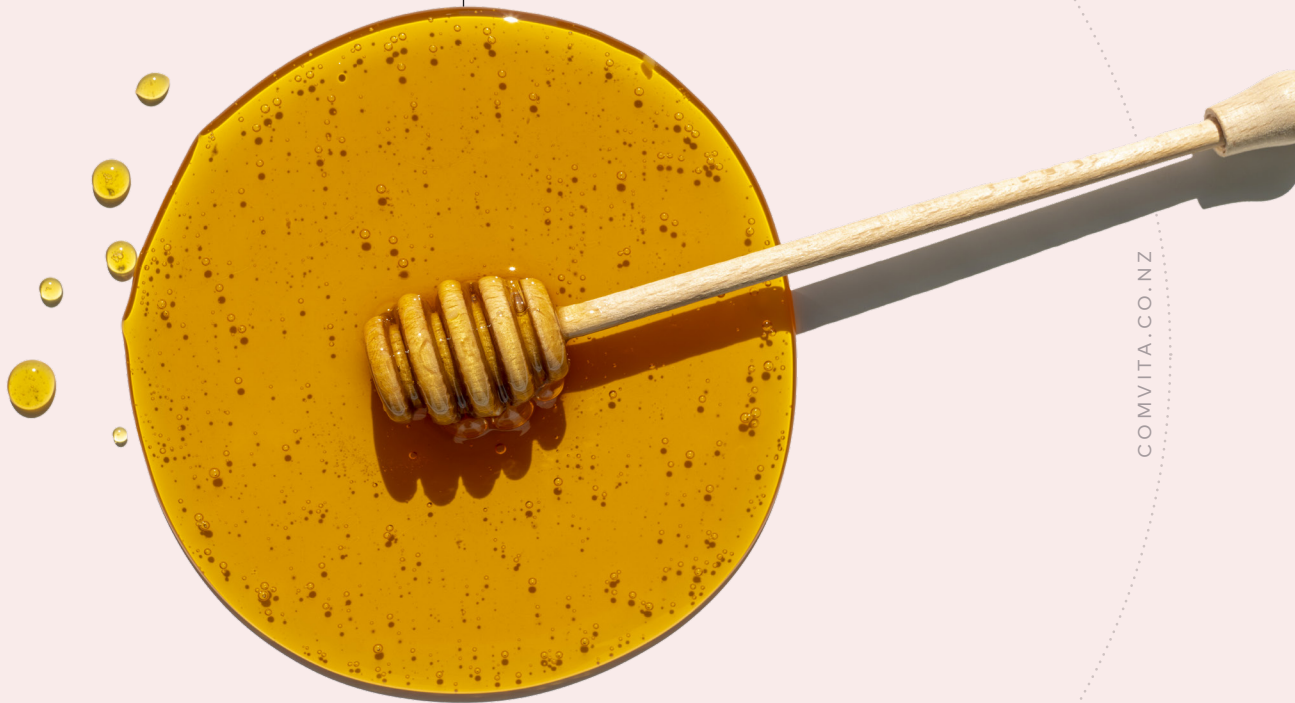


AGILITY IN
UNPREDICTABLE TIMES



COMVITA.CO.NZ

Our Results

CONTENTS

SECTION 1		Funding		Financial Risk	
Directors' Declaration	03	09. Capital and reserves	16	26. Market risk	35
<hr/>					
SECTION 2		10. Earnings per share	17	27. Liquidity risk	36
Consolidated Statements		11. Distributions	17	28. Credit risk	37
Consolidated Income Statement	04	12. Borrowings	18	29. Financial instruments	38
Consolidated Statement of Comprehensive Income	05	13. Cash & cash equivalents	18	Other Disclosures	
Consolidated Statement of Changes in Equity	06	14. Finance income & expenses	19	30. Share schemes	39
Consolidated Statement of Financial Position	07	Working Capital		31. Related parties	40
Consolidated Statement of Cash Flows	08	15. Inventory	20	32. Group entities	41
<hr/>					
SECTION 3		16. Trade receivables	20	33. Commitments	41
Notes to the Financial Statements	09	17. Sundry receivables	21	<hr/>	
Performance		18. Trade and other payables	21	SECTION 4	
01. Segments	10	Assets		Audit Report	42
02. Revenue	11	19. Property, plant & equipment	22	<hr/>	
03. Other income	11	20. Right of use assets and leases	24	SECTION 5	
04. Operating cash flow	12	21. Intangible assets	25	Statutory Information	46
05. Expenses	13	22. Goodwill and asset impairment testing	27	<hr/>	
06. Personnel expenses	14	23. Biological assets	31	SECTION 6	
07. Tax	14	24. Investments	32	Directory	53
08. Supplementary non-GAAP information - EBITDA pre-impairment	15	25. Business combination	34	<hr/>	

DIRECTORS DECLARATION

In the opinion of the Directors of Comvita Limited, the financial statements and the notes, on pages¹ 4 to 41:

- comply with New Zealand generally accepted accounting practice and fairly reflect the financial position of the Group as at 30 June 2024 and the results of their operations and cash flows for the year ended on that date
- have been prepared using appropriate accounting policies and supported by reasonable judgements and estimates

The Directors believe that proper accounting records have been kept which enable, with reasonable accuracy, the determination of the financial position of the Group and facilitate compliance of the financial statements with the Financial Reporting Act 2013 and the Financial Markets Conduct Act 2013.

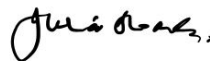
The Directors consider that they have taken adequate steps to safeguard the assets of the Group, and to prevent and detect fraud and other irregularities. Internal control procedures are also considered to be sufficient to provide reasonable assurance as to the integrity and reliability of the financial statements.

The Directors are pleased to present the financial report, incorporating the financial statements of Comvita Limited for the year ended 30 June 2024.

For and on behalf of the Board of Directors:



Brett Hewlett
28 August 2024



Julia Hoare
28 August 2024

CONSOLIDATED INCOME STATEMENT

For the year ended	Note	30 June 2024	30 June 2023
<i>In thousands of New Zealand dollars</i>			
Revenue	2	204,341	234,195
Cost of sales		(91,952)	(98,435)
Gross profit		112,389	135,760
Other income	3	5,587	12,177
Marketing expenses		(24,331)	(30,509)
Selling and distribution expenses		(58,842)	(54,484)
Administration and other operating expenses	5	(34,900)	(36,140)
Software development expenses		(7,245)	(2,884)
Operating (loss)/profit before financing costs		(7,342)	23,920
Finance income	14	347	314
Finance expenses	14	(9,800)	(10,384)
Net finance expenses		(9,453)	(10,070)
Share of loss of equity accounted associates	24	(904)	(844)
Impairment and other assets write-downs	22	(64,190)	-
(Loss)/profit before income tax		(81,889)	13,006
Income tax benefit/(expense)	7	4,501	(1,944)
(Loss)/profit for the year		(77,388)	11,062
Earnings per share:			
Basic earnings per share (NZ cents)	10	(110.33)	15.84
Diluted earnings per share (NZ cents)	10	(110.33)	15.66
EBITDA pre-impairment *	8	4,539	30,623

FINANCIAL STATEMENTS

COMVITA.CO.NZ

* EBITDA pre-impairment is a non-GAAP measure. We monitor this as a key performance indicator and believe it assists investors in assessing the performance of the core operations of our business. A reconciliation of EBITDA pre-impairment to profit before tax is provided in note 8.

The notes on pages 9 to 41 are an integral part of these financial statements

STATEMENT OF COMPREHENSIVE INCOME

For the year ended	Note	30 June 2024	30 June 2023
<i>In thousands of New Zealand dollars</i>			
(Loss)/profit for the year		(77,388)	11,062
<i>Items that are or may be reclassified subsequently to the income statement</i>			
Foreign currency translation differences for foreign operations		(736)	(862)
Foreign currency translation differences for equity accounted investees		(18)	113
Effective portion of changes in fair value of cash flow hedges		1,655	5,528
Foreign investor tax credits		67	93
Income tax on these items	7	(244)	(1,463)
Income and expenses recognised directly in other comprehensive income		724	3,409
Total comprehensive (loss)/income for the year		(76,664)	14,471

The notes on pages 9 to 41 are an integral part of these financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
--

For the year ended 30 June 2024 <i>In thousands of New Zealand dollars</i>	Share capital	Foreign currency translation reserve	Hedging reserve	Retained earnings	Total
Balance at 30 June 2022	199,677	(1,992)	(4,564)	34,869	227,990
<i>Total comprehensive income for the year</i>					
(Loss)/profit for the year	-	-	-	11,062	11,062
Other comprehensive income (net of tax)					
Foreign currency translation differences for equity accounted investees (note 24)	-	113	-	-	113
Foreign currency translation differences for foreign operations	-	(777)	-	-	(777)
Foreign investor tax credits	-	-	-	93	93
Effective portion of changes in fair value of cash flow hedges	-	-	3,980	-	3,980
Total other comprehensive income	-	(664)	3,980	93	3,409
Total comprehensive income for the year	-	(664)	3,980	11,155	14,471
<i>Transactions with owners, recorded directly in equity</i>					
Share based payments	-	-	-	1,146	1,146
Acquisition of treasury stock	(322)	-	-	-	(322)
Redemption of ordinary shares related to share schemes	(4)	-	-	-	(4)
Dividends paid (note 11)	-	-	-	(3,961)	(3,961)
Total transactions with owners	(326)	-	-	(2,815)	(3,141)
Balance at 30 June 2023	199,351	(2,656)	(584)	43,209	239,320
<i>Total comprehensive income for the year</i>					
(Loss)/profit for the year	-	-	-	(77,388)	(77,388)
Other comprehensive income (net of tax):					
Foreign currency translation differences for equity accounted investees (note 24)	-	(17)	-	-	(17)
Foreign currency translation differences for foreign operations	-	(517)	-	-	(517)
Foreign investor tax credits	-	-	-	68	68
Effective portion of changes in fair value of cash flow hedges	-	-	1,191	-	1,191
Total other comprehensive income	-	(535)	1,191	67	724
Total comprehensive income for the year	-	(535)	1,191	(77,321)	(76,664)
<i>Transactions with owners, recorded directly in equity</i>					
Share based payments	-	-	-	871	871
Dividends paid (note 11)	-	-	-	(2,897)	(2,897)
Total transactions with owners	-	-	-	(2,026)	(2,026)
Balance at 30 June 2024	199,351	(3,191)	607	(36,137)	160,630

The notes on pages 9 to 41 are an integral part of these financial statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2024	Note	2024	2023
<i>In thousands of New Zealand dollars</i>			
Assets			
Property, plant and equipment	19	72,034	72,873
Intangible assets and goodwill	21	7,352	41,754
Right of use assets and leases	20	20,226	14,407
Biological assets	23	4,806	4,437
Investments	24	-	10,234
Loans to equity accounted investees	24	-	6,058
Derivatives	26	866	48
Deferred tax asset	7	9,218	4,545
Sundry receivable	17	450	450
Total non-current assets		114,952	154,806
Inventory	15	134,418	136,088
Trade receivables	16	35,030	39,373
Sundry receivables	17	15,222	16,904
Cash and cash equivalents	13	8,156	11,554
Tax receivable		80	41
Total current assets		192,906	203,960
Total assets		307,858	358,766
Equity			
Issued capital		199,351	199,351
Retained earnings		(36,137)	43,209
Reserves		(2,584)	(3,240)
Total equity		160,630	239,320
Liabilities			
Loans and borrowings	12	-	64,940
Trade and other payables	18	296	288
Lease liability		15,834	11,972
Deferred tax liability	7	572	1,509
Total non-current liabilities		16,702	78,709
Loans and borrowings	12	87,863	-
Trade and other payables	18	35,822	34,319
Lease liability		5,725	3,386
Tax payable		1,116	2,195
Derivatives	26	-	837
Total current liabilities		130,526	40,737
Total liabilities		147,228	119,446
Total equity and liabilities		307,858	358,766

