FINANCIAL STATEMENTS 2021

FOR THE YEAR ENDED 30 JUNE 2021 — COMVITA LIMITED

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DIRECTORS' DECLARATION

In the opinion of the directors of Comvita Limited, the financial statements and the notes, on pages 3 to 40:

• comply with New Zealand generally accepted accounting practice and fairly reflect the financial position of the Group as at 30 June 2021 and the results of their operations and cash flows for the year ended on that date

• have been prepared using appropriate accounting policies, which unless otherwise stated have been consistently applied, and supported by reasonable judgements and estimates

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

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

The Directors are pleased to present the financial report, incorporating the financial statements of Comvita Limited for the year ended 30 June 2021.

For and on behalf of the Board of Directors:

Brett Hewlett	Luke Bunt
25 August 2021	25 August 2021

CONSOLIDATED INCOME STATEMENT

For the year ended *In thousands of New Zealand dollars*	Note	**30 June 2021**	**30 June 2020**
Revenue	5	191,734	195,912
Cost of sales		(88,310)	(104,601)
Gross profit		103,424	91,311
Other income	6	3,220	2,209
Marketing expenses		(24,216)	(15,506)
Selling and distribution expenses		(44,597)	(50,562)
Administrative and other operating expenses	9	(25,648)	(25,698)
Operating profit before financing costs		12,183	1,754
Finance income	7	2,473	307
Finance expenses	7	(2,247)	(6,217)
Net finance income/(costs)		226	(5,910)
Share of profit of equity accounted investees	17b	992	(174)
Impairment of equity accounted investees		-	(5,928)
Profit/(loss) before income tax		13,401	(10,258)
Income tax (expense)/benefit	10	(3,922)	557
Profit/(loss) for the year		**9,479**	**(9,701)**
Earnings per share			
Basic earnings per share (NZ cents)	24	13.61	(19.10)
Diluted earnings per share (NZ cents)	24	13.59	(19.10)
EBITDA	31	25,523	4,179

**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 net profit/(loss) before tax is provided in note 31.*

The notes on pages 8 to 40 are an integral part of these financial statements

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended *In thousands of New Zealand dollars*	Note	**30 June 2021**	**30 June 2020**
Profit/(loss) for the year		9,479	(9,701)
Items that are or may be reclassified subsequently to the income statement			
Foreign currency translation differences for foreign operations		(1,067)	1,431
Foreign currency translation differences for equity accounted investees		(49)	(467)
Effective portion of changes in fair value of cash flow hedges		(950)	1,658
Fair value movement – financial asset		396	(2,640)
Income tax on these items	10	328	(768)
Income and expense recognised directly in other comprehensive income		(1,342)	(786)
Total comprehensive income/(loss) for the year		**8,137**	**(10,487)**

The notes on pages 8 to 40 are an integral part of these financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2021 *In thousands of New Zealand dollars*	**Share capital**	**Foreign currency translation reserve**	**Hedging reserve**	**Fair value reserve**	**Retained earnings**	**Total**
Balance at 30 June 2019	**151,245**	**(4,467)**	**(1,723)**	**-**	**28,300**	**173,355**
Total comprehensive income for the year						
Loss for the year	-	-	-	-	(9,701)	(9,701)
Other comprehensive income (net of tax)						
Foreign currency translation differences for equity accounted investees (note 17b)	-	(467)	-	-	-	(467)
Foreign currency translation differences for foreign operations	-	1,125	-	-	-	1,125
Financial asset – fair value movement	-	-	-	(2,640)	-	(2,640)
Effective portion of changes in fair value of cash flow hedges	-	-	1,196	-	-	1,196
Total other comprehensive income	-	658	1,196	(2,640)	-	(786)
Total comprehensive income for the year	-	**658**	**1,196**	**(2,640)**	**(9,701)**	**(10,487)**
Transactions with owners, recorded directly in equity						
Capital raising – rights offer	50,000	-	-	-	-	50,000
Issue expenses related to capital raising	(1,950)	-	-	-	-	(1,950)
Share based payment	-	-	-	-	329	329
Acquisition of treasury stock	(572)	-	-	-	-	(572)
Issue of treasury stock						
- Supplier share scheme	502	-	-	-	(43)	459
- Issued to CEO	915	-	-	-	(265)	650
Redemption of ordinary shares related to share schemes	(36)	-	-	-	-	(36)
Total transactions with owners	48,859	-	-	-	21	48,880
Balance at 30 June 2020	**200,104**	**(3,809)**	**(527)**	**(2,640)**	**18,620**	**211,748**
Total comprehensive income for the year						
Profit for the year	-	-	-	-	9,479	9,479
Other comprehensive income (net of tax):						
Foreign currency translation differences for equity accounted investees (note 17b)	-	(49)	-	-	-	(49)
Foreign currency translation differences for foreign operations	-	(1,004)	-	-	-	(1,004)
Financial asset – fair value movement	-	-	-	396	-	396
Disposal of equity instruments	-	-	-	2,244	(2,244)	-
Effective portion of changes in fair value of cash flow hedges	-	-	(684)	-	-	(684)
Total other comprehensive income	-	(1,053)	(684)	2,640	(2,244)	(1,341)
Total comprehensive income for the year	**-**	**(1,053)**	**(684)**	**2,640**	**7,235**	**8,138**
Transactions with owners, recorded directly in equity						
Share based payment	-	-	-	-	221	221
Acquisition of treasury stock	(1,239)	-	-	-	-	(1,239)
Issue of ordinary shares - Supplier share scheme	486	-	-	-	-	486
Issue of ordinary shares - Share purchase and loan scheme (note 27)	1,269	-	-	-	-	1,269
Issue of treasury stock - Share purchase and loan scheme (note 27)	1,239	-	-	-	38	1,277
Redemption of ordinary shares related to share schemes	(20)	-	-	-	-	(20)
Total transactions with owners	1,735	-	-	-	259	1,994
Balance at 30 June 2021	**201,839**	**(4,862)**	**(1,211)**	**-**	**26,114**	**221,880**

The notes on pages 8 to 40 are an integral part of these financial statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June		**2021**	**2020**
In thousands of New Zealand dollars	Note		
Assets			
Property, plant and equipment	12	63,345	56,829
Intangible assets and goodwill	13	38,046	39,467
Right of use assets	14	13,035	11,447
Biological assets	16	3,814	3,795
Investment	17	6,849	6,269
Deferred tax asset	11	7,209	8,043
Total non-current assets		**132,298**	**125,850**
Inventory	18	101,008	112,679
Trade receivables	19	23,523	17,726
Sundry receivables	20	13,463	12,349
Cash and cash equivalents	25	16,267	16,680
Tax receivable		50	366
Assets held for sale		-	773
Total current assets		**154,311**	**160,573**
Total assets		**286,609**	**286,423**
Equity			
Issued capital		201,839	200,104
Retained earnings		26,114	18,620
Reserves		(6,073)	(6,976)
Total equity		**221,880**	**211,748**
Liabilities			
Loans and borrowings	25	20,850	32,200
Employee benefits	21	539	414
Lease liability		9,950	7,891
Deferred tax liability	11	1,962	2,194
Total non-current liabilities		**33,301**	**42,699**
Trade and other payables	22	18,869	22,707
Lease liability		3,631	3,744
Employee benefits	21	5,514	3,653
Tax payable		1,766	1,158
Derivatives	28	1,648	714
Total current liabilities		**31,428**	**31,976**
Total liabilities		**64,729**	**74,675**
Total equity and liabilities		**286,609**	**286,423**

The notes on pages 8 to 40 are an integral part of these financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 June		**2021**	**2020**
In thousands of New Zealand dollars			
	Note		
Receipts from customers		190,739	207,143
Payments to suppliers and employees		(161,711)	(161,394)
Interest received		42	34
Interest paid		(2,247)	(4,421)
Taxation paid		(1,998)	(2,065)
Net cash flows from operating activities	26	**24,825**	**39,297**
Consideration paid for business combination		-	(4,505)
Receipt from disposal of investment		396	-
Loans to equity accounted investees		(150)	(1,621)
Interest from equity accounted investees		19	-
Receipt of dividend from equity accounted investee		363	-
Loans to related parties		567	-
Interest from related parties		23	36
Payment for the purchase of property, plant and equipment		(10,601)	(5,206)
Receipt for the disposal of property, plant and equipment		468	2,336
Receipt from sale of intangibles		2	26
Payment for the purchase of intangibles		(366)	(496)
Payment for derivative settlement		-	(263)
Net cash flows from investing activities		**(9,279)**	**(9,693)**
Proceeds from the issue of share capital		(20)	48,213
Purchase of treasury stock		(1,239)	(572)
Repayment of lease liabilities		(3,560)	(3,862)
Repayment of loans and borrowings		(11,350)	(67,050)
Net cash flows from financing activities		**(16,169)**	**(23,271)**
Net increase in cash and cash equivalents		**(623)**	**6,333**
Cash and cash equivalents at the beginning of the year		16,680	10,314
Effect of exchange rate fluctuations on cash held		210	33
Cash and cash equivalents at the end of the year		**16,267**	**16,680**
Represented as:			
Cash and cash equivalents	25	16,267	16,680
Total		**16,267**	**16,680**

The notes on pages 8 to 40 are an integral part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

1. REPORTING ENTITY

Comvita Limited (the "Company") is a Company domiciled in New Zealand, and registered under the Companies Act 1993 and listed on the New Zealand Stock Exchange ("NZX"). The Company is an issuer in terms of the Financial Reporting Act 2013 and Financial Markets Conduct Act 2013. The financial statements of the Group for the year ended 30 June 2021 comprise the Company and its subsidiaries (together referred to as the "Group") and the Group's interest in equity accounted investees.

