Me Today Limited

Consolidated Financial Statements

For the year ended 30 June 2024

Contents

Me Today Limited

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2024

	Note	2024	2023
		NZ$000	NZ$000
Revenue	5	**5,032**	**7,883**
Changes in inventories of finished goods and work in progress		(2,789)	(4,767)
Selling and marketing expenses		(2,136)	(2,968)
Distribution expenses		(651)	(861)
Administrative and other operating expenses		(4,403)	(4,881)
Amortisation of customer relationship asset	18	(542)	(1,083)
Finance income		15	4
Finance expenses	6	(731)	(594)
Acquisition related costs		-	(115)
Loss before tax, fair value adjustments, restructuring and impairment costs		**(6,205)**	**(7,382)**
Fair value loss on harvested honey	14	(82)	(2,223)
Restructuring costs:			
- fair value loss on biological assets	15	(471)	(544)
- loss on disposal for property, plant and equipment		(566)	-
- impairment of right of use asset	17.1	(115)	-
- write down of assets held for sale	13	(28)	(128)
- other restructuring costs		(358)	(337)
Impairment of customer relationship asset	18.1	(3,451)	(2,360)
Loss before income tax		**(11,276)**	**(12,974)**
Income tax (expense)/benefit	8	-	-
Loss for the year attributable to owners of the company		**(11,276)**	**(12,974)**
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operations		(3)	(69)
Total comprehensive loss for the year attributable to owners of the company		**(11,279)**	**(13,043)**
Earnings/(loss) per share:			
Basic and diluted loss per share (NZ$)	9	(0.411)	(0.851)

Me Today Limited

Consolidated Statement of Changes in Equity

For the year ended 30 June 2024

	Note	Share capital	Share based payments reserve	Accumulated losses	Foreign currency translation reserve	Total equity
		NZ$000	NZ$000	NZ$000	NZ$000	NZ$000
At 1 July 2022		**51,427**	**77**	**(27,405)**	**-**	**24,099**
Total comprehensive income						
Loss attributable to owners of the company		-	-	(12,974)	-	(12,974)
Exchange differences on translation of foreign operations		-	-	-	(69)	(69)
Transactions with owners						
Shares issued during the year	21	1,026	(159)	-	-	867
Less: share issue costs		(72)	-	-	-	(72)
Share options expired		-	(13)	-	-	(13)
Other share based payments		-	95	-	-	95
At 30 June 2023		**52,381**	**-**	**(40,379)**	**(69)**	**11,933**
Total comprehensive income						
Loss attributable to owners of the company		-	-	(11,276)	-	(11,276)
Exchange differences on translation of foreign operations		-	-	-	(3)	(3)
Transactions with owners						
Shares issued during the year	21	3,111	-	-	-	3,111
Less: share issue costs		(159)	-	-	-	(159)
At 30 June 2024		**55,333**	**-**	**(51,655)**	**(72)**	**3,606**

The accompanying notes form part of these consolidated financial statements and should be read in conjunction with them.

Me Today Limited

Consolidated Statement of Financial Position

As at 30 June 2024

	Note	2024	2023
		NZ$000	**NZ$000**
ASSETS			
Current assets			
Cash and cash equivalents	10	2,837	913
Trade and other receivables	11	1,760	2,443
Inventory	12	14,518	14,759
Biological work in progress	14	-	160
Taxation receivable		21	11
		19,136	18,286
Assets classified as held for sale	13	241	93
Total current assets		**19,377**	**18,379**
Non-current assets			
Biological assets	15	-	752
Property, plant and equipment	16	1,637	2,958
Right-of-use assets	17.1	314	770
Intangible assets	18	134	4,091
Total non-current assets		**2,085**	**8,571**
Total assets		**21,462**	**26,950**
LIABILITIES			
Current liabilities			
Trade and other payables	19	2,060	1,777
Lease liabilities	17.2	326	334
Borrowings	20	1,000	7,248
Total current liabilities		**3,386**	**9,359**
Non-current liabilities			
Lease liabilities	17.2	100	472
Borrowings	20	14,370	5,186
Total non-current liabilities		**14,470**	**5,658**
Total liabilities		**17,856**	**15,017**
Net assets		**3,606**	**11,933**
EQUITY			
Share capital	21	55,333	52,381
Accumulated losses		(51,655)	(40,379)
Foreign currency translation reserve		(72)	(69)
Total equity		**3,606**	**11,933**

These financial statements were approved by the Board on 29 August 2024.
Signed on behalf of the Board by:

Grant Baker

Stephen Sinclair

The accompanying notes form part of these consolidated financial statements and should be read in conjunction with them.

Me Today Limited

Consolidated Statement of Cash Flows

For the year ended 30 June 2024

	Note	2024	2023
		NZ$000	NZ$000
Cash flows from operating activities			
Receipts from customers		6,679	7,949
Payments to suppliers and employees		(9,795)	(13,534)
Interest received		15	4
Income tax (paid)/refunded		(12)	26
Net cash used in operating activities	22	**(3,113)**	**(5,555)**
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		162	1,410
Proceeds from sale of biological assets		181	-
Proceeds from sale of assets held for sale		62	-
Payments for intangibles		(36)	(11)
Payments for property, plant and equipment		(12)	(35)
Acquisition related costs		-	(115)
Net cash used in investing activities		**357**	**1,249**
Cash flows from financing activities			
Proceeds from issue of share capital		3,042	739
Share capital issue costs		(159)	(72)
Proceeds from bank borrowings	23	2,736	-
Interest paid on borrowings	23	(513)	(377)
Payment of lease liabilities	23	(406)	(355)
Interest paid on lease liabilities	23	(18)	(17)
Net cash flows from financing activities		**4,682**	**(82)**
Net (decrease)/increase in cash and cash equivalents		**1,926**	**(4,388)**
Cash and cash equivalents at the beginning of the period		913	5,370
Effect of foreign exchange rates		(2)	(69)
Cash and cash equivalents at the end of the period	10	**2,837**	**913**

The accompanying notes form part of these consolidated financial statements and should be read in conjunction with them.

1. General information

Me Today Limited ('the Company') is a limited liability company incorporated and domiciled in New Zealand.

These financial statements are for Me Today Limited and its subsidiaries (together 'the Group'). Details of subsidiary companies and their principal activities are set out in note 24.

The Group:

- produces, sells, and markets health and wellbeing products or acts as an agent on behalf of other health and wellbeing suppliers; and
- produces and distributes premium mānuka honey.

2. Basis of preparation

2.1. Basis of measurement

The consolidated financial statements have been prepared on a historical cost basis, except for biological assets which are measured at fair value less cost to sell, and assets classified as held for sale which are valued at the lower of costs and fair value less cost to sell. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The consolidated financial statements are presented in New Zealand dollars which is the Company's functional and Group's presentation currency, rounded to the nearest thousand dollars unless otherwise stated.

2.2. Statement of compliance and reporting framework

The consolidated financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand ('NZ GAAP'). The Group is a for-profit entity for the purposes of complying with NZ GAAP. The consolidated financial statements comply with New Zealand Equivalents to IFRS Accounting Standards ('NZ IFRS'), IFRS® Accounting Standards, and other applicable New Zealand Financial Reporting Standards as appropriate for for-profit entities.

The Company is an FMC reporting entity under the Financial Markets Conduct Act 2013. These consolidated financial statements have been prepared in accordance with the requirements of the Financial Markets Conduct Act 2013 and the NZX Main Board Listing Rules.

3. Material accounting policy information

The material accounting policies adopted are set out below. There have been no changes in accounting policies since the previous reporting date unless otherwise stated.

