months requiring separate disclosure from other short-term term deposits.

ersonal use only

REGIONAL & PRODUCT PERFORMANCE



China IMF market challenging but still significant growth opportunity for a2MC

- Number of births decreased by 11.5% in 2021 to 10.6 million¹ and is expected to decline in 2022 in line with a2MC expectations
- Market volume decreased by 4.3%² in FY22 as several years of declining newborns had a cumulative impact on Stages 2 and 3, partially offset by increasing penetration in Stage 4. Market value decreased by 3.1% in FY22 with price growth of 1.3% driven both by premiumisation and channel mix shift
- Shift towards CL product continued compared to EL product, but to lesser extent. In FY22, CL was 85% of market (vs 84% in FY21) and EL was 15% (vs 16% in FY21) – shift towards CL in FY21 was more significant (7 pts) due to significant COVID-19 related disruption
- Growth rates varied significantly between Key&A and BCD cities, with Key&A value sales decreasing by 7.1% whilst BCD market value was broadly flat in line with the divergence of birth rates across city tiers
- Within CL channels, market dynamics are supporting a2MC's growth, including shift to ultra-premium segment (where the a2MC CL competes), more rapid growth of A2 protein segment, increasing brand concentration towards market leading brands (a2MC CL one of the few international brands continuing to grow share) and the continued shift to online channels, where international brands have historically outperformed local brands
- EL channels are showing signs of stabilisation with rate of decline in English label value sales (down 9%) reducing significantly compared to FY21 (down 33%) and sales growing by 1.6% in BCD cities in 2H22. Within EL channels there is a mix shift from Daigou to CBEC and O2O channels
- Despite challenging market dynamics, a2MC's growth in FY22 in China label and English label IMF was encouraging with significant opportunity to grow share from its current levels of 4-5%



¹ Source: China National Bureau of Statistics.

² Kantar Worldpanel 0-6 years old Baby & Kids panel: National IMF market tracking (Key & A + BCD cities) for the 52 weeks ending 30 June 2022.

China label key messages

Strategic priorities

- 1 **Continue to invest in and nurture our brand**
- 2 **Achieve full potential in key accounts**
- 3 **Capture opportunity in lower tier cities**
- 4 **Accelerate online growth**
- 5 **Broaden our product portfolio**

Progress update

- Increased investment in brand, further integrating marketing campaigns with a focus on new user recruitment
- Expanded key account coverage to major regional key accounts
- Expanded offline distribution, particularly in lower tier cities, and invested further in in-store activation
- Invested in digital marketing and e-commerce capability
- Leveraged expanded e-commerce capability to drive growth in UHT

Business impact

- Achieved new highs in brand health metrics
- Increased numeric and weighted distribution, as well as growth in same-store-sales
- Delivered record market share in MBS, including within both Key&A and BCD cities, and across all stages
- Delivered record market share in DOL
- Delivered double digit growth in UHT product which has outperformed versus initial expectations

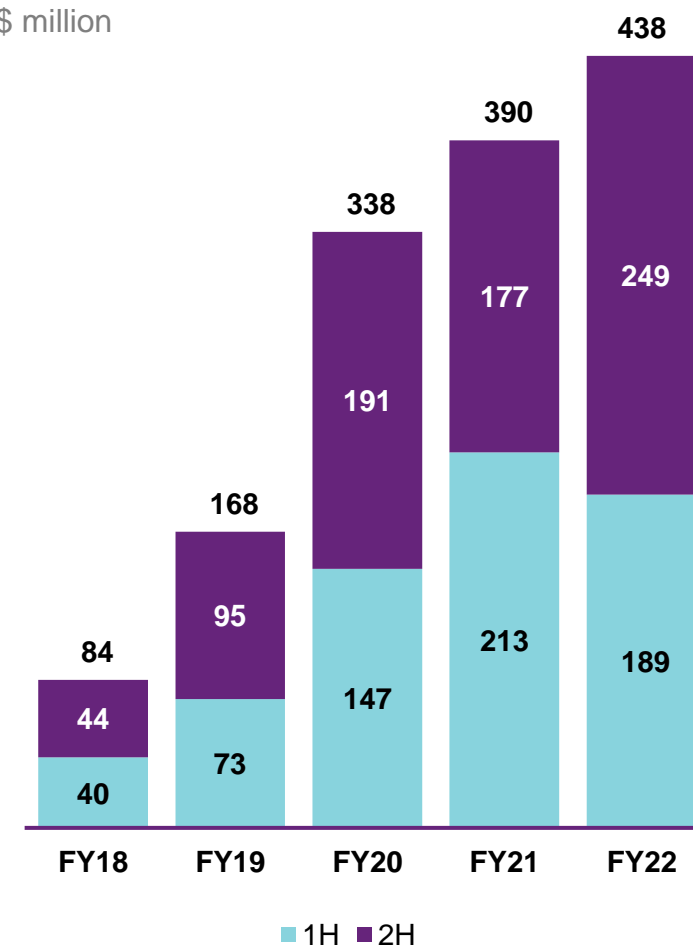
China label IMF sales growth driven by execution of refreshed growth strategy

Strong underlying consumer demand

- Net revenue of a2 至初® China label IMF was up 12.2% compared with FY21 to \$437.6 million driven by 2H22 performance as the Company ramped-up execution of its growth strategy supported by strong China label IMF consumer demand, in part due to COVID-19 related lockdowns, as well as pricing benefits and favourable foreign exchange
- Restricted sales to distributors in 1H22 to rebalance channel inventory levels and improve channel dynamics. As a result of this, sales in 1H22 were down, but were up significantly during 2H22
- Execution of growth strategy to drive in store distribution and same store sales, particularly in lower tier cities, plus investment in digital marketing and e-commerce capability resulted in significant market share gains:
 - MBS value share increasing to 3.0%¹ from to 2.2% in prior year²
 - DOL value share of 2.5%³ compared with 2.0% in prior year

China label net sales revenue

\$ million



¹ Nielsen MBS retail measurement service: mother and baby stores only retail sales (by value).

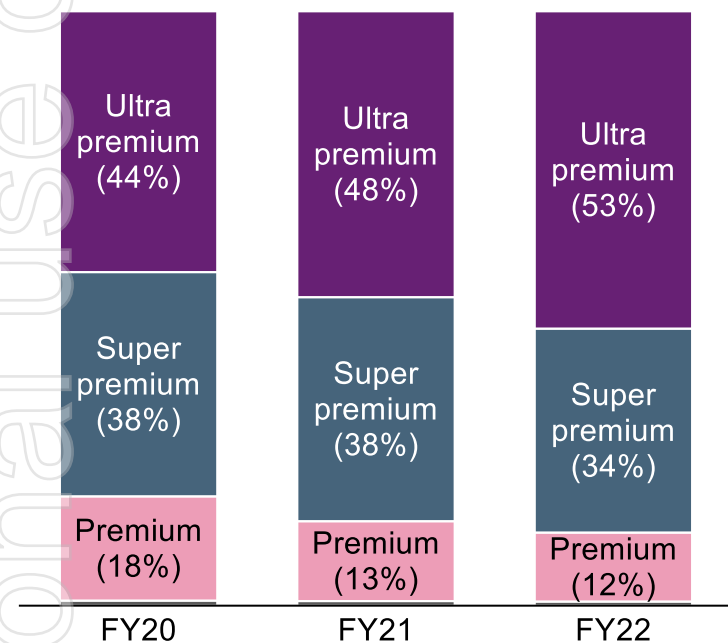
² Note that during the period, Nielsen expanded its sample store coverage to enhance channel representativeness, and historical data has been restated to reflect this enhancement.

³ Smart Path China IMF online market tracking: domestic online platform sales (by value).

Within China label channels, several dynamics are supporting growth

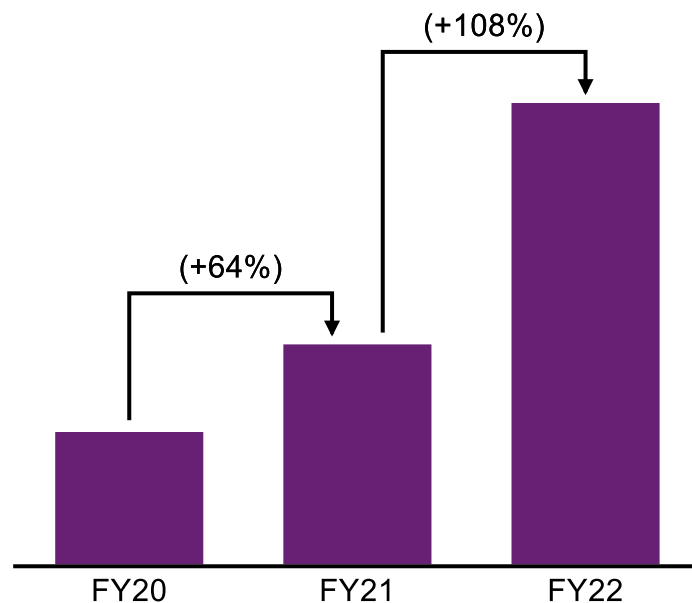
Continued mix shift to ultra premium segment