The principal activity of the Group is that of manufacturing and marketing quality natural health products, apiary ownership and management.

2. BASIS OF PREPARATION

(a) Statement of compliance

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

The financial statements were approved by the Board of Directors on 25 August 2021.

(b) Basis of measurement

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

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

(c) Functional and presentation currency

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

(d) Accounting 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 reporting periods affected. In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are set out below:

(i) Measurement of recoverability of cash generating units ("CGUs")

Impairment reviews are performed by management annually to assess the carrying value of CGUs containing goodwill. The recoverable amounts of CGUs have been determined based on value-in-use calculations. These calculations require the use of estimates. Refer to note 13.

(ii) Intangible assets

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.

(iii) Valuation of equity accounted investees

An assessment of the carrying value of investments in equity accounted investees is performed at least annually and considers objective evidence for impairment on each investment, taking into account observable data on the investment, the status or context of markets, its own view of fair value, and its long-term investment intentions. The assessment also requires judgements about the expected future performance and cash flows of the investment.

(iv) Deferred consideration

The valuation of the deferred consideration on the Group's business combinations and joint ventures are based on the post-acquisition performance of the business and the amounts payable shall be remeasured at their fair value resulting from events or factors that emerge after the acquisition date, with any resulting gain or loss recognized in the income statement.

(v) Leases

Comvita 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.

(vi) Recoverability of deferred tax assets

The utilisation of tax loss carry-forwards is dependent on expected future taxable profits in excess of the profits from the reversal of existing taxable temporary differences. This recognition is based on current budgets and financial forecasts completed by management.

(vii) Valuation of biological assets

The fair value of biological assets is assessed on an annual basis which involves reviewing the number of operational hives in use as well as ensuring the value per hive is in line with guidance provided by the Ministry of Primary Industries, refer note 16.

NOTES TO THE FINANCIAL STATEMENTS

3. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of consolidation

(i) Business combinations

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group, except for entities under common control, which are accounted for using the pooling of interest method.

(ii) Subsidiaries

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

(iii) Investments in equity accounted investees

Associates and joint ventures are those entities in which the Group has significant influence, but not control, over the financial and operating policies. Associates and joint ventures are accounted for using the equity method (equity accounted investees). The consolidated financial statements include the Group's share of the income and expenses of equity accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases.

(b) Foreign currency

(i) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at that date.

(ii) Foreign operations

The assets and liabilities of foreign operations with currencies different to the Company including goodwill and fair value adjustments arising on acquisition, are translated to New Zealand dollars at exchange rates at the reporting date. The income and expenses of such foreign operations are translated to New Zealand dollars at exchange rates at the dates of the transactions. Foreign currency differences are recognised in the foreign currency translation reserve ("FCTR").

(c) Financial assets and financial liabilities

(i) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value either through other comprehensive income ("FVOCI"), or through profit or loss ("FVPL"), and
- those to be measured at amortised cost.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Group business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the income statement.
- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through other comprehensive income ("OCI"), except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as a separate line item in the income statement.
- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the group's right to receive payments is established. Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the income statement loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Accounting for finance income and expense is discussed in Note 3(m).

NOTES TO THE FINANCIAL STATEMENTS

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Financial instruments

(i) Non-derivative financial instruments

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. Regular way purchases and sales of financial assets are accounted for at trade date, i.e., the date that the Group commits itself to purchase or sell the asset. Financial liabilities are derecognised if the Group's obligations specified in the contract expire or are discharged or cancelled.

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.

Accounting for finance income and expense is discussed in Note 3(m).

Instruments at fair value through the income statement
An instrument is classified as at FVPL if it is held for trading or is designated as such upon initial recognition. Financial instruments are designated at FVPL if the Group manages such investments and makes purchase and sale decisions based on their fair value. Upon initial recognition, attributable transaction costs are recognised in the income statement when incurred. Subsequent to initial recognition, financial instruments are measured at fair value, and changes therein are recognised in the income statement.

(ii) Derivative financial instruments

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. However, derivatives that do not qualify for hedge accounting are accounted for as financial instruments designated at FVPL.

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. The gain or loss on remeasurement to fair value is recognised immediately in the income statement. However, where derivatives qualify for hedge accounting, recognition of any resultant gain or loss depends on the nature of the hedging relationship .

Cash flow hedges
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. To the extent that the hedge is ineffective, changes in fair value are recognised in the income statement.

If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, then hedge accounting is discontinued prospectively. The cumulative gain or loss previously recognised in equity remains there until the forecast transaction occurs. The amount recognised in equity is transferred to the income statement in the same period that the hedged item affects the income statement.

(e) Share capital

(i) Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share entitlements are recognised as a deduction from equity.

(ii) Repurchase of share capital

When share capital recognised as equity is repurchased, the amount of the consideration paid, including directly attributable costs, is recognised as a deduction from equity. Repurchased shares are classified as treasury shares and are presented as a deduction from total equity.

(f) Property, plant and equipment

(i) 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

(ii) Subsequent costs

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.

NOTES TO THE FINANCIAL STATEMENTS

.3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(iii) Depreciation

Depreciation is recognised in the income statement on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Land is not depreciated.

The estimated useful lives 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 - 50 years
• Bearer plants	100 years

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

(g) Biological assets

Biological assets are measured at fair value less point-of-sale costs, with any change therein recognised in the income statement. Point-of-sale costs include all costs that would be necessary to sell the assets. Agricultural produce from biological assets is transferred to inventory at fair value, by reference to market prices for honey, less estimated point-of-sale costs at the date of harvest.

(h) Intangible assets and goodwill

(i) 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.

(ii) Research and development

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised in the income statement when incurred.

Development activities involve a plan or design for the production of new or substantially improved products and processes. Development expenditure is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete development and to use or sell the asset. The expenditure capitalised includes the cost of materials, direct labour and overhead costs that are directly attributable to preparing the asset for its intended use. Other development expenditure is recognised in the income statement when incurred. Capitalised development expenditure is measured at cost less accumulated amortisation and accumulated impairment losses.

(iii) 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.

(iv) Amortisation

Amortisation is recognised in the income statement on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use. The estimated useful lives 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 – 25 years

(i) Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the weighted average principle, and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

The cost of items transferred from biological assets is their fair value less point-of-sale costs at the date of transfer.

(j) Impairment

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any objective evidence of impairment.

An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses directly reduce the carrying amounts of assets and are recognised in the income statement.

(i) Impairment of receivables

The group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the company applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

The recoverable amount of the Group's investments in receivables carried at amortised cost is calculated as the present value of estimated future cash flows. Impairment losses on an individual basis are determined by an evaluation of the exposures on an instrument by instrument basis. All individual instruments that are considered significant are subject to this approach.

NOTES TO THE FINANCIAL STATEMENTS

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(ii) Non-financial assets

An impairment loss is recognised if the carrying amount of an asset or its CGUs exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that are largely independent from other assets and groups. Impairment losses are recognised in the income statement. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis. When an event occurring after the impairment was recognised causes the amount of the impairment to decrease, the decrease in impairment loss is reversed through profit or loss.

The recoverable amount of an asset or CGUs is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

(k) Employee benefits

Share-based payment transactions
The grant date fair value of entitlements granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period in which the employees become unconditionally entitled to the entitlements. The amount recognised as an expense is adjusted to reflect the actual number of share entitlements that vest.

(l) Revenue

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Revenue is recognised at the point of time performance obligations are satisfied by transferring control of goods to the customer. For wholesale sales, control passes to the customer in accordance with the individual terms of the contract of sale – for domestic sales this is ordinarily on delivery to the customer's premises and acceptance by the customer. For in-store sales, control passes to the customer at point of sale. For online sales, the order along with delivery to the customer are considered to comprise a single performance obligation, therefore control is considered to pass to the customer on delivery of the goods.

(m) Finance income and expenses

Finance income comprises interest income on funds invested, foreign exchange gains, dividend income and gains on the disposal of FVOCI financial assets that are recognised in the income statement. Interest income is recognised as it accrues, using the effective interest method. Dividend income is recognised on the date that the Group's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

Finance expenses comprise interest expense on borrowings, foreign exchange losses, unwinding of the discount on provisions, impairment losses recognised on financial assets (except for trade receivables) and losses on the disposal of FVOCI financial assets that are recognised in the income statement. All borrowing costs are recognised in the income statement using the effective interest method.

(n) Income tax expense

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 period, 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 in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that they probably will not reverse in the foreseeable future. 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 temporary differences 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. Additional income taxes that arise from the distribution of dividends are recognised at the same time as the liability to pay the related dividend is recognised.

(o) Earnings per share

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 period. 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.

(p) 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.

NOTES TO THE FINANCIAL STATEMENTS

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(q) Reclassification of freight expenses

From 1 July 2020, the business has changed the classification of freight expenses from distribution expenses to cost of goods sold. For consistency, $4,632,000 of freight expenses have been reclassified from operating expenses to cost of goods sold for the year ended 30 June 2020.

(r) New and amended standards adopted by the group

The accounting policies applied in these consolidated financial statements are the same as those applied in the Group's consolidated financial statements as at and for the year ended 30 June 2020. There are no 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.