3.1. Principles of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

3.2. Revenue recognition

The Group recognises revenue from the following major sources:

- sale of goods; and
- agency services.

Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties, such as goods and service tax and customs duties.

3.2.1.Sale of goods

The Group sells goods such as health and wellbeing products, and honey products. The Group considers the performance obligation is satisfied when control of the goods has transferred, being when the goods have been delivered to the customer. Revenue derived from the sale of goods is recognised at the point in time the performance obligation is satisfied. Marketing payments paid to a customer for the purchase of health and wellbeing products, are treated as a reduction in revenue.

3.2.2.Agency services

For revenues derived from agency services, where the Group acts as a sales agent for other health and wellness brands, the Group considers its performance obligations are satisfied over time, on the basis that agency services are provided and consumed by the customer on a simultaneous basis, and so will recognise the related revenue as the performance obligation is satisfied. Revenue is measured on an output method basis.

3.3. Income Tax

Income tax expense comprises both current and deferred tax.

3.3.1.Current tax

The tax currently payable is based on taxable profit for the period. Taxable profit differs from ‘profit before tax’ as reported in the consolidated statement of profit or loss and other comprehensive income because of items of income or expense that are taxable or deductible in other periods and items that are never taxable or deductible.

3.3.2.Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences except for the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting or taxable profit. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

3.4. Goods and services tax

Revenue, expenses, assets and liabilities are recognised net of the amount of goods and services tax (GST) except:

- where the amount of GST incurred is not recovered from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- for receivables and payables, which are recognised inclusive of GST.

3.5. Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a first-in-first-out basis. Net realisable value represents the estimated selling price for inventories less estimated costs of completion and costs necessary to make the sale.

The deemed cost for the Group's agricultural produce (honey) inventory is fair value at harvest less estimated point-of-sale costs. Fair value is determined by reference to selling prices for honey. Point-of-sale costs include all costs that would be necessary to sell the assets.

3.6. Biological assets

Biological assets consist of bees (including queens).

Biological assets are measured at fair value less point-of-sale costs, with any change therein recognised in the profit or loss. Point-of-sale costs include all costs that would be necessary to sell the assets. The fair value of biological assets is assessed on an annual basis post-harvest, which involves reviewing the number of operational hives in use and referencing market prices for hives.

3.7. Biological work in progress

Biological work in progress consists of unharvested honey.

Biological assets are measured at fair value less point-of-sale costs, with any change therein recognised in the profit or loss. Point-of-sale costs include all costs that would be necessary to sell the assets.

The growth in the biological work in progress in the period from harvest to 30 June cannot be reliably measured at fair value due to the variables in hive growth and honey production between harvest and reporting date. Therefore, as required under NZ IAS 41: *Agriculture*, the cost of agricultural activity (beekeeping costs) in the period to 30 June has been capitalised as biological work in progress to account for this growth.

Agricultural produce (honey) from biological assets is transferred to inventory at fair value, by reference to market prices for honey less estimated point-of-sale costs, at the date of harvest. The biological work in progress is transferred to inventory as part of this fair value recognition at each harvest, which occurs at least annually. A fair value loss on honey harvest was recognised in the loss for the period (note 15).

3.8. Leasing

The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and lease of low value assets.

The lease liability is initially measured at the present value of the future lease payments, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate. The lease liability is measured at amortised cost using the using the effective interest method. It is remeasured if the Group changes its assessment of whether it will exercise an extension or termination option, with a corresponding adjustment made to the carrying value of the right-of-use asset.

The right-of-use assets comprise the initial measurement of the corresponding lease liability. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated over the shorter period of lease term and the useful life of the underlying asset.

3.9. Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values, over their useful lives using the diminishing value method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The following depreciation rates are used in the calculation:

Plant, vehicles and equipment	6% - 67%
Office equipment and furniture	10% - 50%
Leasehold improvements	6% - 25%

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

3.10. Assets held for sale

Biological assets held for sale are measured at fair value less costs to sell. Other non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell. Non-current assets are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition. The Group must be committed to the sale which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

3.11. Intangible assets

Acquired intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

The following amortisation rates are used in the calculation:

Customer relationship	12.5%
Website	50%
Trademarks & domains	indefinite useful life

3.12. Financial instruments

The Group's financial assets at amortised cost include cash and cash equivalents and trade receivables. Cash and cash equivalents include cash in hand and deposits held on call with banks.

Financial liabilities include trade and other payables, and borrowings.

3.13. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors.

3.14. Foreign currency translation

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated at exchange rates prevailing on the reporting date. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in a foreign exchange translation reserve.

3.15. Application of new and revised International Financial Reporting Standards

All new and amended standards were implemented and the impact deemed not to be material.

The Group has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective. Early adoption of these new standards, interpretations or amendments would not have had a material impact on the financial result or financial position of the Group.

4. Critical accounting estimates and judgements

In the application of the Group's accounting policies, which are described in note 3, the directors of the Group are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Below are the critical accounting judgements.

4.1. Going concern

The consolidated financial statements have been prepared on a going concern basis, which assumes that the Group has the intention and ability to continue its operations for the foreseeable future.

The Group incurred an after-tax loss of $11.3 million in the year to 30 June 2024 (30 June 2023: $13.0 million loss). The Group's net cash outflows from operating activities during the year was $3.1 million (30 June 2023: $5.6 million net operating cash outflow).

At the reporting date the Group had cash of $2.8 million (2023: $0.9 million), working capital of $16.0 million (2023: $9.0 million) and net assets of $3.6 million (2023: $11.9 million).

At 30 June 2024 the Group had drawn down its $2.5 million cash overdraft facility (2023: no overdraft utilised). The Group had total bank loans of $7.3 million (2023: $7.0 million), and a subordinated note payable of $5.6 million (2023: $5.4 million).

During the 2024 financial year the Group has updated its borrowing arrangements with the Bank of New Zealand ('BNZ'). The BNZ have agreed to continue supporting the business through term loans and overdraft facilities (refer note 20).

The Jarvis Trust has agreed to extend the repayment date of the subordinated note until 30 June 2026 (refer note 20).

As part of the capital and debt restructuring plan implemented in March 2024 the Me Today group advised shareholders that it intended to sell the King Honey business. Discussions have continued with interested parties however no formal offer has been received for the business.

Trading for the King Honey business continues to remain challenging across all of its export markets. The company continues to have a good dialogue with its major customer in China however demand for mānuka honey for their brand remains low. The customer has invested further in the brand and is expanding the product range beyond pure mānuka honey. However, they remain cautious in respect to their levels of mānuka honey inventory.

As a result of the ongoing challenging market conditions the Group has continued to reduce costs. As part of the cost-saving measures the beekeeping division of King Honey has now been closed. The Group are in ongoing discussions with the lenders to the King Honey business in respect to the challenging trading conditions and King Honey will continue to review its overall cost structure.

Notwithstanding the ongoing performance of the business, the Directors are satisfied that based on their review of the Group's current financial forecasts, the extension agreement with the BNZ and the Jarvis Trust, that, during the 12 months after the date of signing these consolidated financial statements, there will be adequate cash flows available to meet the financial obligations of the Group as they arise. The Directors acknowledge that whilst the Group continues to build commercial relationships with new and existing customers future looking forecasts are inherently uncertain. The Directors consider the Group's current cash balances provide it with sufficient headroom should it be required if sales or cost forecasts are not achieved.

The considered view of the Board is that, after making due enquiries and considering relevant factors, there is a reasonable expectation that the Group will have access to adequate resources and commitments from its borrowers, that will enable it to meet its financial obligations for the foreseeable future.

