



Comvita Limited

# Offer Document

1 for 4.15 Accelerated Non-renounceable  
Entitlement Offer

28 May 2020

Not for distribution or release in the United States

This offer document is an important document. You should read the entire document before deciding what action to take with respect to your entitlements. If you have any doubts as to what you should do, please consult your broker, financial, investment or other professional adviser. This Offer Document may not be distributed outside New Zealand, except to certain institutional and professional investors in such other countries and to the extent contemplated in this Offer Document.

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# IMPORTANT NOTICE

## GENERAL INFORMATION

This Offer Document has been prepared by Comvita Limited (**Comvita**) in connection with an accelerated non-renounceable entitlement offer of ordinary shares in Comvita (**Offer**).

The Offer is made under the exclusion in clause 19 of Schedule 1 of the Financial Markets Conduct Act 2013 (**FMCA**).

This Offer Document is not a product disclosure statement or other disclosure document for the purposes of the FMCA or any other law, has not been lodged with the Financial Markets Authority, and does not contain all of the information that an investor would find in a product disclosure statement or other disclosure document, or which may be required in order to make an informed investment decision about the Offer or Comvita.

## ADDITIONAL INFORMATION AVAILABLE UNDER CONTINUOUS DISCLOSURE OBLIGATIONS

Comvita is subject to continuous disclosure obligations under the Listing Rules. Market releases by Comvita and the investor presentation released in connection with this Offer, are available at [www.nzx.com](http://www.nzx.com) under the code CVT.

Comvita may, during the period of the Offer, make additional releases to the NZX. To the maximum extent permitted by law, no release by Comvita to the NZX will permit an applicant to withdraw any previously submitted application without Comvita's prior consent.

## OFFERING RESTRICTIONS

This Offer Document does not constitute an offer, advertisement or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation.

No action has been taken to permit a public offering of the New Shares in any jurisdiction outside New Zealand, except to Institutional Investors in Australia, Hong Kong and South Korea. The distribution of this document in a jurisdiction outside New Zealand may be restricted by law and persons who come into possession of it (including nominees, trustees or custodians) should seek advice on and observe any such restrictions.

No person may subscribe for, purchase, offer, sell, distribute or deliver New Shares, or be in possession of, or distribute to any other person, any offering material or any documents in connection with the New Shares, in any jurisdiction other than in

compliance with all applicable laws and regulations. Without limitation, this document may not be sent into or distributed in the United States.

This Offer Document, any accompanying NZX announcements and the Entitlement and Acceptance Form do not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or to any person who is acting for the account or benefit of any person in the United States (to the extent such person is acting for the account or benefit of a person in the United States), or in any other jurisdiction in which, or to any person to whom, such an offer would be illegal.

Neither the Entitlements nor the New Shares have been, or will be, registered under the US Securities Act of 1933, as amended (**US Securities Act**) or the securities laws of any state or other jurisdiction of the United States. Accordingly, the Entitlements may not be issued to, or taken up or exercised by, and the New Shares may not be offered or sold, directly or indirectly, in the United States or to persons acting for the account or benefit of a person in the United States (to the extent such persons hold Existing Shares and are acting for the account or benefit of a person in the United States), except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and the applicable securities laws of any state or other jurisdiction of the United States. The Entitlements and the New Shares to be offered and sold in the Retail Entitlement Offer pursuant to this Offer Document may only be offered and sold outside the United States in "offshore transactions" (as defined in Rule 902(h) under the US Securities Act), in reliance on Regulation S.

## FORWARD-LOOKING STATEMENTS

This Offer Document and the investor presentation released in connection with this Offer may include certain "forward-looking statements" Comvita and the environment in which Comvita operates, such as indications of, and guidance on, future earnings and financial position and performance. Forward-looking information is inherently uncertain and subject to contingencies, known and unknown risks and uncertainties and other factors, many of which are outside of Comvita's control, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct. A number of important factors could cause actual results or performance to differ materially from the forward-looking statements. No assurance can be given that actual outcomes or performance will not materially differ from the forward-looking statements. The forward-looking statements are based on information available to

Comvita as at the date of this presentation. Except as required by law or regulation (including the NZX Listing Rules), Comvita undertakes no obligation to provide any additional or updated information whether as a result of new information, future events or results or otherwise.

## **CHANGES TO THE OFFER**

Subject to the Listing Rules, Comvita reserves the right to alter the dates set out in this Offer Document. Additionally, Comvita reserves the right to withdraw all or any part of the Offer (either generally or in particular cases) and the issue of New Shares at any time before the Allotment Date at its absolute discretion.

## **NO GUARANTEE**

No person named in this document (nor any other person) guarantees the New Shares to be issued pursuant to the Offer or warrants the future performance of Comvita or any return on any investment made pursuant to this document.

## **DECISION TO PARTICIPATE IN THE OFFER**

The information in this Offer Document does not constitute a recommendation to acquire New Shares nor does it amount to financial product advice. This Offer Document has been prepared without taking into account the particular needs or circumstances of any applicant or investor, including their investment objectives, financial and/or tax position.

## **PRIVACY**

Any personal information provided by Eligible Shareholders to Comvita online or on the Entitlement and Acceptance Form or otherwise in connection with the Offer will be held by Comvita and/or the Registrar at the addresses set out in the Directory.

Comvita and/or the Registrar may store your personal information in electronic format, including in online storage or on a server or servers which may be located in New Zealand, Australia or overseas. The information will be used for the purposes of responding to your enquiries about the Offer, processing your online application or Entitlement and Acceptance Form and administering your investment in Comvita.