(s) Covid-19 considerations

Comvita is classified as an 'Essential' business by the New Zealand Government, therefore having no impact on the manufacturing process of the Group. For the year ended 30 June 2021 the Group has not been significantly impacted by COVID-19. There has been a strong demand in sales, in particular in online channels across all markets. An assessment over the carrying value of assets and liabilities has been performed and the Group has recognised provisions where necessary relating to the impact of COVID-19. The Group continues to operate as a going concern and Senior Management continue to closely monitor the situation.

4. SEGMENT REPORTING

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

Segment information is presented in the financial statements in respect of the Group's contribution segments which are the primary basis of decision making. The contribution segment reporting format reflects the Group's management and internal reporting structure.

Performance is measured based on contribution which is a measure of profitability that the segment contributes to the Group. Contribution is used to measure performance as management believes that such information is most relevant in evaluating the results of certain segments. Inter-segment pricing is determined on an arms-length basis.

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

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

The Group has five reportable segments as described below:

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

NOTES TO THE FINANCIAL STATEMENTS

4. SEGMENT REPORTING (CONTINUED)

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	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Contribution segments																
Revenue	93,076	86,945	32,444	44,069	25,346	20,533	24,735	22,137	5,060	6,917	180,661	180,601	11,073	15,311	191,734	195,912
Contribution	19,908	18,203	10,218	13,943	6,367	4,196	4,733	4,380	35	(541)	41,261	40,181	(791)	1,824	40,470	42,005
Non attributable (other corporate expenses)															(31,506)	(34,222)
Comvita China acquisition - release of inventory															-	(8,238)
Other income (note 6)															3,220	2,209
Financial income and expenses (note 7)															226	(5,910)
Share of profit of equity accounted investees (note 17b)															992	(174)
Impairment of equity accounted investees															-	(5,928)
Net profit/(loss) before tax															13,402	(10,258)

Geographical segments

	30 June 2021		30 June 2020	
In thousands of New Zealand dollars	**Revenue**	**Non-current assets**	**Revenue**	**Non-current assets**
Greater China	94,299	37,766	84,336	41,066
ANZ	25,525	88,360	44,274	83,483
Rest of Asia	31,252	506	25,510	643
North America	32,135	158	30,840	544
EMEA	4,978	39	6,781	86
Other Countries	3,545	5,469	4,171	28
Total	**191,734**	**132,298**	**195,912**	**125,850**

Total reportable segment assets
As at 30 June

In thousands of New Zealand dollars	**2021**	**2020**
Total assets for reportable segments	150,970	128,266
Other investments	8	8
Investment in equity accounted investees	6,841	6,261
Other unallocated assets	128,790	151,888
Consolidated total assets	**286,609**	**286,423**

NOTES TO THE FINANCIAL STATEMENTS

5. REVENUE

In thousands of New Zealand dollars	**2021 30 June**	**2020 30 June**
Sales	191,734	195,280
Other	-	632
Total revenue	**191,734**	**195,912**

6. OTHER INCOME

In thousands of New Zealand dollars	**2021 30 June**	**2020 30 June**
Change in fair value of contingent consideration	-	1,039
Government subsidies	734	-
Government grants	2,052	535
Gain on disposal of property, plant and equipment	222	243
Insurance claims received	195	65
Change in fair value of biological assets	17	-
Other	-	327
Total other income	**3,220**	**2,209**

7. FINANCIAL INCOME AND EXPENSES

In thousands of New Zealand dollars	**2021 30 June**	**2020 30 June**
Interest income	252	298
Dividend income	9	9
Net foreign exchange gain	2,212	-
Finance income	**2,473**	**307**
Interest expense on financial liabilities measured at amortised cost	(2,247)	(4,421)
Net foreign exchange loss	-	(1,340)
Net loss in fair value of derivatives designated at fair value through the income statement:		
- Interest rate swaps	-	(264)
- SeaDragon options and convertible loan notes	-	(192)
Finance expense	**(2,247)**	**(6,217)**
Net finance income/(costs)	**226**	**(5,910)**

NOTES TO THE FINANCIAL STATEMENTS

8. PERSONNEL EXPENSES

In thousands of New Zealand dollars	2021 30 June	2020 30 June
Wages and salaries	39,548	43,135
KiwiSaver – employer contribution	556	558
Movement in long-service leave provision	125	(33)
Equity settled share based payment transactions	694	329
Total personnel expenses	**40,923**	**43,989**

9. EXPENSES

Administrative expenses
The following items of expenditure are included in administrative expenses:

In thousands of New Zealand dollars	2021 30 June	2020 30 June
Auditors' remuneration:		
To KPMG for audit services (ii)	323	360
To KPMG for audit related services	7	7
To KPMG for tax services (iii)	266	112
To Mercer & Hole (UK auditors)	30	33
Insurance (i)	113	284
Doubtful debts (recovered)/expense	(147)	984
Bad debts written off	79	1,852
Restructure costs	783	1,768
Change in fair value of biological assets	-	389
Directors' fees (iv)	573	550
Directors – other costs	20	17
Other legal & professional expenses	540	309
Loss on disposal of intangible assets	-	9
Donations	5	6

(i) Only the portion of this expense which is included in administrative expenses
(ii) Audit services include fees for the annual audit of the financial statements of the group and its foreign subsidiaries based in China and Hong Kong and the review of the interim financial statements
(iii) Tax services is for tax compliance and advisory work
(iv) Refer to Statutory Information

NOTES TO THE FINANCIAL STATEMENTS

10. INCOME TAX EXPENSE IN THE INCOME STATEMENT

In thousands of New Zealand dollars	Note	2021 30 June	2020 30 June
Current tax expense			
Current period		3,009	2,382
Adjustment for prior periods		(16)	(60)
Total current income tax expense		2,993	2,322
Deferred tax expense			
Origination and reversal of temporary differences	11	929	(2,879)
Total deferred income tax expense/(benefit)		929	(2,879)
Total income tax expense/(benefit)		**3,922**	**(557)**

Reconciliation of effective tax expense

In thousands of New Zealand dollars	2021 30 June	2020 30 June
Profit for the period	9,479	(9,701)
Total income tax expense/(benefit)	3,922	(557)
Profit/(loss) excluding income tax	13,401	(10,258)
Income tax using the Company's domestic tax rate of 28% (2020: 28%)	3,752	(2,872)
Effect of different tax rates in foreign jurisdictions	(614)	(354)
Non-deductible expenses	1,497	3,118
Non-assessable income	(817)	(714)
Under provided in prior periods	104	265
Total income expense/(benefit)	**3,922**	**(557)**

Income tax recognised directly in other comprehensive income

In thousands of New Zealand dollars	Note	2021 30 June	2020 30 June
Derivatives	11	(328)	465
Other items		-	303
Total income tax recognised directly in other comprehensive income		**(328)**	**768**

Imputation credit account

In thousands of New Zealand dollars	2021 30 June	2020 30 June
Imputation credits available for use in subsequent reporting periods	8,324	8,767

NOTES TO THE FINANCIAL STATEMENTS

11. DEFERRED TAX ASSETS AND LIABILITIES

Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

In thousands of New Zealand dollars	Assets		Liabilities		Net	
	2021	**2020**	**2021**	**2020**	**2021**	**2020**
Property, plant & equipment	-	-	(1,020)	(831)	(1,020)	(831)
Intangible assets	-	-	(1,962)	(2,194)	(1,962)	(2,194)
Biological assets	-	-	(56)	(50)	(56)	(50)
Inventories	3,263	2,973	-	-	3,263	2,973
Derivatives	464	199	-	-	464	199
Investments	78	105	-	-	78	105
Other items	1,543	1,283	-	-	1,543	1,283
Tax loss carry-forwards	2,937	4,364	-	-	2,937	4,364
Tax assets/(liabilities)	8,285	8,924	(3,038)	(3,075)	5,247	5,849
Set-off of tax	(1,076)	(881)	1,076	881	-	-
Net tax assets/(liabilities)	**7,209**	**8,043**	**(1,962)**	**(2,194)**	**5,247**	**5,849**

Movement in temporary differences during the year

In thousands of New Zealand dollars	**Balance 1 July 2020**	**Recognised in the income statement**	**Recognised in other comprehensive income**	**Balance 30 June 2021**
Property, plant & equipment	(831)	(189)	-	**(1,020)**
Intangible assets	(2,194)	232	-	**(1,962)**
Biological assets	(50)	(6)	-	**(56)**
Inventories	2,973	290	-	**3,263**
Derivatives	198	(62)	328	**464**
Investments	105	(27)	-	**78**
Other items	1,284	259	-	**1,543**
Tax loss carry-forwards	4,364	(1,427)	-	**2,937**
Total	**5,849**	**(930)**	**328**	**5,247**

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items:

In thousands of New Zealand dollars	**2021**	**2021**	**2020**	**2020**
	Gross Amount	Tax Effect	Gross Amount	Tax Effect
Tax loss carry-forwards	5,359	1,373	5,249	1,350
Intangible assets	574	172	572	171
Total	**5,933**	**1,545**	**5,821**	**1,521**

The tax loss carry-forwards do not expire under current tax legislation. They relate to capital losses in Australia, and losses on acquisition in the United Kingdom.

