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#### **Brett Hewlett** 28 August 2024

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DIRECTORS DECLARATION

In the opinion of the Directors of Comvita Limited, the financial statements and the notes, on pages'

• 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

• have been prepared using appropriate accounting policies and supported by reasonable judgements and

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:

Juin draw,

Julia Hoare 28 August 2024

#### CONSOLIDATED INCOME STATEMENT

| For the year ended<br>In thousands of New Zealand dollars                    | Note     | 30 June 2024         | 30 June 2023   |
|--|----------|----------------------|----------------|
|  | 0        | 00/0/1               | 00/105         |
| 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:  | 10       | (110.22)             | 15.07          |
| Basic earnings per share (NZ cents)<br>Diluted earnings per share (NZ cents) | 10<br>10 | (110.33)<br>(110.33) | 15.84<br>15.66 |
| Diloted edmings per share (NZ cents)   | 10       | (110.55)             | 15.00          |
|  |          |                      |                |
|  |          |                      |                |
| EBITDA pre-impairment *  | 8        | 4,539                | 30,623         |

\* 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.

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

For the year ended In thousands of New Zealand dollars

#### (Loss)/profit for the year

Items that are or may be reclassified subsequently t statement Foreign currency translation differences for foreign Foreign currency translation differences for equity investees Effective portion of changes in fair value of cash flo Foreign investor tax credits Income tax on these items Income and expenses recognised directly in other co

Total comprehensive (loss)/income for the year

#### STATEMENT OF COMPREHENSIVE INCOME

| Note                        | 30 June 2024  | 30 June 2023 |
|-----------------------------|---------------|--------------|
|                             | (77,388)      | 11,062       |
| to the income               |               |              |
| n operations<br>⁄ accounted | (736)<br>(18) | (862)<br>113 |
| flow hedges                 | 1,655         | 5,528        |
|                             | 67            | 93           |
| 7                           | (244)         | (1,463)      |
| comprehensive income        | 724           | 3,409        |
|                             | (76,664)      | 14,471       |

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#### CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

| <b>For the year ended 30 June 2024</b><br>In thousands of New Zealand dollars     | Share<br>capital | Foreign<br>currency<br>translation<br>reserve | Hedging<br>reserve | Retained<br>earnings | Total    |
|---|------------------|---|--------------------|----------------------|----------|
| Balance at 30 June 2022   | 199,677          | (1,992)                                       | (4,564)            | 34,869               | 227,990  |
| Total comprehensive income for the year   |                  |   |                    |                      |          |
| (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   |
|   |                  |   |                    |                      |          |
| Transactions with owners, recorded directly in equ                                | iity             |   |                    |                      |          |
| 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  |
|   |                  |   |                    |                      |          |
| Total comprehensive income for the year   |                  |   |                    |                      |          |
| (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<br>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) |
| Transactions with owners,<br>recorded directly in equity                          |                  |   |                    |                      |          |
| Share based payments  | -                | _   | -                  | 871                  | 871      |
| Dividends paid (note 11)  | -                | -   | -                  | (2,897)              | (2,897)  |
|   |                  |   |                    |                      |          |
| Total transactions with owners  | -                | -   | -                  | (2,026)              | (2,026)  |

#### As at 30 June 2024 In thousands of New Zealand dollars

| Assets                              |
|-------------------------------------|
| Property, plant and equipment       |
| Intangible assets and goodwill      |
| Right of use assets and leases      |
| Biological assets                   |
| Investments                         |
| Loans to equity accounted investees |
| Derivatives                         |
| Deferred tax asset                  |
| Sundry receivable                   |
| Total non-current assets            |
|                                     |

#### Inventory Trade receivables Sundry receivables Cash and cash equivalents Tax receivable

Total current assets

Total assets

#### Equity

Issued capital Retained earnings Reserves

#### Total equity

#### Liabilities

Loans and borrowings Trade and other payables Lease liability Deferred tax liability Total non-current liabilities

Loans and borrowings Trade and other payables Lease liability Tax payable Derivatives Total current liabilities **Total liabilities** Total equity and liabilities