This information will only be disclosed to third parties with your consent or if otherwise required by law. If you do not provide us with all of the information requested of you, we may be unable to respond to your enquires, process your online application or Entitlement and Acceptance Form to take part in the Offer or otherwise administer your investment in Comvita. Under the Privacy Act 1993 (New Zealand), you have the right to request access to and correct any personal information held by Comvita about you.

## **ENQUIRIES**

Enquiries about the Offer can be directed to an NZX Primary Market Participant, or your solicitor, accountant or other professional adviser. If you have any questions about the number of New Shares shown on the Entitlement and Acceptance Form that accompanies this document, or how to apply online or to complete the Entitlement and Acceptance Form, please contact the Registrar.

## **DEFINED TERMS**

Capitalised terms used in this Offer Document have the specific meaning given to them in the Glossary at Part 5 of this Offer Document.

## PART 1: LETTER FROM THE CHAIR

Comvita Limited has today announced its intention to raise approximately NZ\$50 million via an approximately NZ\$30 million underwritten 1 for 4.15 pro-rata accelerated non-renounceable entitlement offer (the **Offer**) together with a NZ\$20 million underwritten placement to institutional investors.

Comvita is going through a period of significant transformation and change. Over the last six months, Comvita has completed its strategic review which commenced in August 2019 and appointed David Banfield as the new Chief Executive to lead the business forward.

Against this backdrop, this year has marked a significant turnaround in Comvita's trading and financial performance as the business has benefited from the strong demand for its products and the Mānuka honey harvest has been very strong in terms of both volume and quality. In addition, the new management team is making good progress on Comvita's three-point plan to stabilise performance, transform the organisation and build long term resilience and growth, including Comvita's 3-year, \$15 million cost-out and business transformation programme with early results already starting to show.

A key element of Comvita's strategic plan going forward is to reset its capital structure to provide greater flexibility and resilience to the balance sheet and to enable the business to focus on profitable growth. The Board believes it is now prudent at this time to undertake an equity raising to achieve this. Comvita has also been actively engaging with its debt provider who remains supportive of the business and Comvita has secured new debt facilities and terms to 1 July 2022.

Under the Offer, eligible shareholders may subscribe for 1 new ordinary share for every 4.15 existing shares held as at 5.00pm (NZST) on the Record Date of 29 May 2020, at an Offer Price of NZ\$2.50 per new share. The Offer Price reflects a 34.4% discount to NZ\$3.81, being the last closing price of Comvita's share on the NZX on Wednesday, 27 May 2020, and a 27.2% discount to the theoretical ex-rights price of NZ\$3.43<sup>1</sup> (**TERP**).

The placement and the institutional component of the Offer will be accelerated and will close on 28 May 2020. Eligible Retail Shareholders have until 5.00pm (NZST) on 12 June 2020 to subscribe for New Shares. In addition to being able to take up their Entitlement, Eligible Retail Shareholders may also apply for additional New Shares not taken up by other Eligible Retail Shareholders up to a maximum of 100% above their pro-rata entitlement. The Entitlements will not be listed on NZX and there will be no shortfall bookbuild for those Entitlements not taken up. Those shareholders who do not exercise their Entitlements, or who are ineligible to do so, will have their shareholdings diluted. Online application at [www.comvitashareoffer.co.nz](http://www.comvitashareoffer.co.nz) is strongly encouraged given the likelihood of delays with the postal system at this time.

I am pleased to confirm that all of the Independent Directors and the CEO will support the Offer with a minimum combined participation of \$0.5 million.

Comvita is the global market leader with the #1 global brand of Mānuka honey. Our vertically integrated operations will continue to ensure that all Comvita UMF™ Mānuka honey remains traceable 'from the hive to the consumer' and enables us to continue to produce UMF™ Mānuka honey of the highest quality. On behalf of the Board, I thank you for your continued support. We welcome your participation in this Offer.



Brett Hewlett  
Chairman

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<sup>1</sup> TERP is the Theoretical Ex-Rights Price at which Comvita's ordinary shares would trade immediately after the ex-rights date for the Offer. TERP is calculated with reference to Comvita's closing share price of NZ\$3.81 on 27 May 2020 and includes all New Shares issued under the Offer and shares under the Placement. TERP is a theoretical calculation only and the actual price at which Comvita's ordinary shares will trade immediately after the ex-rights date for the Offer will depend on many factors and may not be equal to TERP.