NOTES TO THE FINANCIAL STATEMENTS

12. PROPERTY, PLANT & EQUIPMENT

In thousands of New Zealand dollars	**Land**	**Buildings**	**Owned plant & machinery**	**Vehicles**	**Bearer plants**	**Office equipment, furniture & fittings**	**Capital WIP**	**Total**
Cost								
Balance at 30 June 2019	**11,727**	**26,601**	**28,553**	**2,364**	**5,819**	**5,962**	**2,606**	**83,632**
Additions/transfers	220	804	1,034	159	-	1,276	2,132	5,625
Disposals	(120)	(447)	(778)	(173)	-	(843)	-	(2,361)
Reclassification to assets held for sale	(420)	(328)	(388)	-	-	-	-	(1,136)
Effect of movements in exchange rates	48	28	60	3	131	136	1	407
Balance at 30 June 2020	**11,455**	**26,658**	**28,481**	**2,353**	**5,950**	**6,531**	**4,739**	**86,167**
Additions/transfers	-	1,510	2,050	432	-	2,918	4,269	11,179
Disposals	(8)	(663)	(954)	(176)	-	(606)	-	(2,407)
Effect of movements in exchange rates	10	6	12	1	27	(219)	(2)	(165)
Balance at 30 June 2021	**11,457**	**27,511**	**29,589**	**2,610**	**5,977**	**8,624**	**9,006**	**94,774**
Depreciation								
Balance at 30 June 2019	**-**	**(6,586)**	**(13,858)**	**(1,642)**	**(371)**	**(4,254)**	**-**	**(26,711)**
Depreciation	-	(1,098)	(2,123)	(203)	(67)	(1,025)	-	(4,516)
Disposals	-	254	682	162	-	584	-	1,682
Reclassification to assets held for sale	-	57	306	-	-	-	-	363
Effect of movements in exchange rates	-	(11)	(34)	(3)	(9)	(99)	-	(156)
Balance at 30 June 2020	**-**	**(7,384)**	**(15,027)**	**(1,686)**	**(447)**	**(4,794)**	**-**	**(29,338)**
Depreciation	-	(1,098)	(2,170)	(209)	(68)	(885)	-	(4,430)
Disposals	-	630	891	161	-	479	-	2,161
Effect of movements in exchange rates	-	(2)	(7)	(1)	(2)	190	-	178
Balance at 30 June 2021	**-**	**(7,854)**	**(16,313)**	**(1,735)**	**(517)**	**(5,010)**	**-**	**(31,429)**
Carrying amount								
At 30 June 2019	11,727	20,015	14,695	722	5,448	1,708	2,606	56,921
At 30 June 2020	11,455	19,274	13,454	667	5,503	1,737	4,739	56,829
At 30 June 2021	**11,457**	**19,657**	**13,276**	**875**	**5,460**	**3,614**	**9,006**	**63,345**

Depreciation charge in the income statement

Depreciation is allocated to cost of sales, selling and marketing expenses, distribution expenses, research and development expenses and administrative expenses.

NOTES TO THE FINANCIAL STATEMENTS

13. INTANGIBLE ASSETS AND GOODWILL

In thousands of New Zealand dollars	Note	Goodwill	Intellectual property and other intangible assets	Software	Total
Cost					
Balance at 30 June 2019		**27,840**	**15,906**	**10,027**	**53,773**
Additions		-	205	285	490
Disposals		-	-	(538)	(538)
Effect of movements in exchange rates		(104)	145	19	60
Balance at 30 June 2020		**27,736**	**16,256**	**9,793**	**53,785**
Additions		-	204	162	366
Disposals		-	-	(3)	(3)
Effect of movements in exchange rates		(137)	60	(16)	(93)
Balance at 30 June 2021		**27,599**	**16,520**	**9,936**	**54,055**
Amortisation					
Balance at 30 June 2019		**-**	**(4,170)**	**(8,521)**	**(12,691)**
Amortisation		-	(1,286)	(836)	(2,122)
Disposals		-	-	502	502
Effect of movements in exchange rates		-	4	(11)	(7)
Balance at 30 June 2020		**-**	**(5,452)**	**(8,866)**	**(14,318)**
Amortisation		-	(1,226)	(453)	(1,679)
Disposals		-	-	1	1
Effect of movements in exchange rates		-	(29)	16	(13)
Balance at 30 June 2021		**-**	**(6,707)**	**(9,302)**	**(16,009)**
Carrying Amount					
At 30 June 2019		27,840	11,736	1,506	41,082
At 30 June 2020		27,736	10,804	927	39,467
At 30 June 2021		**27,599**	**9,813**	**634**	**38,046**

Amortisation charge in the income statement

Amortisation is allocated to cost of sales, selling and marketing expenses, distribution expenses, research and development expenses and administrative expenses.

NOTES TO THE FINANCIAL STATEMENTS

13. INTANGIBLE ASSETS AND GOODWILL (CONTINUED)

Impairment testing for cash-generating units containing goodwill ("CGU")

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	Segment (Note 4)	2021 30 June	2020 30 June
Greater China	Greater China	25,765	25,902
Apiaries		1,766	1,766
Other		68	68
Total goodwill		**27,599**	**27,736**

Greater China CGU:

Value in use was determined by discounting the future cash flows generated from the continuing use of the unit and were based on the following key assumptions:

	2021 30 June	2020 30 June
Anticipated annual revenue growth included in the cash flow projections for the combined CGU's (normalised) for the years 2022 to 2026	6.3% to 19.4%	1.5% to 8%
Post tax discount rate	12.5%	12.5%
Discount rate based on the average weighted cost of capital which was based on debt leveraging of:	20%	20%
-at a cost of debt rate of:	12.3%	12.3%
Terminal growth rate applied beyond June 2026	2.0%	2.0%

Cash flows were projected on actual operating results, the 30 June 2022 budget and business plan.

Sensitivity to changes in assumptions

In thousands of New Zealand dollars	2021 30 June	2020 30 June
The recoverable amount of the CGU exceeds its carrying amount by	129,700	53,100
If projected earnings before interest and tax ("EBIT") is reduced by 10% year on year, it changes the amount the recoverable amount exceeds its carrying amount to	103,500	41,900
The post tax discount rate for the recoverable amount to equal carrying amount is calculated at	33.6%	22.1%

NOTES TO THE FINANCIAL STATEMENTS

13. INTANGIBLE ASSETS AND GOODWILL (CONTINUED)

Apiaries:

Value in use was determined by discounting the future cash flows generated from the continuing use of the unit and were based on the following key assumptions:

	2021 30 June	2020 30 June
Anticipated annual revenue growth included in the cash flow projections for the combined CGU's (normalised) for the years 2022 to 2031	0% to 23.2%	(16.6)% to 24.7%
Post tax discount rate	10.0%	10.0%
Discount rate based on the average weighted cost of capital which was based on debt leveraging of:	20%	20%
-at a cost of debt rate of:	4.4%	4.4%
Terminal growth rate applied beyond June 2031	2.0%	1.5%

Cash flows were projected on actual operating results, the 30 June 2022 budget and business plan.

Sensitivity to changes in assumptions:

In thousands of New Zealand dollars	2021 30 June	2020 30 June
The recoverable amount of the CGU exceeds its carrying amount by	3,186	13,300
If projected EBIT is reduced by 10% year on year, it changes the amount the recoverable amount exceeds its carrying amount to	575	9,000
The post tax discount rate for the recoverable amount to equal carrying amount is calculated at	11%	13%
The percentage movement in yields for each mānuka honey grade range (with the resulting difference being added to non-mānuka) for the recoverable amount to equal the carrying amount	8.5%	9.0%
The increase in forecast hive costs required for the recoverable amount to equal the carrying amount	13.0%	1.6%

NOTES TO THE FINANCIAL STATEMENTS

14. 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.

Right of use assets

In thousands of New Zealand dollars	Buildings	Vehicles	Mānuka forests	Total
Adoption of NZ IFRS 16	7,136	1,681	3,483	12,300
Additions	3,301	82	-	3,383
Disposals	(149)	-	-	(149)
Depreciation	(2,971)	(670)	(178)	(3,819)
Modifications	(413)	-	-	(413)
Effect of movement in exchange rates	140	5	-	145
Balance at 30 June 2020	**7,044**	**1,098**	**3,305**	**11,447**
Additions	-	587	2,766	3,353
Modifications	2,949	131	-	3,080
Depreciation	(3,493)	(714)	(301)	(4,508)
Effect of movement in exchange rates	(336)	(1)	-	(337)
Balance at 30 June 2021	**6,164**	**1,101**	**5,770**	**13,035**

Amounts recognised in the statement of comprehensive income

	2021 30 June	2020 30 June
Interest on lease liabilities	375	421
Variable lease payments not included in the measurement of lease liabilities	3,373	4,101
Expenses relating to short-term leases	887	838
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	15	38

Lease liabilities

As at 30 June 2021, the weighted average rate applied was 5.1% Total cash outflow for right of use leases for the year ended 30 June 2021 was $4.4 million (2020: $4.1m).

Maturity analysis - contractual undiscounted cash flow

Non-cancellable lease rentals ae payable as follows:

In thousands of New Zealand dollars	2021 30 June	2020 30 June
Less than 1 year	4,436	4,820
Between one and five years	4,433	4,605
Greater than five years	3,633	1,817
Total	**12,502**	**11,242**

NOTES TO THE FINANCIAL STATEMENTS

15. CAPITAL COMMITMENTS

The total capital commitment is $2.0 million (2020: $3.1 million over 2 years) and will be paid over the next year. The capital commitment relates to mānuka forest costs and other capital projects.