The notes on pages 9 to 41 are an integral part of these financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 June 2024	Note	2024	2023
<i>In thousands of New Zealand dollars</i>			
Receipts from customers		205,299	223,849
Receipts from insurance proceeds		6,512	5,480
Payments to suppliers and employees		(204,101)	(219,068)
Taxation paid		(2,377)	(2,178)
Net cash flows from operating activities	4	5,333	8,083
Investment in equity accounted investees		(2,482)	-
Proceeds from disposal of investment		8	-
Proceeds from disposal of equity accounted investee		1,932	-
Loans to equity accounted investees		3,857	(593)
Interest from related parties		28	38
Payment for the purchase of property, plant and equipment		(7,494)	(16,601)
Payment for the purchase of biological assets		(30)	(538)
Receipt for the disposal of property, plant and equipment		-	237
Acquisition of HoneyWorld		(7,294)	-
Payment for the purchase of intangibles		(2,179)	(3,297)
Net cash flows from investing activities		(13,654)	(20,754)
Redemption of ordinary shares		-	(4)
Purchase of treasury stock		-	(322)
Repayment of lease liabilities		(6,274)	(4,898)
Proceeds from loans and borrowings		22,923	21,640
Payment of dividends		(2,896)	(3,961)
Interest received		25	17
Interest paid		(8,733)	(5,740)
Net cash flows from financing activities		5,045	6,732
Net increase in cash and cash equivalents		(3,276)	(5,939)
Cash and cash equivalents at the beginning of the year		11,554	17,756
Effect of exchange rate fluctuations on cash held		(122)	(263)
Cash and cash equivalents at the end of the year		8,156	11,554
Represented as:			
Cash and cash equivalents	13	8,156	11,554
Total		8,156	11,554

The notes on pages 9 to 41 are an integral part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

ACCOUNTING ENTITY

Comvita Limited (the "Company") is a Company domiciled in New Zealand, and registered under the Companies Act 1993 and listed on the New Zealand Stock Exchange ("NZX"). The Company is an issuer in terms of the Financial Reporting Act 2013 and Financial Markets Conduct Act 2013. The financial statements of the Group for the year ended 30 June 2024 comprise the Company and its subsidiaries (together referred to as the "Group") and the Group's interest in equity accounted investees.

The principal activity of the Group is apiary and forest ownership and management; and research, manufacturing and distributing of Mānuka honey, bee products and olive leaf products.

BASIS OF PREPARATION

Statement of compliance

The Company is a FMC reporting entity for the purposes of the Financial Reporting Act 2013 and under part 7 of the Financial Markets Conduct Act 2013. These financial statements comply with these Acts and have been prepared in accordance with the New Zealand Equivalents to International Financial Reporting Standards and International Financial Reporting Standards as appropriate for profit-oriented entities.

The financial statements were approved by the Board of Directors on 28 August 2024.

Basis of measurement

The financial statements have been prepared on the historical cost basis except for financial instruments designated as fair value through other comprehensive income and biological assets which are measured at fair value.

The methods used to measure fair values are discussed further in the respective notes.

Functional and presentation currency

These financial statements are presented in New Zealand dollars (\$), which is the Company's functional currency. Amounts have been rounded to the nearest thousand.

Use of estimates and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the reporting period in which the estimate is revised and in any future periods affected.

Key sources of estimation uncertainty are included in the individual notes in the financial statements:

- Intangible assets (note 21)
- Measurement of recoverability of cash generating units (note 22)
- Valuation of biological assets (note 23)
- Valuation of equity accounted investments (note 24)
- Recoverability of deferred tax assets (note 7)
- Fair value of contingent consideration (note 25)

GOING CONCERN

It is the conclusion of the directors that the Group will continue to operate as a going concern and the financial statements have been prepared on that basis.

The Group recorded a net loss of \$77,388,000 for the year ended 30 June 2024 and as at balance date the Group's bank borrowings of \$87,863,000 was recorded within current liabilities due to a breach of covenant that was not waived by the bank until after balance date. Current assets exceed current liabilities by \$62,380,000. The directors have carefully considered the ability of the Group to meet its liabilities as they fall due and continue to operate as a going concern for at least the next 12 months from the date the financial statements are authorised for issue. In reaching their conclusion the directors have considered the following factors:

- Cash flow forecasts have been prepared for the 12 months following the date at which the Board adopted these financial statements taking account of the approved FY25 Budget and have concluded that the Group will generate sufficient cash flows to meet its liabilities as they fall due;
- The FY25 Budget and forecasts for the following 4 years have been completed and the outlook is a return to profitability;
- The directors have made due enquiry into the appropriateness of the assumptions underlying the budget and forecasts; and
- There is no indication from the Bank Syndicate that they will not continue to support the Group beyond the current maturity terms. The Bank Syndicate borrowing facility is \$114,000,000 of which \$25,700,000 was undrawn as at 30 June 2024.

SIGNIFICANT ACCOUNTING POLICIES

Accounting policies, accounting estimates and judgements that summarise the measurement basis used and are relevant to the understanding of the financial statements are provided throughout the accompanying notes are designated by a shaded area.

STANDARDS, AMENDMENTS AND INTERPRETATIONS ADOPTED DURING THE YEAR

There are no new or amended standards that are issued, but not yet effective, that are expected to have a material impact to the Group.

The notes on pages 9 to 41 are an integral part of these financial statements

PERFORMANCE

01. SEGMENTS

The Group has five key geographic segments as set out below:

Greater China: Revenue and related costs of our China and Hong Kong markets

ANZ: Revenue and related costs of our Australia and New Zealand markets

Rest of Asia: Revenue and related costs of our Asia markets excluding Greater China

North America: Revenue and related costs of our North America market

EMEA: Revenue and related costs of our Europe, Middle East and Africa markets

For the year ended 30 June

In thousands of New Zealand dollars

	Greater China		ANZ		Rest of Asia		North America		EMEA		Total reportable segments		Other segments		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
<i>Contribution Segments</i>																
Revenue	89,820	109,005	36,378	40,770	37,059	31,771	26,135	35,608	3,628	5,862	193,019	223,016	11,322	11,179	204,341	234,195
Contribution	17,204	26,813	10,310	11,573	2,747	8,291	4,657	8,868	(921)	604	33,998	56,149	2,080	1,992	36,079	58,141
Impairment expense (note 22)	(30,648)	-	-	-	(4,699)	-	-	-	-	-	(35,347)	-	(68)	-	(35,415)	-
Non attributable (other corporate expenses)															(49,008)	(46,398)
Impairment expense – non attributable (note 22)															(28,775)	-
Other income (note 3)															5,587	12,177
Financial income and expenses (note 14)															(9,453)	(10,070)
Share of loss of equity accounted investees (note 24)															(904)	(844)
Net (Loss)/profit before tax															(81,889)	13,006

Geographical segments

<i>In thousands of New Zealand dollars</i>	30 June 2024		30 June 2023	
	Revenue	Non-current assets	Revenue	Non-current assets
Greater China	89,820	33,901	109,005	37,050
ANZ	36,747	110,053	41,266	108,100
Rest of Asia	37,059	12,335	31,771	578
North America	35,429	4,690	45,480	359
EMEA	3,628	342	5,862	190
Other countries	1,658	10,588	811	8,079
Total	204,341	171,909	234,195	154,356

Figures in the tables reflect information regularly reported to the Chief Executive Officer (CEO) on those key segments. Segment results that are reported to the CEO include costs directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly head office expenses.

Segment information is presented in the financial statements in respect of the Group's contribution segments which are the primary basis of decision making. The contribution segment reporting format reflects the Group's management and internal reporting structure.

Performance is measured based on contribution which is a measure of profitability that the segment contributes to the Group. Contribution is used to measure performance as management believes that such information is most relevant in evaluating the results of certain segments. Inter-segment pricing is determined on an arms-length basis.

02. REVENUE

The Group generates revenue primarily from the sale of Mānuka honey, other bee products, and olive leaf products to its customers (wholesale, retail and digital customers). Sales of products are recognised when control of the goods has transferred to the customer, usually when the goods are delivered. For wholesale sales, control passes according to individual contract terms.

All sales are net of returns and allowances, trade discounts and volume rebates.

03. OTHER INCOME

<i>In thousands of New Zealand dollars</i>	Note	30 June 2024	30 June 2023
Insurance proceeds received		2,060	10,962
Gain on disposal of equity accounted investee	24	1,377	-
Government grants		690	949
HoneyWorld contingent consideration release	25	1,020	-
Government subsidies		21	106
Change in fair value of biological assets		336	32
Other		83	128
Total other income		5,587	12,177

Government grants

Government grants primarily relate to the New Zealand Research and Development Tax Incentive scheme (RDTI), but also includes other government grants. The RDTI scheme provides a tax credit on eligible R&D expenditure. The RDTI scheme includes both core R&D expenditure, as well as other expenses that support R&D, and is recorded as non-taxable income.

Insurance Cyclone Gabrielle

In February 2023, the Group's Hawkes Bay facility suffered extensive damage due to Cyclone Gabrielle, a catastrophic weather event in the North Island of New Zealand. Further details of the impacts of this weather event are disclosed in the 2023 financial statements.

Included in insurance proceeds received above is NZD 1,700,000 relating to our business interruption and material damage policy in relation to the cyclone. At reporting date there is NZD 828,000 (2023: NZD 5,480,000) of insurance proceeds receivable (note 17) and the insurance claim is ongoing.

Insurance proceeds are recognized in the financial statements when it is virtually certain that the Group will receive the reimbursement and the amount can be reliably estimated. The recognition is based on the net realizable value of the claim, considering any deductibles, policy exclusions, and other recoveries expected. Insurance proceeds receivable are recorded under sundry receivables in the statement of financial position (note 17).

