

FINANCIAL STATEMENTS

2023

COMVITA LIMITED

POISED FOR TAKE-OFF

COMVITA.CO.NZ



FINANCIAL STATEMENTS

CONTENTS

SECTION 1

Directors' declaration	03
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SECTION 2

CONSOLIDATED STATEMENTS

Consolidated Income Statement	04
Consolidated Statement of Comprehensive Income	05
Consolidated Statement of Changes in Equity	06
Consolidated Statement of Financial Position	07
Consolidated Statement of Cash Flows	08

SECTION 3

NOTES TO THE FINANCIAL STATEMENTS

Performance		Working Capital		Financial Risk	
01. Segments	11	15. Inventory	19	25. Market risk	29
02. Revenue	12	16. Trade receivables	19	26. Liquidity risk	30
03. Other income	12	17. Sundry receivables	20	27. Credit risk	31
04. Operating cash flow	13	18. Trade and other payables	20	28. Financial instruments	31
05. Expenses	14				
06. Personnel expenses	14	Assets		Other Disclosures	
07. Tax	14	19. Property, plant & equipment	21	29. Share schemes	32
08. Supplementary non-GAAP information - EBITDA	15	20. Intangible assets	23	30. Related parties	33
		21. Goodwill and asset impairment testing	24	31. Group entities	34
		22. Biological assets	25	32. Commitments	35
Funding		23. Investments	26	33. Subsequent events	35
09. Capital and reserves	16	24. Leases	28		
10. Earnings per share	17				
11. Distributions	17				
12. Borrowings	17				
13. Cash & cash equivalents	18				
14. Finance income & expenses	18				

SECTION 4

Audit Report	36
--------------	----

SECTION 5

Statutory Information	40
-----------------------	----



DIRECTORS' DECLARATION

In the opinion of the Directors of Comvita Limited, the financial statements and the notes, on pages 4 to 35:

- comply with New Zealand generally accepted accounting practice and fairly reflect the financial position of the Group as at 30 June 2023 and the results of their operations and cash flows for the year ended on that date
- have been prepared using appropriate accounting policies and supported by reasonable judgements and estimates

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

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

The Directors are pleased to present the financial report, incorporating the financial statements of Comvita Limited for the year ended 30 June 2023.

For and on behalf of the Board of Directors:



Brett Hewlett
21 August 2023



Luke Bunt
21 August 2023

CONSOLIDATED

INCOME STATEMENT

For the year ended		30 June 2023	30 June 2022
<i>In thousands of New Zealand dollars</i>	Note		
Revenue	2	234,195	208,909
Cost of sales		(98,435)	(82,909)
Gross profit		135,760	126,000
Other income	3	12,177	1,943
Marketing expenses		(30,509)	(28,062)
Selling and distribution expenses		(54,484)	(47,362)
Administrative and other operating expenses	5	(36,140)	(32,370)
Software development expenses		(2,884)	-
Operating profit before financing costs		23,920	20,149
Finance income	14	314	290
Finance expenses	14	(10,384)	(3,127)
Net finance expenses		(10,070)	(2,837)
Share of loss of equity accounted investees	23	(844)	(187)
Profit before income tax		13,006	17,125
Income tax expense	7	(1,944)	(4,341)
Profit for the year		11,062	12,784
Earnings per share:			
Basic earnings per share (NZ cents)	10	15.84	18.24
Diluted earnings per share (NZ cents)	10	15.66	18.13
EBITDA	8	30,623	30,083

*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 8.

The notes on pages 9 to 35 are an integral part of these condensed interim financial statements

CONSOLIDATED

STATEMENT OF COMPREHENSIVE INCOME
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For the year ended		30 June 2023	30 June 2022
In thousands of New Zealand dollars	Note		
Profit for the year		11,062	12,784
<i>Items that are or may be reclassified subsequently to the income statement</i>			
Foreign currency translation differences for foreign operations		(862)	3,233
Foreign currency translation differences for equity accounted investees		113	(46)
Effective portion of changes in fair value of cash flow hedges		5,528	(4,657)
Foreign investor tax credits		93	109
Income tax on these items	7	(1,463)	987
Income and expenses recognised directly in other comprehensive income		3,409	(374)
Total comprehensive income for the year		14,471	12,410

The notes on pages 9 to 35 are an integral part of these financial statements

CONSOLIDATED

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2023

In thousands of New Zealand dollars

	Share capital	Foreign currency translation reserve	Hedging reserve	Retained earnings	Total
Balance at 30 June 2021	201,839	(4,862)	(1,211)	26,114	221,880
<i>Total comprehensive income for the year</i>					
Profit for the year	-	-	-	12,784	12,784
<i>Other comprehensive income (net of tax)</i>					
Foreign currency translation differences for equity accounted investees (note 23)	-	(46)	-	-	(46)
Foreign currency translation differences for foreign operations	-	2,916	-	-	2,916
Foreign investor tax credits	-	-	-	109	109
Effective portion of changes in fair value of cash flow hedges	-	-	(3,353)	-	(3,353)
Total other comprehensive income	-	2,870	(3,353)	109	(374)
Total comprehensive income for the year	-	2,870	(3,353)	12,893	12,410
<i>Transactions with owners, recorded directly in equity</i>					
Share based payment	-	-	-	601	601
Acquisition of treasury stock	(2,992)	-	-	-	(2,992)
Issue of ordinary shares – Supplier share scheme	541	-	-	(37)	504
Issue of ordinary shares – Performance share rights scheme (note 29)	299	-	-	-	299
Redemption of ordinary shares related to share schemes	(10)	-	-	-	(10)
Dividends paid (note 11)	-	-	-	(4,702)	(4,702)
Total transactions with owners	(2,162)	-	-	(4,138)	(6,300)
Balance at 30 June 2022	199,677	(1,992)	(4,564)	34,869	227,990
<i>Total comprehensive income for the year</i>					
Profit for the year	-	-	-	11,062	11,062
<i>Other comprehensive income (net of tax)</i>					
Foreign currency translation differences for equity accounted investees (note 23)	-	113	-	-	113
Foreign currency translation differences for foreign operations	-	(777)	-	-	(777)
Foreign investor tax credits	-	-	-	93	93
Effective portion of changes in fair value of cash flow hedges	-	-	3,980	-	3,980
Total other comprehensive income	-	(664)	3,980	93	3,409
Total comprehensive income for the year	-	(664)	3,980	11,155	14,471
<i>Transactions with owners, recorded directly in equity</i>					
Share based payment	-	-	-	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

The notes on pages 9 to 35 are an integral part of these financial statements

CONSOLIDATED

STATEMENT OF FINANCIAL POSITION

As at 30 June 2023

In thousands of New Zealand dollars

Assets

	Note	2023	2022
Property, plant and equipment	19	72,873	64,968
Intangible assets and goodwill	20	41,754	40,402
Right of use assets	24	14,407	12,112
Biological assets	22	4,437	3,878
Investments	23	10,234	10,965
Loans to equity accounted investees	23	6,058	5,188
Derivatives	25	48	-
Deferred tax asset	7	4,545	5,759