16. BIOLOGICAL ASSETS

Total *In thousands of New Zealand dollars*	**2021 30 June**	**2020 30 June**
Bees	3,305	3,370
Olive leaf	509	425
Total biological assets	**3,814**	**3,795**

Bees *In thousands of New Zealand dollars*	**2021 30 June**	**2020 30 June**
Balance at beginning of the year	3,370	3,542
Acquisition	-	665
Fair value increase	-	161
Net movement in operational hives	(65)	(998)
Balance at the end of the year	**3,305**	**3,370**

Number of operational hives		
Balance at beginning of the year	20,125	22,628
Acquisition	-	5,000
Net movement in operational hives	(458)	(7,503)
Balance at the end of the year	**19,667**	**20,125**

The Group is exposed to some risks related to owning bees, primarily the risk of damage from climatic changes and diseases. The Group has processes in place aimed at monitoring and mitigating those risks, through hiring of experienced beekeepers, the intensive maintenance of beehives and disease prevention programmes.

Fair value hierarchy

The Group's bees are level 3 on the fair value hierarchy, being calculations for which inputs are not based on observable market data (unobservable inputs).

As the beehives are continually regenerating the fair value assigned to a hive is on a $ per kg basis, plus queen and brood. The value attributed to these quantities has been sourced from the Ministry of Primary Industries. The value per hive is $141 (2020: $141).

NOTES TO THE FINANCIAL STATEMENTS

17. INVESTMENTS (CONTINUED)

In thousands of New Zealand dollars	Note	**2021 30 June**	**2020 30 June**
Equity accounted investees	17a	6,841	6,261
Investment in unlisted shares		8	8
Total investments		6,849	6,269

(a) Investments in Equity Accounted Investees comprises:

	Country of Incorporation	**Ownership Interest Held**	**Balance Date**	**Principal Activity**
Makino Station Limited "Makino"	New Zealand	50%	30 June	Apiary and land ownership
Gan Supply JV Limited "Gan Supply"	New Zealand	33%	30 June	Restructure and Winding up Agreement signed 4 June 2021
Putake Group Holdings Limited "Putake"	New Zealand	-	30 June	Shareholding ceased 10 June 2021
Manuka Research Partnership Limited	New Zealand	-	30 June	Shareholding ceased 11 August 2020
Medibee Pty Limited "Medibee"	Australia	50%	30 June	Apiary
Apiter S.A "Apiter"	Uruguay	20%	31 July	Manufacturing, selling and distribution

Gan Supply

On 4 June 2021 Comvita signed a Restructure and Winding up Implementation Deed agreeing to sell Gan Supply's Property, Plant and Equipment to Nga Pi Honey at market value, cease trading from the date the assets are sold, and enter into a new Supply Agreement.

Putake

On 10 June 2021 all shares in Putake were sold to Casa Base Trustees and $200,000 of loan to Putake already provided for was forgiven.

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.

(b) Carrying value of Investments in Equity Accounted Investees

In thousands of New Zealand dollars	**2021**	**2020**
Balance at 1 July	**6,261**	**9,755**
Share of profit/(loss)	992	(174)
Dividends received	(363)	-
Impairment	-	(2,543)
Transfer share of loss to receivable	-	(310)
Foreign exchange movements	(49)	(467)
Balance at 30 June	**6,841**	**6,261**

NOTES TO THE FINANCIAL STATEMENTS

17. INVESTMENTS (CONTINUED)

(c) Loans to Equity Accounted Investees

In thousands of New Zealand dollars	2021	2020
Loan and interest receivable		
Makino	4,168	4,199
Apiter	863	623
Gan Supply	-	212
Balance at 30 June	**5,031**	**5,034**

Medibee

As at 30 June 2021 there is a loan to Medibee of $2,469,000 which was fully impaired in the previous financial year.

Makino

Interest is accrued on the balance of loan at a rate of 5.34% p.a. (2020: 6.36%). Interest income for the year ended 30 June 2021 was $161,000 (2020: 192,000).

Apiter

The loan is denominated in USD. Interest is accrued on the balance of the loan at a rate of 3.5% p.a. (2020: 3.5%). Interest income for the year ended 30 June 2021 was $19,000 (2020: $21,000).

All loans to equity accounted investees are repayable on demand.

(d) Transactions with Equity Accounted Investees

In thousands of New Zealand dollars	**Sale of goods and services**		**Purchases of goods and services (including prepayments)**	
	Transaction value	Balance due from	Transaction value	Balance owing to
2021				
Makino	67	9	682	39
Gan Supply	50	1	3,171	-
Apiter	32	33	2,944	-
2020				
Kaimanawa	616	-	19	-
Makino	92	-	174	-
Gan Supply	80	3	1,870	-
Putake	60	-	18	-
Apiter	19	23	2,598	418

NOTES TO THE FINANCIAL STATEMENTS

18. INVENTORY

In thousands of New Zealand dollars	2021 30 June	2020 30 June
Raw materials	60,762	77,334
Work in progress	1,049	842
Finished goods	39,197	34,503
Total inventory	**101,008**	**112,679**

Inventory disposed of during the year ended 30 June 2021 has been recognised within cost of goods sold - $900,000 (2020: $827,000).

19. TRADE RECEIVABLES

In thousands of New Zealand dollars	2021 30 June	2020 30 June
Gross receivable	23,971	18,331
Impairment	(448)	(605)
Total trade receivables	**23,523**	**17,726**

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

In thousands of New Zealand dollars	Gross receivable 2021	Impairment 2021	Gross receivable 2020	Impairment 2020
Not past due	18,499	-	11,388	(162)
Past due 0-30 days	2,929	-	2,296	(69)
Past due 31-60 days	569	(68)	3,269	(254)
Past due 61-365 days	1,974	(380)	1,319	(87)
Past due > 365 days	-	-	59	(33)
Total	**23,971**	**(448)**	**18,331**	**(605)**

The Company has not renegotiated the terms of any financial assets which would result in the carrying amount no longer being past due or avoid a possible past due status.

Credit risk

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

In thousands of New Zealand dollars	2021 30 June	2020 30 June
Australia	4,339	2,085
China	11,584	7,288
New Zealand	4,721	5,322
United States	996	392
United Kingdom	461	529
Hong Kong	456	733
Other regions	966	1,377
Total	**23,523**	**17,726**

NOTES TO THE FINANCIAL STATEMENTS

20. SUNDRY RECEIVABLES

In thousands of New Zealand dollars	Note	2021 30 June	2020 30 June
Loans to equity accounted investees	17c	5,031	5,034
Loan receivable – related parties		-	567
Loan receivable – key management personnel	29	2,746	450
Prepayments		4,360	5,307
Other receivables		1,326	991
Total sundry receivables		**13,463**	**12,349**

21. EMPLOYEE BENEFITS

In thousands of New Zealand dollars	2021 30 June	2020 30 June
Annual leave	1,567	1,598
Performance accrual	3,348	1,796
Accrued wages and salaries	599	259
Total current employee benefits	**5,514**	**3,653**
Long service leave (non-current)	539	414
Total employee benefits	**6,053**	**4,067**

22. TRADE AND OTHER PAYABLES

In thousands of New Zealand dollars	2021 30 June	2020 30 June
Trade creditors	8,843	10,449
Accruals	9,799	12,020
Contingent consideration – equity accounted investees	164	179
Due to Directors	63	59
Total trade and other payables	**18,869**	**22,707**

23. CAPITAL AND RESERVES

Ordinary and partly paid redeemable share capital

In thousands of shares	Note	2021 30 June	2020 30 June
On issue at beginning of the year		69,780	49,555
Share issue - Leader Share Purchase & Loan scheme	27	738	-
Share issue - CEO		-	308
Acquisition of treasury stock		(370)	(217)
Supplier Partnership Group Share Scheme		152	134
Capital raise – Placement and Rights offer		-	20,000
Ordinary shares on issue at end of the year		**70,300**	**69,780**
Closing partly paid shares	27	618	1,228
Total shares including part paid at end of the year		**70,918**	**71,008**

NOTES TO THE FINANCIAL STATEMENTS

23. CAPITAL AND RESERVES (CONTINUED)

Treasury Stock

In thousands of shares	2021 30 June	2020 30 June
Treasury stock at beginning of the year	2	227
Acquired on market	370	217
Issued - Leader Share Purchase & Loan scheme	(370)	-
Issued – CEO	-	(308)
Supplier Partnership Group Share Scheme	-	(134)
Total treasury stock at end of the year	**2**	**2**

Ordinary shares

All ordinary shares issued are fully paid and have no par value. The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

Hedging reserve

The hedging reserve comprises the cumulative change in the fair value of cash flow hedging instruments related to hedged transactions that have not yet occurred.

Fair value reserve

The fair value reserve comprises the cumulative change in the fair value of Financial Assets designated as Fair Value through Other Comprehensive Income.

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 Purchase Scheme, an Executive Employee Share Scheme, a Leader Share Purchase and Loan scheme and a Performance Share Rights Scheme to ensure the employees hold an investment in the Group. The Board also implemented a Supplier Group Share Scheme to assist in security of raw material honey supply.

Other than the banking requirements, neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

NOTES TO THE FINANCIAL STATEMENTS

24. EARNINGS PER SHARE

Basic earnings per share - weighted average number of ordinary shares *In thousands of shares*	**2021 30 June**	**2020 30 June**
Issued ordinary shares at beginning of year	69,780	49,555
Effect of shares issued during the year	(140)	1,231
Weighted average number of ordinary shares at the end of the year	**69,640**	**50,786**
Basic earnings per share (NZ cents)	**13.61**	**(19.10)**

Diluted earnings per share - weighted average number of ordinary shares (diluted) *In thousands of shares*		
Weighted average number of ordinary shares (basic)	69,640	50,786
Effect of share entitlements issued	107	-
Weighted average number of diluted shares at end of the year	**69,747**	**50,786**
Diluted earnings per share (NZ cents)	**13.59**	**(19.10)**

25. LOANS AND BORROWINGS

This note provides information about the contractual terms of the Group's interest-bearing loans and borrowings.