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

#### CONSOLIDATED STATEMENT OF FINANCIAL POSITION

| 2023                  | 2024                | Note |
|-----------------------|---------------------|------|
|                       |                     |      |
| 72,873                | 72,034              | 19   |
| 41,754                | 7,352               | 21   |
| 14,407                | 20,226              | 20   |
| 4,437                 | 4,806               | 23   |
| 10,234                | -                   | 24   |
| 6,058                 | -                   | 24   |
| 48                    | 866                 | 26   |
| 4,545                 | 9,218               | 7    |
| 450                   | 450                 | 17   |
| 154,806               | 114,952             |      |
|                       |                     |      |
| 136,088               | 134,418             | 15   |
| 39,373                | 35,030              | 16   |
| 16,904                | 15,222              | 17   |
| 11,554                | 8,156               | 13   |
| 41                    | 80                  |      |
| 203,960               | 192,906             |      |
| 358,766               | 307,858             |      |
|                       |                     |      |
|                       |                     |      |
| 199,351               | 199,351             |      |
| 43,209                | (36,137)            |      |
| (3,240)               | (2,584)             |      |
| 239,320               | 160,630             |      |
|                       |                     |      |
|                       |                     |      |
| 64,940                | -                   | 12   |
| 288                   | 296                 | 18   |
| 11,972                | 15,834              |      |
| 1,509                 | 572                 | 7    |
| 78,709                | 16,702              |      |
|                       |                     |      |
| -                     | 87,863              | 12   |
|                       | 35,822              | 18   |
| 34,319                | JJ,0ZZ              | 10   |
| 34,319<br>3,386       |                     |      |
| 3,386                 | 5,725               |      |
| 3,386<br>2,195        |                     | 26   |
| 3,386<br>2,195<br>837 | 5,725<br>1,116<br>- | 26   |
| 3,386<br>2,195        | 5,725               | 26   |

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#### CONSOLIDATED STATEMENT OF CASH FLOWS

| For the year ended 30 June 2024<br>In thousands of New Zealand dollars | Note | 2024      | 2023      |
|--|------|-----------|-----------|
| 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:  |      |           |           |
| Represented us.  |      | 0.454     |           |
| Cash and cash equivalents  | 13   | 8,156     | 11,554    |

The notes on pages 9 to 41 are an integral part of these 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 profitoriented 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.

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

#### NOTES TO THE FINANCIAL STATEMENTS

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.

#### 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 |           | North<br>Rest of Asia America |          |         | rep    |        | Total<br>reportable<br>segments |         | Other<br>segments |          | Total   |        |        |          |          |
|---|-------------------|-----------|-------------------------------|----------|---------|--------|--------|---------------------------------|---------|-------------------|----------|---------|--------|--------|----------|----------|
|   | 2024              | 2023      | 2024                          | 2023     | 2024    | 2023   | 2024   | 2023                            | 2024    | 2023              | 2024     | 2023    | 2024   | 2023   | 2024     | 2023     |
| Contribution<br>Segments                |                   |           |                               |          |         |        |        |                                 |         |                   |          |         |        |        |          |          |
| 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<br>expense (note 22          | (30,648)<br>2)    | ) –       | -                             | -        | (4,699) | -      | -      | -                               | -       | -                 | (35,347) | -       | (68)   | -      | (35,415) | -        |
| Non attributat                          | ole (othe         | er corpor | ate exp                       | enses)   |         |        |        |                                 |         |                   |          |         |        |        | (49,008) | (46,398) |
| Impairment ex                           | pense –           | non attı  | ributabl                      | e (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 o                         | fequity           | account   | ed inve                       | stees (n | ote 24) |        |        |                                 |         |                   |          |         |        |        | (904)    | (844)    |
| Net (Loss)/pro                          | ofit befo         | re tax    |                               |          |         |        |        |                                 |         |                   |          |         |        |        | (81,889) | 13,006   |

#### **Geographical segments**

|                                     | 30 June | 2024                  | 30 June 2023 |                       |  |  |  |
|-------------------------------------|---------|-----------------------|--------------|-----------------------|--|--|--|
| In thousands of New Zealand dollars | Revenue | Non-current<br>assets | Revenue      | Non-current<br>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**

In thousands of New Zealand dollars

Insurance proceeds received

Gain on disposal of equity accounted inves

Government grants

HoneyWorld contingent consideration rele

Government subsidies

Change in fair value of biological assets

Other

Total other income

#### 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).

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|       | Note | 30 June 2024 | 30 June 2023 |
|-------|------|--------------|--------------|
|       |      | 2,060        | 10,962       |
| estee | 24   | 1,377        | -            |
|       |      | 690          | 949          |
| ease  | 25   | 1,020        | -            |
|       |      | 21           | 106          |
|       |      | 336          | 32           |
|       |      | 83           | 128          |
|       |      | 5,587        | 12,177       |

#### 04. OPERATING CASH FLOW

#### Reconciliation of the profit for the year with the net cash from operating activities

| In thousands of New Zealand dollars                   | Note | 30 June 2024 | 30 June 2023 |
|---|------|--------------|--------------|
| (Loss)/profit for the year                            |      | (77,388)     | 11,062       |
| Adjustments for:                                      |      |              |              |
| Depreciation  |      | 11,568       | 9,910        |
| Amortisation  |      | 2,287        | 2,280        |
| mpairment   | 22   | 64,190       | -            |
| Share based payments                                  |      | 1,039        | 972          |
| Forgiveness of debt                                   |      | 136          | -            |
| <sup>=</sup> air 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       |
| Items related to investing and financing activities:  |      |              |              |
| Acquisition of HoneyWorld – working capital items     |      | (1,745)      | -            |
| Disposal of equity accounted investee                 |      | (1,377)      | -            |
| nterest - net   |      | 8,385        | 5,427        |
| Net loss on disposal of property, plant & equipment   |      | 113          | 2,505        |
| Change in trade payables - capital related            |      | 590          | 934          |
| Movement in working capital items:                    |      |              |              |
| 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 |      | (243)        | (774)        |
| translation reserve                                   |      |              |              |
| Other movements:                                      |      |              |              |
| Movement of deferred tax in equity                    |      | (852)        | (1,289)      |
| <sup>=</sup> oreign 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:

| In thousands of New Zealand dollars Note              | e 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.