## PART 2: OFFER AT A GLANCE

<b>Issuer</b>	Comvita Limited
<b>The Offer</b>	<p>A pro-rata entitlement offer of 1 New Share for every 4.15 Existing Shares held by an Eligible Shareholder at 5:00pm (NZST) on the Record Date (with fractional entitlements being rounded down to the nearest share).<sup>2</sup></p> <p>A shorter than usual offer period will apply to Eligible Institutional Shareholders, with the Institutional Entitlement Offer taking place over the Business Day the Offer is announced.</p> <p>New Shares that are attributable to Entitlements that are not taken up by Eligible Retail Shareholders (together with those attributable to Entitlements of Ineligible Retail Shareholders) will be offered to Eligible Retail Shareholders who take up their Entitlements in full, allowing them to subscribe for additional New Shares up to a maximum of 100% of their Entitlements. If an Eligible Shareholder does not take up all of its Entitlements, its current shareholding will be diluted as a result of the issue of New Shares, as well as the issue of shares under the Placement.</p>
<b>Issue Price</b>	NZ\$2.50 per New Share
<b>Existing Shares currently on issue</b>	51,008,127 Existing Shares. <sup>3</sup>
<b>Maximum number of New Shares being offered in the Offer</b>	12,000,000 New Shares (subject to rounding as a result of the Offer). A further 8,000,000 shares are expected to be issued in the Placement (subject to rounding).
<b>Offer size</b>	The amount to be raised under the Offer and the Placement, together, is approximately \$50 million.
<b>New Shares</b>	New Shares will be the same class as, and that rank equally with, Existing Shares on the Issue Date.
<b>Eligible Retail Shareholder</b>	You are an Eligible Retail Shareholder if, as at 5:00pm on the Record Date, you are recorded in Comvita's share register as a Shareholder and: (a) your address is shown in Comvita's share register as being in New Zealand; or (b) Comvita considers, in its discretion, you may be treated as an Eligible Retail Shareholder, and you are not in the United States and not acting for the account or benefit of a person in the United States and not an Institutional Shareholder.
<b>How to apply</b>	<p>Eligible Retail Shareholders can make applications online at <a href="http://www.comvitashareoffer.co.nz">www.comvitashareoffer.co.nz</a> or by following the instructions on the enclosed Entitlement and Acceptance Form.</p> <p>If a postal application is made please allow plenty of time for it to be received by us. The Joint Lead Managers will contact Eligible Institutional Shareholders and advise them of the terms and conditions of participation in the Offer and to confirm their application process.</p>
<b>Underwriting</b>	The Offer is fully underwritten by Craigs Investment Partners Limited <sup>4</sup> and Forsyth Barr Group Limited.

<sup>2</sup> Partly paid shares held under the Comvita Limited Partly Paid Share Scheme receive a proportionate entitlement to the extent of the amount of the issue price paid up on the share.

<sup>3</sup> This number includes 1,228,125 unquoted redeemable partly paid shares held under the Comvita Limited Partly Paid Share Scheme and excludes treasury stock held by Comvita.

<sup>4</sup> Neil Craig is a Director and Shareholder of Craigs Investment Partners Limited and a Director and Shareholder of Comvita.

## PART 3: IMPORTANT DATES

### INSTITUTIONAL ENTITLEMENT OFFER

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This timetable is relevant to participants in the Institutional Entitlement Offer. Eligible Retail Shareholders should refer to the important dates for the Retail Entitlement Offer set out in the “Retail Entitlement Offer” section below.

EVENT	DATE
Trading halt commences on the NZX Main Board (pre-market open)	Before 10.00am Thursday, 28 May 2020
Institutional Entitlement Offer opens at 9.30am	Thursday, 28 May 2020
Institutional Entitlement Offer closes at 5.00pm and Institutional Shortfall allocated	Thursday, 28 May 2020
Announce results of Institutional Entitlement Offer Trading halt lifted on the NZX Main Board	Friday, 29 May 2020
Record Date 5.00pm	Friday, 29 May 2020
Settlement of Institutional Entitlement Offer and commencement of trading of allotted New Shares on the NZX Main Board	Wednesday, 3 June 2020

These dates (and any references to them in this Offer Document) are subject to change and are indicative only. Comvita reserves the right to amend this timetable (including by extending the closing dates for the Offer or accepting late applications, either generally or in particular cases) subject to applicable laws and the Listing Rules. Any extension of the closing dates for the Offer will have a consequential effect on the issue date of New Shares. Comvita reserves the right to withdraw the Offer and the issue of New Shares at any time before the Issue Date at its absolute discretion.

## RETAIL ENTITLEMENT OFFER

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The timetable immediately below is relevant to participants in the Retail Entitlement Offer. Eligible Institutional Shareholders should refer to the important dates for the Institutional Entitlement Offer set out in the “Institutional Entitlement Offer” section above.

<b>EVENT</b>	<b>DATE</b>
Record Date 5.00pm	Friday, 29 May 2020
Expected dispatch of the Offer Document and Entitlement and Acceptance Forms	Wednesday, 3 June 2020
Retail Entitlement Offer opens	Wednesday, 3 June 2020
Retail Entitlement Offer closes at 5.00pm (last day for online applications, or for receipt of the Acceptance Form, with payment)	Friday, 12 June 2020
Announce results for Retail Entitlement Offer	Wednesday, 17 June 2020
Allocation of Retail Shortfall	Wednesday, 17 June 2020
Settlement of Retail Entitlement Offer and commencement of trading of allotted Shares on the NZX Main Board	Friday, 19 June 2020
Despatch of holding statements for New Shares issued under the Retail Entitlement Offer	

These dates (and any references to them in this Offer Document) are subject to change and are indicative only. Comvita reserves the right to amend this timetable (including by extending the closing dates for the Offer or accepting late applications, either generally or in particular cases) subject to applicable laws and the Listing Rules. Any extension of the closing dates for the Offer will have a consequential effect on the issue date of New Shares. Comvita reserves the right to withdraw the Offer and the issue of New Shares at any time before the Issue Date at its absolute discretion.



## **PART 4: DETAILS OF THE OFFER**

### **THE OFFER**

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The Offer is an offer of New Shares in Comvita to Eligible Shareholders under a pro-rata accelerated non-renounceable entitlement offer.

Eligible Shareholders can subscribe for 1 New Share per 4.15 Existing Shares held at 5.00pm on the Record Date.<sup>5</sup> Any fractional Entitlements will be rounded down to the nearest whole number.

The New Shares will be of the same class as, and will rank equally with, the Existing Shares quoted on the NZX Main Board. It is a term of the Offer that Comvita will take any necessary steps to ensure that the New Shares are, immediately after the issue, quoted.

