



18 August 2025

Comvita enters into Scheme Implementation Agreement

Comvita Limited (NZX: CVT) ("**Comvita**") has entered into a Scheme Implementation Agreement ("**SIA**") with Florenz Limited ("**Florenz**") under which Florenz has agreed to acquire all the shares in Comvita through a court-approved scheme of arrangement for \$0.80 cents per share ("**Scheme**").

Highlights

- Under the Scheme, Comvita's shareholders will receive a cash price of \$0.80 cents per share.
- This represents an equity value of approximately \$56 million, an enterprise value of approximately \$119 million and, as at the close of trading on 15 August 2025:
 - A premium of 67% to Comvita's closing share price;
 - A premium of 56% to Comvita's 90-day VWAP.
- The Scheme is subject to shareholder approval, High Court approval, an Independent Adviser's Report concluding that the Scheme consideration is within or above the valuation range for Comvita shares, and other customary conditions relating to certain events or occurrences prior to implementation, all as detailed in the SIA.
- The Comvita Board unanimously recommends that shareholders vote in favour of the Scheme, and intend to vote shares controlled by them in favour of the Scheme, subject to the Independent Adviser concluding in its report that the \$0.80 cents per share is within or above its valuation range for the Comvita shares and there not being a Superior Proposal (as defined in the SIA).
- China Resources Enterprise and Li Wang, Comvita's two largest shareholders who together own approximately 18.3% of Comvita shares on issue, are supportive of the transaction and have entered into voting commitments with Florenz pursuant to which they have agreed to vote all of their respective shares in favour of the Scheme, subject to the Independent Adviser concluding in its report that the \$0.80 cents per share is within or above its valuation range for the Comvita shares and the Board continuing to be supportive of the Scheme.
- In addition, we have confidentially appraised certain institutional shareholders, and they have advised that they are supportive of the offer being put forward to shareholders to consider.
- Comvita shareholder approval will be sought at a special meeting of shareholders expected to be held in November 2025, but you should expect to receive explanatory documents in October 2025. If all conditions are satisfied, the Scheme is expected to be implemented in December 2025.

Comvita shareholders do not need to take any action at the current time.

Statement from Comvita Chair – Bridget Coates

The Board unanimously supports the offer given the premium to recent trading, the greater certainty it provides amid sustained sector, structural and financial challenges, and the liquidity it offers given historically low trading volumes.

Recent years have been challenging for Comvita and its shareholders, with sustained sector pressures, softer market conditions and the demands of a complex turnaround weighing on performance. The Board understands the impact this has had and the importance of delivering a clear, decisive path forward.

Comvita has faced ongoing pressure from structural changes in the Mānuka honey sector, which continues to face oversupply, price and demand volatility, and intense competition (including online). The environment is



fragmented, with several participants under financial strain. Industry dynamics require consolidation at pace, but sector leadership demands capital strength, scale and speed, which are not available to Comvita under its current capital structure.

Compounding these challenges, Comvita's recent strategy was founded on expectations of sustained market growth, supported by market insights showing that the best path to capture this was building a premium brand to meet demand.

Significant capital was invested in brand equity, distribution reach, supply security and scientific credibility to position Comvita for this opportunity. A number of these investments did not meet their objectives or deliver expected returns. In parallel, market growth did not materialise at the expected pace, competition intensified and oversupply created additional headwinds, reducing profitability.

Comvita has taken urgent steps to reduce costs, simplify operations, and protect long-term brand strength – which are delivering early results – and the brand remains the category leader in key markets. However, these factors alone are not sufficient to strengthen the balance sheet or position the business for long-term sustainability.

Trading conditions in FY25 have remained challenging and, consistent with previous guidance, Comvita expects to report a significant loss for FY25 as well as a material write-down of the net assets as a result of impairment testing and provision against inventories.

Comvita's lenders are providing short-term accommodation but have signalled that a longer-term solution - through debt repayment or potential strategic transactions - is required.

Against that backdrop, the Board – alongside its independent advisors, Craigs Investment Partners and Goldman Sachs – has acted with urgency to consider all strategic options available, including potential acquisitions by financial sponsors and strategic trade buyers, subordinated debt issuance and an equity capital raise. None would deliver the same transaction certainty, and several carried significant dilution or execution risk.

In the absence of the Scheme, Comvita could pursue a capital raise or refinancing, but there is no certainty either would be successful and, in any event, would likely be on less favourable terms with potential erosion of existing shareholder interests. Even if a capital raising or refinancing were successful, there would continue to be uncertainty around the time and extent to which the turnaround could be delivered compared with the defined outcome offered by the Scheme.

The Scheme accelerates a capital return to shareholders, mitigates execution risk over the turnaround and offers a clear alternative to the capital constraints and prolonged timeframes of a continued standalone strategy. It also provides shareholders with a full exit opportunity in a stock with historically low trading volumes, which the Board believes many shareholders will find attractive.