04. OPERATING CASH FLOW**Reconciliation of the profit for the year with the net cash from operating activities**

<i>In thousands of New Zealand dollars</i>	Note	30 June 2024	30 June 2023
(Loss)/profit for the year		(77,388)	11,062
<i>Adjustments for:</i>			
Depreciation		11,568	9,910
Amortisation		2,287	2,280
Impairment	22	64,190	-
Share based payments		1,039	972
Forgiveness of debt		136	-
Fair value gain in biological assets		(336)	(32)
Share of loss equity accounted investees	24	904	844
(Loss)/profit adjusted for non-cash items		2,400	25,036
<i>Items related to investing and financing activities:</i>			
Acquisition of HoneyWorld – working capital items		(1,745)	-
Disposal of equity accounted investee		(1,377)	-
Interest - net		8,385	5,427
Net loss on disposal of property, plant & equipment		113	2,505
Change in trade payables - capital related		590	934
<i>Movement in working capital items:</i>			
Change in inventories		1,670	(3,931)
Change in trade receivables		4,343	(11,555)
Change in sundry debtors and prepayments		1,358	(5,784)
Change in trade and other payables		1,900	(4,340)
Change in employee benefits		(4,547)	888
Change in tax payable		(1,118)	161
Change in deferred tax		(5,610)	859
Change in working capital items from foreign currency translation reserve		(243)	(774)
<i>Other movements:</i>			
Movement of deferred tax in equity		(852)	(1,289)
Foreign investor tax credits		67	93
Foreign currency reserve		(1)	(147)
Net cash from operating activities		5,333	8,083

05. EXPENSES**Administration and other operating expenses**

The following items of expenditure are included in administrative expenses:

<i>In thousands of New Zealand dollars</i>	Note	30 June 2024	30 June 2023
Auditors' remuneration:			
To KPMG for audit services (i)		497	411
To KPMG for GHG inventory emissions limited assurance		75	-
To KPMG for tax services		-	5
To KPMG for global mobility		18	-
To Mercer & Hole (UK auditors)		39	24
To Sejong (Korea auditors)		28	-
Doubtful debts recovered		(72)	(178)
Bad debts written off		68	187
Net loss on property, plant and equipment disposals		113	2,505
Change in fair value of contingent consideration	25	164	-
Restructure costs		568	164
Directors fees		605	605
Directors – other expenses		18	18
Other legal and professional expenses		612	628

- (i) *Audit services include fee for the annual audit of the financial statements of the Group and its foreign subsidiaries based in China and Hong Kong and the review of the interim financial statements.*

Research and development

The Group considers expenditure to be research and development if it meets the definition according to the New Zealand RDTI scheme. This expenditure is included within cost of goods sold and operating expenses and recognised in the income statement in the year that it is incurred.

06. PERSONNEL EXPENSES

<i>In thousands of New Zealand dollars</i>	Note	30 June 2024	30 June 2023
Wages and salaries		46,615	46,824
KiwiSaver – employer contribution		880	919
Movement in long-service leave provision		8	21
Equity settled share based payment transactions	30	1,038	972
Total personnel expenses		48,541	48,736

07. TAX**Tax expense**

<i>In thousands of New Zealand dollars</i>	30 June 2024	30 June 2023
(Loss)/profit for the year	(77,388)	11,062
Total income tax expense	(4,501)	1,944
Net profit before tax	(81,889)	13,006
Tax at 28% NZ company tax rate	(22,929)	3,642
Tax effect of overseas income	201	(638)
Non-deductible or non-assessable items	17,885	(715)
Removal of tax depreciation on commercial buildings ⁽ⁱ⁾	1,717	-
Other	(1,300)	(169)
Prior period adjustments	(75)	(176)
Total income tax expense	(4,501)	1,944
Tax expense is represented by:		
Current tax	1,825	2,374
Deferred tax	(6,326)	(430)
Total income tax expense	(4,501)	1,944
Imputation credits available	4,577	5,580

(i) Comvita New Zealand will no longer be able to claim tax depreciation on buildings, with estimated useful lives of 50 years or more, from its income tax year ending 30 June 2025. This has resulted in an increased deferred tax liability in respect of the buildings of \$1,717,373.

07. TAX (continued)**Deferred tax**

<i>In thousands of New Zealand dollars</i>	As at 30 June 2024	Recognised directly in profit or loss	Recognised in other comprehensive income	Recognised directly in equity	30 June 2023
Property, plant & equipment	(4,171)	(1,655)	-	-	(2,516)
Intangible and biological assets	4,075	5,481	-	-	(1,406)
Inventory	2,764	(674)	-	-	3,438
Provisions and accruals	580	(418)	-	-	998
Derivatives	(243)	-	(463)	-	220
Other items	752	130	219	(129)	532
Investments	838	792	-	-	46
Tax losses	4,051	2,327	-	-	1,724
Net tax assets/(liabilities)	8,646	5,983	(244)	(129)	3,036

No deferred tax assets have been recognised in respect of certain intangible assets (\$587,718), capital losses in Australia (\$3,296,997) or losses on acquisition in the UK (\$2,335,975).

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the income statement except to the extent that it relates to items recognised in other comprehensive income, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous periods.

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

08. SUPPLEMENTARY NON-GAAP INFORMATION – EBITDA PRE-IMPAIRMENT

Earnings before interest, tax, depreciation, and amortisation (EBITDA) pre-impairment is a non-GAAP measure. We monitor this as a key performance indicator and believe it assists investors in assessing the performance of the core operations of our business.

<i>In thousands of New Zealand dollars</i>	30 June 2024	30 June 2023
(Loss)/profit before tax	(81,889)	13,006
Add back: Net finance cost	8,383	5,427
EBIT	(73,506)	18,433
Add back: Depreciation and amortisation	13,855	12,190
Add back: Impairment and other asset write-downs	64,190	-
EBITDA pre-impairment	4,539	30,623

FUNDING

09. CAPITAL AND RESERVES**Ordinary and partly paid redeemable share capital**

Ordinary shares issued are fully paid and have no par value. The holders of ordinary shares are entitled to receive dividends and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Group's residual assets.

<i>In thousands of shares</i>	Note	30 June 2024	30 June 2023
On issue at beginning of the year		69,893	69,731
Share issue - employee share schemes	30	332	258
Acquisition of treasury stock		-	(96)
Ordinary shares on issue at end of the year		70,225	69,893

Treasury Stock

<i>In thousands of shares</i>	30 June 2024	30 June 2023
Treasury stock at beginning of the year	492	654
Acquired on market	-	96
Issued - employee share schemes	(323)	(258)
Total treasury stock at end of the year	169	492

Capital management

The Group's capital includes share capital, reserves and retained earnings. The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the geographic spread of shareholders, as well as the return on capital.

Public share offerings and private offerings are made, where applicable. This and acquisitions are key to ensuring the future development of the business.

The Board has an Employee Share Scheme, a Leader Share Purchase and a Performance Share Rights Scheme to ensure that the leadership team and staff incentives are aligned with shareholders' interests.

Other than the banking requirements, neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

10. EARNINGS PER SHARE

<i>In thousands of shares</i>	30 June 2024	30 June 2023
Weighted average number of ordinary shares at the end of the year	70,141	69,847
Basic earnings per share (NZ cents)	(110.33)	15.84
<i>In thousands of shares</i>		
Weighted average number of diluted shares at end of the year	70,988	70,616
Diluted earnings per share (NZ cents)	(110.33)	15.66

The Group presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which comprise share entitlements granted to employees.

11. DISTRIBUTIONS**Dividends**

<i>In thousands of New Zealand dollars</i>	30 June 2024	30 June 2023
The following dividends were declared and paid by the Group:		
Final 2022 dividend (3.0 cents per share)	-	2,158
Interim 2023 dividend (2.5 cents per share)	-	1,803
Final 2023 dividend (3.0 cents per share)	2,173	-
Interim 2024 dividend (1.0 cents per share)	724	-
Total	2,897	3,961

12. BORROWINGS**Terms of borrowings**

<i>In thousands of New Zealand dollars</i>	Facility Local Currency	Currency	Nominal Interest rate	Maturity	Carrying Amount	Carrying Amount
					2024	2023
Westpac NZ/ANZ:						
Revolving credit facility	44,000	NZD	7.33%	July 2025	30,300	15,500
Revolving credit facility	35,000	NZD	7.48%	March 2026	35,000	35,000
Revolving credit facility	35,000	NZD	7.68%	March 2027	23,000	15,000
Westpac NZ:						
Overdraft facility	1,000	NZD	-	-	-	-
Deferred finance costs					(437)	(560)
Total borrowings - non-current					-	64,940
Total borrowings - current					87,863	-

The Group has a NZD 1 million overdraft facility for general corporate purposes including managing its liquidity risk (see note 26).

Covenants and security

The Group was in compliance with all banking covenants during the year and as at 30 June 2024, except for one covenant at 30 June 2024. Subsequent to year-end, the banking syndicate have waived their rights to take action in respect of the breach. In accordance with NZ IAS 1, Presentation of Financial Statements, as this was waived after 30 June 2024, all term debt has been classified as current at 30 June 2024.

With respect to FY25, the Group are currently in discussions to agree a covenant structure that will be acceptable to both the banking syndicate and the Group. The revised bank covenant structure will be confirmed in September.

The NZD 114 million syndicated facility with Westpac New Zealand Limited and ANZ is secured by way of a General Security Agreement over assets of Comvita Limited, Comvita New Zealand Limited, Comvita Holdings Pty Limited, Comvita Australia Pty Limited and Comvita UK Limited.

Borrowings are recognised initially at fair value less financing costs and subsequently at amortised cost using the effective interest rate method. Fees paid on the establishment of loan facilities are included as part of the carrying amount of the loans and borrowings and are amortised over the maturity period of the loan.

13. CASH AND CASH EQUIVALENTS

<i>In thousands of New Zealand dollars</i>	30 June 2024	30 June 2023
Cash	8,156	11,554
Less debt	(87,863)	(64,940)
Net debt	(79,707)	(53,386)

Cash and cash equivalents comprise cash balances and demand deposits. Bank overdrafts that are repayable on demand, and form an integral part of the Group's cash management, are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

14. FINANCE INCOME AND EXPENSES

<i>In thousands of New Zealand dollars</i>	30 June 2024	30 June 2023
Interest income	347	313
Dividend income	-	1
Finance income	347	314
Interest expense on financial liabilities measured at amortised cost	(8,733)	(5,740)
Net foreign exchange loss	(1,067)	(4,644)
Finance expenses	(9,800)	(10,384)
Net finance expenses	(9,453)	(10,070)

Interest expense on borrowings, bank and facility fees and transaction costs are recognised in the income statement over the period of the borrowings, using the effective interest rate method. Interest expense on lease obligations are also recognised in the interest expense above in accordance with NZ IFRS 16.

WORKING CAPITAL

15. INVENTORY

<i>In thousands of New Zealand dollars</i>	30 June 2024	30 June 2023
Raw materials	67,189	82,426
Work in progress	2,620	6,104
Finished goods	64,609	47,558
Total inventory	134,418	136,088

Inventory disposed of and written off during the year has been recognised within cost of goods sold - \$442,000 (2023: \$4,381,000, including \$3,681,000 related to Cyclone Gabrielle).

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the weighted average principle, and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Honey created by biological assets (bees, note 23) is transferred to inventory at fair value, by reference to market prices for honey.