MBS retail value sales by price band¹



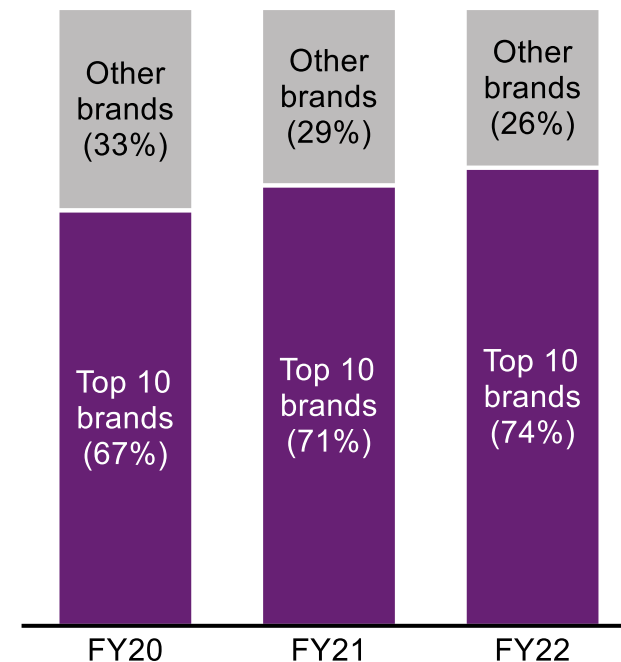
Rapid growth in A2 protein category

A2 protein category MBS value sales¹



Increasing preference for strong brands – resulting in brand consolidation

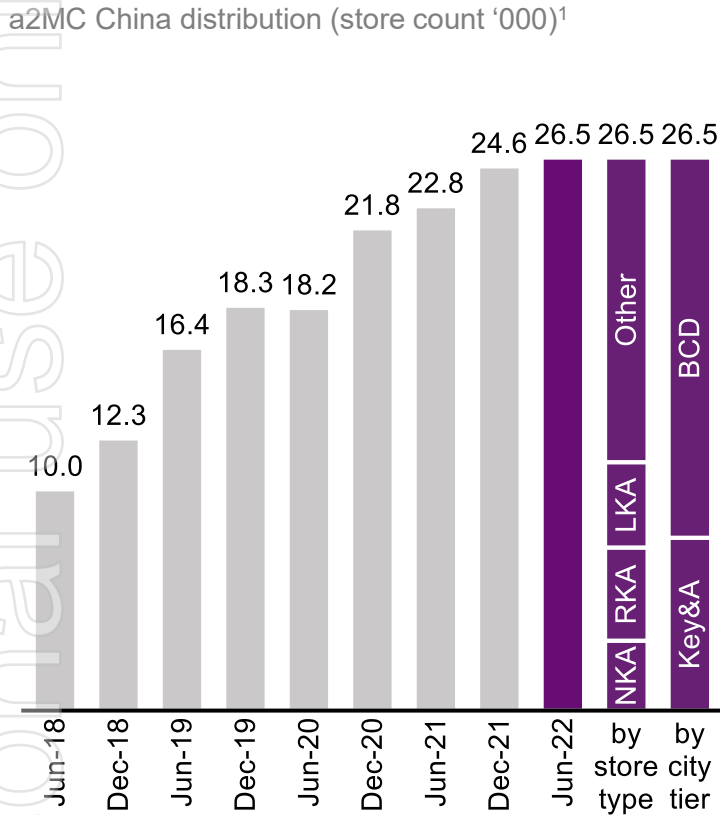
MBS value sales by brand¹



¹ Nielsen MBS retail measurement service: mother and baby stores only retail sales (by value) Price tier based on Stage 1 price: Ultra premium >=390RMB/KG; Super premium 290-390RMB/KG; Premium 190-290RMB/KG; Mainstream <=190 RMB/KG.

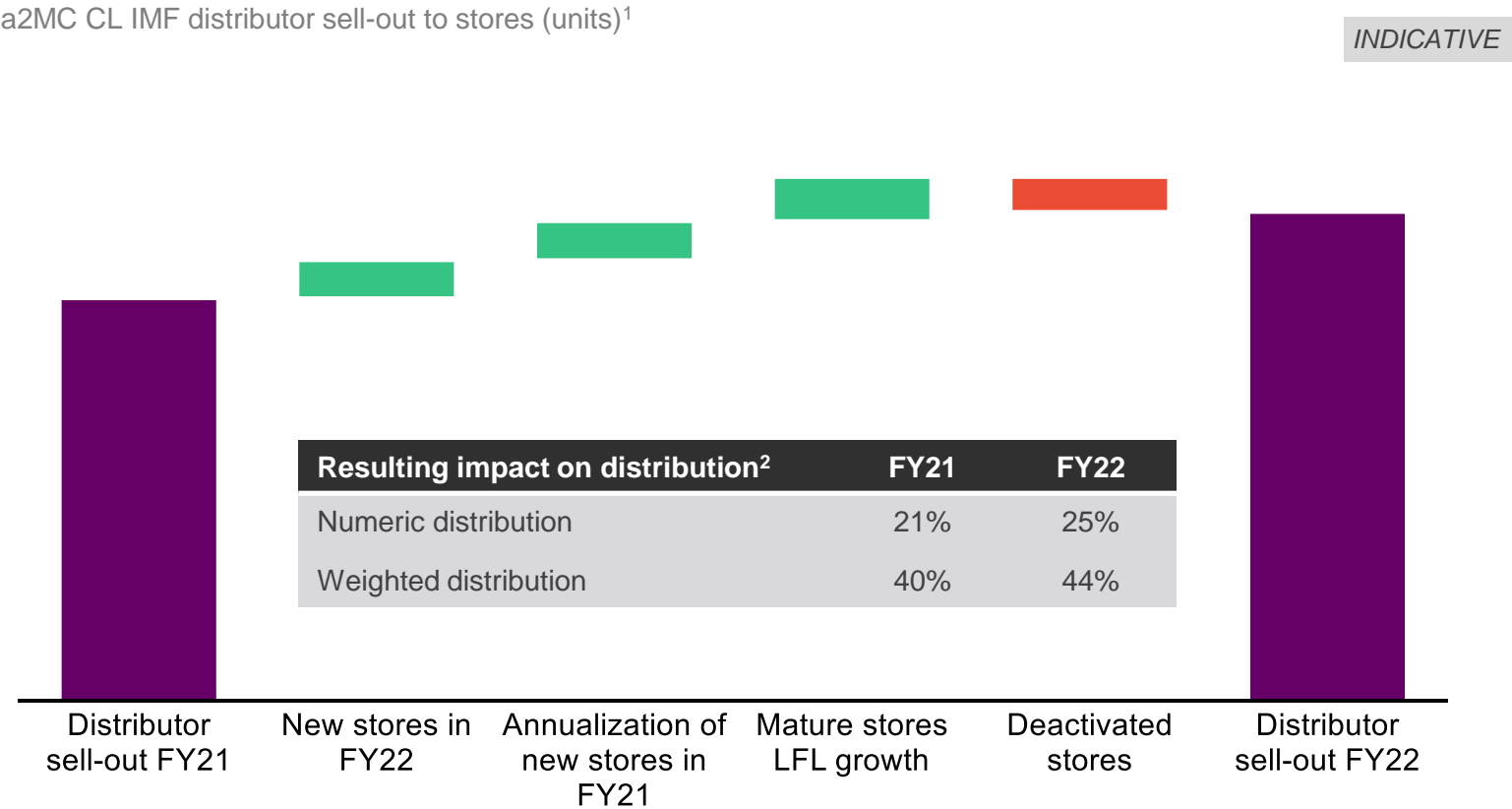
Distribution expanded with improvement in like-for-like sales

Expanding store footprint



¹ a2MC internal data and tracking of stores with active sales in the past 6 months.
² Nielsen MBS retail measurement service: mother and baby stores only.

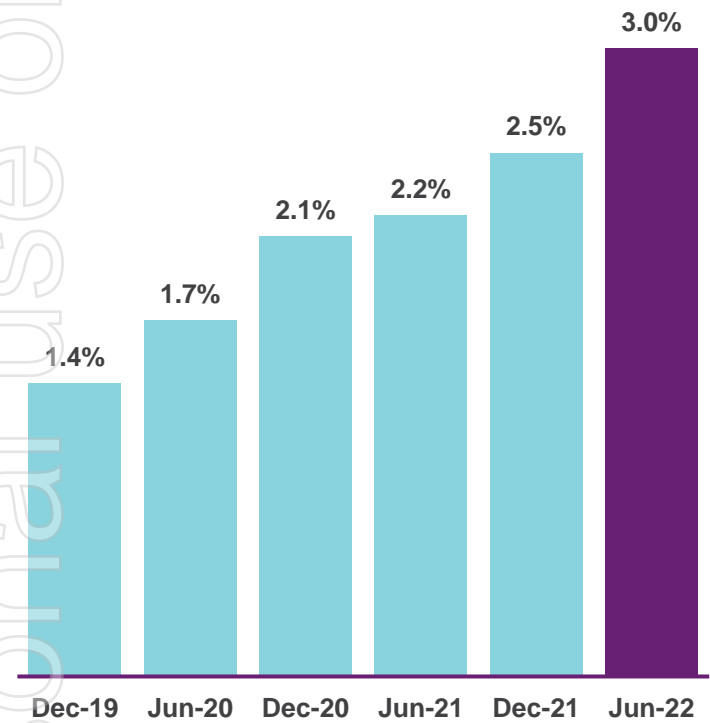
Improvement in LFL store growth



Growth reflected in MBS share gains in both Key&A and BCD cities

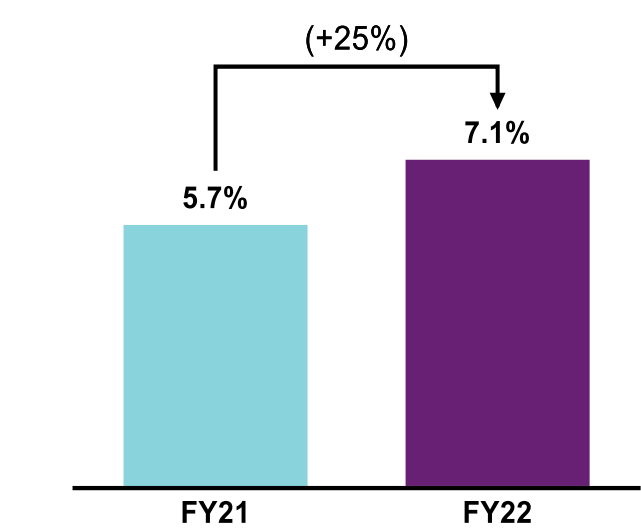
National MBS value share

a2MC MBS MAT value share (%)



Key&A MBS value share

a2MC Key&A 12-month MBS value share (%)

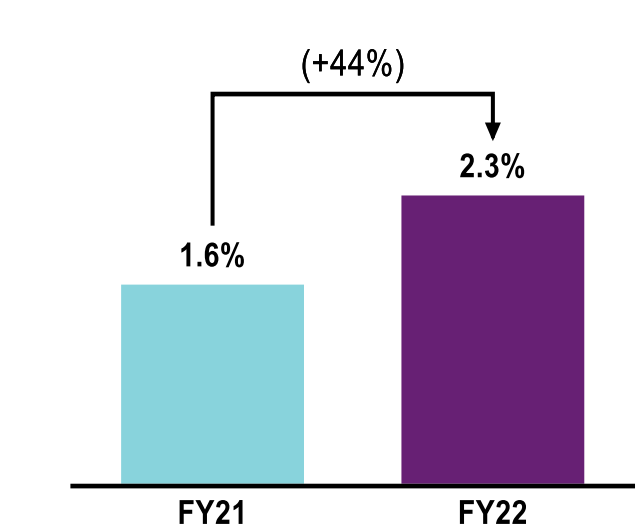


IMF market

- Declined by 11% on a 12-month basis in FY22 vs FY21

BCD MBS value share

a2MC BCD 12-month MBS value share (%)



IMF market

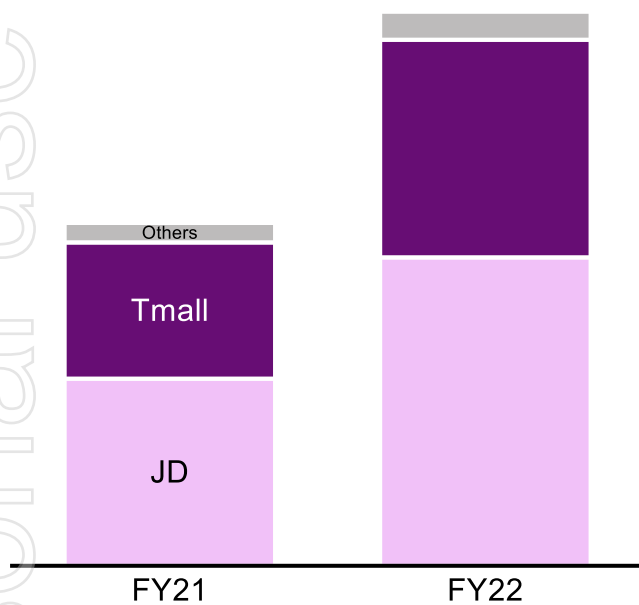
- Was broadly flat on a 12-month basis in FY22 vs FY21

Note: Nielsen expanded overall sample store coverage by 21% to enhance representativeness in their China Baby Panel Enhancements in January 2022. Historical data has been updated accordingly.
Source: Nielsen MBS retail measurement service: mother and baby stores only retail sales (by value).