Total non-current assets		154,356	143,272
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Inventory	15	136,088	132,157
Trade receivables	16	39,373	27,818
Sundry receivables	17	17,354	11,526
Cash and cash equivalents	13	11,554	17,756
Tax receivable	7	41	251

Total current assets		204,410	189,508
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Total assets		358,766	332,780
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Equity

Issued capital		199,351	199,677
Retained earnings		43,209	34,869
Reserves		(3,240)	(6,556)

Total equity		239,320	227,990
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Liabilities

Loans and borrowings	12	64,940	43,300
Trade and other payables	18	288	267
Lease liability		11,972	9,431
Deferred tax liability	7	1,509	1,864

Total non-current liabilities		78,709	54,862
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Trade and other payables	18	34,319	37,792
Lease liability		3,386	3,373
Tax payable	7	2,195	2,244
Derivatives	25	837	6,519

Total current liabilities		40,737	49,928
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Total liabilities		119,446	104,790
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Total equity and liabilities		358,766	332,780
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The notes on pages 9 to 35 are an integral part of these financial statements

CONSOLIDATED

STATEMENT OF CASH FLOWS

For the year ended 30 June 2023
In thousands of New Zealand dollars

		2023	2022
	Note		
Receipts from customers		223,849	208,080
Receipts from insurance proceeds	3	5,480	-
Payments to suppliers and employees		(219,068)	(200,884)
Taxation paid		(2,178)	(1,836)
Net cash flows from operating activities	4	8,083	5,360
Consideration paid for the acquisition of investee		-	(5,092)
Loans to equity accounted investees		(593)	198
Receipt of dividend from equity accounted investee		-	745
Interest from related parties		38	45
Payment for the purchase of property, plant and equipment		(16,601)	(5,451)
Payment for the purchase of biological assets		(538)	-
Receipt for the disposal of property, plant and equipment		237	335
Payment for the purchase of intangibles		(3,297)	(3,997)
Net cash flows from investing activities		(20,754)	(13,217)
Redemption of ordinary shares		(4)	(10)
Purchase of treasury stock		(322)	(2,992)
Repayment of lease liabilities		(4,898)	(3,862)
Proceeds from loans and borrowings		21,640	22,450
Payment of dividends		(3,961)	(4,702)
Interest received		17	5
Interest paid		(5,740)	(2,535)
Net cash flows from financing activities		6,732	8,354
Net increase in cash and cash equivalents		(5,939)	497
Cash and cash equivalents at the beginning of the year		17,756	16,267
Effect of exchange rate fluctuations on cash held		(263)	992
Cash and cash equivalents at the end of the year		11,554	17,756
Represented as:			
Cash and cash equivalents	13	11,554	17,756
Total		11,554	17,756

The notes on pages 9 to 35 are an integral part of these financial statements

NOTES TO TO THE FINANCIAL STATEMENTS

ACCOUNTING ENTITY

Comvita Limited (the "Company") is a Company domiciled in New Zealand, and registered under the Companies Act 1993 and listed on the New Zealand Stock Exchange ("NZX"). The Company is an issuer in terms of the Financial Reporting Act 2013 and Financial Markets Conduct Act 2013. The financial statements of the Group for the year ended 30 June 2023 comprise the Company and its subsidiaries (together referred to as the "Group") and the Group's interest in equity accounted investees.

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

BASIS OF PREPARATION

Statement of compliance

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

The financial statements were approved by the Board of Directors on 21 August 2023.

Basis of measurement

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

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

Functional and presentation currency

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

Use of estimates and judgements

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

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

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

- Intangible assets (note 20)
- Measurement of recoverability of cash generating units (note 21)
- Valuation of biological assets (note 22)
- Valuation of equity accounted investments (note 23)
- Recoverability of deferred tax assets (note 7)
- Insurance proceeds receivable (note 3)

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 and are designated by a shaded area.

STANDARDS, AMENDMENTS AND INTERPRETATIONS ADOPTED DURING THE PERIOD

Cloud computing arrangements

In March 2021 the International Financial Reporting Interpretations Committee (IFRIC) finalised its interpretation of the application of IAS 38 Intangible Assets to configuration and customisation costs incurred in Software-as-a-Service (SaaS) arrangements. The decision was ratified by the International Accounting Standards Board (IASB) in April 2021.

SaaS arrangements are cloud computing applications where the underlying software and associated infrastructure are hosted by a service provider, independent of the Group. The costs to configure, customise and implement a SaaS arrangement may be recognised as an intangible asset when the application is controlled by the Group. Control requires the Group to have the power to obtain the future economic benefits flowing from the underlying resource and to restrict the access of others to those benefits. Configuration and customisation costs of SaaS arrangements meeting this criteria are to be capitalised and amortised over the useful life of the software.

SaaS arrangements which are not controlled by the Group do not constitute intangible software assets. All distinct configuration, customisation and implementation costs are to be expensed as incurred. These expenses are categorised as software development expenses in the income statement.

These financial statements reflect the impact of the IFRS Interpretation Committee's decisions on accounting for SAAS arrangements. In the year ended 30 June 2023 software additions recognised as an intangible asset materially relate to customised software code where Comvita retains control of the code and its future benefits.



STANDARDS, AMENDMENTS AND INTERPRETATIONS ADOPTED DURING THE PERIOD

Climate related standards

In December 2022, The External Reporting Board ('XRB') of New Zealand issued Aotearoa New Zealand Climate Standards, a new climate-related disclosure framework. Three new standards were issued: NZ CS 1 Climate-related Disclosures, NZ CS 2 Adoption of Climate-related Disclosures, and NZ CRDC Climate-related Disclosures Concepts. The standards are aligned to the International Task Force on Climate-related Disclosures ('TCFD') disclosure framework which focuses on governance, strategy, risk management, and metrics and targets.

The Group is currently undertaking a project to build on and leverage its existing sustainability reporting framework in preparation for the release of its first climate statement under these new standards. This is expected to be issued by the Group as at 30 June 2024. The group prepared its first Greenhouse gas emissions report with an assurance report as at 30 June 2022.

There are no other new standards that are not yet effective that would be expected to have a material impact on the Group, in the current or future reporting periods, and foreseeable future transactions.



