



COMVITA LIMITED – ANNUAL SHAREHOLDERS’ MEETING
WEDNESDAY, 20 OCTOBER 2021

OPENING MIHI WHAKATAU: DAVE WALTERS

CHAIR ADDRESS
BY BRETT HEWLETT

Kia ora, Tena koutou, tena koutou, tena koutou katoa.

Morena and welcome to Comvita’s Annual Shareholders’ Meeting.

My name is Brett Hewlett and I am the chair of the Comvita board.

Today we are very pleased to welcome you as online participants through our virtual meeting platform provided by our share registrar Link Market Services.

During this virtual meeting, you can vote and ask questions online. I’ll provide you with further instructions as we progress through the meeting. If you encounter any issues, please refer to the virtual annual meeting online portal guide or you can phone the helpline on 0800 200 220.

I would encourage you to send through your questions as soon as you can. This will allow us to answer these questions at the appropriate time of the meeting. To ask a question, you will need to click “ask a question” within the online meeting platform, select the item of business, type in your question and click submit.

The Company Secretary has confirmed that the Notice of Meeting has been sent on time.

We have a quorum present, so I declare the Comvita Limited 2021 shareholder meeting open.

The financial statements for year ending 30 June 2021, and the Auditors report for the period are available under the Investor Centre on our website. The Annual Report was made available on our website on the 15th of September and hard copies are available either through Link Market Services, or by contacting our Customer Experience Team on 0800 504 959.

We are very proud of our Annual Report. It is a comprehensive report with something for all stakeholders. For you our shareholders, when reading this report, you will gain an appreciation of everything that Comvita is engaged in across the broader Environment, Social and Governance spectrum.

Apologies have been received from Guangping Zhu, Yawen Wu and Alex Sun.

I would like to acknowledge the presence today of our auditors KPMG, our bank Westpac, Comvita’s co-founder Alan Bougen and family members.

I want to thank you all for joining us today. This is the first time that we have run a virtual ASM. While perhaps not ideal, I am hoping that we can still provide the sort of engaging and informative session that many of us have come to expect from a Comvita Annual Meeting. Hopefully by this time next year we will be able to meet again



in person, while still retaining some of the access that makes this virtual meeting a little more inclusive for the growing number of our long-distance shareholders.

After my short address covering the performance highlights of our last fiscal year, I will hand you over to our CEO, David Banfield who will take you for a deeper look inside Comvita's operations, our strategies, how we are engaging with our multi-stakeholder communities and lastly provide some insights into our future ambitions.

As we go through these two presentations, make a note of any questions you may have.

As mentioned earlier, you can submit your questions via the on-line meeting platform and these will be communicated to us via our online moderator.

After the presentations we will cover formal resolutions, and finish with General Business where we will respond to any questions raised during the day.

Let me start by introducing my fellow Directors. Luke Bunt is an Independent Director and also Chairs our Audit and Risk Committee. Luke has been on the Board for 7 years. Sarah Kennedy is an Independent Director and Chairs our Safety and Performance Committee. Sarah joined the board 6 years ago. Bob Major is an Independent Director and joined us at the end of 2019. Guangping Zhu was also appointed to the Board at the end of 2019. Mr Zhu was the founder of Comvita's establishment in Mainland China more than 15 years ago and hence has played a key role in ensuring Comvita's brand success in this most exciting Focus growth market for Comvita. Mr Zhu also represents the interests of our largest shareholder, Li Wang.

Recently, we had two Directors step down from the board; Independent Director, Paul Reid and China Resources nominated Director, David Cheng. I want to take the opportunity to thank both Paul and David for their commitment and service to the company.

At the beginning of this month, we appointed three new Directors to the board, all who will be standing for election at this annual meeting. Bridget Coates an Independent Director, Yawen Wu nominated from China Resources, and our very own David Banfield as Managing Director.

On the assumption that all of the nominated Directors are elected to the Board today, then we will have a Board of eight, with the majority independent, two strategic shareholder representatives, and a Managing Director.