16. TRADE RECEIVABLES

<i>In thousands of New Zealand dollars</i>	30 June 2024	30 June 2023
Gross receivable	35,126	39,543
Provision for doubtful and impaired receivables	(96)	(170)
Total trade receivables	35,030	39,373

The status of trade receivables at the reporting date is as follows:

<i>In thousands of New Zealand dollars</i>	Gross receivable 2024	Impairment 2024	Gross receivable 2023	Impairment 2023
Not past due	31,769	-	36,245	-
Past due 0-30 days	1,156	-	2,249	-
Past due 31-60 days	1,331	-	385	-
Past due 61-365 days	870	(96)	664	(170)
Total	35,126	(96)	39,543	(170)

17. SUNDRY RECEIVABLES

<i>In thousands of New Zealand dollars</i>	Note	30 June 2024	30 June 2023
Loan receivable – Leadership Team	31	2,729	2,817
Prepayments		7,238	6,380
Insurance proceeds receivable	3	828	5,280
Other receivables		4,877	2,877
Total sundry receivables - current		15,222	17,354
Loan receivable - CEO	31	450	450
Total sundry receivables - non-current		450	450

18. TRADE AND OTHER PAYABLES

<i>In thousands of New Zealand dollars</i>	Note	30 June 2024	30 June 2023
Trade creditors		11,058	10,268
Accruals		14,070	16,946
Employee benefits		2,454	7,009
Medibee guarantee	24	4,158	-
HoneyWorld acquisition - deferred payable	25	3,028	-
HoneyWorld contingent consideration	25	1,020	-
Director fee accruals		34	96
Trade and other payables - current		35,822	34,319
Employee benefits		296	288
Trade and other payables - non current		296	288

ASSETS

19. PROPERTY, PLANT AND EQUIPMENT

<i>In thousands of New Zealand dollars</i>	Land	Buildings	Plant & machinery	Vehicles	Bearer plants	Office equipment, furniture & fittings	Capital WIP*	Total
Cost								
Balance at 30 June 2022	11,521	28,020	30,656	2,708	6,162	8,668	12,997	100,732
Additions/transfers	4,200	1,758	3,705	118	1,682	1,069	2,690	15,222
Disposals	(349)	(1,197)	(3,262)	(109)	-	(450)	-	(5,367)
Effect of movements in exchange rates	(37)	(25)	(62)	(16)	(101)	20	4	(217)
Balance at 30 June 2023	15,335	28,556	31,037	2,701	7,743	9,307	15,691	110,370
Additions/transfers	1,916	883	2,364	73	4,261	428	(2,412)	7,513
Disposals	-	(55)	(389)	(150)	-	(566)	87	(1,073)
Effect of movements in exchange rates	10	9	15	-	(1)	(7)	-	27
Balance at 30 June 2024	17,261	29,393	32,027	2,624	12,004	9,162	13,366	116,837
Accumulated depreciation and impairment								
Balance at 30 June 2022	-	(8,958)	(18,196)	(1,802)	(604)	(6,204)	-	(35,764)
Depreciation	-	(1,164)	(1,801)	(253)	(131)	(1,035)	-	(4,384)
Disposals	-	360	1,745	77	-	443	-	2,625
Effect of movements in exchange rates	-	11	34	6	10	(35)	-	26
Balance at 30 June 2023	-	(9,751)	(18,218)	(1,972)	(725)	(6,831)	-	(37,497)
Depreciation	-	(1,218)	(2,179)	(184)	(310)	(999)	-	(4,890)
Impairment (note 22)	-	-	(900)	-	-	-	(2,500)	(3,400)
Disposals	-	40	246	150	-	554	-	990
Effect of movements in exchange rates	-	(4)	(1)	(1)	(1)	2	-	(6)
Balance at 30 June 2024	-	(10,933)	(21,052)	(2,008)	(1,036)	(7,274)	(2,500)	(44,803)
Carrying amount								
At 30 June 2022	11,521	19,062	12,460	906	5,558	2,464	12,997	64,968
At 30 June 2023	15,335	18,805	12,819	729	7,018	2,476	15,691	72,873
At 30 June 2024	17,261	18,460	11,975	617	10,967	1,888	10,866	72,034

*\$10,600,000 of capital work in progress relates to the development of Mānuka forests.

19. PROPERTY, PLANT AND EQUIPMENT (continued)**Depreciation**

Depreciation is recognised in the income statement on a straight-line basis over the estimated useful life of each part of an item of property, plant and equipment. Land is not depreciated. Depreciation is allocated to cost of sales, marketing expenses, selling and distribution expenses, and administrative and other operating expenses.

The estimated useful life for the current and comparative periods are as follows:

- | | |
|--|----------------|
| • Buildings | up to 50 years |
| • Plant and machinery | 2 - 20 years |
| • Vehicles | 4 - 15 years |
| • Office equipment, furniture and fittings | 2 - 15 years |
| • Bearer plants | 20 - 100 years |
| • Mānuka Forest | 15 - 22 years |

Depreciation methods, useful life and residual values are reassessed at the reporting date.

Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent expenditure

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in the income statement as incurred.

20. RIGHT OF USE ASSETS AND LEASES

The Group leases warehouses, retail stores, administration premises, vehicles, and land used for hive placements referred to as Mānuka forests in the table below.

	Buildings	Vehicles	Mānuka forests	Total
<i>In thousands of New Zealand dollars</i>				
Balance at 30 June 2022	4,974	1,039	6,099	12,112
Additions	1,700	3,291	659	5,650
Modifications	1,869	301	-	2,170
Depreciation	(4,021)	(1,061)	(350)	(5,432)
Disposals	-	(58)	-	(58)
Effect of movement in exchange rates	(35)	-	-	(35)
Balance at 30 June 2023	4,487	3,512	6,408	14,407
Additions	4,016	704	3,204	7,924
Modifications	4,828	32	133	4,993
Depreciation	(4,411)	(982)	(489)	(5,882)
Disposals	(758)	(365)	(93)	(1,216)
Balance at 30 June 2024	8,162	2,901	9,163	20,226

Amounts recognised in the statement of comprehensive income

<i>In thousands of New Zealand dollars</i>	30 June 2024	30 June 2023
Interest on lease liabilities	955	639
Variable lease payments not included in the measurement of lease liabilities	6,126	5,274
Expenses relating to short-term leases	622	594
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	26	26

During the year ended 30 June 2024, \$399,000 of depreciation and \$513,000 of interest related to Mānuka forest leases was capitalised into Mānuka forest assets (2023: \$197,000 and \$227,000).

Lease liabilities

As at 30 June 2024, the weighted average rate applied was 7.3% (2023: 6.3%). Total cash outflow for right of use leases for the year ended 30 June 2024 was \$7.4 million (2023: \$5.6m).

Maturity analysis - contractual undiscounted cash flow

Non-cancellable lease rentals are payable as follows:

<i>In thousands of New Zealand dollars</i>	30 June 2024	30 June 2023
Less than one year	7,080	5,230
Between one and five years	10,376	8,160
Greater than five years	6,523	7,053
Total	23,979	20,443

The Group assesses at lease commencement whether it is reasonably certain to exercise extension options where included in the contract, and where it is reasonably certain, the extension period has been included in the lease liability calculation.

21. INTANGIBLE ASSETS

<i>In thousands of New Zealand dollars</i>	Goodwill	Intellectual property and other intangible assets	Software*	Total
Cost				
Balance at 30 June 2022	26,751	17,692	8,298	52,741
Additions	-	386	3,039	3,425
Disposals	-	-	(130)	(130)
Effect of movements in exchange rates	681	(602)	(5)	74
Balance at 30 June 2023	27,432	17,476	11,202	56,110
Additions	4,699	5,162	852	10,713
Disposals	-	-	(2)	(2)
Effect of movements in exchange rates	34	-	2	36
Balance at 30 June 2024	32,165	22,638	12,054	66,857
Accumulated amortisation and impairment				
Balance at 30 June 2022	-	(8,196)	(4,143)	(12,339)
Amortisation	-	(1,263)	(1,017)	(2,280)
Disposals	-	-	126	126
Effect of movements in exchange rates	-	166	(29)	137
Balance at 30 June 2023	-	(9,293)	(5,063)	(14,356)
Amortisation	-	(1,485)	(999)	(2,484)
Impairment (note 22)	(32,165)	(5,016)	(5,497)	(42,678)
Disposals	-	-	2	2
Effect of movements in exchange rates	-	12	(1)	11
Balance at 30 June 2024	(32,165)	(15,782)	(11,558)	(59,505)
Carrying amount				
At 30 June 2022	26,751	9,496	4,155	40,402
At 30 June 2023	27,432	8,183	6,139	41,754
At 30 June 2024	-	6,856	496	7,352

* Software additions materially relate to customised software code where Comvita retains control of the code and its future benefits.

21. INTANGIBLE ASSETS (continued)**Amortisation**

Amortisation is recognised in the income statement on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use. Amortisation is allocated to cost of sales, marketing expenses, selling and distribution expenses, and administrative and other operating expenses.

The estimated useful life for the current and comparative periods are as follows:

- Intellectual property and other intangible assets 3 – 20 years
- Capitalised development costs 2 – 5 years
- Software 2 - 10 years

The estimation of useful lives of intangible assets such as distribution networks have been based on historical experience. The useful lives are reviewed at least once per year and adjustments to useful lives are made when considered necessary.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in the income statement when incurred.

Goodwill

Goodwill that arises on the acquisition of subsidiaries and other business combinations is presented within intangible assets. Goodwill is measured at cost less accumulated impairment losses.

22. GOODWILL AND ASSET IMPAIRMENT TESTING

Impairment expense summary

During the period, the Group identified impairments related to financial assets. Subsequent to this, given the identification of impairment indicators, the Group has undertaken an assessment of the carrying value of its CGUs and non-financial assets. This assessment was supported by an independent valuation completed in accordance with Advisory Engagement Standard 2. As a result of this assessment, various impairments have been recognised and are summarised as follows:

<i>In thousands of New Zealand dollars</i>	Notes	30 June 2024	30 June 2023
Financial assets			
Loan to equity accounted investee - Apiter	24a	1,259	-
Loan to equity accounted investee - Medibee	24d	272	-
Medibee guarantee impairment	24d	4,158	-
Non-financial assets			
Investment in equity accounted investee - Apiter	24a	7,918	-
Investment in equity accounted investee - Caravan Honey	24c	4,251	-
Software	21	5,497	-
Software in prepayments		255	-
Greater China CGU			
Goodwill		25,632	-
China distribution network asset - other intangible assets	21	5,015	-
Southeast Asia CGU			
Goodwill		4,699	-
Apiary CGU			
Goodwill		1,766	-
Plant & Machinery	19	900	-
Mānuka forest assets – capital work in progress	19	2,500	-
Other CGU			
Goodwill		68	-
Total		64,190	-

Software

A software impairment of \$5,752,000 has been recognised as the software will no longer be utilised or provide economic benefits as a result of transformation in the digital market.

Greater China and South East Asia CGUs

The Greater China and South East Asia CGUs have been impacted by a down-turn in consumer demand in Asian markets, particularly China, that is expected to result in a period of low growth and increased pressure to grow sales volume. This has resulted in a goodwill impairment of \$25,632,000 and \$4,699,000 respectively. In addition, the China distribution network asset of \$5,016,000 has been impaired to nil.

Apiary CGU

There is currently excess supply over demand for Mānuka Honey, which has put downwards process on Mānuka Honey pricing. This has impacted the revenue stream for this CGU in the short term and resulted in a goodwill impairment of \$1,766,000, a plant & machinery impairment of \$900,000 and a Mānuka Forest asset impairment of \$2,500,000.

22. GOODWILL AND IMPAIRMENT TESTING (continued)**Impairment testing**

For the purpose of impairment testing, goodwill is allocated to the Group's CGUs which represent the lowest level within the Group at which the goodwill is monitored for internal management purposes. The aggregate carrying amounts of goodwill allocated to each CGU are as follows:

	30 June 2024	30 June 2023
<i>In thousands of New Zealand dollars</i>		
Greater China	-	25,597
South East Asia	-	-
Apiaries	-	1,766
Other	-	68
Total goodwill	-	27,431

Greater China CGU:

The recoverable amount of the Greater China CGU containing goodwill has been determined on a value in use basis using a discounted cash flow approach. Projections are based on the budget and value in use forecasts approved by the Board of Directors.