2023
FINANCIAL STATEMENTS

PERFORMANCE

01. SEGMENTS

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

Greater China:	Revenue and related costs of our China and Hong Kong markets
ANZ:	Revenue and related costs of our Australia and New Zealand markets
Rest of Asia:	Revenue and related costs of our Asian markets excluding Greater China
North America:	Revenue and related costs of our North American market
EMEA:	Revenue and related costs of our Europe, Middle East and Africa markets

For the year ended 30 June
In thousands of New Zealand dollars

	Greater China		ANZ		Rest of Asia		North America		EMEA		Total reportable segments		Other segments		Total	
Contribution Segments	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Revenue	109,005	96,924	40,770	34,696	31,771	27,337	35,608	31,793	5,862	5,124	223,016	195,874	11,179	13,035	234,195	208,909
Contribution	26,813	22,958	11,573	11,211	8,291	6,585	8,868	8,414	604	83	56,149	49,251	1,992	1,441	58,141	50,692
Non attributable (other corporate expenses)															(46,398)	(32,486)
Other income (note 3)															12,177	1,943
Financial income and expenses (note 14)															(10,070)	(2,837)
Share of loss of equity accounted investees (note 23)															(844)	(187)
Net profit before tax															13,006	17,125

Geographical segments

In thousands of New Zealand dollars	30 June 2023		30 June 2022	
	Revenue	Non-current assets	Revenue	Non-current assets
Greater China	109,005	37,050	96,924	37,398
ANZ	41,266	108,100	35,742	97,278
Rest of Asia	31,771	578	27,339	334
North America	45,480	359	42,423	130
EMEA	5,862	190	5,124	141
Other countries	811	8,079	1,357	7,991
Total	234,195	154,356	208,909	143,272

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

	2023	2022
	30 June	30 June
Insurance proceeds	10,962	-
Government grants	949	1,331
Government subsidies	106	270
Gain on disposal of property, plant and equipment	-	110
Change in fair value of biological assets (bees and olive leaf)	32	48
Other	128	184
Total other income	12,177	1,943

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 Hawke's Bay facility suffered extensive damage due to Cyclone Gabrielle, a catastrophic weather event in the North Island of New Zealand. The Group moved operational facilities to an alternative Group site where operations continued. However, the Group's insurance assessors concluded that the fixed assets, biological assets and inventory at this site were irrecoverable.

The Group maintains a comprehensive insurance program that covers various risks, including material damage, vehicle, business interruption and general liability. The insurance proceeds to date for Cyclone Gabrielle relate to the Group's material damage and vehicle policies.

The following table provides a breakdown of financial impact of the weather event:

In thousands of New Zealand dollars

	Note	2023
		30 June
Cash proceeds received to date		5,480
Insurance proceeds receivable	17	5,280
Loss on disposal of property, plant and equipment	5	(2,548)
Inventory disposals	15	(3,681)
Net profit before tax impact		4,531

As at 30 June 2023, the Group has identified a contingent asset in relation to the Cyclone Gabrielle insurance claim. Management, in consultation with its insurance advisors, consider it probable there will be further insurance proceeds receivable as part of the Group's material damage and business interruption policy. As at reporting date, the financial impact cannot yet be reliably estimated.

03. OTHER INCOME (continued)

Insurance proceeds are recognised 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 realisable value of the claim, considering any deductibles, policy exclusions, and other recoveries expected. Insurance proceeds receivable are recorded under sundry receivables in the statement of financial position (note 17).

04. OPERATING CASH FLOW

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

In thousands of New Zealand dollars

	Note	2023 30 June	2022 30 June
Profit for the year		11,062	12,784
<i>Adjustments for:</i>			
Depreciation		9,910	8,707
Amortisation	20	2,280	2,006
Share based payments		972	899
Supplier share scheme – inventory purchase		-	504
Fair value gain in biological assets		(32)	(48)
Share of loss equity accounted investees	23	844	187
Profit adjusted for non-cash items		25,036	25,039
<i>Items related to investing and financing activities:</i>			
Interest - net		5,427	2,245
Net loss/(gain) on disposal of property, plant & equipment		2,505	(110)
Change in trade payables		934	(1,291)
<i>Movement in working capital items:</i>			
Change in inventories		(3,931)	(31,149)
Change in trade receivables		(11,555)	(4,295)
Change in sundry debtors and prepayments		(5,784)	(3,095)
Change in trade and other payables		(4,340)	12,781
Change in employee benefits		888	356
Change in tax payable		161	277
Change in deferred tax		859	1,352
Change in working capital items from foreign currency translation reserve		(774)	2,027
<i>Other movements:</i>			
Movement of deferred tax in equity		(1,289)	987
Foreign investor tax credits		93	109
Foreign currency reserve		(147)	127
Net cash from operating activities		8,083	5,360

During the year, the Group reclassified interest income and expense from operating activities to financing activities. The prior year has been restated accordingly.

05. EXPENSES

Administration expenses

The following items of expenditure are included in administrative expenses:

In thousands of New Zealand dollars

	2023 30 June	2022 30 June
Auditors' remuneration:		
To KPMG for audit services (i)	411	369
To KPMG for tax services (ii)	5	107
To Mercer & Hole (UK auditors)	24	25
Doubtful debts recovered	(178)	(112)
Bad debts written off	187	92
Net loss on property, plant and equipment disposals (iii)	2,505	-
Restructure costs	164	113
Directors fees	605	592
Directors – other costs	18	18
Other legal and professional expenses	628	444

(i) Audit services include fee for 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

(ii) Tax services is for tax compliance and advisory work

(iii) \$2,548,000 of this net loss relates to Cyclone Gabrielle property, plant and equipment disposals (note 3)

Research and development

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

06. PERSONNEL EXPENSES

In thousands of New Zealand dollars

	2023 30 June	2022 30 June
Wages and salaries	46,824	40,275
KiwiSaver – employer contribution	919	698
Movement in long-service leave provision	21	(271)
Equity settled share based payment transactions (note 29)	972	687
Total personnel expenses	48,736	41,389

07. TAX

Tax expense

In thousands of New Zealand dollars

	2023 30 June	2022 30 June
Profit for the year	11,062	12,784
Total income tax expense	1,944	4,341
Net profit before tax	13,006	17,125
Tax at 28% NZ company tax rate	3,642	4,795
Tax effect of overseas income	(638)	(284)
Non-deductible or non-assessable items	(715)	285
Other	(169)	-
Prior period adjustments	(176)	(455)
Total income tax expense	1,944	4,341

07. TAX (continued)

Tax expense is represented by:

Current tax	2,374	1,685
Deferred tax	(430)	2,656
Total income tax expense	1,944	4,341
Imputation credits available	5,580	6,934

Deferred tax

*In thousands of
New Zealand dollars*

	As at 30 June 2023	Recognised directly in profit or loss	Recognised in other comprehensive income	Recognised directly in equity	As at 30 June 2022
Property, plant & equipment	(2,516)	(958)	-	-	(1,558)
Intangible and biological assets	(1,406)	528	-	-	(1,934)
Inventory	3,438	394	-	-	3,044
Provisions and accruals	998	(519)	-	-	1,517
Derivatives	220	-	(1,548)	-	1,768
Other items	532	273	85	174	-
Investments	46	(78)	-	-	124
Tax losses	1,724	790	-	-	934
Net tax assets/(liabilities)	3,036	430	(1,463)	174	3,895

No deferred tax assets have been recognised in respect of certain intangible assets (\$582,000), capital losses in Australia (\$3,265,000) or losses on acquisition in the UK (\$2,232,000).