Your Board has determined that we will pursue a policy of continuous review and evolution of board composition to best suit the current and future needs of the business. Changes will be timed to ensure continuity and institutional knowledge and at the same time ensuring that we remain agile and adept at making balanced decisions in an ever increasingly complex multi-stakeholder world.

While the Board's primary accountability is to the Company and to our shareholders, we know that consumers increasingly are making their purchase decisions based on a brand's social and environmental stance, that governments (local and international) can intervene if they feel the business community is not aligned with their agenda, and of course we can see firsthand in this highly competitive employment environment, that highly skilled and talented people are increasingly taking into consideration an organisation's social, cultural and environmental stance when making their employment decisions.

We recently carried out a refresh of the Board Charter to more accurately reflect our collective commitment to delivering a high standard of governance in the areas of Environmental, Social and core Governance functions. This is not just some form of woke comment, but a restatement and clarification of what Comvita does at its core and why.



We are grounded in the founding principles and values of the organisation.

Comvita were pioneers in the honey and bee products industry since being founded in 1974/5. Our story began with an unlikely partnership; Alan Bougen and Claude Stratford – generations apart, worldly and progressive in their thinking. They were united by a belief that food is the best medicine, and that nature has the answers. With deep principles that were ahead of their time; a belief in community and caring for one another; a deep respect for nature and the environment; always seeking and sharing knowledge.

Our vision is to deliver world-leading standards for our team, our consumers, our shareholders and our planet, contributing to a world where bees and people can thrive in harmony.

At Comvita, Directors take responsibility to act as guardians of these founding principles and our vision in a sustainable way for the benefit of all our stakeholders. We take seriously our environmental, social, and governance responsibilities, and we act accordingly. In so doing, we will make balanced choices for investment; balanced choices in how we spend our time and resources; and balanced choices in terms of how we think about success.

We will know we are succeeding in our endeavours when we are achieving all six of our long-term goals in a sustainable way:

We will be:

- a positive contributor to reducing the impact of global warming
- making fair and sustainable operating profits
- delivering long-term shareholder value
- providing competitive rates of return for invested capital.
- we will have adoring and loyal consumers of our Brand.
- we will be the best employer, attracting and retaining the best talent.

On that note, let me start our review of the year gone with a mention of our team. Perhaps it is a cliché to say that our most valuable asset is our people, but that does not change the truth of the statement. He Tangata, he tangata, he tangata.

Much has been achieved this past year and none of this would have been possible were it not for the herculean effort, tenacity, commitment and incredible resilience in the face of adversity that has been shown by our very own team of 552. On behalf of all shareholders, I would like to thank the staff of Comvita for their efforts.

Today Comvita employs 552 people spread across 8 countries representing 26 nationalities.

The proportion of staff in Customer facing roles is currently 60% up from 38% before our transformation started. This is testament to our re-focus strategy and in-market consumer facing business model.

In our FY20 Annual Report, we set team goals which we are pleased to report have mostly been achieved. Our target was to have 40% of female executives reporting to the CEO globally, and we reached 50%. We maintained 100% living wages for NZ based employees. We reached our target of 100% equal pay for equal work globally. We were down by 20% on our target of 75% of NZ vocational development supporting women, Maori and Pasifika and are hopeful our apprentice scheme will assist with us reaching that goal in FY22.

We have made good progress in restoring gender balance and diversity at both board and executive levels.



Health, Safety and wellbeing is a priority. We are very pleased to report positive gains in all areas of Health and Safety reporting.

In particular, we saw total injuries fall by 24% and motor vehicle incidents fall by 54%. Very importantly we saw the reporting of near miss incidents more than double (high reporting of near misses indicates a good health and safety culture that is engrained in the business).

Despite the significant pressures the organisation has been under this year, it's encouraging to see that we have held a high level of staff engagement. However, the lasting impact of Covid remains of some concern. David will talk more about this in his presentation.

Our value of Kaitiakitanga - meaning guardianship - has been integral to our thinking since Alan and Claude founded Comvita 47 years ago.