For this reason, the Board considers the adoption of the going concern basis in preparing the consolidated financial statements for the year ended 30 June 2024 to be appropriate. The Board has reached this conclusion having regard to circumstances which it considers likely to affect the Group during the period of at least one year from the date of approval of these consolidated financial statements, and to circumstances which it considers will occur after that date which will affect the validity of the going concern basis.

The consolidated financial statements incorporate the financial statements of its subsidiary King Honey as a going concern. Should the Group not be able to sell the King Honey business and King Honey continue to not generate adequate cashflows, the Board may decide to fully wind down the King Honey operations. If this were to occur adjustments may have to be made to the financial statements of King Honey to reflect the situation that assets may need to be realised other than in the amounts at which they are currently recorded in the Consolidated Statement of Financial Position. In addition, the Consolidated Statement of Financial Position may have to provide for further liabilities that might arise on the wind up of King Honey.

4.2. Discontinued activities

As noted in 4.1 above, during the year the Group announced it was working to sell the King Honey Limited ('King Honey') subsidiary. NZ IFRS 5 Non-current Assets Held for Sale and Discontinued Activities requires the sale of a disposal group, such as King Honey, to be highly probable in order to be classified as held for sale. The Board have assessed the guidance of highly probable in NZ IFRS 5 and determined that, in their judgment, currently the potential sale of King Honey does not meet the criteria to be classified as held for sale.

The classification of whether King Honey should be held for sale fundamentally alters the disclosure of the operations of the King Honey subsidiary in the Consolidated Statement of Financial Performance, Consolidated Statement of Financial Position and Consolidated Statement of Cash Flows. There is significant Board judgment in determining this classification.

4.3. Fair value of inventory at harvest

The deemed cost for the Group's agricultural produce (honey) inventory is fair value at harvest less estimated point-of-sale costs. Fair value is determined by reference to market prices for honey. Judgement is required to determine the market price of the honey at harvest based upon each drum's tested chemical markers (refer note 14).

4.4. Inventory net realisable value

Inventories are carried at the lower of cost and net realisable value. Management has identified that based on near term forecast demand there is currently excess inventory held and therefore there may be issues in achieving the carrying value of this inventory. They have estimated this excess quantity by age and grade of honey and have considered its net realisable value by reference to the likely manner in which it will be used. There is judgement involved in these estimates (refer note 12).

4.5. Impairment of customer relationship asset

The cash-generating unit to which the customer relationship asset has been allocated is tested for impairment when there is an indication that the unit may be impaired. Due to the ongoing levels of sales through the Honey segment the Board undertook an updated value in use impairment test at 31 December 2023 in relation to the carrying value of the customer relationship asset and concluded that it was appropriate for the Group to recognise a full impairment in value of the customer relationship asset at that time. At 30 June 2024 the Board reconfirmed the recognition of a full impairment. Judgement is required in determining the extent to which there has been an impairment in value (refer note 18.1).

4.6. Deferred tax

Judgement is exercised in determining the timing and extent of recognition of the benefit of tax losses. The benefit of tax losses can be recognised as an asset if its recovery is ‘probable’ (more likely than not). In the absence of any track record of profitability, convincing evidence is needed of how the losses will be recovered in the future, before any deferred tax asset is recognised. The Group has recognised the benefit in respect of the tax losses generated to the extent they offset a deferred tax liability (refer note 8).

5. Revenue

	2024	2023
	NZ$000	NZ$000
Revenue from sale of health and wellbeing products before marketing services provided by customers	3,425	2,781
Less marketing services provided by customers	(1,094)	(1,318)
Revenue from sale of health and wellbeing products	2,331	1,463
Revenue from sale of honey products	2,052	5,818
Revenue from agency services	649	602
Total revenue	**5,032**	**7,883**

The details above disaggregate the Group's revenue from contracts with customers into primary markets, and major product and service lines.

Revenue was generated from the following geographical regions:

	2024	2023
	NZ$000	NZ$000
New Zealand	3,025	6,474
USA	1,879	1,147
Europe	128	262
Total revenue	**5,032**	**7,883**

Revenue is allocated geographically based upon the jurisdiction in which the revenue is recognised for taxation purposes.

6. Expenses

The loss for the year includes the following expenses.

	Note	2024	2023
		NZ$000	NZ$000
Salaries		(3,080)	(4,380)
Employer kiwisaver contributions		(80)	(106)
Directors' fees	26	(193)	(470)
Accounting and consulting		(59)	(79)
Shareholder expenses		(47)	(40)
Depreciation and amortisations:			
Depreciation of property, plant and equipment	16	(467)	(600)
Depreciation of right of use assets	17.1	(367)	(421)
Amortisation of customer relationship asset	18	(542)	(1,083)
Amortisation of other intangible assets	18	(1)	(3)
		(1,377)	(2,107)
Depreciation and amortisation are allocated as follows:			
Capitalised to biological WIP		58	576
Included in the operating loss		(1,319)	(1,531)
Finance expenses:			
Interest on lease liabilities	23	(18)	(17)
Interest on borrowings	23	(713)	(577)
		(731)	(594)

	2024	2023
	NZ$000	NZ$000
Fees incurred for services provided by the auditor, BDO Auckland		
Audit of the financial statements	(139)	(157)
Other agreed-upon procedures engagements		
Corporate finance service fee	-	(11)
Tax compliance fees	(19)	-
	(19)	(11)
Total fees incurred for services provided by BDO Auckland	(158)	(168)

7. Segment information

The Group:

- produces, sells, and markets health and wellbeing products ('sale of goods' segment) or acts as an agent on behalf of other health and wellbeing suppliers ('agency services' segment); and
- produces premium mānuka honey ('honey' segment).

The Group has identified its operating segments based on the internal reports reviewed and used by the Chief Operating Decision Maker ('CODM'), being the Board of Directors, in assessing the Group's performance and in determining the allocation of resources.

'Operating EBITDA' is used by the Board to measure the underlying performance of segments before interest, tax, depreciation, amortisation, fair value adjustments, restructuring and impairment costs. The 'Operating EBITDA' measure is stated after depreciation and amortisation capitalised to biological WIP (note 6).

Head office expenses include management salaries and costs related to the NZX listing.

	2024					
	Sale of goods	**Agency services**	**Honey**	**Head office**	**Inter segment**	**Total**
	NZ$000	**NZ$000**	**NZ$000**	**NZ$000**		**NZ$000**
Revenue before marketing services provided by customers	3,425	649	2,052	-	-	6,126
Less marketing services provided by customers	(1,094)	-	-	-	-	(1,094)
Total external revenue	2,331	649	2,052	-	-	5,032
Total inter-segment revenue	-	-	458	-	(458)	-
Total revenue	**2,331**	**649**	**2,510**	**-**	**(458)**	**5,032**
Total operating EBITDA	(1,349)	(180)	(1,849)	(1,106)	-	(4,484)
Finance income	-	-	1	14	-	15
Finance expenses	-	-	(672)	(59)	-	(731)
Amortisation of customer relationship asset	-	-	(542)	-	-	(542)
Depreciation and amortisations	(7)	(2)	(362)	(96)	-	(467)
Fair value loss on harvested honey	-	-	(82)	-	-	(82)
Restructuring costs:						
- fair value loss on biological assets	-	-	(471)	-	-	(471)
- loss on disposal of fixed assets	-	-	(566)	-	-	(566)
- impairment of right of use asset	-	-	(115)	-	-	(115)
- write down of assets held for sale	-	-	(24)	-	-	(24)
- other restructuring costs	-	-	(358)	-	-	(358)
Impairment of customer relationship asset	-	-	(3,451)	-	-	(3,451)
Net loss before taxation	**(1,356)**	**(182)**	**(8,491)**	**(1,247)**	**-**	**(11,276)**
Income tax benefit	-	-	-	-	-	-
Net loss for the year	**(1,356)**	**(182)**	**(8,491)**	**(1,247)**	**-**	**(11,276)**