If you are an Eligible Shareholder, you may take up all or some of your Entitlements or do nothing with all or some of your Entitlements. If you are an Eligible Shareholder and you do not take up all of your Entitlements, your current shareholding will be diluted as a result of the issue of New Shares.

New Shares that are attributable to Entitlements that are not taken up by Eligible Retail Shareholders (together with those attributable to Entitlements of Ineligible Retail Shareholders) will be offered to Eligible Retail Shareholders who take up their Entitlements in full, allowing them to subscribe for additional New Shares up to a maximum of 100% of their Entitlements.

The maximum number of New Shares being offered under the Offer is 12,000,000 New Shares (subject to rounding), in addition to a maximum of 8,000,000 shares to be issued under the Placement. Comvita will raise a total of approximately NZ\$50 million through the Offer and Placement, which is fully underwritten by the Underwriters.

### **ISSUE PRICE**

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The Issue Price is \$2.50 per New Share and must be paid in full on application.

Payment of the Issue Price must be made, for the Retail Entitlement Offer, together with a completed Entitlement and Acceptance Form (delivered either by mail, delivery or email), to the Registry in accordance with the instructions set out in the Entitlement and Acceptance Form or in accordance with the online application process.

Comvita may choose to accept late applications and application payments but has no obligation to do so. Comvita may accept or reject (at its discretion) any online application or Entitlement and Acceptance Form which it considers is not completed correctly, and may correct any errors or omissions in any online application or Entitlement and Acceptance Form.

An application may not be withdrawn without Comvita's prior consent once submitted.

Application monies received will be held in a trust account with the Registrar until the corresponding New Shares are allotted or the application monies are refunded. Interest earned on the application monies will be for the benefit of and retained by Comvita whether or not the issue and allotment of New Shares takes place. Any refunds of application monies will be made within five Business Days of allotment (or the date that the decision not to accept an application is made) or of any decision not to proceed with the Offer.

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<sup>5</sup> Partly paid shares held under the Comvita Limited Partly Paid Share Scheme receive a proportionate entitlement to the extent of the amount of the issue price paid up on the share.

## **WITHDRAWAL**

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Subject to Comvita's compliance with all applicable laws, Comvita reserves the right to withdraw the Offer at any time at its absolute discretion. If any online application or Entitlement and Acceptance Form is not accepted, all applicable application monies will be refunded, without interest, to the relevant Shareholder.

## **OVERVIEW OF THE OFFER**

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Comvita will raise a total of approximately NZ\$50 million through the Offer and Placement, which is fully underwritten by the Underwriters. The maximum number of New Shares that are being offered under the Offer is 12,000,000 New Shares (subject to rounding), in addition to a maximum of 8,000,000 shares to be issued under the Placement.

The Offer comprises the Institutional Entitlement Offer and the Retail Entitlement Offer, in each case, as described in further detail below.

The Offer is an accelerated non-renounceable entitlement offer, which is made pursuant to a class waiver by NZX granted 26 March 2020. This means that if you, as an Eligible Shareholder, do not take up your full Entitlement under the Offer, then your Entitlement will lapse, and you will receive no value for those lapsed Entitlements. Further, if you do not take up your Entitlement, you will have your percentage holding in Comvita reduced as a result of the Offer.

## **PURPOSE OF THE OFFER**

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Comvita intends that the proceeds raised from the Offer and Placement will be applied to paying down debt, thereby building resilience and flexibility to support its agenda for profitable growth.

## **THE INSTITUTIONAL ENTITLEMENT OFFER**

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### **Overview of the Institutional Entitlement Offer**

Comvita is offering Eligible Institutional Shareholders the opportunity to subscribe for 1 New Share for every 4.15 Existing Shares held as at 5:00pm on the Record Date, at an Issue Price of \$2.50. This ratio and the Issue Price are the same as for the Retail Entitlement Offer. The Joint Lead Managers will seek to approach Eligible Institutional Shareholders, who may take up all, part or none of their Entitlements.

The Institutional Entitlement Offer opens at 9:30am on Thursday, 28 May 2020 and closes at 5.00pm on Thursday, 28 May 2020 (subject to Comvita's right to modify these dates or times).

Entitlements will not be quoted and cannot be traded on the NZX Main Board or privately transferred.

### **Eligibility under the Institutional Entitlement Offer**

The Institutional Entitlement Offer is only open to Eligible Institutional Shareholders. The Underwriters will determine at their discretion the Shareholders who will be treated as Eligible Institutional Shareholders for the purpose of determining the Shareholders to whom an offer of New Shares will be made under the Institutional Entitlement Offer. In exercising their discretion, the Underwriters may have regard to a number of matters, including legal and regulatory requirements and logistical and registry constraints. The Underwriters will determine which Shareholders will be treated as Ineligible Institutional Shareholders.

Comvita reserves the right to reject any application for New Shares under the Institutional Entitlement Offer that it considers comes from a person who is not an Eligible Institutional Shareholder.

## **Acceptance of Entitlement under the Institutional Entitlement Offer**

The Joint Lead Managers may seek to contact Eligible Institutional Shareholders to inform them of the terms and conditions of participation in the Institutional Entitlement Offer and seek confirmation of their Entitlements under the Offer. Application for New Shares by Eligible Institutional Shareholders can only be made in accordance with that process.