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#### **06. PERSONNEL EXPENSES**

| In thousands of New Zealand dollars             | 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

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

(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**

| In thousands of<br>New Zealand dollars | As at<br>30 June 2024 | Recognised<br>directly in<br>profit or loss | Recognised<br>in other<br>comprehensive<br>income | Recognised<br>directly in<br>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.

In thousands of New Zealand dollars

(Loss)/profit before tax Add back: Net finance cost **EBIT** 

Add back: Depreciation and amortisation Add back: Impairment and other asset wr

EBITDA pre-impairment

|            | 30 June 2024 | 30 June 2023 |
|------------|--------------|--------------|
|            |              |              |
|            |              |              |
|            | (81,889)     | 13,006       |
|            | 8,383        | 5,427        |
|            | (73,506)     | 18,433       |
| ٦          | 13,855       | 12,190       |
| rite-downs | 64,190       | -            |
|            | 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.

| In thousands of shares                      | 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**

| In thousands of shares                  | 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**

In thousands of shares

Weighted average number of ordinary sha Basic earnings per share (NZ cents)

#### In thousands of shares

Weighted average number of diluted share Diluted earnings per share (NZ cents)

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 of all dilutive potential ordinary shares, which comprise share entitlements granted to employees.

#### **11. DISTRIBUTIONS**

#### Dividends

In thousands of New Zealand dollars

The following dividends were declared and Final 2022 dividend (3.0 cents per share) Interim 2023 dividend (2.5 cents per share) Final 2023 dividend (3.0 cents per share) Interim 2024 dividend (1.0 cents per share) Total

| 30 June 2024 | 30 June 2023                 |
|--------------|------------------------------|
| 70,141       | 69,847                       |
| (110.33)     | 15.84                        |
|              |                              |
| 70,988       | 70,616                       |
| (110.33)     | 15.66                        |
|              | 70,141<br>(110.33)<br>70,988 |

|                       | 30 June 2024 | 30 June 2023 |
|-----------------------|--------------|--------------|
| nd paid by the Group: |              |              |
|                       | -            | 2,158        |
| e)                    | -            | 1,803        |
|                       | 2,173        | -            |
| e)                    | 724          | -            |
|                       | 2,897        | 3,961        |

#### 12. BORROWINGS

#### Terms of borrowings

| In thousands of New Zealand<br>dollars | Facility<br>Local<br>Currency | Currency | Nominal<br>Interest<br>rate | Maturity   | Carrying<br>Amount | Carrying<br>Amount |
|--|-------------------------------|----------|-----------------------------|------------|--------------------|--------------------|
| Westpac NZ/ANZ:                        |                               |          |                             |            | 2024               | 2023               |
| 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 it's 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

| Less debt                           | (87,863)     | (64,940)     |
|-------------------------------------|--------------|--------------|
| Cash                                | 8,156        | 11,554       |
| In thousands of New Zealand dollars | 30 June 2024 | 30 June 2023 |

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

#### In thousands of New Zealand dollars

Interest expense on financial liabilities me Net foreign exchange loss

#### Finance expenses

Net finance expenses

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.

|                           | 30 June 2024 | 30 June 2023 |
|---------------------------|--------------|--------------|
|                           | 347          | 313          |
|                           | -            | 1            |
|                           | 347          | 314          |
|                           |              |              |
| easured at amortised cost | (8,733)      | (5,740)      |
|                           | (1,067)      | (4,644)      |
|                           | (9,800)      | (10,384)     |
|                           | (9,453)      | (10,070)     |
|                           |              |              |

#### WORKING CAPITAL

#### **15. INVENTORY**

| In thousands of New Zealand dollars | 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

| In thousands of New Zealand dollars             | 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:

| In thousands of<br>New Zealand dollars | Gross receivable<br>2024 | Impairment<br>2024 | Gross receivable<br>2023 | Impairment<br>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**

In thousands of New Zealand dollars

Loan receivable – Leadership Team Prepayments Insurance proceeds receivable Other receivables Total sundry receivables - current

Loan receivable - CEO

Total sundry receivables - non-current

#### 18. TRADE AND OTHER PAYABLES

In thousands of New Zealand dollars

Trade creditors Accruals Employee benefits Medibee guarantee HoneyWorld acquisition - deferred payable HoneyWorld contingent consideration Director fee accruals Trade and other payables - current