We continue to invest in research and development, to develop more sustainable practices for reforestation programmes and beekeeping. We share this knowledge through our partnerships with organisations such as For the Love of Bees, Saving the Wild, The Himalayan Trust and others.

Trials over the past few years have enabled us to achieve organic status for our Hawkes Bay apiary operation, a first for NZ beekeepers on this scale.

Recently we were delighted to discover a growing population of 22 Kiwi within our Makino Mānuka forest. This has sparked an accelerated predator control programme and a protection project for Kiwi and Whio (an endangered species of small blue duck) in the area.

Last year we shared with you our pride in seeing our wound care products applied to helping save the wildlife caught in the Australian bushfires, and we have been able to continue that good work with helping harmed Elephant and Rhino in Kenya and Orangutang in Borneo.

In our annual report, we announced the launch of our Harmony Plan which provides a framework for our partnerships and social impact initiatives. Key outcomes we are targeting are:

- 1% of EBITDA to global community partnerships
- A tree planted for every pot of Mānuka honey sold
- 1M bees saved globally every year
- Carbon neutral and circular economy

David will explain more during his presentation.

Another 3.5 million trees were planted last year, bringing our total to 10 million and counting.

To support our strategy to become a net positive sequester of carbon by 2030, we have been working with thinkstep-ANZ to develop a comprehensive Green House Gases inventory for all of our NZ based operations. And at first cut, we are already net positive, but this excludes the majority of our upstream scope three emissions. This has still to be validated and aligned with our forward planning on planting and ongoing efforts to reduce our global operating footprint.



In FY21, we delivered:

- Reported NPAT of \$9.5M up from a loss of (\$9.7M) in the prior year. Notably we had no non-operating adjustments to report.
- Reported EBITDA of \$25.5M up from \$4.2M last year. This turnaround was made especially significant because at the same time we increased our marketing spend by more than \$8.5m.
- We further reduced debt by \$10.9M, based on strong net operating cash flows of \$24.8M

Overall, we made very good progress last year. I feel very comfortable that the company is on a stable footing. We have a solid balance sheet with minimal debt. We have strongly trending sales in our target growth markets of China and the US, and the decline in ANZ from within the daigou channel appears to have bottomed out. Earnings were at the top end of our guidance and continue to trend positively in spite of a significant rate of investment in building our global brand. Perhaps most pleasingly for our shareholders, there was a 35% gain in TSR and dividends have been restored.

Another important milestone was the building of a new leadership team. I would like to thank David Banfield and his leadership team for the many personal sacrifices they have had to make in order to help steer the company through and out of troubled waters. We have set a course towards a more prosperous and sustainable future.

Let me introduce you to the team:

- David Banfield, Chief Executive Officer, who you will hear more from next
- Nigel Greenwood, our Chief Financial Officer
- Andy Chen, Regional Chief Executive Officer for Asia
- Holly Brown, our Chief Purpose and Transformation Officer
- Saada McNamee, Interim Chief Customer Officer
- Tracy Brown, Chief Operations Officer and also our Moderator for today's meeting
- Nicola O'Rourke, our newly appointed Chief Digital Officer
- Dr Jackie Evans, our Chief Science Officer
- Adrian Barr, Chief Business Development Officer; and
- Corey Blick, our General Manager for North America.

As discussed at our annual meeting last year, this was the year when the rubber needed to hit the road. We have returned to profitability, reduced our debt and extended our leadership position in key markets around the world.

We have proven our unique business model is adding value, focused on being closer to customer and consumers around the world. None more so than in China where our in-market presence has allowed us to accelerate where others, with an over reliance on the informal daigou channel, have been severely hindered in their progress.

There are still significant opportunities to further extend the business to realise the full potential for Comvita and all stakeholders. I hope you will join us again next year to hear more.

I will now hand you over to David.



CHIEF EXECUTIVE OFFICER'S ADDRESS
BY DAVID BANFIELD

Tena koutou, tena koutou, tena koutau katoa
Nau mae, Haere mai

Good morning ladies and gentlemen, welcome to the Comvita team and fellow shareholders gathering online. As Brett said, in a chapter of innovation and digitisation at Comvita, it's perhaps apt that today we hold our first virtual ASM.