Entitlements are not rounded up to a minimum holding. The number of New Shares to which an Eligible Institutional Shareholder is entitled under its Entitlement will, in the case of fractions of New Shares, be rounded down to the nearest whole number. Applications in excess of an Eligible Institutional Shareholder's Entitlement will not be accepted.

New Shares attributable to the Institutional Entitlement Offer not taken up by Eligible Institutional Shareholders under the Institutional Entitlement Offer and the entitlements of certain Ineligible Institutional Shareholders may, subject to demand, be allocated to Institutional Investors who participate in the Placement or as Comvita and the Underwriters may otherwise agree.

## **Settlement of the Institutional Entitlement Offer**

Settlement of the Institutional Entitlement Offer will occur on the Institutional Settlement Date in accordance with arrangements advised by the Joint Lead Managers. Each investor remains responsible for ensuring its own compliance with the Overseas Investment Act 2005, Takeovers Code (as set out in the schedule to the Takeovers Regulations 2000) and other applicable legislation.

## **THE RETAIL ENTITLEMENT OFFER**

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### **Overview of the Retail Entitlement Offer**

Comvita is offering Eligible Retail Shareholders the opportunity to subscribe for 1 New Share for every 4.15 Existing Shares held as at 5.00pm on the Record Date, at an Issue Price of \$2.50 per New Share. This ratio and the Issue Price are the same as for the Institutional Entitlement Offer.

Eligible Retail Shareholders are sent this Offer Document together with a personalised Entitlement and Acceptance Form and may take up all, part or none of their Entitlements. The Retail Entitlement Offer opens on Wednesday, 3 June 2020 and closes at 5.00pm on Friday, 12 June 2020 (subject to Comvita's right to modify these dates or times).

Entitlements are non-renounceable and will not be quoted and cannot be traded on the NZX Main Board or privately transferred.

### **Eligibility under the Retail Entitlement Offer**

The Retail Entitlement Offer is only open to Eligible Retail Shareholders.

The Retail Entitlement Offer does not constitute an offer to any person who is not an Eligible Retail Shareholder (including any Institutional Shareholder or an Ineligible Retail Shareholder). Any person allocated New Shares under the Institutional Entitlement Offer does not have any entitlement to participate in the Retail Entitlement Offer in respect of those New Shares.

Comvita reserves the right to reject any application for New Shares under the Retail Entitlement Offer that it considers comes from a person who is not an Eligible Retail Shareholder.

### **Acceptance of Entitlement under the Retail Entitlement Offer**

The Entitlement and Acceptance Form distributed to Eligible Retail Shareholders with this Offer Document sets out an Eligible Retail Shareholder's Entitlement to participate in the Retail Entitlement Offer. Applications for New Shares by Eligible Retail Shareholders can only be made on an original Entitlement and Acceptance Form sent with this Offer Document or via an online application at [www.comvitashareoffer.co.nz](http://www.comvitashareoffer.co.nz).

Entitlements are not rounded up to a minimum holding. The number of New Shares to which an Eligible Retail Shareholder is entitled under its Entitlement will, in the case of fractions of New Shares, be rounded down to the nearest whole number.

Eligible Retail Shareholders are not obliged to subscribe for any or all of the New Shares to which they are entitled under the Offer. They may take up some or all of their Entitlement or allow some or all of their Entitlement to lapse.

Any person outside New Zealand who takes up an Entitlement in the Retail Entitlement Offer (and therefore applies for New Shares) through a New Zealand nominee, and their nominee, will be deemed to have represented and warranted to Comvita that the Offer can be lawfully made to their nominee pursuant to this Offer Document. None of Comvita, the Joint Lead Managers, the Underwriters, the Registrar or any of their respective directors, officers, employees, agents, or advisers accept any liability or responsibility to determine whether a person is eligible to participate in this Offer.

Persons who are in the United States or are acting for the account or benefit of persons in the United States (to the extent such persons are acting for the account or benefit of a person in the United States) are not eligible to participate in the Retail Entitlement Offer.

### **Application to take up additional New Shares**

New Shares that are attributable to Entitlements that are not taken up by Eligible Retail Shareholders (together with those attributable to Entitlements of Ineligible Retail Shareholders) will be offered to Eligible Retail Shareholders who take up their Entitlements in full.

Eligible Retail Shareholders who have taken up all of their Entitlements in full may apply for these additional New Shares up to a maximum of 100% of their Entitlements.

Eligible Retail Shareholders may apply for these additional New Shares by completing the appropriate section on the Entitlement and Acceptance Form, or as directed via the online application, and applying for additional New Shares at the Issue Price. Payment must be made for both your Entitlements and any additional New Shares for which you wish to apply. Allocations and any necessary scaling of additional New Shares applied for by Eligible Retail Shareholders who take up their Entitlements in full will be determined by Comvita and the Joint Lead Managers.

## **NOMINEES**

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If you hold Existing Shares as nominee for more than one person, then you may (depending on the nature of each such person) be an Eligible Institutional Shareholder, Ineligible Institutional Shareholder, Eligible Retail Shareholder or Ineligible Retail Shareholder with regard to the Entitlement of each such person.

### **Notice to nominees and custodians**

The Retail Entitlement Offer is being made to all Eligible Retail Shareholders.

Nominees with registered addresses in the eligible jurisdictions, irrespective of whether they participated under the Institutional Entitlement Offer, may also be able to participate in the Retail Entitlement Offer in respect of some or all of the beneficiaries on whose behalf they hold existing Shares, provided that the applicable beneficiary would satisfy the criteria for an Eligible Retail Shareholder.