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.

No deferred tax assets have been recognised in respect of certain intangible assets and capital losses in Australia or losses on acquisition in the UK.

08. 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

	2023 30 June	2022 30 June
Profit before tax	13,006	17,125
Add back: net finance cost	5,427	2,245
EBIT	18,433	19,370
Add back: depreciation and amortisation	12,190	10,713
EBITDA	30,623	30,083

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 Companies residual assets.

<i>In thousands of shares</i>	Note	2023 30 June	2022 30 June
On issue at beginning of the year		69,731	70,300
Share issue - employee share schemes	29	258	138
Acquisition of treasury stock		(96)	(854)
Supplier Partnership Group share scheme		-	147
Ordinary shares on issue at end of the year		69,893	69,731
Closing partly paid shares		-	363
Total shares including part paid at end of the year		69,893	70,094

Treasury Stock

<i>In thousands of shares</i>	2023 30 June	2022 30 June
Treasury stock at beginning of the year	654	2
Acquired on market	96	854
Issued - employee share schemes	(258)	(55)
Supplier Partnership Group share scheme	-	(147)
Total treasury stock at end of the year	492	654

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 Loan Scheme and a Performance Share Rights Scheme to ensure that the leadership team and staff incentives are aligned with our 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

	2023 30 June	2022 30 June
Weighted average number of ordinary shares at the end of the year	69,847	70,087
Basic earnings per share (NZ cents)	15.84	18.24

In thousands of shares

Weighted average number of diluted shares at end of the year	70,616	70,527
Diluted earnings per share (NZ cents)	15.66	18.13

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

11. DISTRIBUTIONS

Dividends

In thousands of New Zealand dollars

The following dividends were declared and paid by the Group:

	2023 30 June	2022 30 June
Final 2021 dividend (4.0 cents per share)	-	2,893
Interim 2022 dividend (2.5 cents per share)	-	1,809
Final 2022 dividend (3.0 cents per share)	2,158	-
Interim 2023 dividend (2.5 cents per share)	1,803	-
Total	3,961	4,702

Subsequent event

On 21 August 2023, the Directors approved the payment of a fully imputed final dividend of \$2,097,000 (3 cents per share) to be paid on 26 October 2023. As the dividend was declared after balance date it has not been recognised as a liability in these financial statements.

12. BORROWINGS

Terms of borrowings

In thousands of New Zealand dollars

	Facility Local Currency	Currency	Nominal Interest rate	Maturity	Carrying Amount 2023	Carrying Amount 2022
Secured bank loan – Westpac NZ	20,000	NZD	4.35%	July 2023	-	20,000
Multi option credit line – Westpac NZ	72,500	NZD	3.30%	July 2023	-	23,300
Revolving credit facility – Westpac NZ/ANZ	44,000	NZD	7.41%	March 2025	15,500	-
Revolving credit facility – Westpac NZ/ANZ	35,000	NZD	7.56%	March 2026	35,000	-
Revolving credit facility – Westpac NZ/ANZ	35,000	NZD	7.76%	March 2027	15,000	-
Overdraft facility NZD – Westpac NZ	1,000	NZD	-	-	-	-
Deferred finance costs					(560)	-
Total borrowings - non-current					64,940	43,300

On 27 March 2023, the Group executed a new NZD 114 million syndicated bank facility agreement with Westpac Bank and ANZ bank.

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

12. BORROWINGS (continued)

Covenants and security

The Group was in compliance with all banking covenants during the year and as at 30 June 2023.

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

In thousands of New Zealand dollars

	2023 30 June	2022 30 June
Cash	11,554	17,756
Less debt - non-current	(64,940)	(43,300)
Net debt	(53,386)	(25,544)

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

	2023 30 June	2022 30 June
Interest income	313	290
Dividend income	1	-
Finance income	314	290
Interest expense on financial liabilities measured at amortised cost	(5,740)	(2,535)
Net foreign exchange loss	(4,644)	(592)
Finance expenses	(10,384)	(3,127)
Net finance expenses	(10,070)	(2,837)

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 income statement in accordance with NZ IFRS 16.

WORKING CAPITAL

15. INVENTORY

In thousands of New Zealand dollars

	2023 30 June	2022 30 June
Raw materials	82,426	76,611
Work in progress	6,104	5,511
Finished goods	47,558	50,035
Total inventory	136,088	132,157

Inventory disposed of during the year has been recognised within cost of goods sold - \$4,381,000 (2022: \$522,000). \$3,681,000 relates to Cyclone Gabrielle (note 3).

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. Standard costs are regularly reviewed. 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 22) is transferred to inventory at fair value, by reference to market prices for honey.

16. TRADE RECEIVABLES

In thousands of New Zealand dollars

	2023 30 June	2022 30 June
Gross receivable	39,543	28,166
Provision for doubtful and impaired receivables	(170)	(348)
Total trade receivables	39,373	27,818

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

<i>In thousands of New Zealand dollars</i>	Gross receivable 2023	Impairment 2023	Gross receivable 2022	Impairment 2022
Not past due	36,245	-	22,954	-
Past due 0-30 days	2,249	-	3,426	-
Past due 31-60 days	385	-	523	-
Past due 61-365 days	664	(170)	1,263	(348)
Total	39,543	(170)	28,166	(348)

17. SUNDRY RECEIVABLES

In thousands of New Zealand dollars

	Note	2023 30 June	2022 30 June
Loan receivable – Leadership Team	30	2,817	2,778
Prepayments		6,380	6,997
Insurance proceeds receivable	3	5,280	-
Other receivables		2,877	1,751
Total sundry receivables		17,354	11,526

18. TRADE AND OTHER PAYABLES

In thousands of New Zealand dollars

	2023 30 June	2022 30 June
Trade creditors	10,268	18,322
Accruals	16,946	13,298
Employee benefits	7,009	6,142
Director fee accruals	96	30
Trade and other payables - current	34,319	37,792
Employee benefits	288	267
Trade and other payables - non current	288	267

2023
FINANCIAL STATEMENTS

ASSETS

19. PROPERTY, PLANT AND EQUIPMENT

In thousands of New Zealand dollars

	Land	Buildings	Plant & machinery	Vehicles	Bearer plants	Office equipment, furniture & fittings	Capital WIP*	Total
Cost								
Balance at 30 June 2021	11,457	27,511	29,589	2,610	5,977	8,624	9,006	94,774
Additions/transfers	(4)	648	1,205	332	-	15	3,989	6,185
Disposals	-	(187)	(236)	(247)	-	(315)	-	(985)
Effect of movements in exchange rates	68	48	98	13	185	344	2	758
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
Accumulated Depreciation								
Balance at 30 June 2021	-	(7,854)	(16,313)	(1,735)	(517)	(5,010)	-	(31,429)
Depreciation	-	(1,113)	(2,016)	(291)	(67)	(1,190)	-	(4,677)
Disposals	-	29	196	230	-	305	-	760
Effect of movements in exchange rates	-	(20)	(63)	(6)	(20)	(309)	-	(418)
Balance at 30 June 2022	-	(8,958)	(18,196)	(1,802)	(604)	(6,204)	-	(35,764)
Depreciation	-	(1,164)	(1,801)	(253)	(131)	(1,035)	-	(4,384)
Disposals	-	360	1,745	77	-	443	-	2,625
Effect of movements in exchange rates	-	11	34	6	10	(35)	-	26
Balance at 30 June 2023	-	(9,751)	(18,218)	(1,972)	(725)	(6,831)	-	(37,497)
Carrying amount								
At 30 June 2021	11,457	19,657	13,276	875	5,460	3,614	9,006	63,345
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

*\$13.0 million of capital work in progress relates to the development of mānuka forests.

19. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Depreciation

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

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

- | | |
|--|----------------|
| • Buildings | up to 50 years |
| • Plant and machinery | 2 - 20 years |
| • Vehicles | 4 - 17 years |
| • Office equipment, furniture and fittings | 2 - 15 years |
| • Bearer plants | 20 - 100 years |

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

Recognition and measurement

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

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

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

Subsequent expenditure

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

20. INTANGIBLE ASSETS

In thousands of New Zealand dollars

	Goodwill	Intellectual property and other intangible assets	Software*	Total
Cost				
Balance at 30 June 2021	27,599	16,520	9,936	54,055
	-			
Additions	-	324	4,232	4,556
Disposals	-	(11)	(5,908)	(5,919)
Effect of movements in exchange rates	(848)	859	38	49
Balance at 30 June 2022	26,751	17,692	8,298	52,741
Additions	-	386	3,039	3,425
Disposals	-	-	(130)	(130)
Effect of movements in exchange rates	681	(602)	(5)	74
Balance at 30 June 2023	27,432	17,476	11,202	56,110
Accumulated Amortisation				
Balance at 30 June 2021	-	(6,707)	(9,302)	(16,009)
Amortisation	-	(1,263)	(743)	(2,006)
Disposals	-	11	5,930	5,941
Effect of movements in exchange rates	-	(237)	(28)	(265)
Balance at 30 June 2022	-	(8,196)	(4,143)	(12,339)
Amortisation	-	(1,263)	(1,017)	(2,280)
Disposals	-	-	126	126
Effect of movements in exchange rates	-	166	(29)	137
Balance at 30 June 2023	-	(9,293)	(5,063)	(14,356)
Carrying Amount				
At 30 June 2021	27,599	9,813	634	38,046
At 30 June 2022	26,751	9,496	4,155	40,402
At 30 June 2023	27,432	8,183	6,139	41,754

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

Amortisation

Amortisation is recognised in the income statement on a straight-line basis over the estimated useful life 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.

20. INTANGIBLE ASSETS (continued)

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.

21. GOODWILL AND ASSET 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:

In thousands of New Zealand dollars

	2023 30 June	2022 30 June
Greater China	25,597	24,917
Apiaries	1,766	1,766
Other	68	68
Total goodwill	27,431	26,751

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 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.

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 financial budget and strategic plan approved by the Board of Directors. The key assumptions are:

	2023 30 June	2022 30 June
Annual revenue growth rate	4.7% to 17.3%	5.0% to 12.7%
Post tax discount rate	12.1%	11.3%
Terminal growth rate	2.0%	2.0%

Sensitivity to changes in key assumptions

	2023 30 June	2022 30 June
The recoverable amount exceeded the carrying value by	115,500	136,400
If projected earnings before interest and tax ("EBIT") is reduced by 10% year on year, the recoverable amount exceeds the carrying value by	89,000	115,200
The post-tax discount rate for nil recoverable value is	30.6%	33.3%

21. GOODWILL AND ASSET 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, and projections based on actual operating results, budget and strategic plan. The key assumptions are:

	2023 30 June	2022 30 June
Annual revenue growth	0% to 35.9%	0% to 21.9%
Post tax discount rate	10.9%	10.7%
Terminal growth rate	2.0%	2.0%

Sensitivity to changes in key assumptions

In thousands of New Zealand dollars

	2023 30 June	2022 30 June
The recoverable amount exceeded the carryings value by	28,320	23,762
If projected earnings before interest and tax ("EBIT") is reduced by 10% year on year, the recoverable amount exceeds the carrying value by	22,288	18,354
The post - tax discount rate for nil recoverable value is	17.5%	16.6%

22. BIOLOGICAL ASSETS

In thousands of New Zealand dollars

	2023 30 June	2022 30 June
Bees	3,854	3,315
Olive leaf	583	563
Total biological assets	4,437	3,878

Bees

In thousands of New Zealand dollars

	2023 30 June	2022 30 June
Balance at beginning of the year	3,315	3,305
Fair value increase	304	348
Net movement in operational hives	235	(338)
Balance at the end of the year	3,854	3,315

22. BIOLOGICAL ASSETS (continued)

Number of operational hives	2023 30 June	2022 30 June
Balance at beginning of the year	17,553	19,667
Net movement in operational hives	1,312	(2,114)
Balance at the end of the year	18,865	17,553
Value per hive	\$178	\$160

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.

23. INVESTMENTS

Investments

In thousands of New Zealand dollars

	2023 30 June	2022 30 June
Equity accounted investees	10,226	10,957
Investment in unlisted shares	8	8
Total investments	10,234	10,965

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.

Investment in equity accounted investees

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

23. INVESTMENTS (continued)

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.

Carrying value of investment in equity accounted investees

In thousands of New Zealand dollars

	2023 30 June	2022 30 June
Balance at 1 July	10,957	6,841
Acquisition (Caravan Honey)	-	5,092
Share of loss	(844)	(187)
Dividends received	-	(743)
Foreign exchange movements	113	(46)
Balance at 30 June	10,226	10,957

Loans to equity accounted investees

In thousands of New Zealand dollars

	Loan and interest receivable	Interest accrued	Interest rate
2023			
Makino	3,939	161	5.34%
Apiter	2,119	53	3.50%
	6,058	214	
2022			
Makino	4,079	161	5.34%
Apiter	1,109	23	3.50%
	5,188	184	

During the year, Comvita agreed to supply additional funding to Apiter in exchange for a planned future increase in ownership from 20% holding to 32% holding. The additional funding is to be 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 are completed in Uruguay, at which point the initial loan will convert to equity. At reporting date, the share issuance procedures are in progress. The USD 1,445,000 has been treated as a capital commitment (note 32).