Terms and debt repayment schedule

In thousands of New Zealand dollars	**Facility Local Currency**	**Currency**	**Nominal Interest rate**	**Maturity**	**Carrying Amount 2021**	**Carrying Amount 2020**
Secured bank loan – Westpac NZ	20,000	NZD	2.45%	July 2022	20,000	20,000
Multi option credit line – Westpac NZ	60,000	NZD	1.75%	July 2022	850	12,200
Total borrowings	**80,000**				**20,850**	**32,200**
Less current portion of borrowings					-	-
Borrowings – non current					**20,850**	**32,200**

Covenants and security

The Group was in compliance with all banking covenants during the year and as at 30 June 2021. All debt with Westpac New Zealand Limited is secured by way of registered first and exclusive Composite Debentures and a General Security Agreement, cross collateralised, over all the assets, undertakings and uncalled capital of all Charging Group companies and an interlocking supported guarantee between all Charging Group companies.

"Charging Group" - Comvita Limited, Comvita New Zealand Limited, Comvita Holdings Pty Limited, Comvita Australia Pty Limited, Comvita Holdings UK Limited and Comvita UK Limited.

Net debt

In thousands of New Zealand dollars	**2021 30 June**	**2020 30 June**
Cash	16,267	16,680
Less debt - non current	(20,850)	(32,200)
Net debt	**(4,583)**	**(15,520)**

NOTES TO THE FINANCIAL STATEMENTS

25. LOANS AND BORROWINGS (CONTINUED)

Interest rate risk

At reporting date the interest rate profile of the Group's interest-bearing financial instruments is the balances of the loans above. The Group has a policy of ensuring that its exposure to interest rates for borrowings is managed. Interest rate swaps have been entered into to achieve an appropriate mix of fixed and floating rate exposure with the Group's policy.

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 2021 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 $129,000 (30 June 2020: $598,000).

Other Facilities

Overdraft schedule

In thousands of New Zealand dollars	**Facility Local Currency**	**Currency**	**Interest rate 2021**	**Interest rate 2020**
Overdraft facility NZD – Westpac NZ	750	NZD	7.25%	7.25%
Overdraft facility GBP – Westpac NZ	1,650	GBP	7.25%	7.25%
Overdraft facility YEN – Westpac NZ	500	JPY	7.25%	7.25%

The balance drawn on each of these at 30 June 2021 is nil (2020: nil).

NOTES TO THE FINANCIAL STATEMENTS

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

In thousands of New Zealand dollars	Note	2021 30 June	2020 30 June
Profit/(loss) for the period		9,479	(9,701)
Adjustments for:			
Depreciation		8,670	8,748
Amortisation	13	1,679	2,122
Share based payments		471	329
Supplier share scheme – inventory purchase		487	459
Fair value loss in biological assets	6	(17)	389
Net loss on fair value of derivatives		-	456
Wind-up of equity accounted investee		-	1,070
Share of (profit)/loss equity accounted investees	17b	(992)	174
Impairment – equity accounted associates		-	5,928
Profit adjusted for non-cash items		**19,777**	**9,974**
Items relating to investing activities:			
Change in trade payables relating to investing activities		(128)	(209)
Gain on disposal of property, plant & equipment		(222)	(233)
Interest income		(202)	(264)
Bad debts		50	-
Movement in working capital items:			
Change in inventories		11,671	19,513
Change in trade receivables		(5,797)	13,152
Change in sundry debtors and prepayments		824	128
Change in trade and other payables		(3,837)	(2,258)
Change in employee benefits		1,986	(420)
Change in tax payable		924	606
Change in deferred tax		602	(2,413)
Change in working capital items from foreign currency translation reserve		(831)	1,084
Other movements:			
Movement of deferred tax in equity		328	(768)
Prepayment to equity accounted investee		-	1,435
Foreign currency reserve		(320)	(30)
Net cash from operating activities		**24,825**	**39,297**

NOTES TO THE FINANCIAL STATEMENTS

27. EMPLOYEE SHARE SCHEMES

(a) Leader Share Purchase & Loan scheme

On 25 March 2021 Comvita Limited established a Leader Share Purchase & Loan scheme ("LSPLS") to retain key employees and materially align the interests of participants with those of shareholders, by making loans available to eligible employees for the acquisition of fully paid ordinary shares in Comvita. A summary of the key points of the LSPLS are as follows:

- The term of the loans will be four years, i.e., delivery of the Comvita Five Year Plan.
- The loan is offered under full recourse conditions and is interest-bearing.
- Any dividends payable will be applied and offset against the loan balance.
- The loan balance must be repaid in full before the shares can be traded by the participant.
- In the event the employee leaves Comvita, the loan is immediately due and payable.

	2021	2020
Employees in the LSPLS	8	-
Number of shares held	738,012	-
% of share capital	**1.04%**	**-**

A one-off share based payment expense of $259,000 was recognised in relation to this transaction, refer to note 29.

(b) Performance Share Rights scheme

On 31 July 2020, Comvita Limited implemented a Performance Share Rights (PSR's) Scheme to incentivise Executives. The PSR's are subject to a vesting period of 3 years. Vesting is subject to continued employment and occurs in 3 tranches (annually). 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. The shares will be transferred or issued (as applicable) for no consideration and will be credited as fully paid up. One PSR will convert into one ordinary share upon vesting and will rank equally with all other ordinary shares on issue. PSRs do not entitle the holder to receive dividends or other distributions, or vote in respect of CVT ordinary shares. Holders of PSRs cannot transfer or grant security interests over them.

Entitlements on issue at

In thousands	2021 Number of entitlements	2020 Number of entitlements
Entitlements outstanding at beginning of period – July	-	-
Entitlements granted – 25 September 2020	122	-
Entitlements granted - 4 December 2020	25	-
Entitlements outstanding at end of year	**147**	**-**

A share based payment expense is recognised over the vesting period of these PSRs. It is calculated based on the share price at grant date, less the present value of estimated dividend payments during the vesting period.

NOTES TO THE FINANCIAL STATEMENTS

27. EMPLOYEE SHARE SCHEMES (CONTINUED)

(c) Executive share scheme

Comvita Limited has an Executive Employee Share Scheme called the Comvita Limited Partly Paid Share Scheme ("The ESS"). The ESS was designed to provide key employees with an opportunity to benefit from share price growth. There will be no new entitlements issued and this scheme is in the process of winding down with the last hurdle date being 8 October 2022.

There are 30 (2020: 40) employees in the ESS. The number of entitlements at 30 June 2021 is 0.87% (30 June 2020: 1.7%) of total shares.

Entitlements on issue at

In thousands	30 June 2021		30 June 2020	
	Number of entitlements	Weighted average exercise price	Number of entitlements	Weighted average exercise price
Entitlements outstanding at beginning of year	1,228	7.05	2,028	7.59
Entitlements forfeited during the year	(610)	8.00	(800)	8.52
Entitlements outstanding at end of year	**618**	**6.11**	**1,228**	**7.05**

Issue Date	30-Jun-17	8-Oct-18
Entitlements issued (number)	582,500	577,500
Entitlements on hand (at 30 June 2021)	185,000	432,500
Exercise price	$5.60	$6.33
Forecast share hurdles at 30 June 2021*	$7.34 – $7.98	$7.56 - $8.06

* The forecast share price hurdle calculation can change based on the WACC percentage used and future dividends paid.

The $5.60 share entitlements did not meet their final share price hurdle at 30 June 2021 and therefore these entitlements are forfeited and will be cancelled. There are no entitlements exercisable at the end of the year.

(d) Staff share scheme

Employees who have served continuously with the Company for a period of at least 12 months, are given the opportunity to subscribe for ordinary shares in the Company from time to time. An interest free loan is advanced by the Company not exceeding $2,340, repayable over three years.

	2021	2020
Employees in the scheme	33	44
Number of shares held	16,405	25,184
Unallocated shares	6,716	5,513
% of share capital	0.03%	0.03%

NOTES TO THE FINANCIAL STATEMENTS

28. FINANCIAL INSTRUMENTS

Overview

Exposure to credit, liquidity and market risks arises in the normal course of the Company's business.

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk and the Group's management of capital. Further quantitative disclosures are included throughout these financial statements.

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Audit and Risk Committee is designated to develop and monitor the Group's risk management policies. The committee reports regularly to the Board of Directors on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group through its training and management standards and processes aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers. As the counterparty of financial instruments is Westpac New Zealand Limited, it is considered there is minimal credit risk.

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. Trade receivables aging are monitored on a monthly basis and the Company does not require collateral in respect of trade and other receivables, however Personal Guarantees are obtained where the Company considers it is appropriate.

The Board has approved a credit policy under which new customers are analysed individually for credit worthiness before the Group's standard payment terms and conditions are offered. The Group's review includes reviewing references. Customers that fail to meet the Group's benchmark creditworthiness may transact with the Group only on a prepayment basis.

Where possible, our interest in goods sold are subject to retention of title clauses and a security interest is registered on the Personal Property Securities Register (PPSR), so that in the event of non-payment the Group may have a secured claim.

The Group's policy is to provide financial guarantees only to subsidiaries and equity accounted investees.