Nominees and custodians who hold Shares as nominees or custodians will receive a letter from Comvita. Nominees and custodians should consider carefully the contents of that letter and note in particular that the Retail Entitlement Offer is not available to, and they must not purport to accept the Retail Entitlement Offer in respect of:

- (a) beneficiaries on whose behalf they hold Existing Shares who would not satisfy the criteria for an Eligible Retail Shareholder;

- (b) Eligible Institutional Shareholders who received an offer to participate in the Institutional Entitlement Offer (whether they accepted their Entitlement or not);
- (c) Ineligible Institutional Shareholders who were ineligible to participate in the Institutional Entitlement Offer; or
- (d) Shareholders who are not eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer.

In particular, persons acting as nominees for other persons may not take up Entitlements on behalf of, or send any documents relating to the Retail Entitlement Offer to, any person in the United States. Persons in the United States and persons acting for the account or benefit of persons in the United States will not be able to exercise Entitlements under the Retail Entitlement Offer. Comvita is not required to determine whether or not any registered holder is acting as a nominee or the identity or residence of any beneficial owners of Shares or Entitlements. Where any holder is acting as a nominee for a foreign person, that holder, in dealing with its beneficiary will need to assess whether indirect participation by the beneficiary in the Retail Entitlement Offer is compatible with applicable foreign laws. Comvita is not able to advise on foreign laws.

## OVERSEAS SHAREHOLDERS

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The Offer is only open to Eligible Shareholders and persons that Comvita is satisfied can otherwise participate in the Offer in compliance with all applicable laws. Comvita has determined that it is unreasonable to extend the Retail Entitlement Offer to Ineligible Retail Shareholders and the Institutional Entitlement Offer to Ineligible Institutional Shareholders because of the small number of such Shareholders, the number and value of Shares that they hold and the cost of complying with the applicable regulations in jurisdictions outside New Zealand.

This Offer Document is only being sent by Comvita to Eligible Shareholders. The distribution of this Offer Document (including an electronic copy) outside New Zealand may be restricted by law. Any failure to comply with such restrictions may contravene applicable securities law. Comvita disclaims all liability to such persons.

Nominees and custodians may not distribute any part of this Offer Document, and may not permit any beneficial shareholder to participate in the Offer who is located, in the United States or any other country outside New Zealand except to institutional and professional investors listed in, and to the extent permitted under, this section.

### Australia

This document and the offer of New Shares are only made available in Australia to persons to whom an offer of securities can be made without disclosure in accordance with applicable exemptions in sections 708(8) (sophisticated investors) or 708(11) (professional investors) of the Australian Corporations Act 2001 (Cth) (the "Corporations Act"). This document is not a prospectus, product disclosure statement or any other formal "disclosure document" for the purposes of Australian law and is not required to, and does not, contain all the information which would be required in a "disclosure document" under Australian law. This document has not been and will not be lodged or registered with the Australian Securities & Investments Commission or the Australian Securities Exchange and Comvita is not subject to the continuous disclosure requirements that apply in Australia.

Prospective investors should not construe anything in this document as legal, business or tax advice nor as financial product advice for the purposes of Chapter 7 of the Corporations Act. Investors in Australia should be aware that the offer of New Shares for resale in Australia within 12 months of their issue may, under section 707(3) of the Corporations Act, require disclosure to investors under Part 6D.2 if none of the exemptions in section 708 of the Corporations Act apply to the re-sale.

### Hong Kong

**WARNING:** This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). No action has been taken in Hong Kong to authorise or register

this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the New Shares have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors (as defined in the SFO and any rules made under that ordinance). No person allotted New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any of the contents of this document, you should obtain independent professional advice.

### **South Korea**

Comvita is not making any representation with respect to the eligibility of any recipients of this document to acquire the New Shares under the laws of Korea, including, without limitation, the Foreign Exchange Transaction Act and regulations thereunder. The New Shares have not been, and will not be, registered under the Financial Investment Services and Capital Markets Act of Korea (**FSCMA**) and therefore may not be offered or sold (directly or indirectly) in Korea or to any resident of Korea or to any persons for re-offering or resale in Korea or to any resident of Korea (as defined under the Foreign Exchange Transaction Act of Korea and its enforcement decree), except as permitted under the applicable laws and regulations of Korea.

Accordingly, the New Shares may not be offered or sold in Korea other than to "accredited investors" (as defined in the FSCMA).

### **UNDERWRITING AGREEMENT**

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Comvita has requested the Underwriters to underwrite the Offer and Placement and the Underwriters have agreed to do so. This means that the Underwriters will subscribe at the Offer Price for any New Shares that are not subscribed for under the Placement or by Eligible Shareholders under the Offer in accordance with the terms of the Underwriting Agreement. A summary of the principal terms of the Underwriting Agreement is set out immediately below:

- The Underwriters have the power to appoint sub-underwriters.
- The Underwriters will be paid an agreed fee for their services in connection with the Placement and the Offer.
- The Underwriting Agreement contains termination events, representations, warranties and indemnities that are customary for an offer of this nature.
- The reasons why the Underwriters may terminate their obligations under the Underwriting Agreement include events which have, or are likely to have, a material adverse effect on Comvita, Comvita's shares or the Offer and / or Placement. These may be as a result of events specific to Comvita or as a result of external events, such as material or fundamental changes in financial, economic and political conditions in certain countries or financial markets. The Underwriters may also terminate the Underwriting Agreement where certain conditions to the Underwriting Agreement or their underwriting obligations have not been satisfied or waived.
- If the Underwriting Agreement is terminated, a termination fee may be payable to the Underwriters.
- Comvita has indemnified the Underwriters and their respective directors, officers, partners, employees, representatives, shareholders, advisers and agents against all losses sustained, suffered

or incurred by such persons, arising out of or in connection with the Offer, the allotment of the New Shares under the Offer or shares under the Placement, and / or the Underwriting Agreement.