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

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
2023				
Makino	13	-	1,457	42
Apiter	-	32	-	-
2022				
Makino	80	-	1,135	-
Apiter	-	32	323	-

24. LEASES

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

	Buildings	Vehicles	Mānuka forests	Total
<i>In thousands of New Zealand dollars</i>				
Balance at 30 June 2021	6,164	1,101	5,770	13,035
Additions	1,952	635	666	3,253
Modifications	274	-	-	274
Disposals	(286)	(34)	-	(320)
Depreciation	(3,310)	(666)	(337)	(4,313)
Effect of movement in exchange rates	180	3	-	183
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
Disposals	-	(58)	-	(58)
Depreciation	(4,021)	(1,061)	(350)	(5,432)
Effect of movement in exchange rates	(35)	-	-	(35)
Balance at 30 June 2023	4,487	3,512	6,408	14,407

Amounts recognised in the income statement

	2023 30 June	2022 30 June
Interest on lease liabilities	639	320
Variable lease payments not included in the measurement of lease liabilities	5,274	4,957
Expenses relating to short-term leases	594	582
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	26	22

Lease liabilities

As at 30 June 2023, the weighted average rate applied was 6.3%. Total cash outflow for right of use leases for the year ended 30 June 2023 was \$5.6 million (2022: \$4.3m).

Maturity analysis - contractual undiscounted cash flow

Non-cancellable lease rentals are payable as follows:

In thousands of New Zealand dollars

	2023 30 June	2022 30 June
Less than one year	2,741	4,287
Between one and five years	6,688	5,352
Greater than five years	7,053	3,918
Total	16,482	13,557

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.

FINANCIAL RISK

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.

25. MARKET RISK

Foreign exchange risk

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

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

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

<i>In thousands of New Zealand dollars</i>	2023 30 June	2022 30 June
Forward exchange contracts (liability)	(837)	(6,469)

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

In thousands of New Zealand dollars

30 June 2023						
	RMB	AUD	GBP	HKD	USD	Other
Trade receivables	13,253	5,088	251	565	746	3,167
Trade and other payables	(3,739)	(1,807)	(851)	(1,210)	(2,607)	(466)
Gross statement of financial position exposure	9,514	3,281	(600)	(645)	(1,861)	2,701
Forward exchange contracts - nominal amount	24,738	8,877	1,277	12,244	51,432	2,091

30 June 2022						
	RMB	AUD	GBP	HKD	USD	Other
Trade receivables	12,742	3,520	523	554	1,613	1,813
Trade and other payables	(2,033)	(1,913)	(425)	(1,208)	(1,800)	(970)
Gross statement of financial position exposure	10,709	1,607	98	(654)	(187)	843
Forward exchange contracts - nominal amount	44,337	8,028	1,785	7,825	41,640	3,181

25. MARKET RISK (continued)

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.

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

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

<i>In thousands of New Zealand dollars</i>	2023 30 June	2022 30 June
Interest rate swaps asset/(liability)	48	(50)

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 2023 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 \$778,000 (30 June 2022: \$464,000).

26. LIQUIDITY RISK

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

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

<i>In thousands of New Zealand dollars</i>	Contractual cash flows	less than 1 year	1-2 years	2-5 years
30 June 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)
30 June 2022				
Borrowings	(46,582)	(1,638)	(44,944)	-
Trade and other payables	(38,059)	(38,059)	-	-
Derivatives - inflow	101,065	56,940	38,038	6,087
Derivatives - outflow	(107,764)	(61,230)	(40,233)	(6,301)
Total	(91,340)	(43,987)	(47,139)	(214)

27. CREDIT RISK

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

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

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk for trade receivables at the reporting date by geographic region was:

<i>In thousands of New Zealand dollars</i>	2023 30 June	2022 30 June
Australia	6,015	3,692
China	13,366	12,658
New Zealand	15,298	6,933
United States	636	1,580
EMEA	438	1,129
Hong Kong	668	554
Other regions	2,952	1,272
Total	39,373	27,818

Trade receivable 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.

28. FINANCIAL INSTRUMENTS

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

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

Non-derivative financial assets and liabilities

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

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

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

Derivative financial assets and liabilities

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

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

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

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

OTHER DISCLOSURES

29. 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.

	2023 30 June	2022 30 June
Employees in the LSPLS	8	8
Number of shares held	738,012	738,012
% of share capital	1.05%	1.05%

Performance Share Rights Scheme

Comvita Limited has a Performance Share Rights ("PSR") 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

	2023 Number of entitlements	2022 Number of entitlements
Entitlements outstanding at beginning of year	458	147
Entitlements granted	607	387
Entitlements cancelled	-	(23)
Shares vested	(193)	(53)
Entitlements outstanding at end of year	872	458

Employee Share Scheme

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

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

There are 164 employees in the CEES Scheme and the number of shares held is 57,015.

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.

30. RELATED PARTIES

Transactions with Leadership Team and Directors

Leadership Team and Director compensation comprised:

In thousands of New Zealand dollars

	2023 30 June	2022 30 June
Director fees	605	592
Short term employee benefits	5,424	4,965
KiwiSaver employer contribution	186	154
Share based payments	972	686
Total	7,187	6,397

Leadership Team loans:

In thousands of New Zealand dollars

	2023 30 June	2022 30 June
Loan to CEO	450	450
Loans to Leadership Team – Leader Share Purchase & Loan scheme (note 29)	2,367	2,328
Total	2,817	2,778

At 30 June 2023 Directors and other Leadership Team personnel of the Company control 2.6% (2022: 2.5%) of the voting shares of the Company.

31. GROUP ENTITIES

The Group comprises of the Company and the following entities:

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

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

32. COMMITMENTS

At year end the Group was committed to \$6.4 million of capital expenditure (2022: \$6.0 million over 1 year) which will be paid over the next year. The commitments relates to digital transformation, ERP implementation, other capital projects and further investment in an equity accounted investment (note 23).

33. SUBSEQUENT EVENTS

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 will be 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:

- Initial cash payment of SGD 6,100,000, which includes consideration of SGD 2,100,000 for inventory purchased.
- Deferred amount of SGD 2,500,000 is payable once all employee conditions are met and assets are legally transferred to the Group.
- SGD 2,000,000 of contingent consideration is based on the achievement of specific performance targets and is payable in 2024 and 2025, split evenly over two years.

Fair value of identifiable assets and liabilities

The fair value of identifiable assets acquired and liabilities have not been finalised at reporting date and are subject to purchase price allocation. The net assets purchased include inventory, registered intellectual property, assumed employee liabilities, goodwill and other intangible assets.

Goodwill

In the event that the consideration transferred is in excess of the fair value of the net identifiable assets acquired, the excess amount will be recognised as goodwill. The net identifiable assets will be determined upon completion of a purchase price allocation valuation. Any goodwill is not expected to be deductible for tax purposes.

Other subsequent events

There are no other subsequent events other than dividends declared (note 11).