Key assumptions:

	30 June 2024	30 June 2023
Annual revenue growth rate	(8.2%) to 1.9%	4.7% to 17.3%
Post tax discount rate	8.5%	12.1%
Terminal growth rate	2.0%	2.0%

Value in Use recoverable amount:

	30 June 2024
<i>In thousands of New Zealand dollars</i>	
Recoverable amount	33,600

Sensitivity to changes in key assumptions

	30 June 2024	30 June 2023
<i>In thousands of New Zealand dollars</i>		
The recoverable amount was more / (less) than the carrying value by	(30,600)	115,500
If projected earnings before interest and tax ("EBIT") is reduced by 10% each year, the recoverable amount would be more / (less) than the carrying value by	(36,300)	89,000
The post-tax discount rate for the recoverable value to match the carrying value	5.0%	30.6%

22. GOODWILL AND IMPAIRMENT TESTING (continued)**Apiaries:**

The recoverable amount of the Apiary CGU containing goodwill has been determined on a value in use basis using a discounted cash flow approach. Projections are based on the budget and value in use forecasts approved by the Board of Directors.

Key assumptions:

	30 June 2024	30 June 2023
Annual revenue growth	(8.7%) to 30.2%	0% to 35.9%
Post tax discount rate	10.8%	10.9%
Terminal growth rate	2.0%	2.0%

Value in Use recoverable amount:

	30 June 2024
<i>In thousands of New Zealand dollars</i>	
Recoverable amount	31,400

Sensitivity to changes in key assumptions

	30 June 2024	30 June 2023
<i>In thousands of New Zealand dollars</i>		
The recoverable amount was more / (less) than the carrying value by	(5,200)	28,320
If projected earnings before interest and tax ("EBIT") is reduced by 10% each year, the recoverable amount would be more / (less) than the carrying value by	(9,800)	22,288
The post-tax discount rate for the recoverable value to match the carrying value	9.9%	17.5%

22. GOODWILL AND IMPAIRMENT TESTING (continued)**South East Asia:**

The recoverable amount of the South East Asia CGU containing goodwill has been determined on a value in use basis using a discounted cash flow approach. Projections are based on the budget and value in use forecasts approved by the Board of Directors.

Key assumptions:

	30 June 2024	30 June 2023
Annual revenue growth	4.0% to 10.2%	n/a
Post tax discount rate	18.0%	n/a
Terminal growth rate	2.0%	n/a

Value in Use recoverable amount:

In thousands of New Zealand dollars

	30 June 2024
Recoverable amount	4,200

Sensitivity to changes in key assumptions

In thousands of New Zealand dollars

	30 June 2024	30 June 2023
The recoverable amount was more / (less) than the carrying value by	(4,700)	n/a
If projected earnings before interest and tax ("EBIT") is reduced by 10% each year, the recoverable amount would be more / (less) than the carrying value by	(5,300)	n/a
The post-tax discount rate for the recoverable value to match the carrying value	10.7%	n/a

A Cash Generating Unit ("CGU") is the smallest identifiable asset group that generates cash flows that are largely independent from other assets and groups. Impairment reviews are performed by management annually to assess the carrying values of the CGUs containing goodwill. The recoverable amount of a CGU is determined based on value in use calculations. In assessing the value in use, the estimated future cash flows for a five-year period are discounted to their present value using a post-tax discount rate that reflect current market assessments of the time value of money and risks specific to that asset. An impairment is recognised when the recoverable amount is less than the carrying value.

23. BIOLOGICAL ASSETS

<i>In thousands of New Zealand dollars</i>	30 June 2024	30 June 2023
Bees	4,206	3,854
Olive leaf	600	583
Total biological assets	4,806	4,437

Bees <i>In thousands of New Zealand dollars</i>	30 June 2024	30 June 2023
Balance at beginning of the year	3,854	3,315
Fair value increase	697	304
Net movement in operational hives	(345)	235
Balance at the end of the year	4,206	3,854

Number of operational hives	30 June 2024	30 June 2023
Balance at beginning of the year	18,865	17,553
Net movement in operational hives	(1,647)	1,312
Balance at the end of the year	17,218	18,865
Value per hive	\$210	\$178

Biological assets comprise bees and olive leaf, and are measured at fair value less costs to sell. Fair value of biological assets is determined annually and is recognised in the income statement.

The fair value of bees is determined by reviewing the operational hives in use as well as ensuring the value per hive is in line with guidance provided by the Ministry of Primary Industries (a level 2 valuation). The fair value of olive leaf is determined using input costs (a level 3 valuation). The Group is exposed to some risks related to owning bees and olive leaf, primarily the risk of damage from climatic changes and diseases. The Group has processes in place aimed at monitoring and mitigating those risks.

Olive leaf is transferred from biological asset to inventory at fair value at the date of harvest.

24. INVESTMENTS

<i>In thousands of New Zealand dollars</i>	30 June 2024	30 June 2023
Equity accounted investees	-	10,226
Investment in unlisted shares	-	8
Total investments	-	10,234

A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangements, rather than the rights to its assets and obligations for its liabilities. Associates are those entities in which the Group has significant influence, but it does not have control or joint control over the financial and operating policies. Associates and joint ventures are accounted for using the equity method (equity accounted investments). The income statement includes the Group's share of the income and expenses of equity accounted investments.

An assessment of the carrying value of equity accounted investments is performed at least annually and considers objective evidence for impairment on each investment. Objective evidence includes observable data on the investment, the status or context of markets, management's own view of fair value, and long-term investment intentions. The assessment also requires judgements about the expected future performance and cash flows of the investment.

Investments in equity accounted investees comprises:

	Country of Incorporation	Ownership Interest Held	Balance Date	Principal Activity
Apiter S.A "Apiter"	Uruguay	32%	31 July	Manufacturing, selling and distribution
Makino Station Limited "Makino"	New Zealand	-	30 June	Shareholding ceased 20 June 2024
Caravan Honey Company "Caravan Honey"	U.S.A	50%	31 December	Development and commercialisation of products
Medibee Pty Limited "Medibee"	Australia	50%	30 June	Apiary

a) Apiter

In January 2023, Comvita agreed to supply additional funding to Apiter in exchange for an increase in ownership from 20% holding to 32% holding. The additional funding was completed in two phases: an initial loan of USD 545,000 in January 2023 and an additional USD 1,445,000 when the share issuance procedures were completed in Uruguay, at which point the initial loan converted to equity. On 19 October 2023, the share issuance procedures and additional funding phase was completed.

An impairment of \$7,918,000 has been recognised related to the Apiter investment, reducing the carrying value to nil at 30 June 2024. In addition, an impairment expense of \$1,259,000 has been recognised against the loan to Apiter, reducing the carrying value to nil. This investment has been impacted by South America geopolitical unrest and persistent high inflation which has impacted Government spending and Apiter revenue growth strategies.

b) Makino

On 20 June 2024, Comvita sold its share in the Makino joint venture to the other shareholder of Makino (the purchaser). As part of the transaction the loan to Makino was assigned to the Purchaser. A gain on disposal of \$1,377,000 was recognised in other income (note 3).

c) Caravan Honey

An impairment of \$4,251,000 has been recognised related to the Caravan Honey investment, reducing the carrying value to nil at 30 June 2024. This investment is still in the development stage and will require further investment to launch commercially. Due to uncertainty of securing future funding, this investment has been impaired.

24. INVESTMENTS (continued)**d) Medibee**

Medibee Apiaries has a funding arrangement with HSBC and Comvita has signed a several guarantee for its share of the loan facility, which is AUD 4,700,000 at balance date.

During the year, Comvita agreed to loan Medibee an additional \$272,000 which was immediately impaired to nil. The guarantee has been valued at 30 June 2024 using the expected credit loss method and an impairment expense and a corresponding liability has been recognised of \$4,158,000.

Carrying value of investment in equity accounted investees

<i>In thousands of New Zealand dollars</i>	30 June 2024	30 June 2023
Balance at 1 July	10,226	10,957
Additional investment (Aptiter)	3,420	-
Disposal (Makino)	(555)	-
Share of loss	(904)	(844)
Foreign exchange movements	(18)	113
Impairment	(12,169)	-
Balance at 30 June	-	10,226

Loans to equity accounted investees

<i>In thousands of New Zealand dollars</i>	Loan and interest receivable	Interest accrued	Interest rate
2024			
Aptiter	-	-	3.50%
2023			
Makino	3,939	161	5.34%
Aptiter	2,119	53	3.50%
	6,058	214	

All loans to equity accounted investees are repayable at the discretion of shareholders.

Transactions with equity accounted investees

<i>In thousands of New Zealand dollars</i>	Sale of goods and services		Purchases of goods and services	
	Transaction value	Balance due from	Transaction value	Balance owing to
2024				
Makino	45	-	854	71
Aptiter	-	32	-	-
2023				
Makino	13	-	1,457	42
Aptiter	-	32	-	-

25. BUSINESS COMBINATION

Acquisition of the assets of Swift Health Food (Singapore) Pte Ltd

Acquired entity

On 5 July 2023, Comvita Singapore Pte Ltd, (a subsidiary of Comvita Limited), acquired the assets of Swift Health Food (Singapore) Pte Ltd ("the Acquired Business"), a specialised honey retail business located in Singapore, trading as HoneyWorld. The acquisition is accounted for as a business combination under IFRS 3, Business Combinations in the year ended 30 June 2024.

Purchase consideration

The acquisition was made in exchange for the following consideration:

<i>In thousands of New Zealand dollars</i>	
Initial cash payment	7,294
Deferred amounts payable	3,011
Fair value of contingent consideration	1,868
	12,173

Fair value of identifiable assets and liabilities

The fair values of the identifiable assets acquired and liabilities assumed have been finalised based on independent valuation and other relevant information available:

<i>In thousands of New Zealand dollars</i>	
Inventory	2,530
Intangible asset – trademarks and tradenames	4,167
Intangible asset – restraint of trade	168
Property, plant and equipment	34
Deferred tax asset	708
Employee liabilities	(53)
Customer loyalty scheme	(53)
Add: goodwill (note 21)	4,672
Net assets acquired	12,173

Goodwill

Goodwill represents the excess of the consideration transferred over the fair value of the net identifiable assets acquired. The goodwill is attributable to the workforce, supplier relationships and the profitability of the acquired business. The goodwill acquired is not deductible for tax purposes.

Contingent consideration (significant estimate)

NZD 1,868,000 of contingent consideration was based on the achievement of specific performance targets and was payable in 2024 and 2025, split evenly over two years.

The fair value of the contingent consideration was estimated by calculating the present value of the future expected cash flows. The estimates are based on a probability adjusted discount rate of 19.3%.

As at 30 June 2024 the contingent consideration payable at 30 June 2024 has been derecognised, as the criteria was not met. A gain of NZD 1,020,000 was included in other income (note 3). The contingent consideration payable as at 30 June 2025 has been revalued at 30 June 2024 and the difference in fair value of NZD 164,000 has been recognized as a change of fair value of contingent consideration in other expenses (note 5).

Revenue and profit contribution

The Acquired Business contributed revenues of NZD 12,818,000 and a loss of NZD 77,000 to the Group for the period from 5 July 2023 to 30 June 2024.