- For a period commencing on the date of the Underwriting Agreement and ending three months after the Retail Allotment Date, Comvita will not (and will not permit any of subsidiaries to) without the prior written consent of the Underwriters:
  - allot, issue, sell or repurchase any of its Shares or other equity securities;
  - issue or grant any right or option that entitles the holder to call for the issue of Shares or other equity securities by Comvita, or create or issue any security or instrument that is convertible, redeemable or exchangeable for Shares or other equity securities by Comvita;
  - otherwise enter into any agreement whereby any person may be entitled to the allotment and issue of any Shares or other equity securities by Comvita; or
  - make any announcement of an intention to do any of the above,

other than pursuant to existing employee incentive schemes (as may be amended or updated from time to time), the Placement and / or the Offer; or

- dispose of, charge, or agree to dispose of or charge, all or any material part of its business other than as publicly disclosed or disclosed to the Underwriters prior to the date of the Underwriting Agreement; or
- enter into any commitment that is or may be material in the context of the Placement, the Offer, the Underwriting or the quotation of the New Shares on the NZX.

## **ISSUANCE AND QUOTATION**

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The New Shares have been accepted for quotation by NZX and will be quoted on the NZX Main Board upon completion of allotment procedures. The NZX Main Board is a licensed market under the FMCA. However, NZX accepts no responsibility for any statement in this Offer Document.

It is expected that New Shares will be issued with trading on the NZX Main Board those shares commencing on:

- (a) Wednesday, 3 June 2020 for New Shares issued under the Institutional Entitlement Offer; and
- (b) Friday, 19 June 2020 for New Shares issued under the Retail Entitlement Offer.

Holding statements confirming the allotment of your New Shares will be issued and mailed in accordance with the Listing Rules.

## **TERMS AND RANKING OF NEW SHARES**

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New Shares will rank equally with, and have the same voting rights, dividend rights and other entitlements as, Existing Shares in Comvita quoted on the NZX Main Board. Entitlements will not be quoted and cannot be traded on the NZX Main Board or privately transferred. It is a term of the Offer that Comvita will take any necessary steps to ensure that the New Shares are, immediately after issue, quoted on the NZX Main Board.

Comvita's current dividend policy is to distribute between 25% and 30% of operating profit after tax per annum. Subject to business performance, Comvita intends to resume dividends in accordance with that policy in respect of the FY21 dividend payable following that year end.

## **GOVERNING LAW**

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This Offer is governed by New Zealand law and you submit to the exclusive jurisdiction of the courts of New Zealand.

All references to time are to New Zealand time, references to currency are to New Zealand dollars and references to legislation are references to New Zealand legislation, in each case unless stated or defined otherwise.



## PART 5: GLOSSARY

TERM	DEFINITION
<b>Comvita</b>	Comvita Limited.
<b>Business Day</b>	has the meaning given to that term in the Listing Rules.
<b>Closing Date of the Offer</b>	Friday, 12 June 2020.
<b>Eligible Institutional Shareholder</b>	<p>a person who, as at 5.00pm on the Record Date, was recorded in Comvita share register as being a Shareholder and:</p> <p>(a) has an address in New Zealand, Australia, Hong Kong or Korea, or is a person who the Underwriters reasonably believe the Institutional Entitlement Offer may be made to under all applicable laws without the need for any registration, lodgement or other formality, and who is not in the United States and who is not acting for the account or benefit of a person in the United States; and</p> <p>(b) is an Institutional Investor (or the nominee of an Institutional Investor) and is invited to participate in the Institutional Entitlement Offer.</p>
<b>Eligible Retail Shareholder</b>	<p>a person who, as at 5.00pm on the Record Date, was recorded in Comvita's share register as being a Shareholder and:</p> <p>(a) whose address is shown in Comvita's share register as being in New Zealand; or</p> <p>(b) who the Underwriters otherwise reasonably determine may be treated as an Eligible Retail Shareholder,</p> <p>and who is not in the United States and not acting for the account or benefit of a person in the United States and is not an Institutional Shareholder.</p>
<b>Eligible Shareholder</b>	an Eligible Institutional Shareholder or an Eligible Retail Shareholder.
<b>Entitlement</b>	a right to subscribe for 1 New Share for every 4.15 Existing Shares held at 5.00pm on the Record Date at the Issue Price, issued pursuant to the Offer. <sup>6</sup>
<b>Entitlement and Acceptance Form</b>	the personalised entitlement and acceptance form accompanying this Offer Document for Eligible Retail Shareholders.
<b>Existing Shares</b>	shares on issue on the Record Date. <sup>7</sup>
<b>FMCA</b>	the Financial Markets Conduct Act 2013.
<b>Ineligible Institutional Shareholder</b>	a person who, as at 5.00pm on the Record Date, was recorded in Comvita's share register as being a Shareholder who is not an Institutional Investor but, if the Shareholder's address was shown in Comvita's share register as being in New Zealand, Hong Kong, Australia or Korea would in the reasonable opinion of the Underwriters be an Institutional Investor.

<sup>6</sup> Partly paid shares held under the Comvita Limited Partly Paid Share Scheme receive a proportionate entitlement to the extent of the amount of the issue price paid up on the share.

