

CONDENSED INTERIM
FINANCIAL STATEMENTS 2022





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Directors' Declaration

In the opinion of the directors of Comvita Limited, the condensed interim financial statements and the notes, on pages 3 to 17:

- comply with New Zealand generally accepted accounting practice and fairly state the financial position of the Group as at 31 December 2021 and the results of their operations and cash flows for the period ended on that date
- have been prepared using appropriate accounting policies, which unless otherwise stated have been consistently applied and supported by reasonable judgements and estimates

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

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

The Directors are pleased to present the financial statements of Comvita Limited for the period ended 31 December 2021.

For and on behalf of the Board of Directors:



Brett Hewlett
23 February 2022



Luke Bunt
23 February 2022

Interim Income Statement

For the six months ended		31 December 2021	31 December 2020
<i>In thousands of New Zealand dollars</i>	Note	Unaudited	Unaudited
Revenue		104,942	98,885
Cost of sales		(45,542)	(50,385)
Gross profit		59,400	48,500
Other income		801	2,001
Marketing expenses		(13,277)	(10,979)
Selling and distribution expenses		(23,259)	(22,252)
Administrative and other operating expenses		(16,476)	(12,113)
Operating profit before financing costs		7,189	5,157
Finance income	5	140	516
Finance expenses	5	(1,269)	(1,250)
Net finance costs		(1,129)	(734)
Share of loss of equity accounted investees	8	(196)	(8)
Profit before income tax		5,864	4,415
Income tax		(2,375)	(960)
Profit for the period		3,489	3,455
Earnings per share:			
Basic earnings per share (NZ cents)	6	4.97	4.95
Diluted earnings per share (NZ cents)	6	4.95	4.95

Supplementary non-GAAP information – EBITDA*

18

12,084

10,595

*EBITDA 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 to profit before tax is provided in note 18.

Interim Statement of COMPREHENSIVE INCOME

For the six months ended

In thousands of New Zealand dollars

	31 December 2021	31 December 2020
	Unaudited	Unaudited
Profit for the period	3,489	3,455
<i>Items that are or may be reclassified subsequently to the income statement</i>		
Foreign currency translation differences for foreign operations	471	(2,058)
Fair value movement – available for sale reserve	-	396
Effective portion of changes in fair value of cash flow hedges	(884)	1,208
Foreign investor tax credits received	68	-
Income tax on these items	413	(262)
Income and expense recognised directly in other comprehensive income	68	(716)
Total comprehensive income for the period	3,557	2,739

Interim Statement of CHANGES IN EQUITY

For the six months ended 31 December 2021

In thousands of New Zealand dollars

	Share capital	Foreign currency translation reserve	Hedging reserve	Fair value reserve	Retained earnings	Total
Balance at 1 July 2020	200,104	(3,809)	(527)	(2,640)	18,620	211,748
Total comprehensive income for the period						
Profit after tax for the period	-	-	-	-	3,455	3,455
<i>Other comprehensive income (net of tax):</i>						
Fair value movement in equity instruments	-	-	-	396	-	396
Disposal of equity instruments	-	-	-	2,244	(2,244)	-
Foreign currency translation differences for foreign operations	-	(1,982)	-	-	-	(1,982)
Effective portion of changes in fair value of cash flow hedges	-	-	870	-	-	870
Total other comprehensive income for the period	-	(1,982)	870	2,640	(2,244)	(716)
Total comprehensive income for the period	-	(1,982)	870	2,640	1,211	2,739
<i>Transactions with owners, recorded directly in equity</i>						
Share based payment	-	-	-	-	117	117
Redemption of ordinary shares - executive share scheme	(6)	-	-	-	-	(6)
Redemption of ordinary shares - staff share scheme	(14)	-	-	-	-	(14)
Supplier share scheme	407	-	-	-	-	407
Total transactions with owners	387	-	-	-	117	504
Balance at 31 December 2020	200,491	(5,791)	343	-	19,948	214,991
Balance at 1 July 2021	201,839	(4,862)	(1,211)	-	26,114	221,880
Total comprehensive income for the period						
Profit after tax for the period	-	-	-	-	3,489	3,489
<i>Other comprehensive income (net of tax)</i>						
Foreign investor tax credits received	-	-	-	-	68	68
Foreign currency translation differences for foreign operations	-	636	-	-	-	636
Effective portion of changes in fair value of cash flow hedges	-	-	(636)	-	-	(636)
Total other comprehensive income for the period	-	636	(636)	-	68	68
Total comprehensive income for the period	-	636	(636)	-	3,557	3,557
<i>Transactions with owners, recorded directly in equity</i>						
Share based payments	-	-	-	-	264	264
Purchase of treasury stock	(1,549)	-	-	-	-	(1,549)
Issue of ordinary schemes - PSR scheme	299	-	-	-	-	299
Redemption of ordinary shares - staff share scheme	(10)	-	-	-	-	(10)
Issue of treasury stock - Supplier share scheme	541	-	-	-	(37)	504
Dividend paid (note 15)	-	-	-	-	(2,893)	(2,893)
Total transactions with owners	(719)	-	-	-	(2,666)	(3,385)
Balance at 31 December 2021	201,120	(4,226)	(1,847)	-	27,005	222,052