FINANCIAL RISKS

The Group is exposed to market, liquidity, and credit risks. The Group's financial risk management system mitigates exposure to these risks by ensuring that material risks are identified, the financial impact is understood, and tools and limits are in place to manage exposures. Written policies provide the framework for the Group's financial risk management system.

26. MARKET RISK

Foreign exchange risk

The Group is exposed to movements in foreign exchange rates through its receipts and payments that are denominated in a currency other than the New Zealand Dollar. The currencies in which transactions are primarily denominated are Chinese Yuan, United States Dollars, Australian Dollars, Hong Kong Dollars, Japanese Yen, Euros, and British Pounds.

The Group manages this risk using a mix of forward foreign exchange contracts, collars and options to fix future cash flow receipts in New Zealand dollars. At any point in time the Group hedges between 40% to 100% of its estimated net foreign currency receipts expected to be received over the following 12 months, and between 0% to 50% in respect of 12-to-24-month net foreign currency receipts.

As at reporting date the Group had the following foreign exchange contracts outstanding:

<i>In thousands of New Zealand dollars</i>	30 June 2024	30 June 2023
Forward exchange contracts - asset/(liability)	866	(837)

The Group's exposure to foreign currency risk at the reporting date was as follows:

In thousands of New Zealand dollars

30 June 2024	RMB	AUD	GBP	HKD	USD	Other
Trade receivables	14,507	3,437	269	450	5,140	4,673
Trade and other payables	(2,849)	(1,704)	(325)	(1,470)	(1,815)	(5,340)
Gross statement of financial position exposure	11,658	1,733	(56)	(1,020)	3,325	(667)
Forward exchange contracts - nominal amount	22,857	7,988	519	7,459	29,238	881

30 June 2023

	RMB	AUD	GBP	HKD	USD	Other
Trade receivables	13,253	5,088	251	565	746	3,167
Trade and other payables	(3,739)	(1,807)	(851)	(1,210)	(2,607)	(466)
Gross statement of financial position exposure	9,514	3,281	(600)	(645)	(1,861)	2,701
Forward exchange contracts - nominal amount	24,738	8,877	1,277	12,244	51,432	2,091

Interest rate risk

The Group has fixed and floating rate debt and is exposed to movements in interest rates. For fixed rate debt the exposure is to falling interest rates as the Group could have secured that debt at lower rates, while for floating rate debt there is uncertainty of future cash interest payments.

26. MARKET RISK (continued)

The Group manages these risks using interest rate swaps to ensure that the total debt portfolio has an appropriate amount of fixed and floating rate exposure. The risk is monitored by assessing the notional amount of debt on a fixed and floating basis and ensuring this is in accordance with set policies.

As at the reporting date, the Group had the following interest rate swap contracts outstanding:

<i>In thousands of New Zealand dollars</i>	30 June 2024	30 June 2023
Interest rate swaps asset/(liability)	-	48

Sensitivity analysis

In managing interest rate risks the Group aims to reduce the impact of short-term fluctuations on the Group's earnings. Over the longer-term, however, permanent changes in interest rates will have an impact on profit. At 30 June 2024 it is estimated that a general increase of one percentage point in interest rates would decrease the Group's profit before income tax by approximately \$963,000 (30 June 2023: \$778,000).

27. LIQUIDITY RISK

Liquidity risk is the risk of having insufficient liquid assets to pay the Group's debts as they fall due. The Group manages the risk by monitoring forecast cash flows and holding sufficient undrawn bank facilities to meet the Group's needs.

The contractual maturity of the Group's funding is as follows:

<i>In thousands of New Zealand dollars</i>	Contractual cash flows	less than 1 year	1-2 years	2-5 years
30 June 2024				
Borrowings	(99,885)	(6,605)	(68,988)	(24,292)
Trade and other payables	(36,118)	(36,118)	-	-
Derivatives - inflow	70,594	51,394	19,200	-
Derivatives - outflow	(69,727)	(50,906)	(18,821)	-
Total	(135,136)	(42,235)	(68,609)	(24,292)
30 June 2023				
Borrowings	(78,761)	(4,959)	(20,081)	(53,721)
Trade and other payables	(34,607)	(34,607)	-	-
Derivatives - inflow	100,865	53,543	39,480	7,842
Derivatives - outflow	(101,659)	(54,863)	(39,175)	(7,621)
Total	(114,162)	(40,886)	(19,776)	(53,500)

28. CREDIT RISK

The Group's exposure to credit risk is mainly influenced by its trade debtors and banking counterparties in the normal course of business. To minimise credit risk exposure, the Group reviews each new customer for credit worthiness and investments and derivatives are only entered into with reputable institutions. At balance date, the Group's bank accounts were held with banks with acceptable credit ratings determined by recognised credit agencies. The Group's policy is to provide financial guarantees only to subsidiaries and equity accounted investees.

The majority of revenue is generated from retailers and consumers and there is some geographical concentration of credit risk in China. In order to determine which customers are classified as having payment difficulties, the Group applies a mix of duration and frequency of default. Aging trade receivables are reviewed monthly by management.

The carrying amount of financial assets represents the maximum credit exposure.

The maximum exposure to credit risk for trade receivables at the reporting date by geographic region was:

<i>In thousands of New Zealand dollars</i>	30 June 2024	30 June 2023
Australia	4,457	6,015
China	15,315	13,366
New Zealand	7,508	15,298
United States	2,592	636
EMEA	357	438
Hong Kong	554	668
South East Asia	2,626	-
Other regions	1,621	2,952
Total	35,030	39,373

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method and adjusted for credit impairment losses.

The Group assesses on a forward-looking basis the expected credit losses associated with its trade receivables. The Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. In assessing credit losses on trade receivables the Group considers both quantitative and qualitative inputs. Quantitative data includes past collection rates, industry statistics, ageing of receivables, and trading outlook. Qualitative inputs include past trading history with the Group.

29. FINANCIAL INSTRUMENTS

The Group classifies its financial assets and liabilities into two categories:

- those to be measured at amortised cost
- those to be measured a fair value (either through profit and loss (FVPL) or through comprehensive income (FVOCI)

Non-derivative financial assets and liabilities

Non-derivative financial instruments comprise investments in equity securities, trade and other receivables, cash and cash equivalents, loans and borrowings, and trade and other payables.

Non-derivative financial instruments are recognised initially at fair value plus, for instruments not at FVPL, any directly attributable transaction costs. A financial instrument is recognised if the Group becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the Group's contractual rights to the cash flows from the financial assets expire or if the Group transfers the financial asset to another party without retaining control or substantially all risks and rewards of the asset.

Non-derivative financial assets and liabilities are measured initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost and subject to regular review for impairment.

Derivative financial assets and liabilities

The Group uses derivative financial instruments to hedge its exposure to foreign exchange and interest rate risks arising from operational, financing and investment activities. In accordance with its treasury policy, the Group does not hold or issue derivative financial instruments for trading purposes.

Derivative financial instruments are recognised initially at fair value and transaction costs are expensed immediately. Subsequent to initial recognition, derivative financial instruments are stated at fair value in the balance sheet. The gain or loss on remeasurement to fair value is recognised immediately in the income statement.

Changes in the fair value of the derivative hedging instrument designated as a cash flow hedge are recognised in other comprehensive income and presented in equity in the hedging reserve to the extent that the hedge is effective.

The derivative financial instruments have been valued using a discounted cash flow valuation methodology. All financial instruments held by the Group and measured at fair value are classified as level 2 under the fair value measurement hierarchy.

OTHER DISCLOSURES

30. SHARE SCHEMES

Leader Share Purchase & Loan Scheme

In 2021 Comvita Limited established a Leader Share Purchase & Loan Scheme ("LSPLS") to retain key employees and materially align the interests of participants with those of shareholders, by making loans available to eligible employees for the acquisition of fully paid ordinary shares in Comvita.

	30 June 2024	30 June 2023
Employees in the LSPLS	7	8
Number of shares held	696,077	738,012
% of share capital	0.99%	1.05%

Performance Share Rights Scheme

Comvita Limited has a Performance Share Rights (PSR's) Scheme to incentivise Executives. Upon vesting of the PSR's, shares will be transferred from treasury stock or new shares will be issued in the capital of the Company on the terms and conditions described in the Comvita Limited Performance Share Rights Scheme. Share based payment expenses are recognised over the vesting period of these PSR's.

<i>In thousands</i>	30 June 2024 Number of entitlements	30 June 2023 Number of entitlements
Entitlements on issue		
Entitlements outstanding at beginning of year - July	872	458
Entitlements granted	372	607
Entitlements cancelled	(76)	-
Shares vested	(323)	(193)
Entitlements outstanding at end of year	845	872

Employee Share Scheme

In 2022 the Company established a new Employee Share Scheme called the Comvita Exempt Employee Share Scheme ("CEES Scheme"). The CEES Scheme is designed to allow employees to share in the future of the Company. The key points of the CEES Scheme are:

- Comvita offered a certain number of ordinary shares to eligible employees.
- When the offer was accepted Comvita issued the shares to the CEES Scheme Trustee (Comvita Share Scheme Trustee Limited, which is a subsidiary Company) who will hold the shares on the employee's behalf.
- The release of shares to the employee is subject to remaining employed with the Company for three consecutive years subsequent to accepting the offer.
- The Company may from time to time invite eligible employees to participate in the CEES Scheme.
- All dividends or other distributions made in respect of each employee's shares held on trust by the Trustee shall be paid to the employee.

There are 150 employees in the CEES Scheme and the number of shares held is 56,385.

Share-based payment transactions

A valuation of each employee scheme is performed at grant date either using the Monte Carlo model or the share price at grant date, less the present value of estimated dividend payments during the period. A share based payment is recognised over the vesting period of the PSR as an employee expense, with a corresponding increase in equity. The amount recognised as an expense is adjusted to reflect the actual number of share entitlements that vest.

31. RELATED PARTIES**Transactions with Leadership Team and Directors**

Leadership Team and Director compensation comprised:

<i>In thousands of New Zealand dollars</i>		30 June 2024	30 June 2023
Director fees		605	605
Short term employee benefits		3,756	5,424
KiwiSaver employer contribution		165	186
Share based payments		1,039	972
Total		5,565	7,187

Leadership Team loans:

<i>In thousands of New Zealand dollars</i>	Note	30 June 2024	30 June 2023
Loan to CEO - non-current		450	450
Loans to Leadership Team – Leader Share Purchase & Loan scheme	30	2,279	2,367
Total		2,729	2,817

At 30 June 2024 Directors and other Leadership Team personnel of the Company control 2.4% (2023: 2.6%) of the voting shares of the Company.