<sup>7</sup> Existing Shares includes 1,228,125 unquoted redeemable partly paid shares held under the Comvita Limited Partly Paid Share Scheme but excludes treasury stock held by Comvita.

<b>Ineligible Retail Shareholder</b>	a Shareholder who is not an Institutional Shareholder or an Eligible Retail Shareholder.
<b>Ineligible Shareholders</b>	Shareholders of Comvita who are not Eligible Shareholders.
<b>Institutional Entitlement Offer</b>	the offer of New Shares to Eligible Institutional Shareholders.
<b>Institutional Investor</b>	<p>a person with an address:</p> <ul style="list-style-type: none"> <li>(a) in New Zealand, who the Underwriters reasonably believe is a wholesale investor as defined in the FMCA; or</li> <li>(b) in Australia, who the Underwriters reasonably believe is: <ul style="list-style-type: none"> <li>(i) a “sophisticated investor” within the meaning of section 708(8) of the Corporations Act 2001 (Cth); or</li> <li>(ii) a “professional investor” within the meaning of section 708(11) of the Corporations Act 2001 (Cth); or</li> </ul> </li> </ul> <p>and is a “wholesale client” within the meaning of section 761G of the Corporations Act 2001 (Cth); or</p> <ul style="list-style-type: none"> <li>(c) in South Korea, an “accredited investor” as defined under the Financial Investment Services and Capitals Markets Act of Korea; or</li> <li>(d) in Hong Kong, who the Underwriters reasonably believe is a “professional investor” as defined in the Securities and Futures Ordinance of Hong Kong, Chapter 571 of the Laws of Hong Kong, and who is not in the United States.</li> </ul>
<b>Institutional Settlement Date</b>	the date of settlement of New Shares under the Institutional Entitlement Offer, expected to be 3 June 2020.
<b>Institutional Shareholder</b>	Eligible Institutional Shareholders and Ineligible Institutional Shareholders.
<b>Issue Date</b>	<p>the date of allotment of the New Shares expected to be:</p> <ul style="list-style-type: none"> <li>(a) under the Institutional Entitlement Offer, 3 June 2020; and</li> <li>(b) under the Retail Entitlement Offer, 19 June 2020.</li> </ul>
<b>Issue Price</b>	\$2.50 per New Share.
<b>Joint Lead Managers</b>	Forsyth Barr Limited and Craigs Investment Partners Limited.
<b>Listing Rules</b>	the listing rules of NZX in relation to the NZX Main Board (or any market in substitution for that market) in force from time to time, read subject to any applicable rulings or waivers.
<b>New Share</b>	one Share in Comvita offered under the Offer of the same class as, and ranking equally in all respects with, Comvita’s quoted Existing Shares at the Issue Date.
<b>NZX</b>	NZX Limited.
<b>NZX Main Board</b>	the Main Board equity security market operated by NZX.
<b>NZX Primary Market Participant</b>	any company, firm, organisation, or corporation designated or approved as a primary market participant from time to time by NZX.

<b>Offer</b>	accelerated non-renounceable entitlement offer of New Shares detailed in this Offer Document, comprising the Institutional Entitlement Offer and the Retail Entitlement Offer.
<b>Offer Document</b>	this document.
<b>Placement</b>	a placement by Comvita to certain Institutional Investors to raise \$20 million, through the issue of up to 8,000,000 shares at the Issue Price.
<b>Record Date</b>	5.00pm on Friday, 29 May 2020.
<b>Registrar</b>	Link Market Services.
<b>Retail Entitlement Offer</b>	the offer of New Shares to Eligible Retail Shareholders.
<b>Share</b>	one ordinary fully paid share in Comvita.
<b>Shareholder</b>	a registered holder of Shares on Record Date (other than Comvita).
<b>UMF™</b>	Unique Mānuka Factor.
<b>Underwriters</b>	Forsyth Barr Group Limited and Craigs Investment Partners Limited.
<b>Underwriting Agreement</b>	the agreement entered into between Comvita and the Underwriters, dated on or about Thursday, 28 May 2020.

## **PART 6: DIRECTORY**

### **ISSUER**

**Comvita Limited**  
23 Wilson Road South,  
Paengaroa,  
Bay of Plenty 3189  
New Zealand

### **LEGAL ADVISERS**

**Simpson Grierson**  
Level 27, Lumley Centre  
88 Shortland Street  
Auckland 1010  
New Zealand

### **JOINT LEAD MANAGERS AND UNDERWRITERS**

**Forsyth Barr Limited (as Joint Lead Manager)  
and Forsyth Barr Group Limited (as  
Underwriter)**

Level 23, Lumley Centre  
88 Shortland Street  
Auckland 1010  
New Zealand

**Craigs Investment Partners Limited (as Joint  
Lead Manager and Underwriter)**

Level 36, Vero Centre  
48 Shortland Street  
Auckland 1010  
New Zealand

If you have any queries about the Entitlements shown on the Entitlement and Acceptance Form which accompanies this Offer Document, or how to apply online or complete the Entitlement and Acceptance Form, please contact the Registrar at:

### **SHARE REGISTRAR**

#### **Link Market Services Limited**

PO Box 91976  
Auckland, 1142  
New Zealand

Level 11, Deloitte Centre  
80 Queen Street  
Auckland 1010

Telephone: +64 9 375 5998  
[www.linkmarketservices.co.nz](http://www.linkmarketservices.co.nz)  
[applications@linkmarketservices.co.nz](mailto:applications@linkmarketservices.co.nz)



OFFER DOCUMENT

[Comvita.co.nz](http://Comvita.co.nz)