Liquidity risk

Liquidity risk represents the Group's ability to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Due to the seasonal nature of raw materials supply the Group has credit lines in place to cover timing differences to offset the mismatch of receipts and payments. The borrowings are by way of overdraft and committed credit facilities.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising return on risk. The Group buys and sells derivatives, and also incurs financial liabilities in order to manage market risks. All transactions are carried out within the Treasury Policy guidelines set by the Board of Directors. Generally the Group seeks to apply hedge accounting in order to manage volatility in the income statement.

Currency risk

The Group is exposed to currency risk on sales that are denominated in a currency other than its functional currency, the New Zealand Dollar. The currencies in which transactions are primarily denominated are United States Dollars, Japanese Yen, Australian Dollars, Hong Kong Dollars, British Pounds, Euro and Chinese Yuan.

The Group hedges are based on net foreign currency receipts. At any point in time the Group hedges between 40% to 100% of its estimated foreign currency exposure in respect of net cash receipts expected to be received over the following 12 months. The Group uses a mixture of forward exchange contracts, collars and options to hedge its currency risk, most with a maturity of less than one year from the reporting date. When necessary, forward exchange contracts are rolled over at maturity.

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

28. FINANCIAL INSTRUMENTS (CONTINUED)

In thousands of New Zealand dollars	2021 30 June	2020 30 June
Derivatives – liabilities (hedging instrument)	(1,648)	(714)
Total liabilities	(1,648)	(714)

Liquidity risk

The following table sets out the contractual maturities of financial liabilities including interest payments and derivatives:

In thousands of New Zealand dollars	Stmt of financial position	Contractual cash flows	6 months or less	6-12 months	1-2 years	2-5 years
2021						
Non-derivative financial liabilities						
Secured bank loans	(20,850)	(21,355)	(252)	(252)	(20,851)	-
Trade and other payables	(18,869)	(18,869)	(18,869)	-	-	-
Total non-derivative liabilities	(39,719)	(40,224)	(19,121)	(252)	(20,851)	-
Derivatives						
Inflow	-	43,738	20,701	18,560	4,464	13
Outflow	(1,648)	(45,537)	(21,197)	(19,350)	(4,753)	(237)
Total derivatives	(1,648)	(1,799)	(496)	(790)	(289)	(224)
2020						
Non-derivative financial liabilities						
Secured bank loans	(32,200)	(34,027)	(456)	(456)	(912)	(32,203)
Trade and other payables	(22,707)	(22,707)	(22,707)	-	-	-
Total non-derivative liabilities	(54,907)	(56,734)	(23,163)	(456)	(912)	(32,203)
Derivatives						
Inflow	-	32,757	19,194	13,486	43	34
Outflow	(714)	(33,465)	(18,949)	(13,375)	(616)	(525)
Total derivatives	(714)	(708)	245	111	(573)	(491)

NOTES TO THE FINANCIAL STATEMENTS

28. FINANCIAL INSTRUMENTS (CONTINUED)

Currency risk

In thousands of New Zealand dollars

Group

2021	RMB	AUD	GBP	HKD	USD	Other
Trade receivables	11,584	3,606	473	456	1,284	1,074
Trade and other payables	(3,415)	(1,512)	(675)	(721)	(1,402)	(923)
Gross statement of financial position exposure	8,169	2,094	(202)	(265)	(118)	151
Forward exchange contracts (local currency)	66,300	2,150	1,100	22,300	12,450	269,000

2020	RMB	AUD	GBP	HKD	USD	Other
Trade receivables	7,288	1,860	383	733	1,586	1,589
Trade and other payables	(1,293)	(2,602)	(438)	(1,024)	(1,993)	(1,006)
Gross statement of financial position exposure	5,995	(742)	(55)	(291)	(407)	583
Forward exchange contracts (local currency)	40,000	6,750	750	12,000	6,500	126,000

Sensitivity analysis

A 10% strengthening and 10% weakening of the NZD against the following currencies at 30 June would have changed the asset or liability values in the statement of financial position at 30 June through a change in equity and the income statement by the amounts shown on the next page. This analysis assumes that all other variables, in particular interest rates, remain constant. The analysis for 2021 assumes a 10 percent (30 June 2020: 10 percent) strengthening and weakening of the NZD.

	2021 Equity		2021 Income statement		2020 Equity		2020 Income statement	
	+10%	-10%	+10%	-10%	+10%	-10%	+10%	-10%
AUD	210	(257)	-	-	656	(803)	-	-
GBP	198	(242)	-	-	131	(161)	-	-
USD	1,623	(1,984)	-	-	916	(1,119)	-	-
HKD	375	(458)	-	-	218	(266)	-	-
RMB	1,285	(1,565)	-	-	783	(355)	-	-
JPY	317	(387)	-	-	166	(202)	-	-

Classification and Fair Values

The carrying amount of all assets and liabilities reflects the fair value. They are classified as follows:

Classification	Asset or liability
Amortised cost	Trade and other receivables, cash and cash equivalents, trade and other payables, loans and borrowings
FVOCI	Derivatives

NOTES TO THE FINANCIAL STATEMENTS

29. RELATED PARTIES

Transactions with key management personnel

The key management personnel consists of the Leadership team of Comvita.

Key management and director compensation comprised:

In thousands of New Zealand dollars	2021 30 June	2020 30 June
Director fees (note 9)	573	550
Short term employee benefits	4,778	2,227
KiwiSaver employer contribution	100	69
Share based payments	692	84
Total	**6,143**	**2,930**

Key management and director loans:

In thousands of New Zealand dollars	2021 30 June	2020 30 June
Loan to CEO	450	450
Loan to key management personnel – Leader Share Purchase & Loan Scheme (note 27a)	2,296	-
Total	**2,746**	**450**

At 30 June 2021 Directors and other key management personnel of the Company control 2.37% (2020: 3.72%) of the voting shares of the Company.

NOTES TO THE FINANCIAL STATEMENTS

29. RELATED PARTIES (CONTINUED)

Subsidiaries	Country of Incorporation	Ownership Interest Held	Balance Date	Principal Activity
Comvita New Zealand Limited	New Zealand	100%	30 June	Manufacturing and marketing
Medibee Limited	New Zealand	100%	30 June	Not trading
Comvita Taiwan Limited	New Zealand	100%	30 June	Not trading
Bee & Herbal New Zealand Limited	New Zealand	100%	30 June	IP ownership
Apimed Medical Honey Limited	New Zealand	100%	30 June	IP ownership
Comvita Landowner Share Scheme Trustee Limited	New Zealand	100%	30 June	Apicultural land owner share scheme
Kyoto Forests of New Zealand Limited	New Zealand	100%	30 June	Not trading
Comvita Share Scheme Trustee Limited	New Zealand	100%	30 June	Executive employee share scheme
Comvita USA, Inc	USA	100%	30 June	Selling and distribution
Comvita Japan Company Limited	Japan	Management control	30 June	Selling and distribution
Comvita Korea Co Limited	Korea	100%	30 June	Selling and distribution
Comvita Food (China) Limited	China	100%	31 December	Selling and distribution
Comvita China Limited	Hong Kong	100%	30 June	Selling and distribution
Comvita Holdings HK Limited	Hong Kong	100%	30 June	Holding Company
Greenlife (New Zealand) Product Limited	Hong Kong	100%	30 June	Not trading
Comvita HK Limited	Hong Kong	100%	30 June	Selling and distribution
Comvita Holdings Pty Limited	Australia	100%	30 June	Holding Company
Comvita Australia Pty Limited	Australia	100%	30 June	Manufacturing, selling & distribution
Olive Leaf Australia Pty Limited	Australia	100%	30 June	Not trading
Olive Products Australia Pty Limited	Australia	100%	30 June	Property ownership
Comvita IP Pty Limited	Australia	100%	30 June	IP ownership
Comvita Health Pty Limited	Australia	100%	30 June	Not trading
Medihoney Pty Limited	Australia	100%	30 June	Not trading
Medihoney (Europe) Limited	United Kingdom	100%	30 June	Not trading
Comvita Holdings UK Limited	United Kingdom	100%	30 June	Holding Company
Comvita UK Limited	United Kingdom	100%	30 June	Selling and distribution
New Zealand Natural Foods Limited	United Kingdom	100%	30 June	Not trading
Comvita Europe BV	Netherlands	100%	30 June	Selling and distribution

30. SUBSEQUENT EVENTS

Dividends

On 25 August 2021, the Directors approved the payment of a fully imputed final dividend of $2,812,000 (4 cents per share) to be paid on 7 October 2021. As the dividend was declared after balance date it has not been recognised as a liability in these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

31. 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	**2021 30 June**	**2020 30 June**
Profit/(loss) before tax	13,401	(10,257)
Add back: net finance cost	1,995	4,123
EBIT	15,396	(6,134)
Add back: depreciation and amortisation	10,127	10,313
EBITDA	**25,523**	**4,179**

KPMG

Independent Auditor's Report

To the shareholders of Comvita Limited

Report on the audit of the consolidated financial statements

Opinion

In our opinion, the accompanying consolidated financial statements of Comvita Limited (the 'Company') and its subsidiaries (the 'Group') on pages 3 to 40:

- Present fairly in all material respects the Group's financial position as at 30 June 2021 and its financial performance and cash flows for the year ended on that date; and
- Comply with New Zealand Equivalents to International Financial Reporting Standards and International Financial Reporting Standards.