The notes on pages 8 to 17 are an integral part of these condensed interim financial statements.

Interim Statement of FINANCIAL POSITION

As at		December 2021	December 2020	June 2021
<i>In thousands of New Zealand dollars</i>		Unaudited	Unaudited	Audited
	Note			
Assets				
Property, plant and equipment		64,462	60,262	63,345
Intangible assets and goodwill		39,646	38,791	38,046
Right of use assets		12,451	12,992	13,035
Biological assets		3,808	3,794	3,814
Investments	8	11,745	6,261	6,849
Deferred tax asset		6,200	8,440	7,209
Total non-current assets		138,312	130,540	132,298
Inventory	10	111,776	98,549	101,008
Trade receivables		32,308	26,223	23,523
Sundry receivables	7	15,392	12,122	13,463
Cash and cash equivalents	11	19,353	14,397	16,267
Derivatives	9	-	389	-
Tax receivable		467	528	50
Total current assets		179,296	152,208	154,311
Total assets		317,608	282,748	286,609
Equity				
Issued capital		201,120	200,491	201,839
Retained earnings		27,005	19,948	26,114
Reserves		(6,073)	(5,448)	(6,073)
Total equity		222,052	214,991	221,880
Liabilities				
Loans and borrowings	11	-	28,300	20,850
Lease liabilities		9,687	9,989	9,950
Deferred tax liability		1,908	2,003	1,962
Employee benefits		533	329	539
Total non-current liabilities		12,128	40,621	33,301
Trade and other payables		25,371	17,510	18,869
Lease liability		3,388	3,451	3,631
Employee benefits		4,015	3,574	5,514
Tax payable		2,464	2,601	1,766
Derivatives	9	2,541	-	1,648
Loans and borrowings	11	45,649	-	-
Total current liabilities		83,428	27,136	31,428
Total liabilities		95,556	67,757	64,729
Total equity and liabilities		317,608	282,748	286,609

The notes on pages 8 to 17 are an integral part of these condensed interim financial statements.

Interim Statement of CASH FLOWS

For the six months ended

In thousands of New Zealand dollars

	Note	31 December 2021 Unaudited	31 December 2020 Unaudited
Receipts from customers		97,616	89,910
Payments to suppliers and employees		(100,566)	(78,707)
Interest received		2	11
Interest paid		(1,144)	(1,250)
Taxation paid		(764)	(535)
Net cash flows from operating activities	12	(4,856)	9,429
Investment in equity accounted investees		(5,092)	-
Interest from related parties		28	18
Proceeds from disposal of investment		-	396
Loans to equity accounted investees		250	(1,493)
Payment for the acquisition of property, plant and equipment		(3,463)	(5,394)
Receipt from disposal of property, plant and equipment		75	997
Payment for the acquisition of intangibles		(2,450)	(184)
Net cash flows from investing activities		(10,652)	(5,660)
Purchase of treasury stock		(1,549)	-
Payment for redemption of employee shares		(10)	(20)
Repayment of lease liabilities		(1,934)	(1,623)
Drawdown/(repayment) of loans and borrowings		24,799	(3,900)
Payment of dividends		(2,893)	-
Net cash flows from financing activities		18,413	(5,543)
Net increase in cash and cash equivalents		2,905	(1,774)
Cash and cash equivalents at the beginning of the period		16,267	16,680
Effect of exchange rate fluctuations on cash held		181	(509)
Cash and cash equivalents at the end of the period		19,353	14,397
Represented as:			
Cash and cash equivalents	11	19,353	14,397
Total		19,353	14,397

Notes to the Condensed Interim Financial Statements

1. REPORTING 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 condensed interim financial statements of the Group for the six months ended 31 December 2021 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 that of manufacturing and marketing quality natural health products, apiary ownership and management.