DOL share growth in priority platforms Tmall and JD

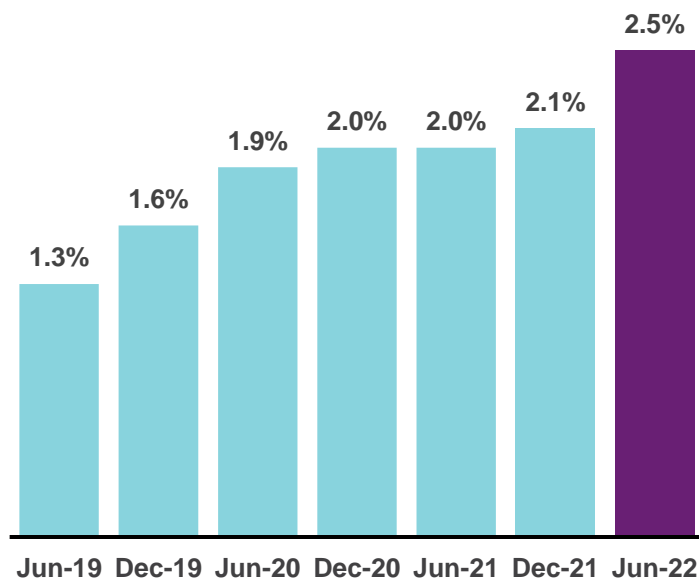
a2MC DOL sales growth

a2MC CL online IMF sales from distributors to platforms (tins)¹



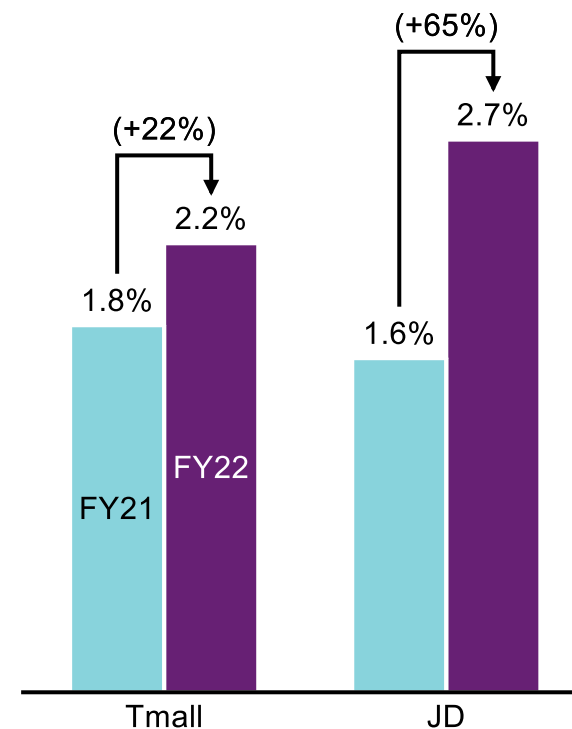
DOL value share

a2MC DOL MAT value share (%)²



Tmall and JD value share

a2MC Tmall and JD MAT value share (%)²



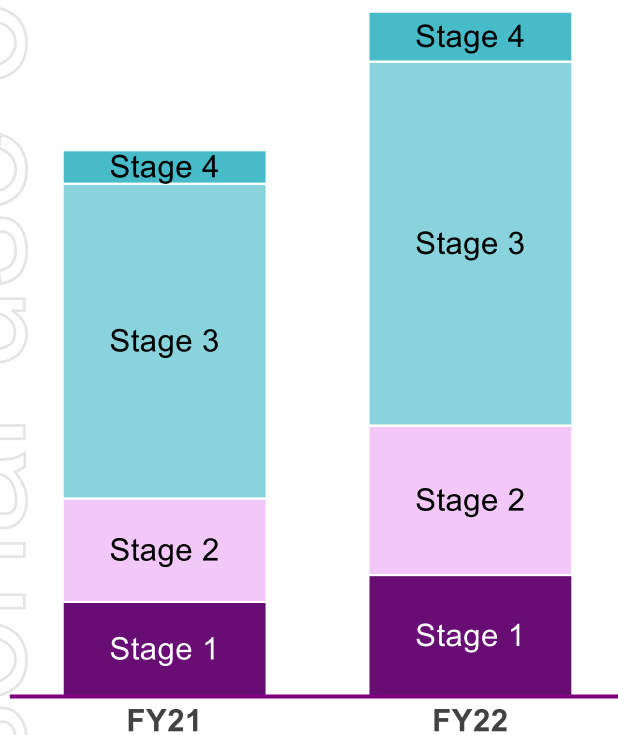
¹ a2MC internal data FY21 vs FY22.

² Smart Path China IMF online market tracking: domestic online platform sales (by value).

Share gains achieved across all stages in MBS and DOL

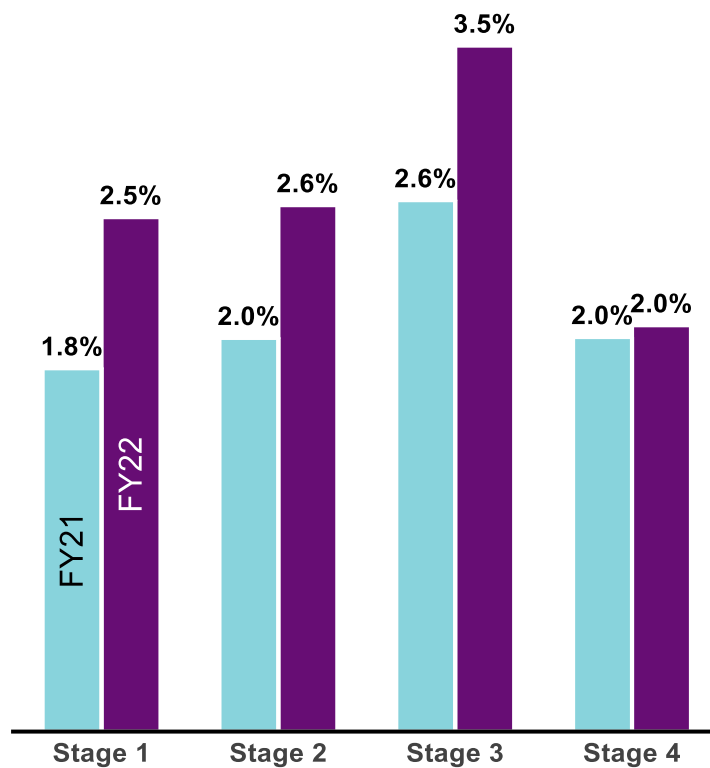
Positive growth in early stage products (MBS+DOL)

a2MC CL distributor sell out by stage (units)¹



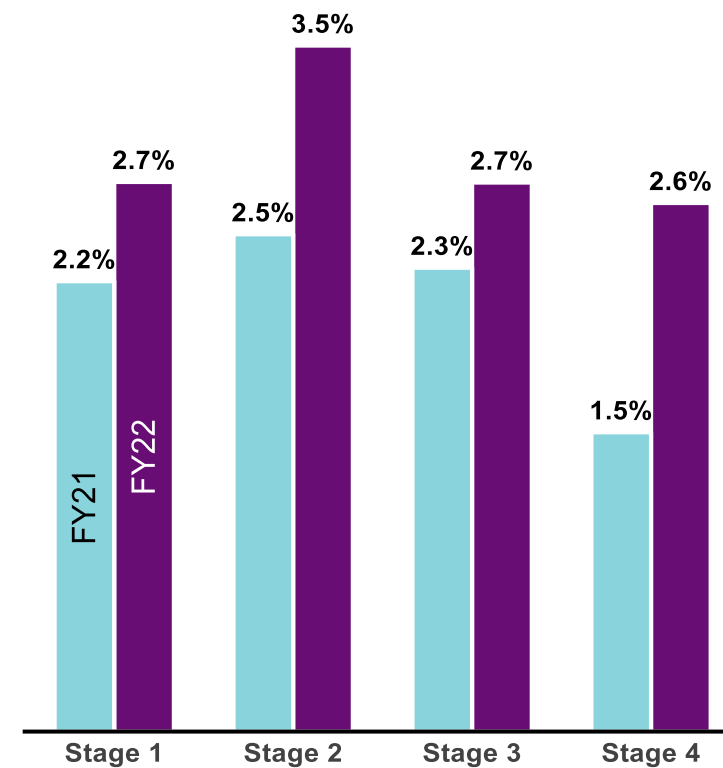
MBS share by stage

MAT value share by stage²



DOL share by stage

MAT value share by stage³



¹ a2MC internal data FY21 vs FY22

² Nielsen MBS retail measurement service: mother and baby stores only retail sales (by value) across stages. FY21 vs FY22

³ Smart Path China IMF online market tracking: domestic online platform sales (by value) FY21 vs FY22