Florenz brings the capital strength and scale needed to operate in this environment and accelerate Comvita's growth under a consolidated model. They have expressed their commitment to Comvita's global team, growing its New Zealand operations, investing in its international markets and lifting the brand's profile on the world stage. They value the expertise within Comvita, its role as a flagship New Zealand brand and are proud to have the opportunity to keep this iconic company under New Zealand ownership.

Florenz has agreed a standstill on enforcement action with Comvita's banking syndicate through to the earlier of the Scheme becoming effective, the SIA being terminated or a bank terminating the standstill in accordance with its terms following a period of consultation with Florenz.



Until the transaction is complete, the Board and leadership team remain focused on operating the business with stability and discipline.

The Board will continue to ensure shareholders, staff, customers, and partners are kept informed with clear, accurate information. We recognise this period may bring uncertainty - particularly for our people - and we are committed to supporting them throughout the process. We thank the Comvita team for their continued focus and contribution.

Comvita Board unanimous recommendation and voting intentions

The Board unanimously recommends that Comvita shareholders vote in favour of the Scheme, in the absence of a Superior Proposal (as defined in the SIA) and subject to the Independent Adviser's Report concluding that the Scheme consideration is within or above its valuation range for Comvita shares. Each Director intends to vote any Comvita shares they control in favour of the Scheme.

Details of the Scheme

The Scheme is subject to Comvita shareholder approval, High Court approval, an Independent Adviser's Report concluding that the Scheme consideration is within or above the valuation range for Comvita shares, and other customary terms and conditions (including the absence of a material adverse change affecting the business and maintaining certain net-debt levels).

The SIA contains customary exclusivity provisions, including "no shop, no talk and no due diligence" restrictions (subject to customary exclusions), as well as obligations to notify Florenz of a competing proposal, Florenz then having a matching right.

The full SIA accompanies this announcement.

Indicative timetable and next steps

Comvita has, with the approval of the Takeovers Panel, appointed Grant Samuel to prepare an Independent Adviser's Report to assist shareholders to assess the merits of the Scheme.

A Scheme Booklet, containing information relating to the Scheme, the Independent Adviser's Report, the reasons for the Board's unanimous recommendation and meeting information, is currently expected to be sent to Comvita shareholders in October 2025. Comvita shareholders will have the opportunity to vote on the Scheme at a meeting expected to be held in November 2025. If all conditions are satisfied, the Scheme is expected to be implemented in December 2025.

Comvita is being advised by Simpson Grierson, Craigs Investment Partners and Goldman Sachs. Comvita will continue to keep the market informed in relation to the Scheme in line with its continuous disclosure obligations.

ENDS

**For further information:**

Bridget Coates | Comvita

027 714 0591

bridget.coates@comvita.com

Media contact

Kate Walsh

021 858 619

kate@katewalsh.co.nz

Background information

Comvita (NZX:CVT) was founded in 1974/5, with a purpose to heal and protect the world through the natural power of the hive. With a team of 400+ people globally, united with more than 1.6 billion bees, we are the global market leader in Mānuka honey and bee consumer goods. Seeking to understand, but never to alter, we test and verify all our bee-product ingredients are of the highest quality in our own government-recognised and accredited laboratory. We are growing scientific knowledge on Mānuka trees, the many benefits of Mānuka honey and propolis and bee welfare. We have planted millions of native trees, improving our natural ecosystems and biodiversity, and mitigating climate change in conjunction with our focus on carbon emissions reduction, while helping ensure the supply of high quality Mānuka honey. In 2023 Comvita was certified B Corp, a global community of like-minded companies that strive to balance profit with purpose, seeking to use business as a force for good. Comvita has operations in Australia, China, North America, Southeast Asia, and Europe – and of course, Aotearoa New Zealand, where our bees are thriving.

About Florenz

Florenz is a subsidiary of Christchurch-based Masthead Limited, which has a strong track record of building world class businesses over the past four decades.

Florenz was established to develop New Zealand's largest health and wellness export business. Its portfolio includes Wedderspoon Organic — North America's leading seller of Mānuka honey products with distribution in more than 23,000 stores — along with Xtend-Life, 2before Sports Nutrition, Dry Food New Zealand, and a one-third stake in iconic Harker Herbals, which is now entering the United States market alongside existing international sales.

Florenz operates as a holding entity for several high-impact New Zealand natural health and wellness brands, all positioned to serve global markets:

- **Wedderspoon Organic** — North America's top-selling Mānuka honey wellness brand, stocked in over 23,000 stores, spanning products from honey jars to lip balms and lozenges
- **Xtend-Life** — A vitamins and supplements exporter with customers across over 90 countries
- **2before Performance Nutrition** — An advanced science-based pre-workout solution derived from New Zealand blackcurrants, used by Olympians and athletes across the NBA, NFL, and NRL
- **Dry Food New Zealand** — A majority-owned manufacturing specialist in nutraceutical and functional food ingredients, offering end-to-end services from drying to packing



- **Harker Herbals** – A minority-owned, iconic herbal remedies brand producing liquid herbal supplements for more than 40 years, with a growing global footprint