Employee benefits Trade and other payables - non current

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| Note | 30 June 2024 | 30 June 2023 |
|------|--------------|--------------|
|      |              |              |
| 31   | 2,729        | 2,817        |
|      | 7,238        | 6,380        |
| 3    | 828          | 5,280        |
|      | 4,877        | 2,877        |
|      | 15,222       | 17,354       |
|      |              |              |
| 31   | 450          | 450          |
|      | 450          | 450          |

|    | Note | 30 June 2024 | 30 June 2023 |
|----|------|--------------|--------------|
|    |      |              |              |
|    |      |              |              |
|    |      | 11,058       | 10,268       |
|    |      | 14,070       | 16,946       |
|    |      | 2,454        | 7,009        |
|    | 24   | 4,158        | -            |
| le | 25   | 3,028        | -            |
|    | 25   | 1,020        | -            |
|    |      | 34           | 96           |
|    |      | 35,822       | 34,319       |
|    |      |              |              |
|    |      | 296          | 288          |
|    |      | 296          | 288          |

#### ASSETS

#### **19. PROPERTY, PLANT AND EQUIPMENT**

| In thousands of<br>New Zealand dollars | Land   | Buildings | Plant & machinery | Vehicles | Bearer<br>plants | Office<br>equipment,<br>furniture &<br>fittings | Capital<br>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<br>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<br>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

.

- Plant and machinery .
- . Vehicles
- Office equipment, furniture and fittings 2 15 years .
- Bearer plants
- Mānuka Forest

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

#### Recognition and measurement

losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of selfconstructed 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.

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up to 50 years 2 - 20 years 4 - 15 years 20 - 100 years 15 - 22 years

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

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#### 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<br>forests | Total   |
|--------------------------------------|-----------|----------|-------------------|---------|
| In thousands of New Zealand dollars  |           |          |                   |         |
| 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                            | 4.014     | 704      | 2.20/             | 7024    |
|                                      | 4,016     |          | 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

| In thousands of New Zealand dollars   | 30 June 2024 | 30 June 2023 |
|---|--------------|--------------|
| Interest on lease liabilities   | 955          | 639          |
| Variable lease payments not included<br>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,<br>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 ae payable as follows:

| In thousands of New Zealand dollars | 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

In thousands of New Zealand dollars

#### Cost

Balance at 30 June 2022

Additions Disposals Effect of movements in exchange rates Balance at 30 June 2023

#### Additions

Disposals Effect of movements in exchange rates Balance at 30 June 2024

#### Accumulated amortisation and impairment

Balance at 30 June 2022

Amortisation Disposals Effect of movements in exchange rates Balance at 30 June 2023

#### Amortisation Impairment (note 22) Disposals

Effect of movements in exchange rates Balance at 30 June 2024

#### Carrying amount

| At 30 June 2024 |  |
|-----------------|--|
| At 30 June 2023 |  |
| At 30 June 2022 |  |

code and its future benefits.

| Goodwill | Intellectual<br>property and other<br>intangible assets | Software* | Total  |
|----------|---|-----------|--------|
| 26,751   | 17,692  | 8,298     | 52,741 |
|          |   |           |        |
| -        | 386   | 3,039     | 3,425  |
| -        | -   | (130)     | (130)  |
| 681      | (602)   | (5)       | 74     |
| 27,432   | 17,476  | 11,202    | 56,110 |
|          |   |           |        |
| 4,699    | 5,162   | 852       | 10,713 |
| -        | -   | (2)       | (2)    |
| 34       | -   | 2         | 36     |
| 32,165   | 22,638  | 12,054    | 66,857 |

| -        | (8,196)  | (4,143)  | (12,339) |
|----------|----------|----------|----------|
|          |          |          |          |
| -        | (1,263)  | (1,017)  | (2,280)  |
| -        | -        | 126      | 126      |
| -        | 166      | (29)     | 137      |
| -        | (9,293)  | (5,063)  | (14,356) |
|          |          |          |          |
| -        | (1,485)  | (999)    | (2,484)  |
| (32,165) | (5,016)  | (5,497)  | (42,678) |
| -        | -        | 2        | 2        |
| -        | 12       | (1)      | 11       |
| (32,165) | (15,782) | (11,558) | (59,505) |

| -      | 6,856 | 496   | 7,352  |
|--------|-------|-------|--------|
| 27,432 | 8,183 | 6,139 | 41,754 |
| 26,751 | 9,496 | 4,155 | 40,402 |

\* Software additions materially relate to customised software code where Comvita retains control of the

#### 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:

In thousands of New Zealand dollars

#### **Financial assets**

Loan to equity accounted investee - Apiter Loan to equity accounted investee - Medik Medibee guarantee impairment

#### Non-financial assets

Investment in equity accounted investee -Investment in equity accounted investee -Software Software in prepayments