Targeted brand investment driving consumer engagement and share

New integrated marketing campaign approach in FY22

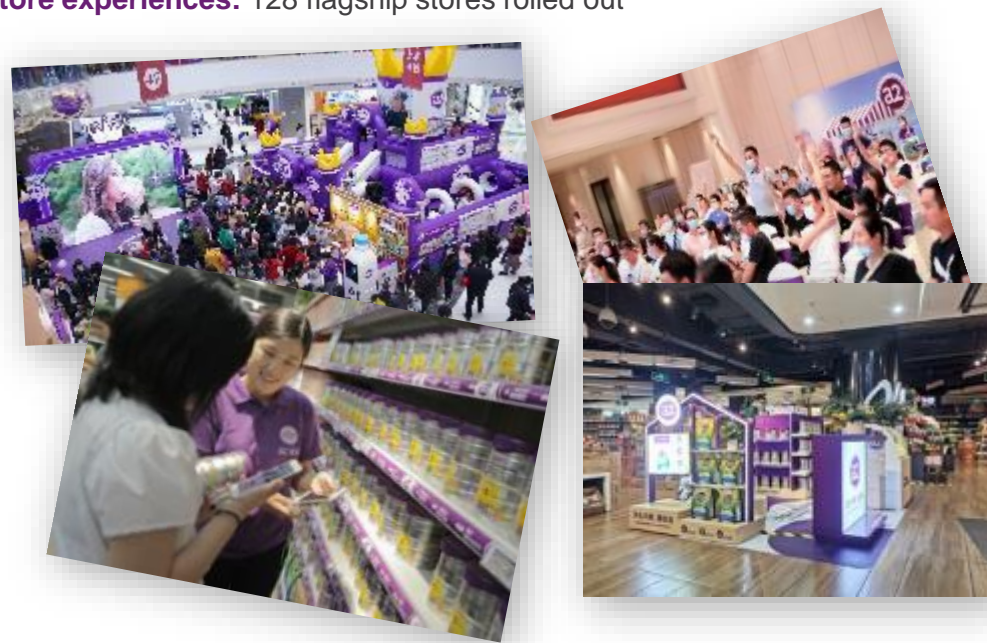
- Launched integrated marketing campaign in 4Q22, with investments across the funnel to drive awareness, engagement and ultimately, purchase
- Campaign increased reach across 108 cities, with **out-of-home investments** covering 47 cities and **digital activation** generating 10 million clicks
- Digital content engaged consumers, generating brand buzz, word-of-mouth and increased brand rankings in social channels (**RED** CES and **RED search** a2 ranked **No.1** among IMF brands in June; **Babytree** and **Mama.net** total buzz volume and search interest both ranked **No.1** in June)¹
- Campaign also extended into sales channel activation, including 22,000+ **point of sale materials**, 200+ **roadshows**, 8,000+ **mama classes** and **multi-screen** exposure in O2O channels and e-commerce channels such as Tmall, JD and VIP



¹ RED, Babytree, and Mama.net monthly platform tracking

Below the line activation stepped up in FY22

- **Roadshows:** 932 high impact events run in FY22 designed to build awareness and engagement
- **Mama Classes:** 57.8K events run in FY22 to provide an opportunity for deeper brand education
- **Brand Ambassadors:** 4.9K in-store consultants as at the end of FY22 to provide mothers with advice, sales and support
- **In-store experiences:** 128 flagship stores rolled out



New marketing campaigns are enhancing effectiveness and delivering improved brand metrics

- Continuously optimising media mix through **precise targeting** significantly uplifted un-aided awareness and increased trial
- Clear functional benefits** are appealing to consumers, which helped drive key brand attributes
- Investment in social seeding** through key platforms has strong brand alignment and is building improved reputation and brand perceptions
- Omni-channel integration** helped drive overall marketing campaign effectiveness and efficiency



Partnered with Operation Smile in China to provide corrective surgeries and nutrition products

- Approximately 25,000 babies born in China each year suffer from cleft lip palate
- Through our partnership with Operation Smile we were able to provide 300 children with corrective surgery expenses and nutrition for before and after surgery
- This was an excellent collaboration between a2MC China medical and consumer marketing teams having a positive impact on the community and brand reputation
- Team participation enriched communities while also creating content generating awareness and buzz
- Support recognised by ADMEN with gold award

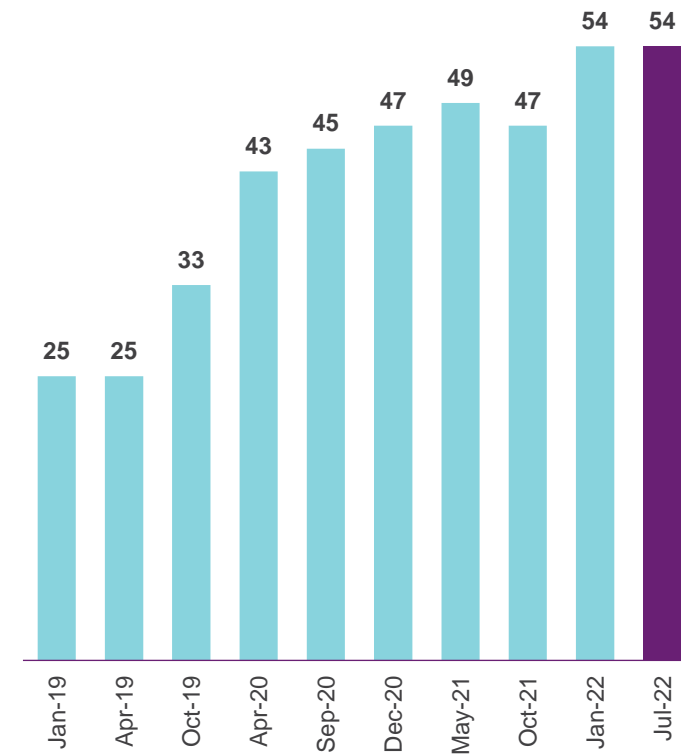
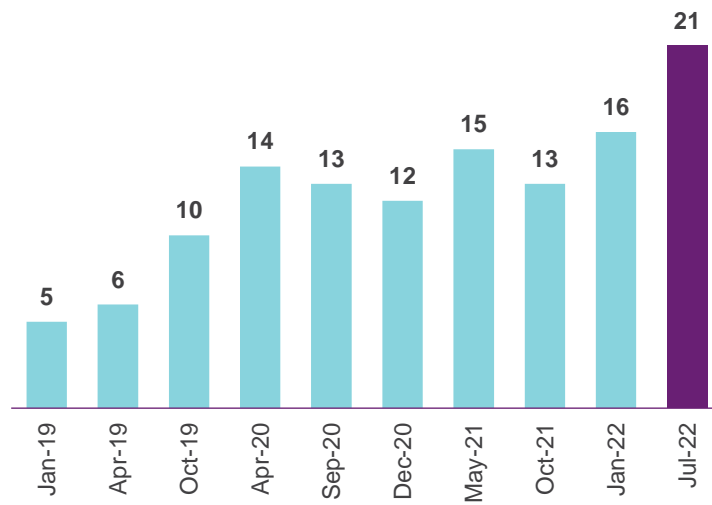
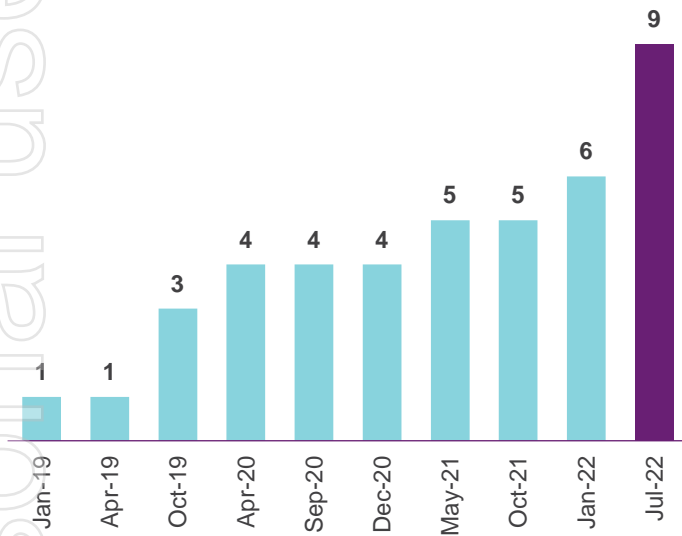


Brand awareness reached new highs post 4Q22 campaign

a2MC top of mind awareness %

a2MC spontaneous awareness %

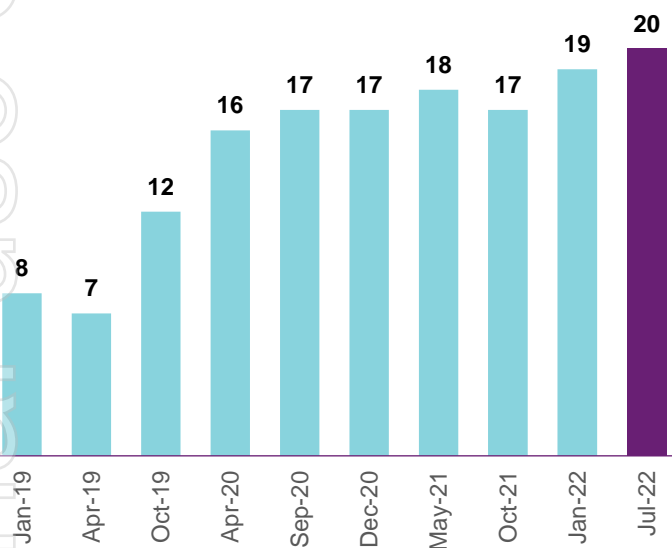
a2MC total brand awareness %



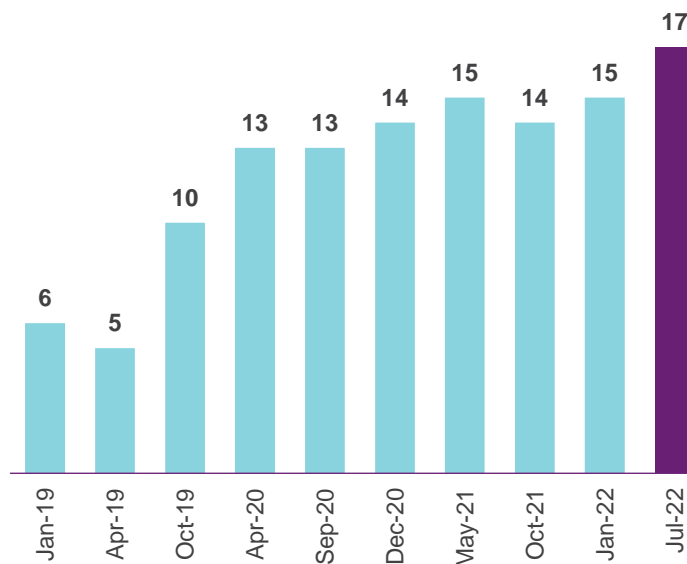
Source: IPSOS China brand health quarterly tracker (n= 9750 respondents).