I would like to start by thanking and acknowledging the incredible hard work and commitment of the global Comvita team. The last 20 months have been pretty relentless (even without the impacts of Covid), with our absolute focus to set Comvita up for long-term success. We have made, and continue to make, some pretty tough calls to ensure that by the time we get to the end of this particular chapter in Comvita's rich history (end of FY25), that we have put in place the belief, the foundations and the processes to set Comvita up for the next 50 years. Later today, I will share our carbon and Harmony plan. These leading and progressive policies serve to future proof Comvita and enable us to evidence our differentiated and unique business model to our consumers around the world, and also highlight some fundamental differences in our model and standards to our exporter competitors.

You can see on the screen, the front page of the FY21 Annual Report. I hope that you find this report as beneficial and clear as our FY20 Annual Report (which incidentally won best traditional Annual Report in Asia Pacific at the ARC awards) and later this month, goes to the World awards in New York. Your feedback on last year's report has encouraged us to go further in this report and also give even more disclosure on both strategic and operational focus, including our long-term business model. As always, any feedback good or bad, is appreciated.

Before I talk about FY21 results and our FY22 plans, I wanted to share an update on Covid 19 and its impact on our team and on our operations. The last 20 months since Covid 19 appeared have been unprecedented, both in terms of how we needed to adapt to win, but also how we needed to connect with our global team during periods where they were quite often isolated, and in different stages in various countries around the world. Our primary focus throughout has been on the health and wellness of our team around the globe. We are pleased to say the team are all safe and well, though some family members have been affected by the pandemic. I am increasingly concerned about the impact of lockdowns on the mental health of the team. In order to build connection and show that our team aren't alone, we have significantly increased communication, added confidential external support and also continue to send out monthly care packs comprising various Comvita products that help build immunity, and equally, just to show we care.

I have to say that the team response in all markets has been and continues to be amazing. We are proud to be part of the solution for consumers around the world and see a strengthening of the longer-term trend of consumers turning to nature and natural products for their health and wellness needs. As a company, we have strong beliefs that the best way for us to get back to some form of normality, is if the team are vaccinated and we have introduced new policies and procedures to protect the whole organisation but have also sought to provide objective information to enable the team to make their own personal decisions.

One of my personal core philosophies is "Better to act your way to a new way of thinking, than to think your way to a new way of acting."

This principle has been central to our turnaround of performance at Comvita and encourages the team to think and act like the global leader that we are. By creating an environment where we are encouraged and expected



to try new things, we can iterate and reiterate at speed. Long gone are elongated discussions around theoretical options and outcomes. We prefer to get to a considered hypothesis and then test and learn at speed in order to get to an action driven, optimised position. There is a long way to go, but this philosophy will help us overcome the 'fear of failure' and keep our focus on constant innovation and transformation to meet changing consumer needs and keep Comvita as the global leader. It will also help us differentiate between exploration (looking at global dynamics outside Comvita and apply them within) and exploitation / optimisation of existing capability and core competence.

Over the course of the next 20 minutes, I will share our progress on our three-point plan to stabilise performance, transform the organisation and build long-term resilience and growth.

I will also share details of our 2030 Harmony Plan that explains the type of organisation we aim to be in a multi-stakeholder world. I will also share our FY21 financial performance and a brief update on trading performance in Q1, as shared on NZX last week.

During last year's Annual Shareholder Meeting, you may have heard me use the word focus over 40 times in my presentation. This focus remains as crucial to our long-term success today, as it did a year ago. At the centre of our focus, are our discerning consumers around the world. By understanding who they are, what products they consume and why, in which markets and through which channels, we are able to stay relevant to their changing needs. By investing in science to enhance our relevance, knowledge and understanding and by investing in our brand to share our amazing founding story and ongoing scientific development, we again truly differentiate ourselves from exporters and in the process, open up the amazing benefits of Mānuka and products of the hive to an even larger audience. Finally, we reinvest in our vertically integrated supply and supply chain to further improve the quality of our products and services. This combination sets us up for profitable long-term growth.