	2023					
	Sale of goods	**Agency services**	**Honey**	**Head office**	**Inter segment**	**Total**
	NZ$000	**NZ$000**	**NZ$000**	**NZ$000**		**NZ$000**
Revenue before marketing services provided by customers	2,781	602	5,818	-	-	9,201
Less marketing services provided by customers	(1,318)	-	-	-	-	(1,318)
Total external revenue	1,463	602	5,818	-	-	7,883
Total inter-segment revenue	-	-	-	-	-	-
Total revenue	**1,463**	**602**	**5,818**	**-**	**-**	**7,883**
Total operating EBITDA	(2,365)	(161)	(1,228)	(1,392)	-	(5,146)
						-
Finance income	-	-	1	3	-	4
Finance expenses	-	-	(591)	(3)	-	(594)
Amortisation of customer relationship asset	-	-	(1,083)	-	-	(1,083)
Depreciation and amortisations	(8)	(3)	(339)	(98)	-	(448)
Acquisition expenses	-	-	-	(115)	-	(115)
Fair value loss on harvested honey	-	-	(2,223)	-	-	(2,223)
Restructuring costs:					-	-
Fair value loss on biological assets	-	-	(544)	-	-	(544)
Write down of assets held for sale	-	-	(128)	-	-	(128)
Restructuring costs	-	-	(337)	-	-	(337)
Impairment of customer relationship asset	-	-	(2,360)	-	-	(2,360)
Net loss before taxation	(2,373)	(164)	(8,832)	(1,605)	-	(12,974)
Income tax benefit	-	-	-	-	-	-
Net loss for the year	(2,373)	(164)	(8,832)	(1,605)	-	(12,974)

	2024				
	Sale of goods	**Agency services**	**Honey**	**Head office**	**Total**
	NZ$000	**NZ$000**	**NZ$000**	**NZ$000**	**NZ$000**
Segment assets	3,962	576	14,528	2,396	21,462
Segment liabilities	942	150	14,124	2,640	17,856

	2023				
	Sale of goods	**Agency services**	**Honey**	**Head office**	**Total**
	NZ$000	**NZ$000**	**NZ$000**	**NZ$000**	**NZ$000**
Segment assets	3,495	243	22,482	730	26,950
Segment liabilities	695	123	13,639	560	15,017

7.1. Information about major customers

During the financial year there were 2 customers who individually accounted for more than 10% of the Group's total sales (2023: 2 customers). Sales to these customers were $968,667 and $740,545 (2023: $2,087,994 and $1,308,287). These customers purchased goods or agency services.

8. Taxation

8.1. Income tax recognised in profit or loss

The analysis of the income tax expense is as follows:

	2024	2023
	NZ$000	NZ$000
Current income tax		
Current income tax charge	-	-
Deferred tax	-	-
Total income tax expense/(benefit) recognised in the current year	-	-

8.2. Reconciliation of income tax expense

The charge for the year can be reconciled to the loss before income tax as follows:

	2024	2023
	NZ$000	NZ$000
Loss before income tax	(11,276)	(12,974)
Current year tax at the tax rate of 28% (2023: 28%)	(3,157)	(3,633)
Non-deductible expenses	11	188
Current tax losses not recognised	3,146	3,445
Income tax expense/(benefit)	-	-

8.3. Deferred tax

	Opening balance	Recognised in loss	Closing balance
	NZ$000	NZ$000	NZ$000
2024			
Deferred tax assets/(liabilities) in relation to:			
Customer relationship asset	(1,118)	1,118	-
Inventory fair value adjustments	1,363	251	1,614
Fair value loss on harvested honey	1,009	(137)	872
Write down of assets held for sale	36	(29)	7
Other	21	150	171
Deferred tax assets not recognised	(2,429)	(235)	(2,664)
Tax losses offset against deferred tax liability	1,118	(1,118)	-
	-	-	-

	Opening balance	Recognised in loss	Closing balance
	NZ$000	NZ$000	NZ$000
2023			
Deferred tax assets/(liabilities) in relation to:			
Customer relationship asset	(2,082)	964	(1,118)
Inventory fair value adjustments	1,472	(109)	1,363
Fair value loss on harvested honey	483	526	1,009
Write down of assets held for sale	152	(116)	36
Other	133	(112)	21
Deferred tax assets not recognised	(2,240)	(189)	(2,429)
Tax losses offset against deferred tax liability	2,082	(964)	1,118
	-	-	-

	2024	2023
	NZ$000	NZ$000
Tax losses		
Tax losses for which no deferred tax asset has been recognised	38,275	27,039
Potential tax benefit @ 28%	**10,717**	**7,571**

The Group did not recognise deferred income tax assets in relation to the losses disclosed above except to the extent they offset the deferred tax liability. The losses can be carried forward against future income subject to meeting the requirements of income tax legislation including those relating to shareholder continuity and business continuity (note 4.5).

9. Earnings per share

	2024	2023
Basic and diluted earnings/(loss) per share (NZ$)	(0.411)	(0.851)

The losses and weighted average number of ordinary shares used in the calculation of loss per share are as follows:

Loss from continuing operations (NZ$000)	(11,276)	(12,974)
Weighted average number of ordinary shares used in the calculation of basic and diluted earnings per share ('000)	27,421	15,251

At 30 June 2024 there were no financial instruments that carried any shareholder dilution rights that were considered to be dilutive (2023: none).

On 9 January 2024 the Company undertook a 100 to 1 share consolidation (refer note 21). The earnings per share calculation for both the current and comparative periods reflects the impact of this share consolidation.

10. Cash and cash equivalents

	2024 NZ$000	2023 NZ$000
Cash at bank and on hand	2,837	913

The carrying amount for cash and cash equivalents equals the fair value. Cash balances are on call and earn no interest.

11. Trade and other receivables

	2024 NZ$000	2023 NZ$000
Trade receivables	1,416	1,660
Allowance for expected credit losses	(129)	-
Other receivables	330	511
Total financial assets at amortised cost	1,617	2,171
GST receivable	19	41
Prepayments	124	231
Total trade and other receivables	**1,760**	**2,443**

11.1. Allowance for expected credit losses

	2024 NZ$000	2023 NZ$000
At 1 July	**-**	**-**
Impairment losses recognised on receivables	129	-
At 30 June	**129**	**-**

The Group's trade receivables aging is as follows:

NZ$000	Current	Less than 30 days past due	30 to 60 days past due	More than 60 days past due	Total
2024					
Trade receivables	428	445	2	541	1,416
Loss allowance	-	-	-	(129)	(129)
2023					
Trade receivables	675	551	50	384	1,660
Loss allowance	-	-	-	-	-

The standard credit period on sales of goods is 30 or 60 days on the provision of the sale of goods or rendering of agency services.

In determining the recoverability of a trade receivable, the Group considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the end of the reporting period. The Group has 2 main customers who are both assessed as creditworthy. The Group maintains close working relationships with these customers. The Group does not hold any collateral over these balances.

The Group determines the expected credit losses on receivables by using a provision matrix, estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions.

12. Inventories

	2024	2023
	NZ$000	**NZ$000**
Raw materials	10,171	10,777
Finished goods	3,780	2,686
Packaging materials	567	1,296
	14,518	**14,759**

$50,000 of inventory was written off to profit or loss during the year (2023: nil). $2.8 million of inventory was expensed to profit or loss during the year (2023: $4.8 million).