2. BASIS OF PREPARATION

(a) 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 as appropriate for profit-oriented entities.

The condensed interim financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the group financial statements as at and for the year ended 30 June 2021.

The condensed interim financial statements were approved by the Board of Directors on 23 February 2022.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis except for derivative financial instruments, financial instruments designated as fair value through other comprehensive income, biological assets and leases which are measured at fair value. Fair values have been determined for measurement and/or disclosure purposes on the same basis as those applied by the Group in the financial statements as at and for the year ended 30 June 2021.

(c) 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.

(d) Use of estimates and judgements

The preparation of condensed interim financial statements in accordance with NZ IAS 34 Interim Financial Reporting 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.

In preparing these condensed interim financial statements, the significant judgements made by management in applying the Groups accounting policies and the key sources of estimation uncertainty were the same as those applied to the financial statements as at and for the year ended 30 June 2021.

(e) Covid-19 considerations

Covid-19 considerations Comvita is classified as an 'Essential' business by the New Zealand Government, therefore having no impact on the manufacturing process of the Group. For the period ended 31 December 2021 the Group has not been significantly impacted by COVID-19. There has been a strong demand in sales, in particular in online channels across all markets. An assessment over the carrying value of assets and liabilities has been performed and the Group has recognised provisions where necessary relating to the impact of COVID-19. The Group continues to operate as a going concern and Senior Management continue to closely monitor the situation.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied in these condensed interim financial statements are the same as those applied in the Group's financial statements as at and for the year ended 30 June 2021.

4. SEGMENT REPORTING

A review of operating segments has been completed in the current year and this has resulted in a change to reported segments. Previously reported segment information has been restated in line with the operating segments described below.

Segment information is presented in the condensed interim 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.

Each segment sells Comvita's range of products. Comvita's range of products primarily include products with apiary and other natural ingredients.

The Company is organised primarily by geographic location of its subsidiaries.

The Group has five reportable segments as described below:

Greater China	This segment reports both revenue and related costs for the China and Hong Kong markets.
ANZ	Australia and New Zealand (ANZ) segment captures both revenue and related costs for the ANZ market.
Rest of Asia	This segment captures both revenue and related costs of all of our Asian operations and customers excluding Greater China.
North America	This segment reports both revenue and related costs for sales to customers in North America.
EMEA	The Europe, Middle East and Africa (EMEA) segment captures both revenue and related costs for the EMEA markets.

Notes to the Condensed Interim Financial Statements

4. SEGMENT REPORTING (CONTINUED)

For the six months to 31 December 2021 and 31 December 2020 unaudited

In thousands of New Zealand dollars

Contribution segments	Greater China		ANZ		Rest of Asia		North America		EMEA		Total reportable segments		Other segments		Total	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
For the six months to 31 December																
Contribution Segments																
Revenue	47,740	47,615	18,061	18,092	12,698	12,572	17,178	11,617	2,900	3,394	98,577	93,290	6,365	5,595	104,942	98,885
Contribution	11,986	11,232	6,051	6,279	3,252	3,747	5,296	3,031	238	139	26,823	24,428	531	417	27,354	24,845
Non attributable (other corporate expenses)															(20,966)	(21,689)
Financial income and expenses (note 5)															(1,129)	(734)
Other income															801	2,001
Share of profit of equity accounted investees (note 8)															(196)	(8)
Net profit before tax															5,864	4,415

Total assets

	December 2021 Unaudited	December 2020 Unaudited	June 2021 Audited
In thousands of New Zealand dollars			
Total assets for reportable segments	173,692	143,054	150,970
Other investments	8	8	8
Investment in equity accounted investees	11,737	6,253	6,841
Other unallocated assets	132,171	133,433	128,790
Consolidated total assets	317,608	282,748	286,609