Brand trial and loyalty also increased

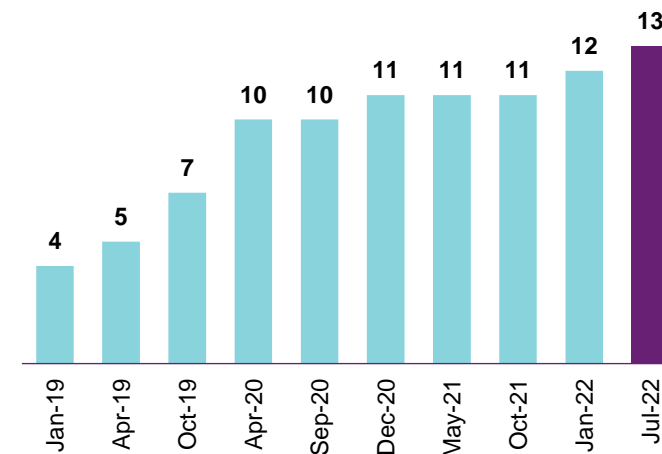
a2MC ever trialed %



a2MC past 3 months trialed %



a2MC brand used most often %



English label IMF key messages

Strategic priorities

- 1 **Maintain tight control of English label inventory across channels**
- 2 **Remain the preferred brand for the English label reseller network**
- 3 **Accelerate online growth with omni-channel mindset**
- 4 **Focus on developing O2O channel**
- 5 **Broaden our IMF portfolio**

Progress update

- Rebalanced channel inventory and simplified route-to-market, and implemented more transparent, performance-based and exclusive distribution partnerships
- Increased brand support to resellers, and direct engagement with Daigou
- Invested in digital marketing and e-commerce capability
- Clarified route-to-market for O2O, allowing increased focus leveraging China and ANZ teams
- Completed preparations for 1H23 refresh of a2 Platinum®

Business impact

- Inventory reached targeted levels, pricing increased and unauthorised cross-channel sales from ANZ resellers to CBEC participants reduced
- Delivered material improvements in brand engagement and share of voice
- Growth experienced in the O2O channel with a focus on increasing store numbers and driving new user recruitment
- Delivered innovation in core markets and segments with refreshed English label IMF product range and packaging

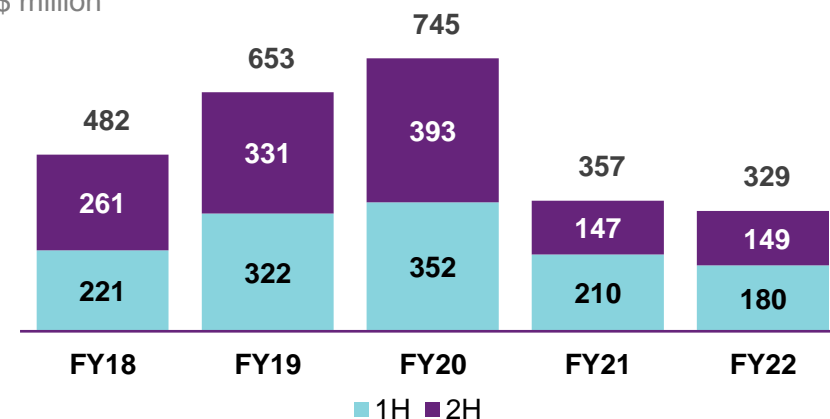
Underlying sales and market share impacted by shift in route-to market

English label sales have stabilised with channel mix shift in FY22

- Net sales revenue of a2 Platinum® English label IMF was up 11.6% vs FY21 to \$584.6 million:
 - ANZ IMF revenue decreased 7.9% to \$328.8 million, a direct consequence of restructuring our English label IMF route-to-market and reflected a mix shift in sales from existing reseller partners to CBEC distribution partners. This was partially offset by pricing adjustments to address pricing relativities and less promotional activity on CBEC in the interests of maintaining a healthy ecosystem.
 - CBEC IMF revenue increased by 53.3% to \$255.8 million reflecting the channel mix shift, improved channel economics and demand during the period, price increases, favourable foreign exchange and reduced price discounting during the “6/18” and “11/11” online sales periods in China.
- Market share trajectory improving:
 - CBEC market share was down compared to FY21 but increased in 2H22
 - Daigou market share declined versus FY21 but the trajectory improved in 2H22 following a change in distribution partners and increased support for the channel
 - O2O market share improved over the period, reflecting strategic focus on growing channel presence

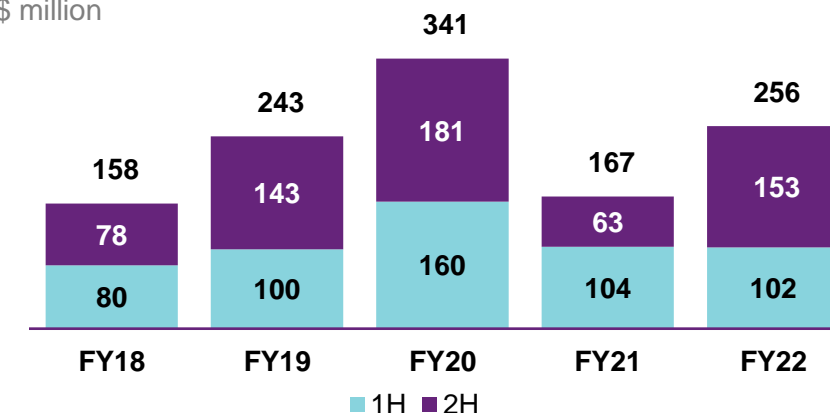
ANZ English label IMF net sales revenue

\$ million



CBEC English label IMF net sales revenue

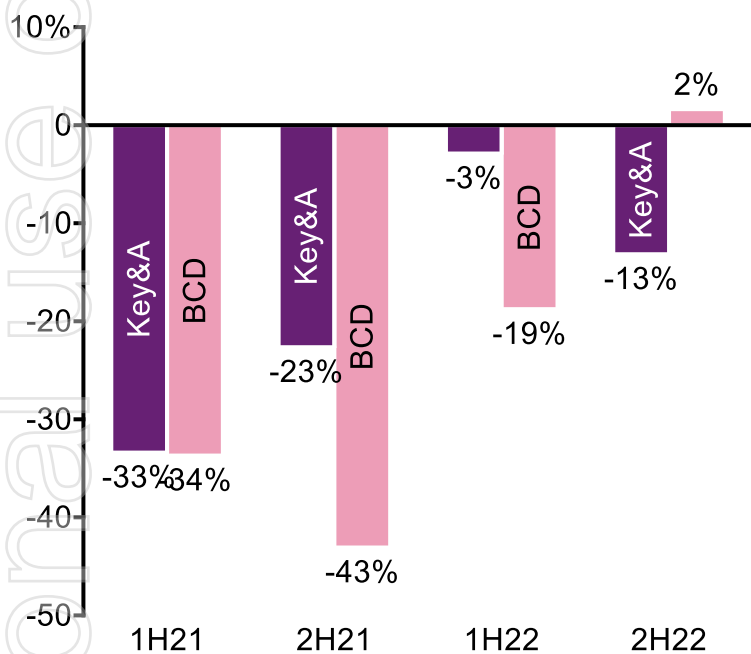
\$ million



English label channels showing signs of stabilisation in 2H22

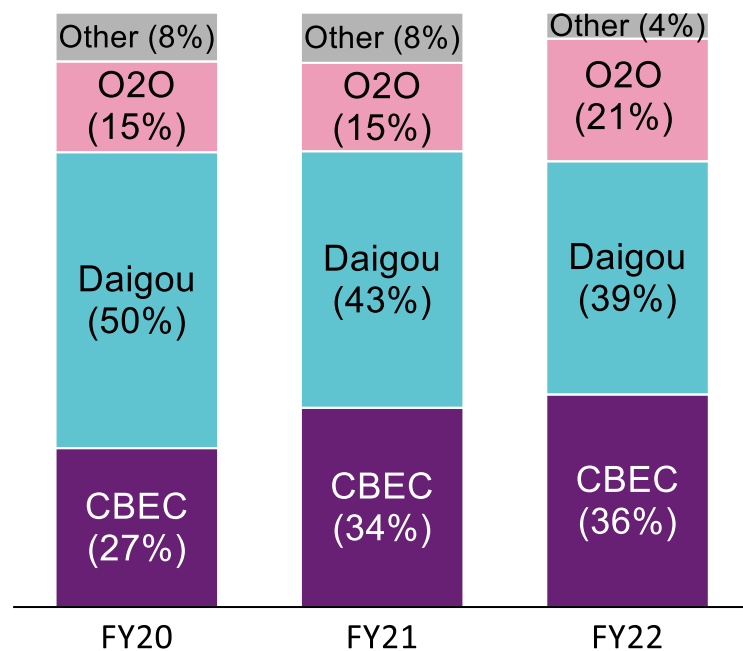
BCD cities leading the stabilization of EL

EL value sales growth by city tier



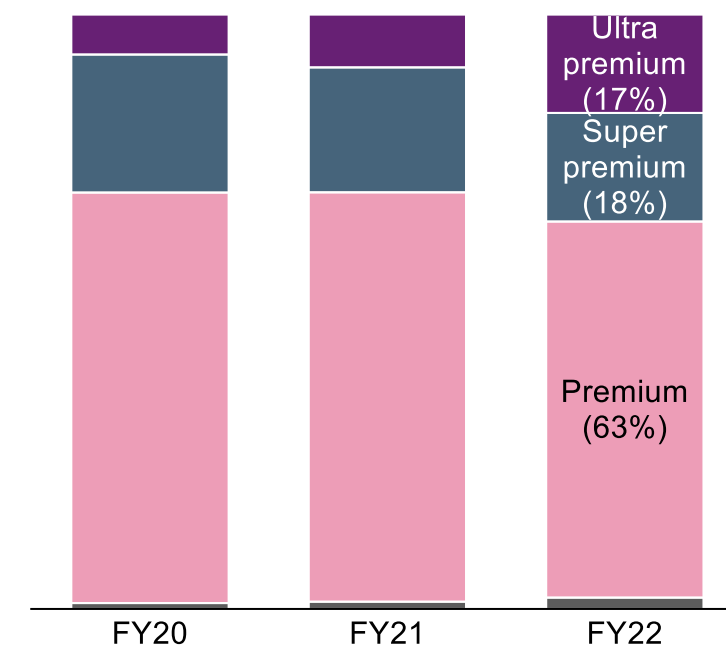
Channel mix shift from Daigou to CBEC and O2O