At Comvita, we have a truly unique business model. Not only have we developed our own Mānuka cultivars in our own Mānuka forests, with our own apiary team and our own extraction, quality and science facilities, we also have a highly capable team on the ground in markets around the world. We believe that by being closer to customer and consumer, and by empowering our in-market team to act, we become a better business and a better partner. With our digital transformation project in full swing, we are learning more every day about our consumer needs in terms of products and services and see the mid-term opportunity to be a truly digitally, data-led business.

A year ago, we shared our three-point plan to stabilise the business, transform the organization and build long-term resilience and growth. We have attempted to put a simple traffic light system over our progress to date and I will now share where we are on that journey.

In terms of stabilisation, we have achieved results at the top end of our guidance range. We have significantly de-risked the business by proving that our new harvest model, that aims to produce zero contribution to group profits in poor weather years and \$2-3M of profit in good weather years, has proven successful in FY21. Whilst we would not have wanted a poor weather year, we were able to show our ability to break-even despite harvest yields being circa 50% below FY20. We have also completed our joint venture review and now have a clear and openly shared view of our operating environment and companies over the next few years. In addition, we have continued to generate cash and pay down debt.

Key milestones in FY21 were: our half year earnings reflecting the true seasonality of our business; our full year earnings at an EBITDA of \$25.5M. It should also be noted that whilst our ANZ performance was materially down on FY20, we improved sales year on year by 17% in Q4 and also Q4 sales were 33% higher than Q3. Finally, we were pleased to resume dividend payments to shareholders as a result of our good financial performance.



Looking forward, we aim to deliver single digit growth in ANZ; we aim to deliver FY22 earnings in line with our guidance of \$27-30M EBITDA; we aim to improve our team net promoter score as we look to deliver on our promise to become the best employer; and we aim to deliver strong double-digit earnings per share growth.

Our transformation plan has enabled us to deliver double-digit growth in our focus growth markets of China and North America; double-digit growth in Mānuka honey sales; double-digit growth in our digital channel sales (now 34% of total sales); a 730 basis point improvement in gross margin; nearly \$12M reduction in inventory; and to reduce net debt to \$4.6M

Key milestones were double-digit top and bottom-line growth in China and North America; digital revenue up 17% to 24% of group; and finally, us proving our ability to break-even in our Europe, Middle East and Africa segment. Looking forward, we aim to deliver double-digit growth again in China and North America. We aim to grow digital sales to 38% of total sales at accretive gross margins. We will continue underlying net debt reduction and are aiming for strong double-digit EPS growth.

We recently shared our long-term 60:15:20 business model. This sets out our plan to deliver a gross margin of at least 60%, 15% brand investment and 20% EBITDA ratio by 2025. We recognise this is a significant improvement vs the 13.3% EBITDA ratio that we delivered in FY21, but have confidence in our ability to achieve this goal. In addition, we shared our first carbon footprint measurement and launched our 2030 Harmony Plan. It's also crucial that health and safety is at the centre of our thinking. We are pleased that our total recordable injury frequency rate reduced by 9% during this period, though we still see further opportunities to improve this.

Looking forward, we aim to deliver an additional 150 basis point improvement in margin. We aim to become B-corp certified and we will increase our investment in science with a new patent filed to showcase our industry leading capability and category understanding.

We are really proud to share our 2030 Harmony Plan with the Comvita whānau and our multiple stakeholders. This plan is built on our belief that we can leave the world in a better place. It is a living document that will evolve as our business evolves. It is a way of providing clarity on how we believe we can become a positive force for good. It is an ecosystem approach which means it's not linear, though initiatives can be inter-related. Our model is expected to iterate as we evolve and move forward, taking into account the needs of stakeholders in our ecosystem. It's meant to be aspirational, but some objectives can be realised sooner than 2030 and we are aiming to achieve them as fast as possible.