32. GROUP ENTITIES

The Group comprises of the Company and the following entities:

Subsidiaries	Country of Incorporation	Ownership Interest Held
Comvita New Zealand Limited	New Zealand	100%
Bee & Herbal New Zealand Limited	New Zealand	100%
Comvita Landowner Share Scheme Trustee Limited	New Zealand	100%
Comvita Share Scheme Trustee Limited	New Zealand	Management control
Comvita USA, Inc	USA	100%
Comvita Japan K.K	Japan	100%
Comvita Korea Co Limited	Korea	100%
Comvita Food (China) Limited	China	100%
Comvita Food (Hainan) Co. Ltd	China	100%
Comvita China Limited	Hong Kong	100%
Comvita Holdings HK Limited	Hong Kong	100%
Comvita HK Limited	Hong Kong	100%
Comvita Malaysia Sdn Bhd	Malaysia	100%
Comvita Singapore Pte Limited	Singapore	100%
Comvita Holdings Pty Limited	Australia	100%
Comvita Australia Pty Limited	Australia	100%
Olive Products Australia Pty Limited	Australia	100%
Comvita IP Pty Limited	Australia	100%
Medihoney Pty Limited	Australia	100%
Medihoney (Europe) Limited	United Kingdom	100%
Comvita Holdings UK Limited	United Kingdom	100%
Comvita UK Limited	United Kingdom	100%
New Zealand Natural Foods Limited	United Kingdom	100%
Comvita Europe BV	Netherlands	100%

All Group subsidiaries have a 30 June balance date, except for Comvita Food (China) Limited and Comvita Food (Hainan) Co. Ltd, which have a 31 December balance date due to local requirements.

33. COMMITMENTS

At year end the Group was committed to \$3.4 million of capital expenditure related to the ongoing development of Mānuka forests which will be paid over the next four years (2023: \$2.6 million over the next year).

\$2.5 million of Mānuka Forest commitments are also disclosed in note 20 as lease commitments.



AUDIT REPORT

Independent Auditor's Report

To the shareholders of Comvita Limited (**Group**)

Report on the audit of the consolidated financial statements

Opinion

In our opinion, the accompanying consolidated financial statements of Comvita Limited (the **Company**) and its subsidiaries (together the **Group**) on pages 4 to 41 present fairly in all material respects:

- the Group's financial position as at 30 June 2024 and its financial performance and cash flows for the year ended on that date in accordance with New Zealand Equivalents to International Financial Reporting Standards (NZ IFRS) issued by the New Zealand Accounting Standards Board and the International Financial Reporting Standards issued by the International Accounting Standards Board.

We have audited the accompanying consolidated financial statements which comprise:

- the consolidated statement of financial position as at 30 June 2024;
- the consolidated income statement, statements of comprehensive income, changes in equity and cash flows for the year then ended; and
- notes, including material accounting policy information and other explanatory information

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (**ISAs (NZ)**). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of Comvita Limited 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 the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (**IESBA Code**), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Our responsibilities under ISAs (NZ) are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

Our firm has provided other services to the Group in relation to limited assurance services over Greenhouse Gas scope 1, 2 & 3 emissions reporting and taxation. Subject to certain restrictions, partners and employees of our firm may also deal with the Group on normal terms within the ordinary course of trading activities of the business of the Group. These matters have not impaired our independence as auditor of the Group. The firm has no other relationship with, or interest in, the Group.



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 in the current period. We summarise below those matters and our key audit procedures to address those matters in order that the shareholders as a body may better understand the process by which we arrived at our audit opinion.

Our procedures were undertaken in the context of and solely for the purpose of our audit opinion on the consolidated financial statements as a whole and we do not express discrete opinions on separate elements of the consolidated financial statements.

The key audit matter	How the matter was addressed in our audit
-----------------------------	--

Impairment of Non-Current Assets

Refer to Note 21 and 22 of the consolidated financial statements.

Prior to any recognised impairment, the Group had \$32.2m of goodwill relating to four cash generating units (CGU's):

- Greater China;
- South East Asia;
- Apiary; and
- Other.

The Group utilises value in use models to determine the recoverable amount of each CGU, which are then compared to the CGU's net assets. In relation to these models, particular attention was required of:

- Projected earnings before interest and tax (EBIT);
- Post tax-discount rates; and
- Terminal growth rates.

The process of performing an impairment assessment is inherently judgemental as it involves the use of unobservable, forward-looking assumptions and data.

Our audit procedures included the following, amongst others:

- We assessed the Group's determination of CGU's based on our understanding of the nature of the Group, their operations and the internal reporting of the business;
- We obtained the independent valuers valuation report of the CGU's and overall Group. The primary valuation(s) methodology adopted to estimate the Value in Use (VIU) was the discounted cash flow approach.
- We assessed the valuation and VIU models for each CGU and the overall Group considering the methodology adopted in the discounted cash flow valuation models against the requirements of the applicable financial reporting standards;
- We considered the reasonableness of assumptions in individual and Group VIU models based on the Group 5 year forecasts to ensure appropriate and consistent cash flows reported. We analysed the future cash flow forecasts used and determined whether they are reasonable based on the implementation of the strategic plan and historical achievements;
- We utilised our corporate finance specialists to challenge key judgements, which included the post tax-discount rates and terminal growth rates applied;
- We reviewed the sensitivity analysis on key cash flow forecast assumptions to understand the impact of reasonable possible changes in key assumptions in various scenarios;
- We obtained management's resulting impairment adjustments and performed testing to compare the calculated recoverable values per the models to the associated carrying amounts, and assessed whether the resulting impairment expense were recognised appropriately;
- We evaluated the recoverable amount of the remaining assets in the Group; and
- We considered and reviewed appropriateness, sufficiency and clarity of required disclosures included in the Group financial statements.



The key audit matter

How the matter was addressed in our audit

In addition to the above, the carrying amount of the Group's net assets as at 30 June 2024, prior to any impairment, significantly exceeded its market capitalisation of \$76.5m and is considered an indicator of impairment.

We did not identify any factors that were materially inconsistent with management's overall conclusions.

Other information

The directors, on behalf of the Group, are responsible for the other information. The other information comprises the Directors Declaration, Statutory Information and Directory (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 any other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements our responsibility is to read the other information 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 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 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 directors.

Use of this independent auditor's report

This independent auditor's report is made solely to the shareholders. Our audit work has been undertaken so that we might state to the shareholders those matters we are required to state to them in the independent auditor's report and for no other purpose. To the fullest extent permitted by law, none of KPMG, any entities directly or indirectly controlled by KPMG, or any of their respective members or employees, accept or assume any responsibility and deny all liability to anyone other than the shareholders for our audit work, this independent auditor's report, or any of the opinions we have formed.



Responsibilities of directors for the consolidated financial statements

The directors, on behalf of the Group, are responsible for:

- the preparation and fair presentation of the consolidated financial statements in accordance with NZ IFRS issued by the New Zealand Accounting Standards Board and the International Financial Reporting Standards issued by the International Accounting Standards Board;
- implementing the necessary internal control to enable the preparation of a consolidated set of financial statements that is free from material misstatement, whether due to fraud or error;
- assessing the ability of the Group to continue as a going concern. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate 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 objective is:

- to obtain reasonable assurance about whether the financial statements as a whole free from material misstatement, whether due to fraud or error; and
- to issue an independent auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but it 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. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

A further description of our responsibilities for the audit of the consolidated financial statements is located at the External Reporting Board (XRB) website at:

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

This description forms part of our independent auditor's report.

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

For and on behalf of:

KPMG

Tauranga

28 August 2024

STATUTORY INFORMATION

GENERAL DISCLOSURES**Principal activity**

The principal activity of the Group is apiary and forest ownership and management; and research, manufacturing and distributing of Mānuka honey, bee products and olive leaf products.

Donations

During the year the Group made cash donations of \$250,000 (2023: \$282,000). The Company also made donations of products to charitable organisations.

DIRECTOR DISCLOSURES**Directors' remuneration for the year ended 30 June 2024**

In thousands of New Zealand dollars

	Base Fee	Committee Fee	Total
B Hewlett	130	-	130
L Bunt (resigned effective 30 September 2023)	16	8	24
R Major	65	33	98
Z Guangping	65	-	65
Y Wu	65	-	65
B Coates	65	10	75
J Hoare	65	27	92
M Sang (appointed effective 5 October 2023)	49	7	56
D Banfield	-	-	-
Total	520	86	605

The maximum total pool of annual Directors' remuneration is \$610,000, as approved by Shareholders in 2016.

DIRECTOR DISCLOSURES (continued)**Interests register**

Directors have disclosed the following general disclosures of interests: :

R MAJOR

Chair – Gibb Holdings (Nelson) Ltd
 Chair – High Value Nutrition National Science Challenge
 Chair – Go Global Avocado Primary Growth Partnership**
 Chair – Armer Group Advisory Board
 Deputy Chair – Hautupua General Partner Ltd**
 Deputy Chair – Miro Trading General Partner Ltd**
 Chair – SFFF Programme Miro
 – Transforming Māori land to high-value horticulture*
 Managing Director and Shareholder – Sinotearoa Ltd
 Director – BioVittoria Ltd
 Director – BioVittoria Investments Ltd
 Director – Dairy Holdings Limited
 Member – Oriens Capital Investment Committee

L BUNT (ceased to be a director 30 September 2023)

Chairman – Heat Treatments Limited

B COATES

Chair – Toitu Tahua: Centre for Sustainable Finance
 Chair – Fonterra – Sustainability Chairman
 – Advisory Panel**
 Chair – Koi Tu: Centre for Informed Futures /
 University of Auckland
 Director – Yealands Wine Group Ltd
 Director – Northern Rescue Helicopter Trust
 Director – American Chamber of Commerce
 Director and Trustee – Mindful Money (Charity)
 Director – MyFarm Kiwifruit Investment Fund*

J HOARE

Director – Meridian Energy Limited
 Chair – Port of Tauranga Limited
 Director – Auckland International Airport Limited

B HEWLETT

Director – Quayside Holdings Limited**
 Director – Quayside Properties Limited**
 Director – Quayside Securities Limited**

Y WU***

Director – Genesis Care Pty Limited**
 Director – Oatly Group AB
 Director – Blossom Key Holdings Ltd
 Director – China Resources Verinvest
 Senior Care Services Ltd
 Director – Nativus Company Ltd
 Director – Shanghai Red Sun Enterprise
 Management Co., Ltd
 Director – Chongqing Hezhan Eldercare
 Industry Development Co., Ltd
 Director – Chengdu Buen Chunqiu
 Senior Care Services Limited

M SANG

Director – Orion New Zealand Limited*
 Director – Government Super Fund Authority*
 Director & Deputy Chair – Building Research Association NZ*

*Entries added and effective during the year ended 30 June 2024

**Entries removed by directors during the year ended 30 June 2024

***Mr Zhu Guangping and Ms Yawen Wu are associated with substantial product holders. Zhu Guangping is associated with Li Wang, the largest shareholder in the Company with a shareholding greater than 5%. Yawen Wu is associated with China Resources which also has a shareholding greater than 5%.