MAT value sales by channel



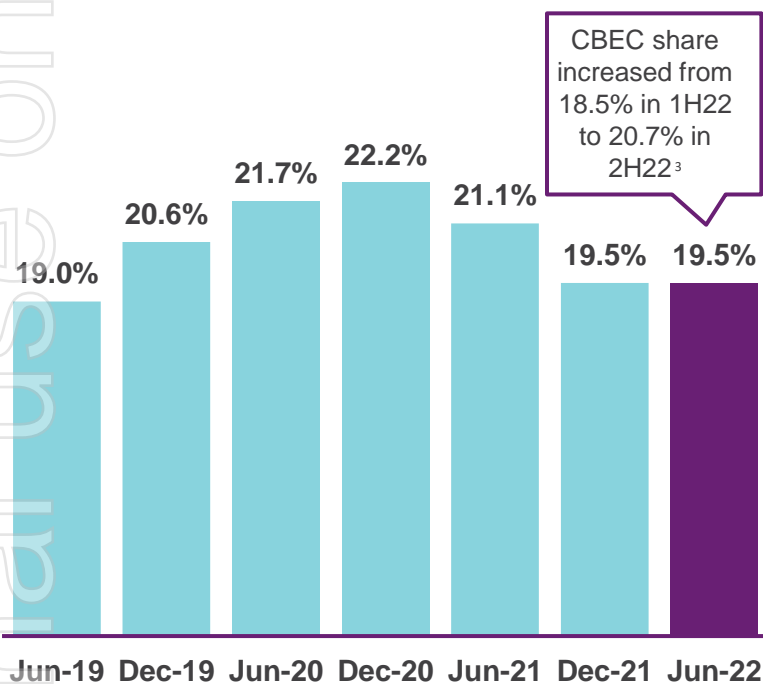
Emergence of ultra-premium segment provides opportunity for growth

English label retail value sales by price band

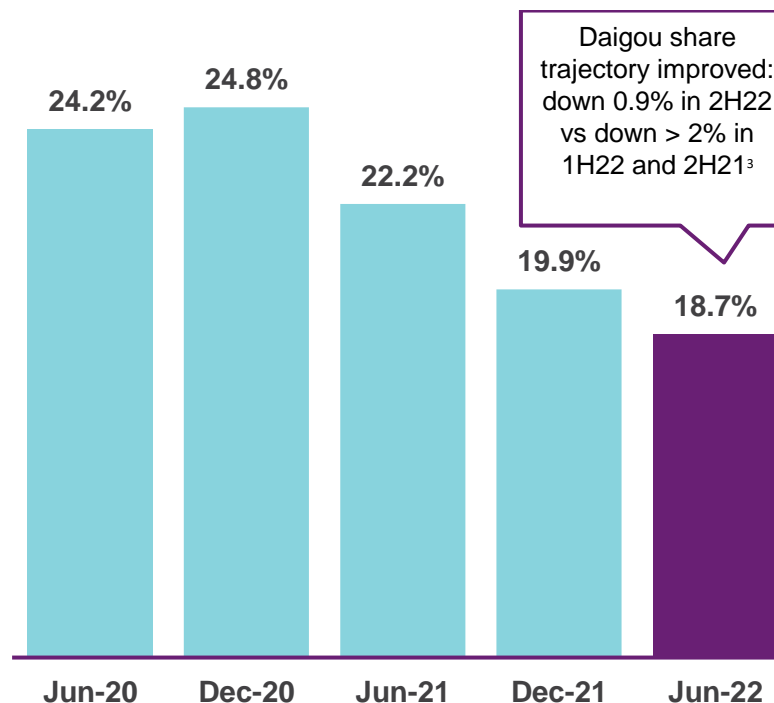


English label market share increased in CBEC (2H22) and O2O with Daigou trajectory improving

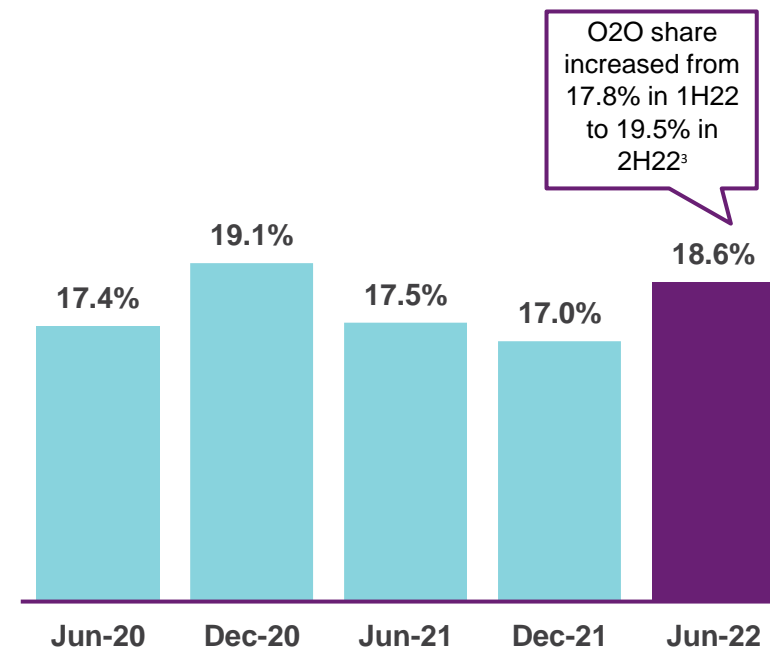
CBEC market value share¹



Daigou market value share²



O2O market value share²



Note: Kantar had an universe update in June 2022 to better reflect baby population structure change and updated historical data accordingly.

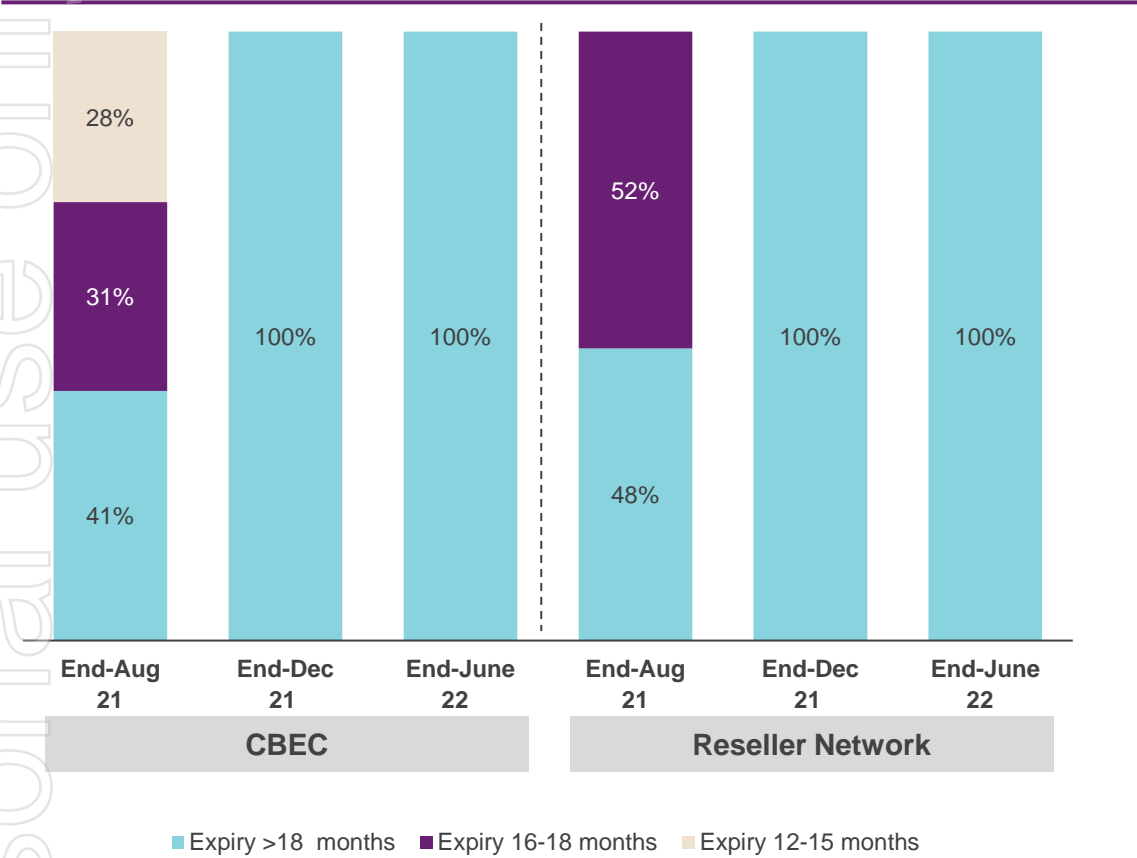
¹ Smart Path China IMF online market tracking: for CBEC only retail sales (by value).

² Kantar Worldpanel 0-6 years old Baby & Kids panel: National IMF market tracking (Key & A + BCD cities).

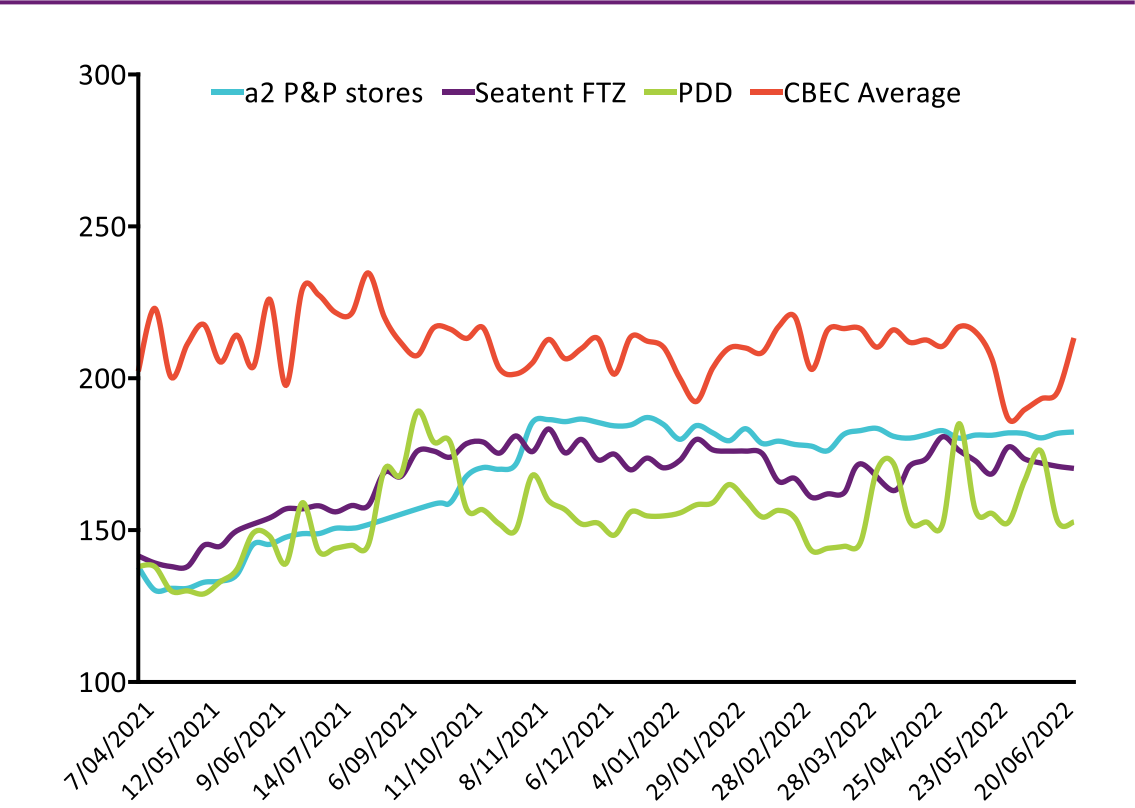
³ Note that all these numbers are six month rather than MAT.