#### **Greater China CGU**

Goodwill China distribution network asset - other in

#### Southeast Asia CGU

Goodwill

#### Apiary CGU

Goodwill Plant & Machinery Mānuka forest assets – capital work in pro

#### Other CGU

Goodwill Total

#### 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.

|                   | Notes      | 30 June 2024 | 30 June 2023 |
|-------------------|------------|--------------|--------------|
| er                | 24a        | 1,259        | -            |
| ibee              | 24d<br>24d | 272<br>4,158 | -            |
|                   |            |              |              |
| - Apiter          | 24a        | 7,918        | -            |
| – Caravan Honey   | 24c        | 4,251        | -            |
|                   | 21         | 5,497        | -            |
|                   |            | 255          | -            |
|                   |            |              |              |
|                   |            | 25,632       | -            |
| intangible assets | 21         | 5,015        | -            |
|                   |            |              |              |
|                   |            | 4,699        | -            |
|                   |            |              |              |
|                   |            | 1,766        | -            |
|                   | 19         | 900          | -            |
| ogress            | 19         | 2,500        | -            |
|                   |            |              |              |
|                   |            | 68           | -            |
|                   |            | 64,190       | -            |
|                   |            |              |              |

#### 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 |
|-------------------------------------|--------------|--------------|
| In thousands of New Zealand dollars |              |              |
| 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<br>Post tax discount rate<br>Terminal growth rate   | (8.2%) to 1.9%<br>8.5%<br>2.0% | 4.7% to 17.3%<br>12.1%<br>2.0% |
| Value in Use recoverable amount:   | 30 June 2024                   |                                |
| In thousands of New Zealand dollars<br>Recoverable amount  | 33,600                         |                                |
| Sensitivity to changes in key assumptions  | 30 June 2024                   | 30 June 2023                   |
| In thousands of New Zealand dollars<br>The recoverable amount was more / (less) than the<br>carrying value by  | (30,600)                       | 115,500                        |
| If projected earnings before interest and tax ("EBIT") is<br>reduced by 10% each year, the recoverable amount would<br>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:

Annual revenue growth Post tax discount rate Terminal growth rate

#### Value in Use recoverable amount:

In thousands of New Zealand dollars Recoverable amount

#### Sensitivity to changes in key assump

In thousands of New Zealand dollars The recoverable amount was more / (less) carrying value by

If projected earnings before interest and t reduced by 10% each year, the recoverable be more / (less) than the carrying value by The post-tax discount rate for the recover match the carrying value

1

| 3      |
|--------|
| %<br>% |
|        |
|        |
| 23     |
| 20     |
| 38     |
| %      |
| 2      |

29

#### 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<br>Post tax discount rate<br>Terminal growth rate  | 4.0% to 10.2%<br>18.0%<br>2.0% | n/a<br>n/a<br>n/a |
|  |                                |                   |
| Value in Use recoverable amount:<br>In thousands of New Zealand dollars  | 30 June 2024                   |                   |
| Recoverable amount   | 4,200                          |                   |
|  |                                |                   |
| Sensitivity to changes in key assumptions  | 30 June 2024                   | 30 June 2023      |
| In thousands of New Zealand dollars<br>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

In thousands of New Zealand dollars

| Total biological assets |
|-------------------------|
| Olive leaf              |
| Bees                    |

| <b>Bees</b><br>In thousands of New Zealand dollars |
|--|
| Balance at beginning of the year                   |
| Fair value increase                                |
| Net movement in operational hives                  |
| Balance at the end of the year                     |
|  |
|  |

#### Number of operational hives

Balance at beginning of the year Net movement in operational hives Balance at the end of the year

#### Value per hive

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.

carrying value

| 30 June 2024 | 30 June 2023 |
|--------------|--------------|
| 4,206        | 3,854        |
| 600          | 583          |
| 4,806        | 4,437        |

| 30 June 2024 | 30 June 2023 |
|--------------|--------------|
| 3,854        | 3,315        |
| 697          | 304          |
| (345)        | 235          |
| 4,206        | 3,854        |

| \$210        | \$178        |
|--------------|--------------|
|              |              |
| 17,218       | 18,865       |
| (1,647)      | 1,312        |
| 18,865       | 17,553       |
| 30 June 2024 | 30 June 2023 |

#### 24. INVESTMENTS

| In thousands of New Zealand dollars | 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<br>Incorporation | Ownership<br>Interest<br>Held | Balance<br>Date | Principal<br>Activity                               |
|--|-----------------------------|-------------------------------|-----------------|---|
| Apiter S.A "Apiter"                      | Uruguay                     | 32%                           | 31 July         | Manufacturing, selling<br>and distribution          |
| Makino Station Limited "Makino"          | New Zealand                 | -                             | 30 June         | Shareholding ceased<br>20 June 2024                 |
| Caravan Honey Company<br>"Caravan Honey" | U.S.A                       | 50%                           | 31 December     | Development and<br>commercialisation<br>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 augrantee 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

In thousands of New Zealand dollars

#### Balance at 1 July

Additional investment (Apiter) Disposal (Makino) Share of loss Foreign exchange movements