Independent Auditor's Report

To the shareholders of Comvita Limited

Report on the audit of the consolidated financial statements

Opinion

In our opinion, the consolidated financial statements of Comvita Limited (the 'Company') and its subsidiaries (the 'Group') on pages 4 to 35 present fairly, in all material respects:

- i. the Group's financial position as at 30 June 2023 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 and International Financial Reporting Standards issued by the New Zealand Accounting Standards Board.

We have audited the accompanying consolidated financial statements which comprise:

- the consolidated statement of financial position as at 30 June 2023;
- the consolidated income statement, statements of comprehensive income, changes in equity and cash flows for the year then ended; and
- notes, including a summary of significant accounting policies.

Basis for opinion

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

We are independent of the Group 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 also provided other services to the Group in relation to taxation. Subject to certain restrictions, partners and employees of our firm may also deal with the Group on normal terms within the ordinary course of trading activities of the business of the Group. These matters have not impaired our independence as auditor of the Group. The firm has no other relationship with, or interest in, the Group.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements in the current period. We summarise below those matters and our key audit procedures to address those matters in order that the shareholders as a body may better understand the process by which we arrived at our audit opinion. Our procedures were undertaken in the context of and solely for the purpose of our statutory audit opinion on the consolidated financial statements as a whole and we do not express discrete opinions on separate elements of the consolidated financial statements.

The key audit matter

How the matter was addressed in our audit

Impairment of Non-Current Assets

Refer to Note 21 of the Financial Statements.

The Group has \$27.4m of goodwill relating to three cash generating units (CGU's):

- Greater China;
- Apiaries; and
- Other.

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

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

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

As disclosed in Note 21 of the financial statements, the recoverable amounts of each CGU have varying level of sensitivity to the respective assumptions applied by the Group.

Our audit procedures included the following, amongst others:

- We assessed the Group's determination of CGU's based on our understanding of the nature of the Group, their operations and the internal reporting of the business;
- We assessed the value in use models (VIU) for each CGU considering the methodology adopted in the discounted cash flow valuation models against the requirements of the applicable financial reporting standards;
- We considered the consistency of assumptions in individual VIU models with the overall Group 5 year forecast to ensure appropriate and consistent cash flows reported. Analysed the future cash flow forecasts used and determined whether they are reasonable based on the implementation of the strategic plan and historical achievements;
- We utilised valuation specialists to challenge key judgements, which included the post tax discount rates applied and terminal growth rates, through comparison to market data and industry research;
- We performed sensitivity analysis on key cash flow forecast assumptions, post tax discount rates and terminal growth, to understand the impact of reasonable possible changes in key assumptions in various scenarios;
- We performed testing to compare the calculated recoverable values to the associated carrying amounts, and assessed whether any impairment expense is to be recognised; and
- We considered and reviewed appropriateness, sufficiency and clarity of required disclosures included in the Group financial statements.
- We challenged management on whether the market capitalisation of the Group is an indicator of impairment and subsequently used our own valuation specialists to challenge management's

The key audit matter

How the matter was addressed in our audit

The market capitalisation deficit that exists at balance date is an indicator of impairment.

assessment of appropriate maintainable earnings and earnings multiple applied in their impairment test.

We did not identify any material misstatements in relation to the impairment of non-current assets or the related disclosure.

Other information

The Directors, on behalf of the Group, are responsible for the other information included in the Group's Financial Statements and Annual Report. Other information comprises the information included in the Group's Financial Statements and Annual Report, but does not include the consolidated financial statements and our Independent Auditor's Report thereon. 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, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Use of this independent auditor's report

This independent auditor's report is made solely to the shareholders as a body. 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, we do not accept or assume responsibility to anyone other than the shareholders as a body for our audit work, this independent auditor's report, or any of the opinions we have formed.

Responsibilities of the Directors for the consolidated financial statements

The Directors, on behalf of the Company, are responsible for:

- the preparation and fair presentation of the consolidated financial statements in accordance with generally accepted accounting practice in New Zealand (being New Zealand Equivalents to International Financial Reporting Standards) and International Financial Reporting Standards issued by the New Zealand Accounting Standards Board;
- implementing 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; and



- assessing the ability to continue as a going concern. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate or to cease operations or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objective is:

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

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs NZ will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

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

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

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

For and on behalf of

KPMG
Tauranga

21 August 2023

STATUTORY INFORMATION

GENERAL DISCLOSURES

Principal activity

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

Dividend

On 21 August 2023, the Directors approved the payment of a fully imputed final dividend of \$2,097,000 (3 cents per share) to be paid on 26 October 2023.

Donations

During the year the Group made cash donations of \$282,000 (2022: \$279,000). The Company also made donations of products to charitable organisations.

DIRECTOR DISCLOSURES

Directors' remuneration for the year ended 30 June 2023

In thousands of New Zealand dollars

	Base	Committee	Total
	Fee	Fee	
BD Hewlett	130	-	130
LNE Bunt	65	33	98
SJ Kennedy (resigned 1 March 2023)	43	22	65
B Major	65	17	82
Z Guangping	65	-	65
Y Wu	65	-	65
B Coates	65	10	75
J Hoare (appointed 1 March 2023)	22	3	25
D Banfield	-	-	-
Total	520	85	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 directorships held by them excluding family companies and companies with no association to their appointment as director of the Company or any companies in the Group:

B MAJOR

Director – Comvita Limited
Chairman – Gibb Holdings (Nelson) Ltd
Chairman – High Value Nutrition National Science Challenge
Chairman – Go Global Avocado Primary Growth Partnership
Chairman – Armer Group Advisory Board
Deputy Chairman – Hautupua General Partner Ltd
Deputy Chairman – Miro Trading General Partner Ltd
Managing Director and Shareholder – Sinotearoa Ltd
Director – BioVittoria Ltd
Director – BioVittoria Investments Ltd
Director – Dairy Holdings Limited
Committee Member – Oriens Capital Investment Committee

LNE BUNT

Director – Comvita Limited
Chairman – Heat Treatments Limited

B COATES

Director – Comvita Limited
Chairman – Toitu Tahu:
Centre for Sustainable Finance
Chairman – Fonterra Sustainability – Advisory Panel
Chairman – Real Estate Institute of New Zealand (until 1 December 2022)
Chairman – 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)
Advisory Board Member – Global Day One Fund (until 31 March 2023)

Z GUANGPING*

Director – Comvita Limited

J HOARE

Director – Comvita Ltd
Director – Meridian Energy Limited
Director – Port of Tauranga Limited
Director – Auckland Airport Limited
Director – A2 Milk Company Limited (until 30 June 2023)
Director – Mercury Energy Limited

BD HEWLETT

Chairman – Comvita Limited
Director – Quayside Holdings Limited
Director – Quayside Properties Limited
Director – Quayside Securities Limited

Y WU*

Director – Comvita Limited
Director – Genesis Care Pty Limited
Director – Oatly Group AB
Director – Blossom Key Holdings Ltd
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

D BANFIELD

Managing Director and CEO – Comvita Limited plus various subsidiaries of Comvita Limited

* Mr Zhu Guangping and Ms Yawen Wu are not considered independent as they are associated with substantial product holders. Zhu Guangping is associated with Li Wang, the largest shareholder in the Company with a shareholding greater than 5%. Yawen Wu is associated with China Resources which also has a shareholding greater than 5%.