Inventory freshness is amongst the best in the industry, with pricing returning to normal levels

Age profile of distributor inventory holdings (Jun-22)



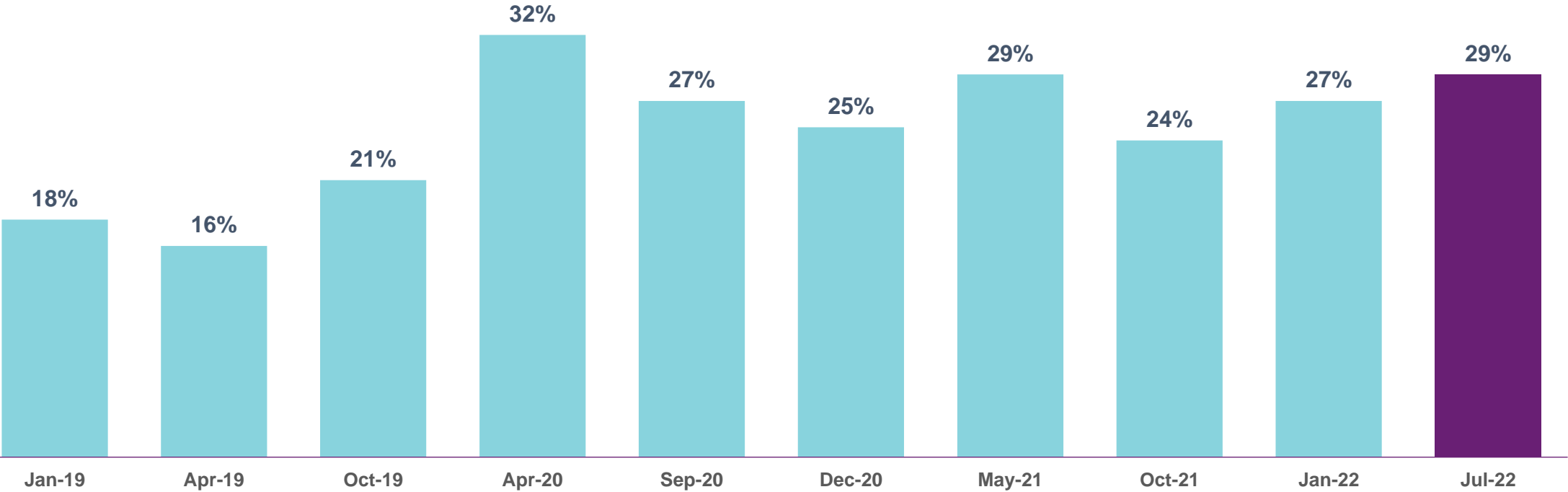
EL Stage 3 market pricing (RMB/tin)¹



¹ Source: a2MC internal data, including data collected from distributors and from publicly available EC platforms. CBEC average price calculated excluding Pinduoduo.

Upward momentum in English label brand awareness following two marketing campaigns in FY22

Total a2MC EL prompted brand awareness (%)



Source: IPSOS China brand health quarterly tracker (n= 9750 respondents).

Expanded support to Daigou network through events and outreach

International Student Sports Day with Zhou Qi (China Basketball Player)



a2 Brand Month – Feel the Difference



Continuing to build CBEC capability with promising 6/18 results

6/18 Activation overview – English label



Co-ordinated
Out-site and In-
site activation to
drive traffic



CBEC in-store
live-streaming
(ranked #1 in JD
and #2 in Tmall)



1,000 Hours of
Livestreams;
20 Livestreams
with top KOLs



6/18 Performance – English label

1.2m

English label IMF tins sold through 6/18 sales period (+21% vs 6/18 2021)

+57%

Growth in a2 Tmall Flagship store volumes vs 6/18 2021

#1

SKU in both JD and Tmall Global EL Top Seller List (JD: S3 single tin, Tmall Global: S3 6-tins)

#1

JD Import 'Growing Up' Milk (>6 years) through Smart Nutrition SKU

#2

Brand Ranking across JD, Tmall (TDI), Tmall EL IMF Flagship stores

6/18 performance was achieved while maintaining tight control of inventory to ensure channel price stability

First English label IMF brand to offer product delivery during Shanghai lockdown

Partnered with Tmall Global to be first EL IMF available

Immediate positive feedback from Shanghai parents



New service communicated via
a2 Socials (Weibo, WeChat),
BabyTree and Elevator Media



For 20-Apr to 23-May, Shanghai sales volume for a2MC platforms: Tmall Flagship store +390% YoY¹

¹ Tmall Flagship store offtake

ANZ liquid milk key messages

Strategic priorities

- 1 **Maintain brand leadership**
- 2 **Increase household penetration**
- 3 **Drive product innovation**
- 4 **Invest in sustainability**
- 5 **Expand capacity in our supply chain**

Progress update

- Continued investment in major broadcast media partnerships, with further optimised brand integration
- Focused on expanding channel distribution outside of supermarkets into convenience
- Launched *a2 Milk® UHT* and *Cream on Top* in FY22, with *a2 Milk® Lactose Free* launching in 1Q23
- Committed to introducing recycled content into bottle manufacturing
- Continued to invest in Smeaton Grange capacity, planning for Kyabram upgrade

Business impact

- Achieved top three branded SKUs in the category in grocery with improvement in key brand metrics
- Increased market value share to 12.4% from 12.2% in FY21
- Launched in Coles Express and increasing store distribution in 7/11
- Achieved national distribution of *a2 Milk® UHT* and strong early retailer demand for *a2 Milk® Lactose Free*
- Completed works at Smeaton Grange in 1Q23, increasing capacity at the site by approximately 30%

ANZ liquid milk sales marginally increase with strong brand leadership and share growth

Performance

- Australia liquid milk net sales revenue increased by 1.8% to \$172.0 million
- Growth reflects volume growth and price increases in response to higher raw milk prices and other input and logistics costs, favourable foreign exchange, partially offset by easing COVID-19 restrictions in 2H22 which negatively impacted in-home consumption levels
- Australian market share of 12.4%¹ remained flat vs Dec-21 as COVID-19 restrictions began easing in the second half which reduced in-home consumption
- Launch of *a2 Milk® Cream on Top* and *a2 Milk® UHT* products

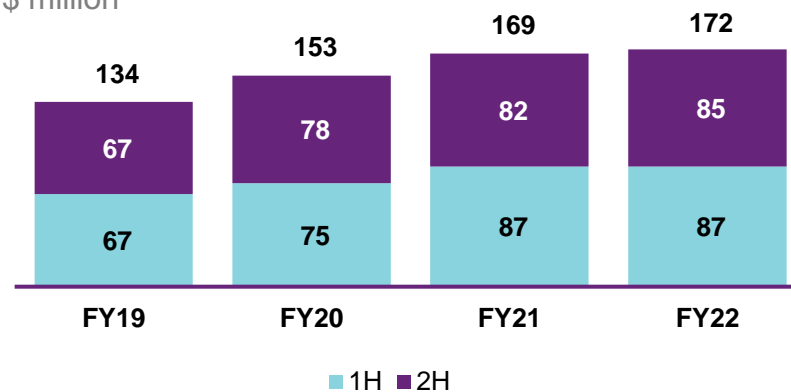
Investment in brand and strong presence

- Brand health metrics improved with awareness and trial increasing
- Brand leadership maintained with increased loyalty and household penetration
- Three *a2 Milk®* products achieved ranking in the top ten products in the dairy category in grocery

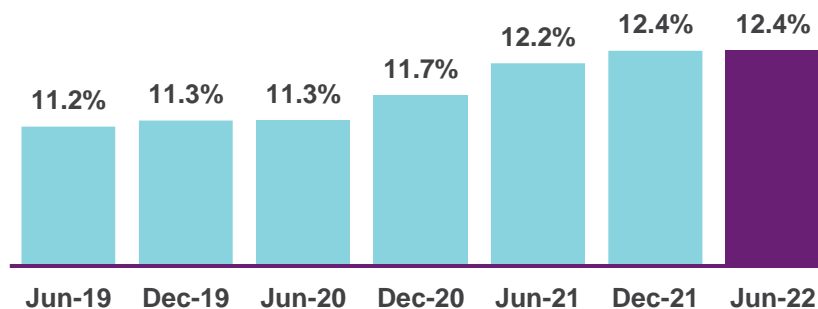
¹ IRI Australian Grocery Weighted Scan 12 months ending.

Liquid milk net sales revenue (Australia)

\$ million



Australian milk market value share¹



Further innovation in Australia with our first ever Lactose Free product



- a2 Milk® Lactose Free launched in Australia in August 2022
- Extensive consumer and market research undertaken indicating strong interest in an a2MC lactose free product
- In terms of Dairy intolerance, consumers can be either A1 protein intolerant and/or lactose intolerant
- The *a2 Milk® Lactose Free* product is distinctive in the market
 - Only Lactose Free product that is also A1 protein free
 - Made from fresh milk unlike some other products in the category
 - Tastes better!
- The Australian Lactose Free segment accounts for 46 million litres with \$130 million in retail value with volume +6.9% and +8.7% in value in the latest MAT¹
- It is also hoped that *a2 Milk® Lactose Free* will attract those consumers that may have left the category back to enjoying the taste and difference of *a2 Milk®*

¹ Source: IRI Australia 12 months to 17/08/22 for grocery, excludes other channels.