DIRECTOR DISCLOSURES (continued)**Directors of Group Companies other than shown above**

as at 30 June 2024

Companies	Directors		
Bee & Herbal New Zealand Limited	D Banfield *		
Comvita Australia Pty Limited	D Banfield*	M Tobin	
Comvita China Limited	D Banfield*	G Zhu	A Chen*
Comvita Europe B.V	D Banfield*	R Bosland*	
Comvita Food (China) Limited	D Banfield*	A Chen*	G Zhu
Comvita Food (Hainan) Co. Limited	D Banfield*	A Chen*	
Comvita HK Limited	D Banfield*	A Chen*	
Comvita Holdings HK Limited	D Banfield*	A Chen*	
Comvita Holdings Pty Limited	D Banfield*	M Tobin	
Comvita Holdings UK Limited	D Banfield*		
Comvita IP Pty Limited	D Banfield*	M Tobin	
Comvita Japan K. K **	D Banfield*	M Harada **	
Comvita Korea Co Limited	D Banfield*	J Park*	
Comvita Landowner Share Scheme Trustee Limited	D Banfield*		
Comvita Malaysia Sdn Bhd ***	D Banfield*	A Chen*	
Comvita New Zealand Limited	D Banfield*	A Barr*	
Comvita Share Scheme Trustee Limited ****	D Banfield*	H Brown*	
Comvita Singapore Pte Limited ***	D Banfield*	Angela Ng	A Chen***
Comvita UK Limited	D Banfield*		
Comvita USA, Inc	D Banfield*	A Barr*	
Medihoney (Europe) Ltd	D Banfield*		
Medihoney Pty Ltd	D Banfield*	M Tobin	
New Zealand Natural Foods Limited	D Banfield*		
Olive Products Australia Pty Limited **	D Banfield*	M Tobin	

* denotes an executive of a Group Company

** R Shida ceased to be a Director on 2 November 2023 and Matthew Harada appointed on 2 November 2023

*** Andy Chen appointed on 25 October 2023

DIRECTOR DISCLOSURES (continued)**Share Dealings of Directors**

Director	Relevant Interest	Number of Shares Disposed	Value of Shares Disposed	Number of Shares Acquired	Value of Shares Acquired
B Hewlett	Beneficially owned	120,000	\$379,200	9,090	\$9,999
R Major	Beneficially owned	-	-	17,700	\$19,470
M Sang	Beneficially owned	-	-	20,000	\$22,000
D Banfield	Beneficially owned	-	-	18,285	\$19,748
D Banfield	Beneficially owned	-	-	74,130	-*

*D Banfield received four allotments of shares during the year at nil value as part of the Performance Share Rights Scheme.

Directors Shareholding

Directors, or entities associated with Directors, held the following ordinary shares in Comvita Limited at 30 June 2024:

Director	Relevant Interest	30 June 2024	30 June 2023
R Major	Beneficially owned	53,510	35,810
B Hewlett	Beneficially owned	290,016	400,926
B Coates	Beneficially owned	20,000	20,000
J Hoare	Beneficially owned	6,000	6,000
M Sang	Beneficially owned	20,000	-
D Banfield*	Beneficially owned	638,493	546,078
Total		1,028,019	1,048,814

* D. Banfield also had 383,435 of outstanding Performance Share Rights at 30 June 2024.

Directors Indemnity and Insurance

The Company has insured all its Directors and the Directors of its wholly owned subsidiaries against liabilities to other parties (except the Company or a related party of the Company) that may arise from their positions as Directors. The insurance does not cover liabilities arising from criminal actions. Deeds of Indemnity and Insurance have been given to Directors for potential liabilities and costs they might incur for actions or omissions in their capacity as Directors. The Company has not been required to indemnify its Directors for any liabilities during the year. Insurance have been given to Directors for potential liabilities and costs they might incur for actions or omissions in their capacity as Directors. The Company has not been required to indemnify its Directors for any liabilities during the year.

EMPLOYEE REMUNERATION DISCLOSURES**Employees' remuneration**

During the 12-month period to 30 June 2024 the following numbers of employees received remuneration of at least \$100,000.

	Number of employees
\$100,000 to \$110,000	12
\$110,000 to \$120,000	14
\$120,000 to \$130,000	11
\$130,000 to \$140,000	5
\$140,000 to \$150,000	7
\$150,000 to \$160,000	9
\$160,000 to \$170,000	7
\$170,000 to \$180,000	5
\$190,000 to \$200,000	3
\$200,000 to \$210,000	1
\$210,000 to \$220,000	3
\$220,000 to \$230,000	2
\$240,000 to \$250,000	4
\$250,000 to \$260,000	2
\$270,000 to \$280,000	1
\$280,000 to \$290,000	1
\$290,000 to \$300,000	1
\$310,000 to \$320,000	1
\$320,000 to \$330,000	2
\$330,000 to \$340,000	1
\$350,000 to \$360,000	1
\$360,000 to \$370,000	1
\$370,000 to \$380,000	1
\$390,000 to \$400,000	1
\$440,000 to \$450,000	1
\$490,000 to \$500,000	1
\$570,000 to \$580,000	1
\$760,000 to \$770,000	1

Note: these bands are New Zealand dollar equivalents and reflect the impact of fluctuations in the foreign exchange rates for remuneration of overseas based employees. The figures include bonus provisions made during the year which may have not been paid at period end. It does not include any remuneration or benefit relating to share schemes.

SHAREHOLDER DISCLOSURES

Analysis of shareholder by size as at 30 June 2024

Category	No of shareholders	Shares held	Percentage of shareholders	Percentage of shares
Up to 1,000 shares	1,015	512,334	36.68%	0.73%
1,001 – 5,000 shares	1,086	2,782,932	39.25%	3.96%
5,001 – 10,000 shares	309	2,278,861	11.17%	3.25%
10,001 – 100,000 shares	313	8,365,044	11.31%	11.91%
100,001 shares or more	44	56,286,251	1.59%	80.15%
Total	2,767*	70,225,422	100%	100%

*This number does not include a number of shareholders within Custodial and Nominee companies

Top 20 shareholders as at 30 June 2024

Shareholder	Shares held	Percentage of shares
Li Wang	8,552,736	12.18%
HSBC Nominees (New Zealand) Limited	5,640,751	8.03%
China Resources Enterprise Limited	4,582,000	6.52%
Custodial Services Limited	4,272,007	6.08%
Kauri NZ Investments Limited	3,558,077	5.07%
Accident Compensation Corporation	3,484,397	4.96%
Alan John Bougen & Lynda Ann Bougen & Graeme William Elvin	2,314,893	3.30%
Bnp Paribas Nominees NZ Limited	2,018,381	2.89%
Forsyth Barr Custodians Limited	1,975,297	2.81%
Junxian Li	1,881,110	2.68%
New Zealand Superannuation Fund Nominees Limited	1,832,761	2.61%
Li Sun	1,410,000	2.01%
New Zealand Permanent Trustees Limited	1,296,817	1.85%
Rjt Investments Limited	1,139,553	1.62%
Maori Investments Limited	1,000,000	1.42%
New Zealand Depository Nominee	920,99	1.31%
Citibank Nominees (Nz) Ltd	847,621	1.21%
Masfen Securities Limited	734,010	1.05%
NZ Permanent Trustees Ltd Grp Investment Fund No 20	565,742	0.81%
Forsyth Barr Custodians Limited	546,983	0.78%
Other	21,303,424	30.34%
Total ordinary shares	70,225,422	100.00%

SHAREHOLDER DISCLOSURES (continued)**Substantial security holders as at 30 June 2024**

Shareholder	Shares held	Percentage of shares
Li Wang	8,552,736	12.18%
China Resources Enterprise Limited	4,582,000	6.52%
Milford Asset Management Limited*	3,888,602	5.54%
Kauri NZ Investments Limited	3,558,077	5.07%

*This holding sits within HSBC Nominees (New Zealand) Limited. Milford Asset Management Limited ceased being a substantial security holder on 29 July 2024.

MORE DETAILS

Directors

COMVITA BOARD OF DIRECTORS

—

Brett Hewlett
Bridget Coates
David Banfield
Guangping Zhu
Julia Hoare
Michael Sang
Robert Major
Yawen Wu

Banker

WESTPAC NEW ZEALAND

—

Level 8
16 Takutai Square
PO Box 934
Auckland 1140

ANZ BANK NEW ZEALAND

—

ANZ Centre, 23-29 Albert Street
Auckland 1010

Registered Office

COMVITA LIMITED

—

23 Wilson Road South,
Paengaroa
Private Bag 1, Te Puke 3153
Bay of Plenty, New Zealand

Phone +64 7 533 1426
Fax +64 7 533 1118
Freephone 0800 504 959
Email investor.relations@comvita.com
www.comvita.com

Auditors

KPMG TAURANGA

—

Level 2
247 Cameron Road
PO Box 110
Tauranga 3140

Solicitor

SIMPSON GRIERSON

—

27/88 Shortland St
Auckland CBD
Auckland 1010

Share Registry

LINK MARKET SERVICES LIMITED

—

Level 30
PwC Tower
15 Customs Street West
Auckland 1010



OUR OFFICES


**Aotearoa
New Zealand**
**COMVITA NEW ZEALAND
LIMITED**

—
23 Wilson Road South
Paengaroa
Private Bag 1, Te Puke 3153
Bay of Plenty,
Aotearoa New Zealand
Phone +64 7 533 1426
Freephone 0800 504 959
info@comvita.com


Malaysia
**COMVITA MALAYSIA SDN.
BHD.**

—
Business Suite 19A-24-3
Level 24 UOA Centre,
19 Jalan Pinang,
Kuala Lumpur
Phone: +60 166558966
hello.my@comvitasea.com


Korea
COMVITA KOREA CO. LIMITED

—
18F Gwanghwamun Building
149 Sejong-daero, Jongno-gu
Seoul (03186), Korea
Phone +82 2 2631 0041
service.korea@comvita.com


Japan
COMVITA JAPAN K.K.

—
3-27-15-2A Jingumae
Shibuya-ku, Tokyo 150-0001
Phone 03-6805-4780
info@comvita-jpn.com


China
**COMVITA FOOD (CHINA)
LIMITED**

—
Room 2501 - 2502, Block A
Xinhao E Du, No 7018
Caitian Road, Futian District
Shenzhen 518120
Guangdong, China
Phone +86 755 8366 1958
comvita@comvita.com.cn

**COMVITA FOOD (HAINAN)
CO. LIMITED**

—
Room 405-28, 4th Floor,
Comprehensive
Business Building
Haikou Airport
Comprehensive Bonded Zone,
Haikou City, Hainan Province
comvita@comvita.com.cn


Hong Kong SAR
COMVITA HK LIMITED

—
Room 804A-805A
Empire Centre
68 Mody Road ETST
Hong Kong SAR
Phone +852 2562 2335
cs@comvita.com.hk


Singapore
**COMVITA SINGAPORE
PTE LIMITED**

—
30 Petain Road,
Singapore (208099)
Phone: +65 68735766
hello.sg@comvitasea.com


North America
COMVITA USA, INC.

—
506 Chapala Street
Santa Barbara, CA 93101
United States
Phone +1 855 449 2201
hello@comvita.com


Europe
COMVITA EUROPE B.V

—
Bakincklaan 7 1183 AT
Amstelveen
Netherlands
Phone: +31682065359
info.europe@comvita.com


United Kingdom
COMVITA UK LIMITED

—
2nd Floor, 47a High Street
Maidenhead, SL61JT
United Kingdom
Phone +44 1628 779 460
info@comvita.co.uk


Australia
**COMVITA AUSTRALIA
PTY LIMITED**

—
Office No. 34. Level One
1024 Ann Street, Fortitude
Valley, QLD, 4006, Australia
Freephone 1800 466 392
info@comvita.com.au

Published August 2024

This document is printed on environmentally responsible papers, produced using elemental chlorine-free (ECF), FSC-certified mixed-source pulp from responsible sources and manufactured under the strict ISO 14001 environmental management system.

2024



FINANCIAL STATEMENTS /
NGĀ TAUĀKĪ WHAKAHAERE PŪTEA

COMVITA.CO.NZ

Moruki i ngā wā Whanokē