5. FINANCIAL INCOME AND EXPENSES

In thousands of New Zealand dollars

	31 December 2021 Unaudited	31 December 2020 Unaudited
Interest income	134	110
Dividend income	6	9
Net foreign exchange gain	-	397
Finance income	140	516
Interest expense on financial liabilities measured at amortised cost	(1,144)	(1,250)
Net foreign exchange loss	(125)	-
Finance expense	(1,269)	(1,250)

Notes to the Condensed Interim Financial Statements

6. EARNINGS PER SHARE

Basic earnings per share - weighted average number of ordinary shares	31 December 2021	31 December 2020
<i>In thousands of shares</i>	Unaudited	Unaudited
Issued ordinary shares at beginning of period	70,300	69,780
Effect of shares issued during the period	(151)	11
Weighted average number of ordinary shares at the end of the period	70,149	69,791
Earnings	3,489	3,455
Basic earnings per share (NZ cents)	4.97	4.95
Diluted earnings per share – weighted average number of ordinary shares	31 December 2021	31 December 2020
<i>In thousands of shares</i>		
Weighted average number of ordinary shares (basic)	70,149	69,791
Effect of stock entitlements issued	351	-
Weighted average number of diluted shares at the end of the period	70,500	69,791
Diluted earnings per share (NZ cents)	4.95	4.95

The effect of stock entitlements is Nil where the exercise price is higher than the average share price for the period, in accordance with NZ IAS 33 *Earnings per share*.

7. SUNDRY RECEIVABLES

<i>In thousands of New Zealand dollars</i>	31 December 2021	31 December 2020	30 June 2021
	Unaudited	Unaudited	Audited
Prepayments	6,874	5,946	4,360
Loans to equity accounted investees (note 8c)	4,883	4,835	5,031
Loan receivable – related parties	-	567	-
Loan receivable - management personnel (note 13)	2,757	450	2,746
Other receivables	878	324	1,326
Total sundry receivables	15,392	12,122	13,463

8. INVESTMENTS

<i>In thousands of New Zealand dollars</i>	31 December 2021	31 December 2020	30 June 2021
	Unaudited	Unaudited	Audited
Investment in equity accounted investees	11,737	6,253	6,841
Other investments	8	8	8
Total investments	11,745	6,261	6,849

Notes to the Condensed Interim Financial Statements

8. INVESTMENTS (CONTINUED)

(a) Investments in equity accounted investees comprises:

	Country of Incorporation	Ownership Interest Held	Balance Date	Principal Activity
Makino Station Limited	New Zealand	50%	30 June	Apiary and land ownership
Gan Supply JV Limited	New Zealand	33%	30 June	Restructure and Winding up Agreement signed 4 June 2021
Medibee Pty Limited "Medibee"	Australia	50%	30 June	Apiary
Apiter S.A. "Apiter"	Uruguay	20%	31 July	Manufacturing, selling and distribution
Caravan Honey Company	USA	50%	31 Dec	Development and commercialisation of products made with Comvita Mānuka honey and propolis for topical use

Medibee

Medibee Apiaries has a funding arrangement with HSBC and Comvita has signed a several guarantee for its share of the loan facility, which is AUD \$4,500,000 at balance date.

Caravan Honey Company

On 22 December 2021 Comvita Limited entered a stock purchase agreement to purchase 4,500,000 shares for USD\$3,379,500 in a newly established US domiciled entity, Caravan Honey Company. Comvita currently has 50% ownership and joint control of this entity.

(b) Carrying value of equity accounted investees

In thousands of New Zealand dollars

	31 December 2021 Unaudited	31 December 2020 Unaudited	30 June 2021 Audited
Opening balance – 1 July	6,841	6,261	6,261
Acquisition	5,092	-	-
Dividends received	-	-	(363)
Share of (loss)/profit	(196)	(8)	992
Foreign exchange movements recognised in other comprehensive income	-	-	(49)
Closing balance	11,737	6,253	6,841

(c) Loans to equity accounted investees

In thousands of New Zealand dollars

	31 December 2021 Unaudited	31 December 2020 Unaudited	30 June 2021 Audited
Loan and interest receivable			
Makino	3,999	4,089	4,168
Apiter	884	534	863
Gan Supply JV	-	212	-
Total	4,883	4,835	5,031

Makino:

Interest is accrued on the balance of loan at a rate of 5.34% p.a. (2020: 5.34%). Interest income for the six months ended 31 December 2021 was \$81,000 (2020: \$81,000).