DIRECTOR DISCLOSURES (continued)

Directors of Group Companies other than shown above

as at 30 June 2023

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 Food (China) Limited	D Banfield*	A Chen*	G Zhu
Comvita Food (Hainan) Co. Limited	D Banfield*	A Chen*	T Brown*
Comvita Health Pty Limited **	D Banfield*	M Tobin	
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*	R Shida*	
Comvita Korea Co Limited	D Banfield*	J Park*	
Comvita Landowner Share Scheme Trustee Limited	D Banfield*		
Comvita Malaysia Sdn Bhd ***	D Banfield*	A Chen*	
Comvita New Zealand Limited	D Banfield*	A Barr*	
Comvita Share Scheme Trustee Limited ****	D Banfield*	H Brown*	
Comvita Singapore Pte Limited ***	D Banfield*	Angela Ng	
Comvita Taiwan Limited	D Banfield*		
Comvita UK Limited	D Banfield*		
Comvita USA, Inc	D Banfield*	A Barr*	
Green Life (New Zealand) Product Limited**	D Banfield*	A Chen*	
Kyoto Forest of New Zealand Product Limited**	D Banfield*		
Medibee Limited**	D Banfield*		
Medihoney (Europe) Ltd	D Banfield*		
Medihoney Pty Ltd	D Banfield*	M Tobin	
New Zealand Natural Foods Limited	D Banfield*		
Olive Leaf Australia Pty Limited**	D Banfield*	M Tobin	
Olive Products Australia Pty Limited	D Banfield*	M Tobin	
Comvita Europe B.V	D Banfield*	R Bosland*	

* denotes an executive of a Group Company

** Dormant entities wound down during FY23

*** Comvita Malaysia Sdn Bhd incorporated on 19 December 2022 and Comvita Singapore incorporated on 28 February 2023

**** Luke Bunt and Sarah Kennedy ceased to be Directors on 1 September 2022 and David Banfield and Holly Brown appointed on 1 September 2022

DIRECTOR DISCLOSURES (continued)

Share Dealings of Directors

Director	Relevant Interest	Number of Shares Disposed	Value of Shares Disposed	Number of Shares Acquired	Value of Shares Acquired
LNE Bunt	Beneficially owned	30,000	100,500	-	-
J Hoare	Beneficially owned	-	-	6,000	19,763
D Banfield	Beneficially owned	28,162	85,598	40,848	-*

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

Directors Shareholding

Directors, or entities associated with Directors, held the following ordinary shares in Comvita Limited at 30 June 2023:

Director	Relevant Interest	30 June 2023	30 June 2022
LNE Bunt	Beneficially owned	40,000	70,000
B Major	Beneficially owned	35,810	35,810
BD Hewlett	Beneficially owned	400,926	400,926
B Coates	Beneficially owned	20,000	20,000
J Hoare	Beneficially owned	6,000	-
D Banfield*	Beneficially owned	546,078	533,392
Total		1,048,814	1,060,128

* D Banfield also had 353,376 of outstanding Performance Share Rights at 30 June 2023.

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.

EMPLOYEE REMUNERATION DISCLOSURES

Employees' remuneration

During the year ended 30 June 2023 the following numbers of employees received remuneration of at least \$100,000.

	Number of employees
\$100,000 to \$110,000	7
\$110,000 to \$120,000	4
\$120,000 to \$130,000	11
\$130,000 to \$140,000	11
\$140,000 to \$150,000	8
\$150,000 to \$160,000	4
\$160,000 to \$170,000	6
\$170,000 to \$180,000	3
\$180,000 to \$190,000	4
\$190,000 to \$200,000	2
\$200,000 to \$210,000	1
\$210,000 to \$220,000	6
\$220,000 to \$230,000	2
\$240,000 to \$250,000	4
\$260,000 to \$270,000	2
\$270,000 to \$280,000	2
\$290,000 to \$300,000	1
\$300,000 to \$310,000	1
\$340,000 to \$350,000	1
\$360,000 to \$370,000	1
\$410,000 to \$420,000	1
\$420,000 to \$430,000	1
\$430,000 to \$440,000	1
\$440,000 to \$450,000	1
\$490,000 to \$500,000	1
\$560,000 to \$570,000	1
\$660,000 to \$670,000	1
\$990,000 to \$1,000,000	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 1 August 2023

Category	No of shareholders	Shares held	Percentage of shareholders	Percentage of shares
Up to 1,000 shares	1,095	557,013	37.95%	0.80%
1,001 – 5,000 shares	1,130	2,864,123	39.15%	4.10%
5,001 – 10,000 shares	312	2,293,996	10.81%	3.28%
10,001 – 100,000 shares	306	7,683,004	10.60%	10.99%
100,001 shares or more	43	56,495,610	1.49%	80.83%
Total	2,886*	69,893,746	100%	100%

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

Top 20 shareholders as at 1 August 2023

Shareholder	Shares held	Percentage of shares
Li Wang	8,552,736	12.24%
National Nominees New Zealand Limited	5,013,152	7.17%
China Resources Enterprise Limited	4,582,000	6.56%
Custodial Services Limited	4,513,692	6.46%
Kauri NZ Investments Limited	3,558,077	5.09%
Accident Compensation Corporation	3,484,397	4.99%
Alan John Bougen & Lynda Ann Bougen & Graeme William Elvin	2,297,550	3.29%
HSBC Nominees (New Zealand) Limited	2,197,316	3.14%
Bnp Paribas Nominees NZ Limited	2,018,381	2.89%
Junxian Li	1,881,110	2.69%
Li Sun	1,410,000	2.02%
New Zealand Permanent Trustees Limited	1,275,000	1.82%
Robert Bertram Tait & Jane Gibbons Tait & Ian James Craig	1,139,553	1.63%
Kevin Glen Douglas & Michelle Mckenney Douglas	1,007,005	1.44%
Maori Investments Limited	1,000,000	1.43%
JBWERE (Nz) Nominees Limited	898,152	1.29%
New Zealand Depository Nominee	819,136	1.17%
Forsyth Barr Custodians Limited	803,538	1.15%
Citibank Nominees (Nz) Ltd	779,625	1.12%
Masfen Securities Limited	734,010	1.05%
Other	21,929,316	31.36%
Total ordinary shares	69,893,746	100.00%

Substantial security holders as at 30 June 2023

Shareholder	Shares held	Percentage of shares
Li Wang	8,552,736	12.24%
China Resources Enterprise Limited	4,582,000	6.56%
Milford Asset Management Limited	4,844,748	6.93%
Kauri NZ Investments Limited	3,558,077	5.09%

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