The Group's inventory net realisable value provision at 30 June 2024 was $2.2 million (2023: $2.6 million). The change in the provision was reversed to profit or loss in the year upon the sale of the related inventory (refer to note 4.4 for the details of judgements about inventory net realisable value).

13. Assets held for sale

	2024	2023
	NZ$000	**NZ$000**
Property, plant and equipment	169	93
Biological assets	72	-
	241	**93**

	2024	2023
	NZ$000	**NZ$000**
At 1 July	**93**	**1,063**
Reclassified from property, plant & equipment (note 16):		
- cost	267	335
- accumulated depreciation	(129)	(70)
Write down of assets held for sale	-	(61)
Net book value reclassified from property, plant & equipment	138	204
Reclassified from biological assets (note 15)	100	302
Write down of assets held for sale	(28)	(67)
Net book value reclassified from biological assets	72	235
Sale of assets	(62)	(1,409)
At 30 June	**241**	**93**

14. Biological work in progress

	2024	2023
	NZ$000	**NZ$000**
At 1 July	**160**	**698**
Current period beekeeping costs	794	2,349
Fair value loss on harvested honey	(82)	(2,223)
Honey recognised as inventory on harvest	(872)	(683)
Beekeeping costs related to next harvest	-	160
Beekeeping costs expensed due to restructure	-	(141)
At 30 June	**-**	**160**

15. Biological assets

	2024	2023
	NZ$000	**NZ$000**
Bees:		
At 1 July	**752**	**1,598**
Reclassified to assets held for sale (note 13)	(100)	(302)
Bees sold	(181)	-
Fair value loss on biological assets	(471)	(544)
At 30 June	**-**	**752**

The bees biological assets consist of the following number of hives:

	2024	2023
	number of	**number of**
At 1 July	**4,212**	**8,950**
Reduction in operational hives	(2,479)	(3,047)
Hives sold	(1,171)	-
Hives classified as assets held for sale (note 13)	(562)	(1,691)
Hives included in biological assets at 30 June	**-**	**4,212**

Prior to winding down the beekeeping operations in 2024, the Group was exposed to some risks related to owning bees, primarily the risk of damage from climatic changes and diseases. The Group had processes in place aimed at monitoring and mitigating those risks, through hiring of experienced beekeepers, the intensive maintenance of beehives and disease prevention programmes.

Fair value hierarchy
The Group's bees are level 3 on the fair value hierarchy, being calculations for which inputs are not based on observable market data (unobservable inputs).

The Group has valued the biological assets based on market sales price information and the Group's own sales of hives. In 2023 the fair value per hive was $179.

16. Property, plant and equipment

	Plant & equipment	Vehicles	Office equipment & furniture	Leasehold improvements	Total
	NZ$000	NZ$000	NZ$000	NZ$000	NZ$000
Cost:					
At 1 July 2022	**3,414**	**705**	**194**	**367**	**4,680**
Additions	31	-	4	-	**35**
Transferred to assets held for sale (note 13)	(314)	(21)	-	-	**(335)**
At 30 June 2023	**3,131**	**684**	**198**	**367**	**4,380**
Additions	12	-	-	-	**12**
Transferred to assets held for sale (note 13)	-	(267)	-	-	**(267)**
Disposals	(1,074)	(255)	-	-	**(1,329)**
At 30 June 2024	**2,069**	**162**	**198**	**367**	**2,796**
Accumulated depreciation:					
At 1 July 2022	**(623)**	**(112)**	**(103)**	**(54)**	**(892)**
Depreciation expense	(410)	(113)	(36)	(41)	**(600)**
Transferred to assets held for sale (note 13)	59	11	-	-	**70**
At 30 June 2023	**(974)**	**(214)**	**(139)**	**(95)**	**(1,422)**
Depreciation expense	(342)	(76)	(21)	(28)	**(467)**
Transferred to assets held for sale (note 13)	-	129	-	-	**129**
Disposals	490	111	-	-	**601**
At 30 June 2024	**(826)**	**(50)**	**(160)**	**(123)**	**(1,159)**
Carrying amount:					
At 30 June 2024	**1,243**	**112**	**38**	**244**	**1,637**
At 30 June 2023	2,157	470	59	272	2,958
At 1 July 2022	2,791	593	91	313	3,788

17. Leases

17.1. Right-of-use assets

	Premises	Hive placements	Total
	NZ$000	**NZ$000**	**NZ$000**
Cost:			
At 1 July 2022	**1,374**	**758**	**2,132**
Additions	-	186	186
Lease modifications	(158)	(224)	(382)
At 30 June 2023	**1,216**	**720**	**1,936**
Additions	38	-	38
Lease modifications	-	(12)	(12)
At 30 June 2024	**1,254**	**708**	**1,962**
Accumulated amortisation:			
At 1 July 2022	**(421)**	**(324)**	**(745)**
Depreciation expense	(284)	(137)	(421)
At 30 June 2023	**(705)**	**(461)**	**(1,166)**
Depreciation expense	(235)	(132)	(367)
Impairment of right-of-use assets	-	(115)	(115)
At 30 June 2024	**(940)**	**(708)**	**(1,648)**
Carrying amount:			
At 30 June 2024	**314**	**-**	**314**
At 30 June 2023	511	259	770
At 1 July 2022	953	434	1,387

The Group leases warehouse and administration premises, and previously leased land used for hive placements.

17.2. Lease liability

	2024	2023
	NZ$000	**NZ$000**
Maturity analysis - contractual undiscounted cash flows		
Up to one year	336	356
One to two years	66	335
Two to five years	38	156
Total undiscounted lease liabilities	440	847
Lease liabilities included in the Consolidated Statement of Financial Position		
Current	326	334
Non-current	100	472
	426	806

Refer to note 23 for a reconciliation of the movement in leases liabilities.

At the reporting date the Group had 5 property leases with an average remaining term of 1.7 years (2023: 2.6 years). The Group also had 3 land access leases with an average remaining term of 1.5 years (2023: 1.86 years).

The average IBR rate is 7.17% (2023: 3.63%).

Short term lease expenses included in operating loss were $194,000 (2023: $1,122,000).

18. Intangible assets

	Customer relationship	Website	Trademarks & domains	Total
	NZ$000	**NZ$000**	**NZ$000**	**NZ$000**
Cost:				
At 1 July 2022	**9,300**	**26**	**84**	**9,410**
Additions	-	-	12	**12**
At 30 June 2023	**9,300**	**26**	**96**	**9,422**
Additions	-	-	37	**37**
At 30 June 2024	**9,300**	**26**	**133**	**9,459**
Accumulated amortisation and impairment:				
At 1 July 2022	**(1,864)**	**(21)**	**-**	**(1,885)**
Amortisation expense	(1,083)	(3)	-	**(1,086)**
Impairment of intangible asset (note 18.1)	(2,360)	-	-	**(2,360)**
At 30 June 2023	**(5,307)**	**(24)**	**-**	**(5,331)**
Amortisation expense	(542)	(1)	-	**(543)**
Impairment of intangible asset (note 18.1)	(3,451)	-	-	**(3,451)**
At 30 June 2024	**(9,300)**	**(25)**	**-**	**(9,325)**
Carrying amount:				
At 30 June 2024	**-**	**1**	**133**	**134**
At 30 June 2023	3,993	2	96	4,091
At 1 July 2022	7,436	5	84	7,525

18.1. Impairment testing for cash-generating unit containing the customer relationship asset

Due to the ongoing levels of sales through the Honey segment the Board undertook an updated value in use impairment test at 31 December 2023 in relation to the carrying value of the customer relationship asset (impairment testing was previously performed as at 30 June 2023).