Apiter :

The loan is denominated in USD. Interest is accrued on the balance of the loan at a rate of 3.5% p.a. (2020: 3.5%). Interest income for the six month ended 31 December 2021 was \$9,000 (2020: \$8,000).

All loans to equity accounted investees are repayable on demand.

Notes to the Condensed Interim Financial Statements

8. INVESTMENTS IN EQUITY ACCOUNTED INVESTEEES (CONTINUED)

(d) Transactions with equity accounted investees

In thousands of New Zealand dollars

	Sale of goods and services		Purchases of goods and services	
	Transaction value	Balance due from	Transaction value	Balance owing to
31 December 2021				
Makino	80	-	1,021	113
Gan Supply JV	1	-	40	-
Apiter	-	-	323	-
31 December 2020				
Makino	58	-	402	-
Gan Supply JV	8	-	478	-
Apiter	-	-	1,509	-

9. DERIVATIVES

The table below analyses financial instruments carried at fair value, by valuation method. These are all level 2 on the fair value hierarchy, as they include inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices). There have been no transfers between levels in either direction during the period.

In thousands of New Zealand dollars

	31 December 2021	31 December 2020	30 June 2020
	Unaudited	Unaudited	Audited
Derivatives – assets (hedging instrument)	-	389	-
Total assets	-	389	-
Derivatives – liabilities (hedging instrument)	(2,541)	-	(1,648)
Total liabilities	(2,541)	-	(1,648)

Derivative – assets and liabilities (hedged) and designated at fair value through the income statement.

The Group's Level 2 fair values for simple over-the-counter derivative financial instruments are based on broker quotes. Those quotes are tested for reasonableness by discounting expected future cash flows using market interest rate for a similar instrument at the measurement date. Fair values reflect the credit risk of the instrument and include adjustments to take account of the credit risk of the Group entity and counterparty when appropriate.

Fair values

The fair value of all financial assets and liabilities is the same as the carrying amount.

Notes to the Condensed Interim Financial Statements

10. INVENTORY

In thousands of New Zealand dollars

	31 December 2021	31 December 2020	30 June 2021
	Unaudited	Unaudited	Audited
Raw materials	72,062	65,733	60,762
Work in progress	1,617	314	1,049
Finished goods	38,097	32,502	39,197
Total inventory	111,776	98,549	101,008

Inventory disposed of during the period ended 31 December 2021 has been recognised within cost of goods sold - \$324,000 (2020: \$288,000).

11. LOANS AND BORROWINGS

This note provides information about the contractual terms of the Group's interest-bearing loans and borrowings issued and repaid during the periods presented.

Terms and debt repayment schedule

In thousands of New Zealand dollars

	31 December 2021	31 December 2020	30 June 2021
	Unaudited	Unaudited	Audited
Balance at beginning of period	20,850	32,200	99,250
Drawdown/(repayment) of borrowings - net	24,799	(3,900)	(78,400)
Balance at end of period	45,649	28,300	20,850

Represented as:

Current loans and borrowings	45,649	-	-
Non-current loans and borrowings	-	28,300	20,850
Total loans and borrowings	45,649	28,300	20,850
Less: cash and cash equivalents	(19,353)	(14,397)	(16,267)
Total net debt	26,296	13,903	4,583

The Group was in compliance with banking covenants during the period and as at 31 December 2021.

At 31 December 2021, the Group's loans and borrowings had an expiry date of 1st July 2022. An extension letter was executed 14 February 2022 which extended the Group's loans and borrowings expiry date to 1 January 2023.