USA liquid milk key messages

Strategic priorities

- 1 **Educate consumers on the a2 Milk® difference**
- 2 **Increase conversion and household penetration**
- 3 **Continue to drive in-store velocities**
- 4 **Extend brand into new categories**
- 5 **Explore participation in manufacturing**

Progress update

- Launched new marketing campaign to drive increased awareness and new consumers to brand
- Continued with key public relations activities to drive consumer engagement and trial
- Launched *a2 Milk® Half and Half* and *HERSHEY'S a2 Milk®*, with more innovation to come in FY23
- Developing nutritional powdered product for trial
- Potential manufacturing participation deprioritised at this stage

Business impact

- Achieved growth in market value share in the premium milk category for the Grocery channel
- Delivered improvements in brand awareness and household penetration increased from 2.1% to 2.3%
- Grew average velocities within key accounts over FY22
- *a2 Milk® Half and Half* and *HERSHEY'S a2 Milk®* have both been accepted in over 6K stores with velocities exceeding expectations

Strong revenue growth with significant cost headwinds

Performance

- Revenue increased by 30.0% to \$82.7 million with strong 2H22 result
- Higher revenue was driven by growth in core liquid milk (primarily in Grocery & Mass channels partially offset by reduced Club channel distribution), the introduction of new products, reduced trade spend and favourable foreign exchange
- EBITDA loss of \$36.7 million, was higher than prior year mainly due to a significant increase in freight costs throughout the year, coupled with fuel surcharges from higher diesel prices and higher raw milk costs in 2H22, and unfavourable foreign exchange. Marketing and SG&A costs were relatively flat in combination

Innovation and brand

- Two new products launched during the period – *HERSHEY'S a2 Milk®* and *a2 Milk® Half and Half*, both achieved higher than expected listings in trade
- a2MC's market value share in the premium milk category for the Grocery channel increased from 1.8% in June 2021 to 2.1%¹ in June 2022

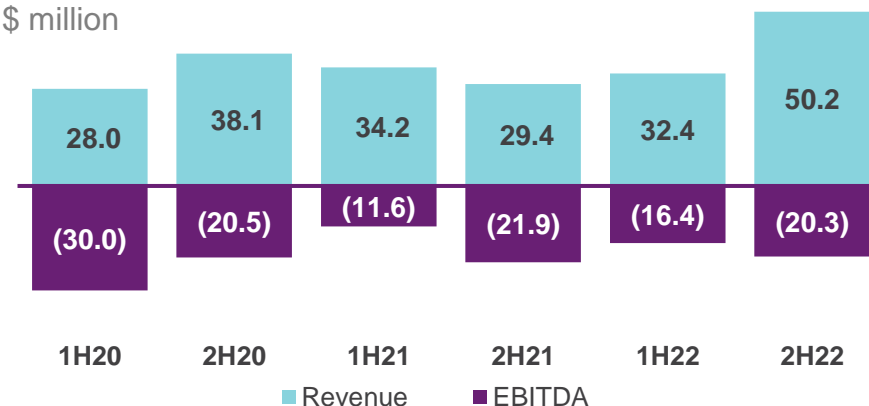
Path to profitability

- Accelerating the path to profitability in the USA by FY25/FY26 remains a key strategic focus – steps taken to improve future profitability include price increases, reduced trade spend, marketing effectiveness and merchandising cost reduction

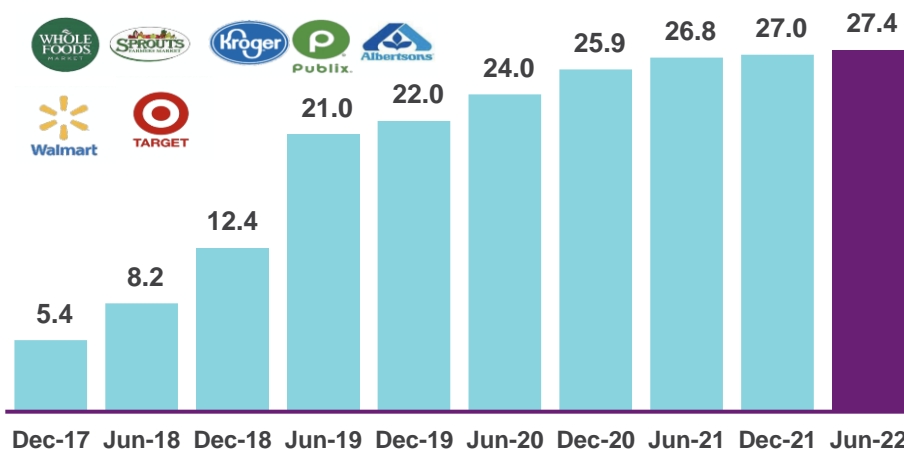
¹ SPINS data for the Grocery channel only for the 52 weeks ending 30 June 2022 and 30 June 2021.

Revenue and EBITDA

\$ million



Distribution over time (store count)



MVM acquisition completed and now focused on insourcing a2MC volumes and future innovation

Performance

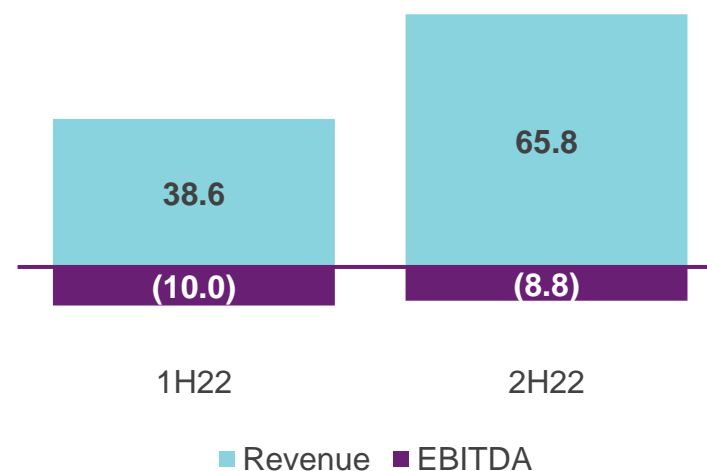
- Net sales revenue of \$104.4 million and an EBITDA loss of \$18.8 million recorded for the 11 months of a2MC ownership (75%)
- The EBITDA loss reflects the current production mix with MVM primarily selling lower value milk powders on the commodity market. The result was slightly better than expected due to favourable foreign exchange and Global Dairy Trade pricing partly offset by higher raw milk costs during the period

Actions being taken to improve MVM utilisation and profitability

- Commenced manufacturing *a2 Milk® Full cream milk powder* at MVM during 1H22, which was previously manufactured by Synlait
- Working on in-sourcing *a2 Milk® Skim milk powder* and certain existing English label IMF product from Synlait
- Developing future product innovation at MVM and exploring additional third-party customer opportunities
- Commenced planning for the installation of a laboratory, plus blending and canning capability at the site

Revenue and EBITDA¹

\$ million



¹ 1H22 for MVM represents 5 months from August 2021 - December 2021.

ersonal use only

QUESTIONS



Summary of key messages

1. Inventory management actions effective

- Significant steps taken last calendar year to address excess IMF inventory have proven effective with channel inventory at target levels, product freshness amongst the best in the industry and improved market pricing

2. Strong early execution of refreshed growth strategy

- Execution of the growth strategy communicated to the market at the Company's Investor Day in October last year, which is focused on capturing the full potential of the China market opportunity, is having an impact achieving new highs in brand health metrics and record market shares

3. Full year result in line with the Company's expectations

- Delivered double digit revenue and earnings growth in FY22 despite challenging market conditions, driven by refreshed growth strategy and improved execution

4. Outlook for the business is positive

- Continued revenue and earnings growth is expected in FY23, and the Company is on track to deliver on its medium-term financial and non-financial ambition communicated to the market in October 2021

5. On-market share buyback announced

- As a result of the above, and after considering its strong balance sheet position, the Company intends to execute an on-market share buyback of up to \$150 million



APPENDIX



Reconciliation of non-GAAP measures

\$ million	FY22	FY21
Australia & New Zealand segment EBITDA	173.2	148.8
China & Other Asia segment EBITDA	145.1	75.6
USA segment EBITDA	(36.7)	(33.5)
MVM segment EBITDA	(18.8)	-
Corporate EBITDA	(66.6)	(67.5)
EBITDA ¹	196.2	123.4
Depreciation / amortisation	(18.9)	(7.5)
EBIT ¹	177.3	116.0
Net interest income	4.1	3.3
Income tax expense	(66.6)	(38.6)
Net profit for the period	114.7	80.7

¹ EBITDA and EBIT are non-GAAP measures. However, the Company believes they assist in providing investors with a comprehensive understanding of the underlying performance of the business.



Standard a2MC glossary of terms

Acronym	Meaning
a2MC	The a2 Milk Company Limited
ANZ	Australia and New Zealand
APCO	Australian Packaging Covenant Organisation
ASP	Average selling price
ATL	Above the line marketing
AUD	Australian Dollar
B2C	Business to consumer
BCD	Lower tier cities in China
BHT	Brand Health Tracker
BTL	Below the line marketing
BU	Business unit
C2C	Consumer to consumer
CAHG	China Animal Husbandry Group Co., Ltd.
CBEC	Cross-border e-commerce
CL	China label
CNADC	China National Agriculture Development Group Corp.
COGS	Cost of goods sold
CRM	Customer relationship management
CSFA	China State Farm Holdings Shanghai Co., Ltd.
DC	Distribution centre
DOL	Domestic online channel
DT	Distributor
EBIT	Earnings before interest and tax
EBITDA	Earnings before interest, taxes, depreciation and amortisation
EECA	Energy Efficiency and Conservation Authority
EL	English label
EPS	Earnings per share

Acronym	Meaning
ESL	Extended shelf life
FX	Foreign exchange
FY	Financial year
GAAP	Generally accepted accounting principles
GB	“Guo Biao”, national standards of China
GHG	Greenhouse gas
GM	Gross margin
HK	Hong Kong
IMF	Infant milk formula
IT	Information Technology
KA	Key accounts
Key&A	Upper tier cities in China
KG	Kilogram
KOL	Key opinion leader
LFL	Like-for-like
LKA	Local key accounts
MAT	Moving annual total
MBS	Mother & baby stores
MNC	Multinational corporation
MT	Modern trade
MVM	Mataura Valley Milk Limited
ND	Numeric distribution
NKA	National key accounts
NPAT	Net profit after tax
NPD	New product development
NPS	Net Promoter Score
NZD/NZ\$	New Zealand Dollar
NZX	New Zealand’s Exchange

Acronym	Meaning
OOH	Out of home
OTT	Over the top
O2O	Offline to online
PCP	Prior corresponding period
POSM	Point of sales marketing
P&P	Pick and pack
RKA	Regional key accounts
RMB	Official currency of China
ROI	Return on investment
RRP	Recommended retail price
RTM	Route-to-market
S1	Stage 1 infant milk formula
S2	Stage 2 infant milk formula
S3	Stage 3 infant milk formula
S4	Stage 4 infant milk formula
SAMR	State Administration for Market Regulation
SG	Smeaton Grange
SG&A	Selling, general and administrative expenses
SKU	Stock keeping unit
SP	Super premium
TP	Taobao Partner
TRIFR	Total recordable injury frequency rate
UHT	Ultra-high-temperature treated milk
UP	Ultra premium
USD	United States Dollar
WD	Weighted distribution
YoY	Year-on-year



www.thea2milkcompany.com

ersonal use only