The Group considered the future cash flows arising out of the sale of mānuka honey through the Honey segment. As a result of the completion of discounted cashflow modelling, the Board assessed the value of the Honey cash generating unit (“CGU”) as $17.1 million (30 June 2023: $21.1 million). The Board concluded that it was appropriate for the Group to recognise a full impairment in value of the customer relationship asset. At 30 June 2024 the Board reconfirmed the recognition of a full impairment. The customer relationship asset was originally recognised as part of the King Honey acquisition.

	2024	2023
	NZ$000	**NZ$000**
Impairment of customer relationship asset	(3,451)	(2,360)

Value in use was determined by discounting the future cash flows generated from the continuing use of the CGU and was based on the following key assumptions:

	31 Dec 2023	30 June 2023
Years assessed in cash projections	2024-2041	2024 - 2028
Anticipated annual revenue growth	3% - 31%	3% - 20%
Anticipated annual overhead expense increase	2%	3%
Pre-tax discount rate	21.0%	18.2%
Terminal growth rate	3%	3%

Cash flows were projected on actual operating results, the 12-month budget, multi-year forecasts and business plan.

The discount rate selected reflects the level of uncertainty in relation to the future revenue from the Honey CGU.

The growth rate applied in years 2029-2041 (years 6 to 18 in the model) to revenue is 3% and to costs is 2%. These rates reflect the long-term growth rates of the markets in which the revenues are earned and the costs expended. These years have been included in the calculation to forecast a tax outflow in the terminal year where the terminal value has been derived, as existing tax losses are expected to be utilised against taxable profits in earlier years.

19. Trade and other payables

	2024	2023
	NZ$000	NZ$000
Trade payables	1,058	946
Accruals	581	593
Customer deposit	238	-
Other payables	183	238
	2,060	**1,777**

Trade and other payables are unsecured, non-interest bearing and usually paid within 45 days of recognition. Therefore, the carrying value of creditors and other payables approximates their fair value.

20. Borrowings

	2024	2023
	NZ$000	NZ$000
Secured borrowings at amortised cost		
Banks overdraft	2,486	-
Banks loans	7,284	7,034
Subordinated note	5,600	5,400
	15,370	**12,434**
Current	1,000	7,248
Non-current	14,370	5,186
	15,370	**12,434**

The Group has borrowings of $9.77 million with the Bank of New Zealand (BNZ) and a subordinated note payable to the Jarvis Trust of $5.6 million.

Bank overdraft

	2024	2023
	NZ$000	**NZ$000**
Balance at 1 July	-	-
Net draw down on overdraft facility	2,486	-
Balance at 30 June	**2,486**	**-**

Bank loans

	2024	2023
	NZ$000	**NZ$000**
Balance at 1 July	7,034	7,034
Proceeds from bank loans	250	-
Balance at 30 June	**7,284**	**7,034**

As part of the acquisition of the King Honey business in 2021 the Group borrowed $7.2 million from the BNZ and agreed a subordinated note payable to the Jarvis Trust of $5 million. The BNZ facilities were subject to amortisation and repayable on 29 June 2026.

Given the performance of the King Honey business the amounts due to both the BNZ and the Jarvis Trust have not been able to be repaid as scheduled. During the year the Group has therefore agreed new terms with both lenders.

The BNZ debt was secured by a first ranking debenture over the Company and its subsidiaries. The new borrowing arrangements ring fence the Me Today business from the King Honey business while the Group seeks to sell the King Honey business. To this end, the BNZ has agreed that Me Today Limited is removed from the previous debt security group security arrangements noted below, except for an amount of $2.25 million.

As part of the new arrangement:

- Me Today Manuka Honey Limited (MTMHL) borrowed $0.9 million through a customised average rate loan facility (CARL). The facility is for a term of 5 years which matures on 29 June 2026. Repayments are interest only until 30 June 2025 with quarterly repayments of $250,000 due thereafter. The interest rate on this facility at 30 June 2024 was 9.1% per annum. The facility is secured by a first ranking general security agreement over all present and acquired property of MTMHL and an unlimited intercompany guarantee from King Honey Limited.
- MTMHL borrowed $4.1 million through a Business First Term Loan facility. The facility is for a term of 5 years which matures on 29 June 2026. Repayments during the term are interest only. The interest rate on this facility at 30 June 2024 was 2.3% per annum. The facility is secured by a first ranking general security agreement over all present and acquired property of MTMHL and an unlimited intercompany guarantee from King Honey Limited.
- MTMHL entered into a $2.5 million overdraft facility. The facility was initially agreed to reduce to $1.5 million by $250,000 increments per quarter commencing 30 September 2024. Subsequent to the reporting date, the BNZ agreed to defer the commencement of the $250,000 per quarter reduction of the overdraft facility until 31 December 2024. The term remains on demand and subject to annual review. The interest rate on this facility at 30 June 2024 was 9.8% per annum. The facility is secured by a first ranking general security agreement over all present and acquired property of MTMHL and an unlimited intercompany guarantee from King Honey Limited.
- Me Today Limited borrowed $2.3 million through a CARL facility. The facility is for a term of 2 years and matures on 20 March 2026. Payments are interest only during the term. At 30 June 2024 the interest rate on this facility was 8.81% per annum. The facility is secured by:

a) a first ranking general security agreement over all present and acquired property of Me Today Limited, Me Today NZ Limited and The Good Brand Company Limited and by unlimited intercompany guarantees between those companies; and
b) $2 million of the facility is secured by guarantees from MTMHL and King Honey Limited.

The Group was compliant with applicable covenants on its borrowing arrangements with BNZ at 30 June 2024.

At 30 June 2023 the Group had two bank loans from the Bank of New Zealand. A CARL of $2,908,420 and a fixed rate loan of $4,125,809. The loans were for a five year term ending 29 June 2026. The loans were secured over all property of Me Today Manuka Honey Limited, the parent company of King Honey Limited and a subsidiary of Me Today Limited. The CARL facility monthly repayments consisted of a fixed principal repayment plus interest based on a floating rate. The average annual interest on the CARL facility rate during the 2023 reporting period was 6.58%. Interest on the fixed rate loan was fixed at 2.51% per annum and the loan was being repaid by monthly instalments over the term of the loan. The Group had a repayment holiday from June 2022 to August 2023.

Subordinated note

	2024	2023
	NZ$000	NZ$000
Balance at 1 July	5,400	5,200
Interest on borrowings	200	200
Balance at 30 June	**5,600**	**5,400**

On 20 December 2023 a variation agreement was signed with the Jarvis Trust to extend the repayment date to 30 June 2026 with a quarterly review from 1 July 2025 based on the value of mānuka honey inventory levels. The note is secured over all property of Me Today Manuka Honey Limited. This security interest ranks behind any security interest in favour of the Bank of New Zealand pursuant to the bank loan agreements noted above, but ahead of any other indebtedness of Me Today Manuka Honey Limited. Interest of 4% per annum is payable annually in arrears (2023: 4% per annum).

21. Share capital

	2024		2023	
	Voting ordinary shares	Non-voting ordinary shares	Voting ordinary shares	Non-voting ordinary shares
	'000	'000	'000	'000
Number of ordinary shares:				
Balance at 1 July	**1,295,728**	**248,035**	**1,163,697**	**287,086**
1 for 100 share consolidation	(1,282,771)	(245,555)	-	-
Ordinary shares issued during the period	38,882	-	92,980	-
Non-voting shares reclassified as voting	2,480	(2,480)	39,051	(39,051)
Balance at 30 June	**54,320**	**-**	**1,295,728**	**248,035**

On 9 January 2024 the Company undertook a 1 for 100 share consolidation.