Notes to the Condensed Interim Financial Statements

12. RECONCILIATION OF THE PROFIT FOR THE PERIOD WITH THE NET CASH FROM OPERATING ACTIVITIES

In thousands of New Zealand dollars

	31 December 2021	31 December 2020
	Unaudited	Unaudited
Profit for the period	3,489	3,455
<i>Items not involving cash flows:</i>		
Depreciation	4,338	4,045
Amortisation	873	841
Gain on disposal of non-current assets	(51)	(237)
Share based payments	563	117
Supplier share scheme – inventory purchase	504	407
Share of profit in equity accounted investees	196	8
Profit adjusted for non-cash items	9,912	8,636
<i>Movement in working capital items:</i>		
Change in inventories	(10,768)	14,130
Change in trade receivables	(8,785)	(8,497)
Change in sundry debtors and prepayments	(2,054)	290
Change in trade and other payables	4,812	(5,622)
Change in tax payable	281	1,281
Change in deferred tax	955	(588)
Movement in working capital items from foreign currency translation reserve	719	(1,353)
<i>Other movements:</i>		
Movement of deferred tax in equity	418	(414)
Prepayment to equity accounted investee	-	1,509
Interest income from investing activities	(132)	(99)
Foreign investor tax credits	68	-
Foreign currency reserve	(282)	156
Net cash from operating activities	(4,856)	9,429

Notes to the Condensed Interim Financial Statements

13. RELATED PARTIES

(a) Transactions with key management personnel

Key management compensation comprised:

In thousands of New Zealand dollars

	31 December 2021	31 December 2020
	Unaudited	Unaudited
Short term employee benefits	2,195	1,910
Share based payments	349	46
Total	2,544	1,956

(b) Key management and director loans

Key management compensation comprised:

In thousands of New Zealand dollars

	31 December 2021	31 December 2020
	Unaudited	Unaudited
Loan to CEO	450	450
Loan to key management personnel – Leader Share Purchase and Loan Scheme (note 14)	2,307	-
Total	2,757	450

Directors and other key management personnel of the Company control 3.38% (30 June 2021: 2.37%, 31 December 2020: 1.31%) of the voting shares of the Company.

Notes to the Condensed Interim Financial Statements

14. EXECUTIVE EMPLOYEE SHARE SCHEMES

(a) Leader and Share Purchase and Loan Scheme:

On 25 March 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.

In thousands of New Zealand dollars

	31 December 2021	31 December 2020
	Unaudited	Unaudited
Employees in the LSPLS	8	-
Number of shares held	738,012	-
% of share capital	1.05%	-

(b) 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 PSRs.

In thousands of shares

	31 December 2021	31 December 2020
	Unaudited	Unaudited
Entitlements outstanding at beginning of period – July	147	-
Entitlements granted	387	122
Entitlements cancelled	(23)	25
Shares vested	(44)	-
Total	467	147

During the period there was 37,516 additional shares issued to employees under the same incentive structure as the PSR scheme. These shares were issued for no consideration from treasury stock.

(c) Executive Share Scheme :

Comvita Limited has an Executive Share Scheme called the Comvita Limited Partly Paid Share Scheme, which is winding down. As at 31 December there is outstanding entitlements of 362,000 shares (2020: 617,000 shares).

15. DIVIDENDS PAID

On 7 October 2021 a final dividend was paid. It was a fully imputed final dividend of \$2,893,000 (4.0 cents per share).

16. CAPITAL COMMITMENTS

At 31 December 2021 the Group has committed to spending \$2,300,000 over the next year. The capital commitment relates to mānuka forest investment and other capital projects.

Notes to the Condensed Interim Financial Statements

17. SUBSEQUENT EVENTS

Dividends

On 23 February 2022, the Directors approved the payment of a fully imputed final dividend of \$1,760,000 (2.5 cents per share) to be paid on 31 March 2022. As the dividend was declared after balance date it has not been recognised as a liability in these financial statements.

18. SUPPLEMENTARY NON-GAAP INFORMATION - EBITDA

Earnings before interest, tax, depreciation, and amortisation (EBITDA) 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

	31 December 2021	31 December 2020
	Unaudited	Unaudited
Profit before tax	5,864	4,415
Add back: net finance cost	1,010	1,140
EBIT	6,874	5,555
Add back: depreciation and amortisation	5,210	5,040
EBITDA	12,084	10,595

Directory

DIRECTORS

COMVITA Board Of Directors

Brett Donald Hewlett
Lucas (Luke) Nicholas Elias Bunt
Sarah Jane Kennedy
Bridget Coates
Robert Malcolm Major
Yawen Wu
Guangping Zhu
David Banfield

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