Impairment Balance at 30 June

#### Loans to equity accounted investees

In thousands of New Zealand dollars

| 2024   |  |  |
|--------|--|--|
| Apiter |  |  |
|        |  |  |

#### 2023

Makino Apiter

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

Tro

#### Transactions with equity accounted investees

In thousands of New Zealand dollars

# 2024

Makino Apiter

2023 Makino

Apiter

| 30 June 2024 | 30 June 2023 |
|--------------|--------------|
| 10,226       | 10,957       |
| 3,420        | -            |
| (555)        | -            |
| (904)        | (844)        |
| (18)         | 113          |
| (12,169)     | -            |
| -            | 10,226       |

| Loan and<br>interest<br>receivable | Interest<br>accrued | Interest<br>rate |
|------------------------------------|---------------------|------------------|
| -                                  | -                   | 3.50%            |
|                                    |                     |                  |

| 6,058 2 | 14       |
|---------|----------|
| 2,119   | 53 3.50% |
| 3,939 1 | 61 5.34% |
|         |          |

| Sale of go<br>and serv |                     | Purchases o<br>and serv | -                   |
|------------------------|---------------------|-------------------------|---------------------|
| ansaction<br>value     | Balance<br>due from | Transaction<br>value    | Balance<br>owing to |
| 45<br>-                | -<br>32             | 854                     | 71                  |
| 13                     | -<br>32             | 1,457                   | 42                  |

#### **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:

| In thousands of New Zealand dollars    |        |
|--|--------|
| 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:

| (53)<br>(53)<br>4,672 |
|-----------------------|
|                       |
| (53)                  |
|                       |
| 708                   |
| 34                    |
| 168                   |
| 4,167                 |
| 2,530                 |
|                       |
|                       |

#### 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.

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:

In thousands of New Zealand dollars

#### Forward exchange contracts - asset/(liabil

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

In thousands of New Zealand dollars

#### 30 June 2024

#### Trade receivables Trade and other payables Gross statement of financial position expo

Forward exchange contracts - nominal an

#### 30 June 2023

#### Trade receivables

Trade and other payables Gross statement of financial position expo

Forward exchange contracts - nominal an

#### 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.

2024

#### FINANCIAL RISKS

|        | 30 June 2024 | 30 June 2023 |
|--------|--------------|--------------|
| ility) | 866          | (837)        |

|       | RMB     | AUD     | GBP   | HKD     | USD     | Other   |
|-------|---------|---------|-------|---------|---------|---------|
|       | 14,507  | 3,437   | 269   | 450     | 5,140   | 4,673   |
|       | (2,849) | (1,704) | (325) | (1,470) | (1,815) | (5,340) |
| osure | 11,658  | 1,733   | (56)  | (1,020) | 3,325   | (667)   |
|       |         |         |       |         |         |         |
| mount | 22,857  | 7,988   | 519   | 7,459   | 29,238  | 881     |
|       |         |         |       |         |         |         |

|       | RMB     | AUD     | GBP   | HKD     | USD     | Other |
|-------|---------|---------|-------|---------|---------|-------|
|       | 13,253  | 5,088   | 251   | 565     | 746     | 3,167 |
|       | (3,739) | (1,807) | (851) | (1,210) | (2,607) | (466) |
| osure | 9,514   | 3,281   | (600) | (645)   | (1,861) | 2,701 |
| mount | 24,738  | 8,877   | 1,277 | 12,244  | 51,432  | 2,091 |

#### 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:

| In thousands of New Zealand dollars   | 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:

| In thousands of New Zealand dollars | Contractual cash<br>flows | less than<br>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:

In thousands of New Zealand dollars

| Australia       |  |
|-----------------|--|
| China           |  |
| New Zealand     |  |
| United States   |  |
| EMEA            |  |
| Hong Kong       |  |
| South East Asia |  |
| Other regions   |  |
| Total           |  |

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.

NZ

| 30 June 2024 | 30 June 2023 |
|--------------|--------------|
| 4,457        | 6,015        |
| 15,315       | 13,366       |
| 7,508        | 15,298       |
| 2,592        | 636          |
| 357          | 438          |
| 554          | 668          |
| 2,626        | -            |
| 1,621        | 2,952        |
| 35,030       | 39,373       |

#### **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.

#### **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.

Employees in the LSPLS Number of shares held % of share capital

#### **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.

In thousands

#### Entitlements on issue

Entitlements outstanding at beginning of Entitlements granted

Entitlements cancelled

Shares vested

Entitlements outstanding at end of year

#### **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:

- behalf
- consecutive years subsequent to accepting the offer.
- 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.