On 8 March 2024, following shareholder approval, all non-voting shares were reclassified as voting shares.

On 28 March 2024 the Company issued 38,882,457 fully paid ordinary shares following the completion of a shareholder approved rights issue.

All voting ordinary shares on issue are fully paid and rank equally with one vote attached to each share.

All non-voting ordinary shares are fully paid.

22. Reconciliation of loss after taxation with cash flow from operating activities

	2024	2023
	NZ$000	**NZ$000**
Net loss after taxation	**(11,276)**	**(12,974)**
Adjustments for:		
Depreciation and amortisation	1,377	2,107
Interest on lease liabilities	18	17
Interest on borrowings	713	577
Impairment of customer relationship asset	3,451	2,360
Impairment of ROU asset	115	-
Acquisition costs	-	114
Fair value loss on biological assets	471	544
Write down of assets held for sale	28	128
Loss on disposal of fixed assets	566	-
Share-based payments	69	209
Other non-cash based movements	(2)	-
Movements in working capital		
(Increase) / decrease in trade and other receivables	683	(1,244)
(Increase) / decrease in inventory	241	2,034
(Increase) / decrease in biological work in progress	160	538
Decrease / (increase) in taxation receivable	(10)	24
Increase / (decrease) in trade and other payables	283	11
Net cash outflows from operating activities	**(3,113)**	**(5,555)**

23. Reconciliation of liabilities arising from financing activities

	2024	2023
	NZ$000	**NZ$000**
Borrowings:		
Balance at 1 July	**12,434**	**12,234**
Cash:		
Proceeds from bank borrowings	2,736	-
Interest paid on borrowings	(513)	(377)
Non-cash:		
Interest on borrowings	713	577
Balance at 30 June	**15,370**	**12,434**

	2024	2023
	NZ$000	**NZ$000**
Lease liabilities:		
Balance at 1 July	**806**	**1,357**
Cash:		
Payment of lease liabilities principal	(406)	(355)
Interest paid on lease liabilities	(18)	(17)
Non-cash:		
Lease liabilities recognised	38	186
Impairment of lease	(12)	(382)
Interest on lease liabilities	18	17
Balance at 30 June	**426**	**806**

24. Subsidiaries and other investments

Name	**Principal activity**	**Equity holding**	
		2024	**2023**
Subsidiaries:			
The Good Brand Company Limited	Sale of health & wellbeing products	100%	100%
Me Today NZ Limited	Production & sale of health & wellbeing products	100%	100%
Today Limited	Non-trading entity	100%	100%
Me Today EU Limited	Sale of health & wellbeing products	100%	100%
Me Today UK Group Limited	Sale of health & wellbeing products	100%	100%
Me Today Manuka Honey Limited	Investment in King Honey Limited	100%	100%
King Honey Limited	Sale of manuka honey products	100%	100%
Me Today USA Inc.	Sale of health, wellbeing and honey products	100%	100%
Me Today China Limited	Brand owner, non-trading	100%	-
Me Today AU Pty Limited	Non-trading entity	100%	100%
Manuka Wellness Limited	Non-trading entity	100%	100%
King Honey Health Products Limited	Non-trading entity	100%	100%
Pure Manuka NZ Limited	Non-trading entity	100%	100%
Bee Plus Manuka NZ Limited	Non-trading entity	100%	100%
Other investments:			
Bee Plus New Zealand Limited	Brand owner, non-trading	15%	15%

All subsidiaries are domiciled in New Zealand, with the exception of Me Today EU Limited which is domiciled in Ireland, Me Today UK Group Limited which is domiciled in England, Me Today USA Inc. which is domiciled in the United States and Me Today Pty which is domiciled in Australia. All subsidiaries have a reporting date of 30 June.

25. Financial instruments

The Group's activities expose it to a variety of financial risks: market risk (including currency risk and interest rate risk), credit and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on its financial performance.

Risk management is carried out under policies approved by the Board of Directors. The Board provides written principles for overall risk management as well as policies covering specific areas such as interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments.

The Group has entered into a number of non-derivative financial instruments all of which are classified as financial assets and liabilities at amortised cost. The carrying values of these items approximate their fair value and represent the maximum exposures for each type of financial instrument. They are listed as follows:

	Note	2024	2023
		NZ$000	NZ$000
Financial assets at amortised cost			
Cash and cash equivalents	10	2,837	913
Trade receivables	11	1,416	1,660
Other receivables	11	330	511
Total financial assets		**4,583**	**3,084**

The fair value of cash and cash equivalents and trade receivables are determined to be equivalent to their carrying value due to the short-term nature of these balances.

	Note	2024	2023
		NZ$000	NZ$000
Financial liabilities at amortised cost			
Trade and other payables	19	2,060	1,777
Banks loans	20	7,284	7,034
Subordinated note	20	5,600	5,400
Total financial liabilities		**14,944**	**14,211**

The fair value of trade payables and other liabilities, and the subordinated note, are determined to be equivalent to their carrying value due to the short-term nature of these balances.

The fair value of the bank loans is $6,669,000 (2023: $6,618,000).

The Group does not have any derivative financial instruments (2023: nil).

25.1. Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control the market risk exposures within acceptable parameters, while optimising the return on risk. There is minimal market risk.

25.2. Cash flow and fair value interest rate risk

The Group's interest rate risk arises from interest on borrowings at variable rates. The Group has no interest-bearing cash and cash equivalent bank accounts.

The fixed rate bank loan and the subordinated note (see note 20) have interest rates that are fixed for the life of the loan. The BNZ CARL is the only borrowing with a variable interest rate (see note 20). The Group's exposure to a change in interest rates is therefore currently limited to the borrowings under the BNZ CARL facility. The table below shows the impact that a 1% movement in the current interest rate on the BNZ CARL facility would have on the per annum interest expense.

	Facility balance 2024	Interest impact Rate (+/-1%)
	NZ$000	NZ$000
BNZ CARL facility	3,158	32/(32)

25.3. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises from cash and cash equivalents, deposits with banks and the Group's receivables from customers. The Group's maximum credit risk is represented by the carrying value of these financial assets. The credit risk associated with cash transactions and deposits is managed through the Group's policies that limit the use of counterparties to high credit quality financial institutions.

25.4. Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as and when the fall due. The Group's liquidity risk management includes maintaining sufficient cash reserves to meet future commitments. Refer to note 4.1 in relation to going concern.

The following table provides a maturity analysis of the Group's remaining contractual cash flows relating to financial liabilities. Contractual cash flows include contractual undiscounted principal and interest payments.

	Carrying amount	Contractual cash flows	Payable 0-6 months	Payable 6-12 months	Payable 1-2 years	Payable 2-5 years
	NZ$000	NZ$000	NZ$000	NZ$000	NZ$000	NZ$000
Non-derivative financial liabilities						
2024						
Trade and other payables	2,060	1,643	1,577	66	-	-
Borrowings	15,370	16,521	688	688	15,145	-
Lease liability	426	440	211	125	66	38
	17,856	**18,604**	**2,476**	**879**	**15,211**	**38**
2023						
Trade and other payables	1,777	1,777	1,665	112	-	-
Borrowings	12,434	13,293	911	6,862	2,498	3,022
Lease liability	806	927	242	122	335	228
	15,017	**15,997**	**2,818**	**7,096**	**2,833**	**3,250**

25.5. Capital risk management

The Group's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns to shareholders and benefits for other stakeholders and to maintain an optimal capital structure that reduces the cost of capital.

