

31 MAY 2021

## ME TODAY ACQUISITION OF KING HONEY LIMITED

**Auckland, New Zealand:** Me Today Limited (NZX: MEE) announced today it has agreed to acquire 100% of King Honey Limited from interests associated with Terry Jarvis for total consideration of \$36m.

King Honey is one of New Zealand's premium Manuka Honey producers, operating since 2016 with a vision to bring highly skilled beekeepers together to develop a fully integrated Manuka Honey business. It has a network of 18,000 bee hives and 3,600 queen bee rearing hives placed across the North Island of New Zealand and into the Marlborough region.

Grant Baker, MEE Chairman said "The King Honey business complements the Me Today brand and the acquisition will enable Me Today to expand its existing lifestyle, health and wellness businesses. Terry has created an impressive Manuka Honey business which is well established to provide a platform for future growth".

King Honey operates two brands, the BEE+ brand and the Superlife brand, Me Today sees opportunity for the continued growth of these brands together with the opportunity to include manuka honey products as an extension to the Me Today product range. Given the overlap in category there is also benefit in leveraging the distribution networks of both Me Today and King Honey.

The total purchase price of \$36m consists of the following components:

- Cash on completion \$21m
- The issue of \$10m in new shares in MEE to the vendor at 8.8 cents per share
- A subordinated note of \$5m repayable in three years from completion with interest paid annually in arrears at 4%.

At completion it is expected that King Honey will have in excess of \$16m in working capital. This includes inventory at cost comprising approximately 540 tonnes of premium manuka honey. The network of hives has capacity to produce in excess of 350 tonnes of honey annually.

The cash consideration payable on completion of \$21m is to be funded through bank debt of \$8.5m and a new equity capital raise. The company plans to raise \$15.75m in new capital from third party investors at 8.8 cents per share and has mandated CM Partners to arrange the capital raise.

King Honey had revenue of \$16.5m and EBITDA of \$3.87m in the financial year to 31 March 2021, and it is expecting growth in revenue and EBITDA in the year to 31 March 2022, with revenue forecast to be \$21.5m and EBITDA of \$5.26m.

King Honey founder Terry Jarvis said "We are excited to see the business become part of the Me Today Group. It is a great fit for King Honey and I believe there is significant opportunity for growth with both companies working together".

King Honey has a strong management team and employs 75 people nationwide. After completion it is intended that Terry will transition away from the day to day running of the business and the existing management team will report to Me Today director Stephen Sinclair, who will take the role as general manager of King Honey. With Terry Jarvis's interests retaining a significant shareholding, Terry remains committed to the success of the business.

Me Today CEO Michael Kerr said "I welcome the integration of King Honey into the Me Today group which will provide it with additional scale and opportunities for new product development utilising the proven health benefits of manuka honey."

The acquisition and capital raising are subject to shareholder approval which the company intends to seek at a shareholder meeting in late June. The notice of meeting and other information is expected to be available mid-June. Completion of the transaction is expected to occur on 30 June subject to the results of the shareholder meeting.

- ENDS -

For further information, please contact:

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### **About King Honey**

King Honey is one of New Zealand's premium Manuka honey producers. King Honey began operations in 2016 with a vision to bring highly skilled beekeepers together to develop a fully integrated Manuka honey brand. It has a network of 18,000 bee hives and 3,600 queen bee rearing hives placed across the North Island of New Zealand and into the Marlborough region.

As well as servicing the growing domestic market, the business exports into Australia, UK, Europe, USA and Asia. King Honey's team consists of over 75 experienced and highly skilled members focused on developing and maintaining excellent landowner relationships, risk management, high quality beekeeping and optimisation of locations and assets.

The business currently operates two brands – the established BEE+ brand and the Superlife brand, which was launched in 2020. The BEE+ brand is 85% owned by Access Brand Management Pty Limited (ABM) – an Australian operated, Chinese owned, brand development, marketing and distribution company.

King Honey controls its supply chains with a high percentage of supply being its own. This production focuses on the high value UMF Manuka Honey representing approximately 90% of its total production. King Honey's business reputation, vertical integration and track record with landowners has been a major catalyst to its growth.

## Operations

King Honey operates across the North Island and the Marlborough region. Its operations include:

- five apiary facilities used for staff operations, storage of equipment, hive maintenance components,
- two queen rearing operations expecting to produce 18,000 queens,
- 45 highly skilled beekeeping specialists,
- licences with 100+ landowners covering approximately 900 hive sites,
- an agri-testing laboratory to ensure only quality Manuka is stored, and
- a processing, bottling and storage plant located in Taupo serviced by 27 employees.

## About Me | Today

[www.metoday.com](http://www.metoday.com)

Me Today is a New Zealand owned and operated, lifestyle and wellness company with a nurturing spirit. Its mission is to encourage positive change in the lives of its consumers through simple yet effective, daily self-care.

Based on science and tradition, Me Today's range of supplements and skincare is thoughtfully formulated in New Zealand using clean, high-quality ingredients. Made effective and modern with self-care at its core, Me Today offers an efficacious cross-category product range that is easy to shop, and made with the environment in mind.

Created to help people put themselves first so that they are at their best to then look after the people around them. **Unlocking your best tomorrow with Me Today.**

**Me Today supplements** are made from premium quality formulas based on scientific and traditional evidence, formulated for busy lifestyles. All products are encapsulated in easy to swallow vegetable capsules and are packed in glass vessels for efficacy and environmental reasons.

**Me Today Skincare** is enriched with essential botanicals, antioxidants and vitamins blended specially to hydrate, protect, and comfort your skin. The entire Me Today skincare range is cruelty-free, vegan and/or vegetarian friendly, formulated without parabens, SLS/SLES, Phthalates, and is made from 93%+ naturally derived ingredients.

Recently Me Today has expanded its skincare range to include four Vitamin Serums, enriched with active vitamins and two Botanical Oils, to provide targeted treatment for skin, alongside a Natural SPF30 sunscreen lotion.

Me Today has a clear focus on researching, understanding, and formulating relevant product solutions. New products are continually under development in the supplement and skincare categories to cater to changing consumer demand globally.

## Me Today Brand Roadmap

Vision – To be a global leader in the lifestyle and wellness spaces

Mission – To help consumers live their best lives and feel good, both on the inside and outside.

Ambition – To be the 'must have' products to enhance consumers' general wellbeing.

## About The Good Brand Company Limited

Unlocking your best tomorrow.™



Established in 2018 to grow agency brands. Specialists in the Health, Natural Skincare, and Wellbeing spaces. Currently selling products in Pharmacy (Green Cross Health, Chemist Warehouse, Bargain Chemist, Independent Pharmacy, Countdown Pharmacy) and Health stores, with a dedicated national sales team. On behalf of its brand partners currently, The Good Brand Company has products in over 600 stores around New Zealand.

As part of the service provided, The Good Brand Company is also a commercial partner to brands, offering services such as key account management, supply and demand reviews, 4pl warehousing & logistics options, go-to-market strategy input, trade marketing, brand marketing, and ultimately a good level of understanding of the New Zealand retail environment.

The Good Brand Company has positioned itself as the New Zealand sales partner for brands wanting an effective yet efficient way to sell into New Zealand retailers.

The Good Brand Company believes in working with Good Brands, has Good people, and offers Good service.

Unlocking your best tomorrow.™