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#### OTHER DISCLOSURES

| 30 June 2024 | 30 June 2023 |
|--------------|--------------|
| 7            | 8            |
| 696,077      | 738,012      |
| 0.99%        | 1.05%        |
|              |              |

|               | 30 June 2024<br>Number of<br>entitlements | 30 June 2023<br>Number of<br>entitlements |
|---------------|---|---|
| f year - July | 872                                       | 458                                       |
|               | 372                                       | 607                                       |
|               | (76)                                      | -   |
|               | (323)                                     | (193)                                     |
|               | 845                                       | 872                                       |

• 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

• The release of shares to the employee is subject to remaining employed with the Company for three

• 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

#### **31. RELATED PARTIES**

#### Transactions with Leadership Team and Directors

Leadership Team and Director compensation comprised:

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

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

Comvita New Zealand Limited Bee & Herbal New Zealand Limited Comvita Landowner Share Scheme Truste Comvita Share Scheme Trustee Limited Comvita USA, Inc Comvita Japan K.K Comvita Korea Co Limited Comvita Food (China) Limited Comvita Food (Hainan) Co. Ltd Comvita China Limited Comvita Holdings HK Limited Comvita HK Limited Comvita Malaysia Sdn Bhd Comvita Singapore Pte Limited Comvita Holdings Pty Limited Comvita Australia Pty Limited Olive Products Australia Pty Limited Comvita IP Pty Limited Medihoney Pty Limited Medihoney (Europe) Limited Comvita Holdings UK Limited Comvita UK Limited New Zealand Natural Foods Limited Comvita Europe BV

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.

|            | Country of<br>Incorporation | Ownership<br>Interest Held |
|------------|-----------------------------|----------------------------|
|            | New Zealand                 | 100%                       |
|            | New Zealand                 | 100%                       |
| ee Limited | New Zealand                 | 100%                       |
|            | New Zealand                 | Management control         |
|            | USA                         | 100%                       |
|            | Japan                       | 100%                       |
|            | Korea                       | 100%                       |
|            | China                       | 100%                       |
|            | China                       | 100%                       |
|            | Hong Kong                   | 100%                       |
|            | Hong Kong                   | 100%                       |
|            | Hong Kong                   | 100%                       |
|            | Malaysia                    | 100%                       |
|            | Singapore                   | 100%                       |
|            | Australia                   | 100%                       |
|            | United Kingdom              | 100%                       |
|            | Netherlands                 | 100%                       |
|            |                             |                            |



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

# Sasis 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 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

#### Impairment of Non-Current Assets

| Refer to Note 21 and 22 of the<br>consolidated financial<br>statements.  | Our | auc                             |
|--|-----|---------------------------------|
| Prior to any recognised<br>impairment, the Group had   |     | und<br>inte                     |
| \$32.2m of goodwill relating to<br>four cash generating units<br>(CGU's):  | _   | We<br>ove<br>esti               |
| — Greater China;   |     | We                              |
| <ul> <li>— South East Asia;</li> </ul>   |     | ove<br>cas                      |
| <ul> <li>Apiary; and</li> </ul>  |     | fina                            |
| — Other.   | —   | We                              |
| The Group utilises value in use<br>models to determine the<br>recoverable amount of each<br>CGU, which are then<br>compared to the CGU's net |     | Gro<br>app<br>cas<br>bas<br>ach |
| assets. In relation to these<br>models, particular attention<br>was required of:   |     | We<br>judo<br>grov              |
| <ul> <li>Projected earnings before<br/>interest and tax (EBIT);</li> </ul>   | —   | We<br>ass                       |
| <ul> <li>Post tax-discount rates;<br/>and</li> </ul>   | _   | in k<br>We                      |
| <ul> <li>Terminal growth rates.</li> <li>The process of performing an</li> </ul>   |     | peri<br>moo<br>resi             |
| impairment assessment is<br>inherently judgemental as it<br>involves the use of  | _   | We<br>Gro                       |
| unobservable, forward-looking<br>assumptions and data.   | —   | We<br>req                       |
|  |     |                                 |

# How the matter was addressed in our audit

dit procedures included the following, amongst others:

e assessed the Group's determination of CGU's based on our derstanding of the nature of the Group, their operations and the ernal reporting of the business;

e obtained the independent valuers valuation report of the CGU's and erall Group. The primary valuation(s) methodology adopted to timate the Value in Use (VIU) was the discounted cash flow approach.

e assessed the valuation and VIU models for each CGU and the erall Group considering the methodology adopted in the discounted sh flow valuation models against the requirements of the applicable ancial reporting standards;

e considered the reasonableness of assumptions in individual and oup VIU models based on the Group 5 year forecasts to ensure propriate and consistent cash flows reported. We analysed the future sh flow forecasts used and determined whether they are reasonable sed on the implementation of the strategic plan and historical hievements;

e utilised our corporate finance specialists to challenge key lgements, which included the post tax-discount rates and terminal owth rates applied;

e reviewed the sensitivity analysis on key cash flow forecast sumptions to understand the impact of reasonable possible changes key assumptions in various scenarios;

e obtained management's resulting impairment adjustments and rformed testing to compare the calculated recoverable values per the odels to the associated carrying amounts, and assessed whether the sulting impairment expense were recognised appropriately;

e evaluated the recoverable amount of the remaining assets in the oup; and

e considered and reviewed appropriateness, sufficiency and clarity of quired 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.

# $i\equiv$ 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.



# 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.

# 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.

accordance with ISAs NZ will always detect a material misstatement when it exists.

consolidated financial statements.