26. Related parties

26.1. Directors

The names of persons who are directors of the Company are; Grant Baker (Chairman), Hannah Barrett, Roger Gower, Michael Kerr, Richard Pearson, Stephen Sinclair, and Antony Vriens.

26.2. Key management personnel compensation

Key management personnel compensation is set out below. The key management personnel are all the directors of the Company.

Directors were paid directors' fees of $193,000 (30 June 2023: $470,000). In the period to 30 June 2024 $75,000 of the remuneration due to the independent directors was settled by the issue of 937,500 shares in the Company (30 June 2023: $70,214 by the issue of 1,312,266 shares in the Company). At 30 June 2024 $32,296 was payable to the independent directors (2023: $14,062).

At 30 June 2024 no money was owed to companies owned by related parties for directors fees. In 2023 $9,104 was payable to Bakers Consulting Limited, a company owned by Grant Baker and $6,563 was payable to Mei Mei Limited, a company owned by Richard Pearson, for directors fees.

Michael Kerr received total remuneration of $219,000 in 2024 (30 June 2023: $250,000).

A company owned by Stephen Sinclair received $125,000 in consulting fees (30 June 2023: $125,000).

26.3. Related party transactions

The Company issued the following fully paid ordinary shares at $0.08 per share to directors or their related entities, as part of the 8 March 2024 rights issue to shareholders:

- 20,937,500 issued to Baker Investment Trust No 2 of which Grant Baker is a trustee
- 8,437,500 issued to Sinclair Investment Trust of which Stephen Sinclair is a trustee
- 468,750 issued to Antony Vriens
- 156,250 issued to Hannah Barrett
- 156,250 issued to Roger Gower
- 156,250 issued to Richard Pearson

In the year to 30 June 2023, the Company issued 3,277,150 ordinary shares to each of Antony Vriens, Hannah Barrett and Roger Gower and 6,117,346 to Richard Pearson, in part settlement of their directors' remuneration.

Hannah Barrett received $6,250 for providing marketing services to the Group (30 June 2023: $6,250).

27. Contingent liabilities

There are no contingent liabilities as at 30 June 2024 (2023: nil).

28. Commitments

The Company had no commitments for future capital expenditure as at 30 June 2024 (2023: nil).

29. Significant events subsequent to the reporting date

There have been no events subsequent to the reporting date which would materially affect the financial statements.

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF ME TODAY LIMITED

Opinion

We have audited the consolidated financial statements of Me Today Limited ("the Company") and its subsidiaries (together, "the Group"), which comprise the consolidated statement of financial position as at 30 June 2024, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 30 June 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with New Zealand equivalents to International Financial Reporting Standards ("NZ IFRS") and IFRS® Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) ("ISAs (NZ)"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with Professional and Ethical Standard 1 International *Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

In addition to audit services, our firm provided other services in the areas of tax compliance services. BDO partners and staff also transact with the Group on normal trading terms throughout the year. These matters have not impaired our independence as auditor of the Group. We have no other relationship with, or interests in, the Company or its subsidiaries.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Inventory net realisable value

Key Audit Matter

At the reporting date, management is required to consider if the inventories are carried at the lower of cost or net realisable value.

Management has identified that based on short term forecast demand that there is currently excess inventory held and that therefore there may be issues in achieving the carrying value of this inventory. They have estimated this excess quantity, by reference to age and grade of honey, and have considered its net realisable value based on the likely manner in which it will be used. Management recorded an inventory net realisable value provision in this respect of $2.5m (2023: $2.6m).

We identified the determination of the net realisable value by management as a key audit matter to our audit due to the significance of the balance to the financial statements and the significant judgement involved in determining these estimates.

See note 12 to the consolidated financial statements. The Group's critical accounting estimate and judgement regarding inventory net realisable value is disclosed in note 4.4 to the consolidated financial statements.

How The Matter Was Addressed in Our Audit

- We obtained management's calculation of the net realisable value provision against the carrying value of inventories.
- We obtained management's rationale for the expected use of this excess inventory and the basis for the net realisable value provision held.
- We agreed the net realisable values used in the management calculation and re-calculated the provision.
- We challenged management with respect to their rationale and on the existence of other alternatives.
- We calculated our estimate of the provision required for the excess inventory by age and grade by reference to quantity held and forecast demand which was agreed to management approved budgets.
- We have reviewed disclosures in the consolidated financial statements, to the requirements of the accounting standard.

Cost of inventories on harvest

Key Audit Matter

Agricultural produce (honey) from biological assets is transferred to inventory at fair value, by reference to market prices for honey less estimated point-of-sale costs, at the date of harvest. This initial measurement becomes the cost of the inventory when applying NZ IAS 2 *Inventories*. Management has determined a fair value on harvest of $872k during the year.

We identified the determination of the cost of inventories on harvest as a key audit matter to our audit due to the significance of the balance to the financial statements and the significant judgement involved in determining their fair value.

Refer to Note 4.3 to the consolidated financial statements.

How The Matter Was Addressed in Our Audit

- We obtained management's assessment of the fair value of honey inventories at the harvest date. We agreed the key inputs to supporting documentation, and critically evaluated the judgements and assumptions made by management in the calculations. This included harvest data, current sales data, honey laboratory testing results and physical honey on hand.
- We have reviewed disclosures in the consolidated financial statements, to the requirements of the accounting standard.

Disclosure of King Honey Limited

Key Audit Matter

During the year it was announced that the group was working to sell the King Honey Limited ('King Honey') subsidiary. NZ IFRS 5 *'Non-current Assets Held for Sale and Discontinued Activities'* requires the sale of a disposal group to be highly probable in order to be classified as held for sale. Management have assessed the guidance of highly probable in NZ IFRS 5 and determined that, in their judgement, currently the sale of King Honey does not meet the highly probably criteria to be classified as held for sale.

We identified the determination of whether King Honey should be classified as held for sale as a key audit matter to our audit as this fundamentally alters the disclosure of the operations of King Honey in the Statement of Financial Performance, Statement of Financial Position and Statement of Cash Flows. Further, there is significant management judgement in determining this classification.

Refer to Note 4.2 to the consolidated financial statements.

How The Matter Was Addressed in Our Audit

- We understood the rationale for the judgement adopted for the classification and considered information provided by management and the directors against the guidance and requirements of the accounting standard.
- We have reviewed disclosures in the consolidated financial statements, to the requirements of the relevant accounting standards.

Other Information

The directors are responsible for the other information. The other information comprises the Market Announcement on the Me Today results for the year ended 30 June 2024 (but does not include the consolidated financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report, and the Annual Report, which is expected to be made available to us after that date.

Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors.

Directors' Responsibilities for the Consolidated Financial Statements

The directors are responsible on behalf of the Group for the preparation and fair presentation of the consolidated financial statements in accordance with NZ IFRS and IFRS Accounting Standards, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible on behalf of the Group for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of these consolidated financial statements.

A further description of our responsibility for the audit of the financial statements is located on the External Reporting Board's website at:

https://www.xrb.govt.nz/standards-for-assurance-practitioners/auditors-responsibilities/audit-report-1.

This description forms part of our auditor's report.

Who we Report to

This report is made solely to the Company's shareholders, as a body. Our audit work has been undertaken so that we might state those matters which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders, as a body, for our audit work, for this report or for the opinions we have formed.

The engagement partner on the audit resulting in this independent auditor's report is Chris Neves.

BDO Auckland

BDO Auckland
Auckland
New Zealand
29 August 2024