We have audited the accompanying consolidated financial statements which comprise:

- The consolidated statement of financial position as at 30 June 2021;
- 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 and other explanatory information.

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 tax services. 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 Goodwill	
Refer to the Notes 3(j)(ii) and 13. The Group has $27.6m 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); — Post tax discount rates; — Manuka honey yields and grade; and — Forecasted hive costs. As disclosed in Note 13 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 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 strategic plan 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, Manuka honey yields and grade, 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. The procedures performed did not identify any material adjustments to the impairment expense recognised or the related disclosure.

Other information

The Directors, on behalf of the Group, are responsible for the other information included in the entity's financial statements and Annual Report. Other information includes the Director's Declaration, Statutory Information and Company Directory and the other information included in the Annual Report. 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. The Annual Report is expected to be made available to us after the date of this Independent Auditor's Report and we will report the matters identified, if any, to those charged with governance.

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;

— Implementing necessary internal control to enable the preparation of a consolidated set of financial statements that is fairly presented and 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.

KPMG

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

Our objective is:

- To obtain reasonable assurance about whether the consolidated 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

KPMG
Tauranga

25 August 2021

STATUTORY INFORMATION

Principal activity

The principal activity of the Company is that of manufacturing and marketing quality natural health products.

Dividend

On 25 August 2021, the Directors approved the payment of a fully imputed final dividend of $2,812,000 (4 cents per share) to be paid on 7 October 2021.

Directors' remuneration for the year ended 30 June 2021

In thousands of New Zealand dollars	**Fee**
B Hewlett	129
L.N.E Bunt	88
S.J Kennedy	88
P Reid	67
B Major	67
C. Dayong	67
Z. Guangping	67
Total	**573**

The maximum total pool of annual Directors' remuneration is $610,000, as approved by Shareholders in 2016.

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
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 – Sinotearoa Ltd
Director – Comvita Limited
Director – BioVittoria Ltd
Director – BioVittoria Investments Ltd
Director – Dairy Holdings Limited
Member – Oriens Capital Investment Committee

P.R.T Reid
Chairman - Figured Limited
Chairman – Volpara Health Technologies Limited
Chairman – Virsae Group Limited
Director – Comvita Limited
Director – The Equant Company Limited
Director – Christchurch International Airport Limited

L.N.E Bunt
Chairman - Heat Treatments Limited
Director – Comvita Limited

S.J Kennedy
Director - Comvita Limited
Director – SJK Consulting Limited
Director – Lifestream International Limited
Director – Lanaco Limited
Director – Calocurb Ltd
Director – New Zealand Rural Land Co
Director – Final Mile Holdings Limited

B.D Hewlett
Chairman – Comvita Limited
Director – Quayside Holdings Limited
Director – Bluelab Corporation Limited
Director – Quayside Properties Limited
Director - Quayside Securities Limited
Director – Bluelab Holdings Limited

Z. Guangping*
Director – Comvita Limited

C. Dayong*
Director – Comvita Limited
Director – China Resources Ng Fung Limited
Director – China Resources Retail (Group) Company Limited
Director –Pacific Coffee (Holdings) Limited
Director –China Resources Snow Breweries Limited
Director – CRE Alliance Fund Management Company Limited

* Mr Zhu Guangping and Mr Cheng Dayong 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%. Cheng Dayong is associated with China Resources which also has a shareholding greater than 5%.

STATUTORY INFORMATION

DIRECTORS OF GROUP COMPANIES OTHER THAN SHOWN ABOVE

Companies	Directors		
Apimed Medical Honey Limited	D Banfield*		
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 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 New Zealand Limited	D Banfield*	A Barr*	
Comvita Share Scheme Trustee Limited	S Kennedy	L Bunt	
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 Forests of New Zealand 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*	N Browne*	

** denotes an executive of a Group Company*

STATUTORY INFORMATION

DIRECTORS OF GROUP COMPANIES (CONTINUED)

Share Dealings of Directors - beneficial

Director	Number of Shares Sold	Value of Shares Sold	Number of Shares Purchased	Value of Shares Purchased
S.J Kennedy	(90)	(281)	-	-
B.D Hewlett	(41)	(134)	-	-

Directors Shareholding

Directors, or entities associated with directors, held the following shareholding in Comvita Limited at 30 June 2021:

Director	Opening Balance	Shares Sold/ Transferred	Shares Purchased/ Transferred	Closing Balance
S.J Kennedy				
Beneficial				
S.J Kennedy	12,865	-	-	12,865
Custodial start scheme	10,117	(90)	-	10,027
Total	**22,982**	**(90)**	**-**	**22,892**
L.N.E Bunt				
L.N.E Bunt and G.E Bunt	26,510	-	43,490	70,000
The Bunt Family Trust	43,490	(43,490)	-	-
Total	**70,000**	**(43,490)**	**43,490**	**70,000**
P.R.T Reid				
Beneficial				
Craigs KiwiSaver Scheme Account	59,314	-	-	59,314
Total	**59,314**	**-**	**-**	**59,314**
B. Major				
Beneficial				
Ms S A Parkinson & Mr R M Major	27,952	-	-	27,952
Total	**27,952**	**-**	**-**	**27,952**
B.D Hewlett				
Beneficial				
Brett Donald Hewlett	65,290	-	-	65,290
YRW Trustees 2005 Limited	319,389	-	13,247	332,636
Brett Donald Hewlett – Start Scheme	13,287	(13,287)	-	-
Total	**397,966**	**(13,287)**	**13,247**	**397,926**
Beneficial	578,214	(56,867)	56,737	578,084
Non-beneficial	-	-	-	-
Total	**578,214**	**(56,867)**	**56,737**	**578,084**

STATUTORY INFORMATION

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. The Company has not been required to indemnify its Directors for any liabilities during the year.

Employees' remuneration

During the 12-month period to 30 June 2021 the following numbers of employees received remuneration of at least $100,000.

	Number of employees
$100,000 to $110,000	11
$110,000 to $120,000	12
$120,000 to $130,000	9
$130,000 to $140,000	6
$140,000 to $150,000	8
$150,000 to $160,000	4
$160,000 to $170,000	5
$170,000 to $180,000	5
$180,000 to $190,000	2
$190,000 to $200,000	2
$200,000 to $210,000	1
$210,000 to $220,000	5
$230,000 to $240,000	1
$240,000 to $250,000	3
$280,000 to $290,000	1
$380,000 to $390,000	1
$400,000 to $410,000	1
$430,000 to $440,000	1
$480,000 to $490,000	1
$510,000 to $520,000	2
$680,000 to $690,000	1
$840,000 to $850,000	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.

Donations

During the period the Group made cash donations of $5,000 (2020: $6,000). The Company also made donations of products to charitable organisations.

STATUTORY INFORMATION

SHAREHOLDER ANALYSIS

Analysis of shareholder by size as at 1 August 2021

Category	No of shareholders	Shares held	Percentage of shareholders	Percentage of shares
Up to 1,000 shares	1,211	605,731	36.46%	0.86%
1,001 – 5,000 shares	1,329	3,364,089	40.02%	4.79%
5,001 – 10,000 shares	363	2,673,932	10.93%	3.80%
10,001 – 100,000 shares	369	9,476,553	11.11%	13.48%
100,001 shares or more	49	54,179,560	1.48%	77.07%
Total	3,321*	70,299,865	100%	100%

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

Top 20 shareholders as at 1 August 2021

Shareholder	Shares held	Percentage of shares
Li Wang	8,552,736	12.17%
Custodial Services Limited	5,152,828	7.33%
China Resources Ng Fung Limited	4,582,000	6.52%
National Nominees New Zealand Limited	4,491,963	6.39%
Kauri NZ Investments Limited	3,558,077	5.06%
Alan John Bougen & Lynda Ann Bougen & Graeme William Elvin	2,322,550	3.30%
Accident Compensation Corporation	1,976,500	2.81%
Junxian Li	1,856,304	2.64%
Forsyth Barr Custodians Limited	1,804,692	2.57%
Bnp Paribas Nominees NZ Limited Bpss40	1,487,634	2.12%
Pt Booster Investments Nominees Limited	1,475,049	2.10%
Li Sun	1,410,000	2.01%
Robert Bertram Tait & Jane Gibbons Tait & Ian James Craig	1,259,553	1.79%
Maori Investments Limited	1,000,000	1.42%
JBWERE (Nz) Nominees Limited	995,699	1.42%
New Zealand Depository Nominee	801,283	1.14%
Kevin Glen Douglas & Michelle Mckenney Douglas	753,655	1.07%
Citibank Nominees (Nz) Ltd	749,709	1.07%
Masfen Securities Limited	734,010	1.04%
HSBC Nominees (New Zealand) Limited	641,648	0.91%
Other	24,693,975	35.13%
Total Ordinary Shares*	69,299,865	100.00%

* does not include 617,500 partly paid redeemable share entitlements as detailed in Note 27 to the annual accounts

STATUTORY INFORMATION

Substantial security holders as at 1 August 2021

Shareholder	Shares held	Percentage of shares
Li Wang	8,552,736	12.17%
China Resources Ng Fung Limited	4,582,000	6.52%
Milford Asset Management Limited	4,491,963	6.39%
Kauri NZ Investments Limited	3,558,077	5.06%

DIRECTORY

DIRECTORS

Comvita Board Of Directors

Lucas (Luke) Nicholas Elias Bunt

Sarah Jane Kennedy

Paul Robert Thomas Reid

Brett Donald Hewlett

Robert Malcolm Major

Guangping Zhu

Dayong Cheng

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