External Reporting Board (XRB) website at:

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

For and on behalf of:

KPMG

KPMG Tauranga 28 August 2024

# **SAL** Responsibilities of directors for the consolidated financial

# $\times \mathcal{L}$ Auditor's responsibilities for the audit of the consolidated

- Reasonable assurance is a high level of assurance but it is not a guarantee that an audit conducted in
- 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
- A further description of our responsibilities for the audit of the consolidated financial statements is located at the
- https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-1/
- The engagement partner on the audit resulting in this independent auditor's report is Glenn Keaney.

#### 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 | Committee | Total |
|---|------|-----------|-------|
|   | Fee  | Fee       |       |
| B Hewlett                                     | 130  | -         | 130   |
| L Bunt (resigned effective 30 September 2023) | 16   | 8         | 24    |
| R Major                                       | 65   | 33        | 98    |
| Z Guangping                                   | 65   | -         | 65    |
| YWu   | 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 Scier | 10 |
| Chair – Go Global Avocado Primary Growt     | h  |
| Chair – Armer Group Advisory Board          |    |
| Deputy Chair – Hautupua General Partner     | L  |
| Deputy Chair – Miro Trading General Partr   | ١e |
| Chair – SFFF Programme Miro                 |    |
| – Transforming Māori land to high-vo        | ۱ĸ |
| Managing Director and Shareholder – Sino    | t  |
| Director – BioVittoria Ltd                  |    |
| Director – BioVittoria Investments Ltd      |    |
| Director – Dairy Holdings Limited           |    |
| Member – Oriens Capital Investment Com      | m  |
|   |    |
|   |    |
|   |    |

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

\*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%.

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#### **B HEWLETT** Director – Quayside Holdings Limited\*\* Director – Quayside Properties Limited\*\* nce Challenge Director – Quayside Securities Limited\*\* h Partnership\*\* Ltd\*\* ner Ltd\*\* Y WU\*\*\* alue horticulture\* tearoa Ltd Director – Genesis Care Pty Limited\*\* Director – Oatly Group AB Director – Blossom Key Holdings Ltd mittee Director – China Resources Verlinvest 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

Director - Orion New Zealand Limited\*

Director – Government Super Fund Authority\*

Director & Deputy Chair – Building Research Association NZ\*

M SANG

#### DIRECTOR DISCLOSURES (continued)

#### Directors of Group Companies other than shown above

#### as at 30 June 2024

COMVITA.CO.NZ

| 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<br>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     |           |

DIRECTOR DISCLOSURES (continued)

#### Share Dealings of Directors

| Director   | Relevant Interest  | Number of<br>Shares<br>Disposed | Value of<br>Shares<br>Disposed | Number of<br>Shares<br>Acquired | Value of<br>Shares<br>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                          | -*                             |
|            |                    |                                 |                                |                                 |                                |

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.

\* 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

| 2 | $\sim$ | ~ | 1 |
|---|--------|---|---|
|   | U      | 2 | 4 |
|   |        |   |   |

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

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#### 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<br>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

## Li Wang

HSBC Nominees (New Zealand) Limited China Resources Enterprise Limited Custodial Services Limited Kauri NZ Investments Limited Accident Compensation Corporation Alan John Bougen & Lynda Ann Bougen & Bnp Paribas Nominees NZ Limited Forsyth Barr Custodians Limited Junxian Li New Zealand Superannuation Fund Nomir Li Sun New Zealand Permanent Trustees Limited Rjt Investments Limited Maori Investments Limited New Zealand Depository Nominee Citibank Nominees (Nz) Ltd Masfen Securities Limited NZ Permanent Trustees Ltd Grp Investme Forsyth Barr Custodians Limited Other

Total ordinary shares

|                        | Shares held | Percentage of shares |
|------------------------|-------------|----------------------|
|                        | 8,552,736   | 12.18%               |
|                        | 5,640,751   | 8.03%                |
|                        | 4,582,000   | 6.52%                |
|                        | 4,272,007   | 6.08%                |
|                        | 3,558,077   | 5.07%                |
|                        | 3,484,397   | 4.96%                |
| & Graeme William Elvin | 2,314,893   | 3.30%                |
|                        | 2,018,381   | 2.89%                |
|                        | 1,975,297   | 2.81%                |
|                        | 1,881,110   | 2.68%                |
| inees Limited          | 1,832,761   | 2.61%                |
|                        | 1,410,000   | 2.01%                |
| d                      | 1,296,817   | 1.85%                |
|                        | 1,139,553   | 1.62%                |
|                        | 1,000,000   | 1.42%                |
|                        | 920,99      | 1.31%                |
|                        | 847,621     | 1.21%                |
|                        | 734,010     | 1.05%                |
| ent Fund No 20         | 565,742     | 0.81%                |
|                        | 546,983     | 0.78%                |
|                        | 21,303,424  | 30.34%               |
|                        | 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 an substantial security holder on 29 July 2024.

#### 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

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

#### MORE DETAILS



## 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

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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



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



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