The Comvita Harmony Plan is based on three core principles:

- Treading lightly in forging a new leadership path in sustainability and circularity, with us being net positive carbon by 2030.
- Secondly, by embracing the science of nature. Our Whakapapa is sharing the power of nature and the hive with the world. We seek to do business in a way which honours ancient wisdom and harnesses latest scientific learnings, whilst showing respect and care for our place as we restore balance in nature.
- Our third principle is strengthening our global hive. Comvita have been caring for bees since 1974 and are supporting native forest regeneration in New Zealand. We aspire to be the best employer nationally and abroad, with safety and wellbeing at the centre of reinvestment in our team. We believe that the best interests of all stakeholders are served when the Comvita team are shareholders and think and act in the best interests of all stakeholders. Our Harmony Plan sets out our commitment to achieve this.

Finally, we are committed to investing 1% of EBITDA in support of better social and environmental outcomes.



We invite all of you to join our mission to connect with bees and nature to help heal and protect the world as part of our onehive movement #onehive.

Finally, it wouldn't be an update from me without a Lao Tzu quote who said "Do the difficult things while they are easy and do the great things while they are small. A journey of a thousand miles must begin with a single step."

We are pleased with the steps that we are making and are committed to deliver an incredible chapter in Comvita's rich history by the time we turn 50.

In FY21, we delivered:

- Reported NPAT \$9.5M vs. (\$9.7M) in PCP
- Reported EBITDA* \$25.5M, + \$21.3M vs. June 2020 or +511%
 - Double-digit top and bottom-line growth in focus growth markets, China, and USA
 - Double digit top and bottom-line growth in Mānuka product category
 - Double digit top and bottom-line growth in digital channels
- Gross profit (GP) +730 bps to 53.9%
- Marketing investment +\$8.7m or +56%
- Business transformation plan on track
 - New Leadership team in place
 - Strong GP growth
 - In 18 months since initiating this programme \$12.1M of value added
 - 30% SKU reduction simplifies business
- Net debt reduced by \$10.9M to \$4.6M, inventory reduction \$11.7M, operating cash inflow \$24.8M
- 9% reduction in total recordable injury frequency rate (TRIFR)
- Fully imputed dividend of 4cps declared

Overall, we are really pleased with progress but it's definitely so far so good with us delivering:

- \$9.5M Reported NPAT VS. (\$9.7M) in PCP
- Reported EBITDA of \$25.5M+ \$21.3M Vs. June 2020 or +511%
- 730 basis points in gross profit
- +\$8.7M in marketing investment or 56%
- Transformation plan on track
- \$4.6M net debt
- Inventory reduction of \$11.7M
- Operating cash inflow of \$24.8M
- 9% Reduction of TRIFR
- 4 cents per share fully imputed dividend declared

As we previously shared, good management of business fundamentals and particularly management of working capital and cash is central to our long-term plan. In FY21 we reduced inventory by \$11.7M and net debt by \$10.9M, reflecting our ongoing focus in this area.

UMF Mānuka honey share increased from 61 to 66% of our total business, with Mānuka revenue up 10% and as importantly, our more premium 10+ Mānuka improved by 14% year on year.

Our ongoing focus on product level productivity continued, with us reducing our SKU count by 30% during the year. This helps us focus on SKUs that our consumers demand and on SKUs that give us the highest profitability. In addition, we get increased production and supply chain efficiencies in the process.



Our focus remains on delivering growth in our focus growth markets of China and North America. China is the world's biggest honey market and North America, the second biggest.

For Comvita, Mainland China revenue increased by 31% in local currency as we extended our market leadership. In North America revenue increased 23% in local currency and we are the fastest growing Mānuka brand. Greater China represents nearly 50% of our total sales and whilst North America's share of our total revenue increased to 13%, we recognise we need to grow faster in order to deliver portfolio balance and take advantage of strong broader category fundamentals.

Comvita's business model is truly unique and means that when executed effectively, we are closer to customer, closer to consumer, faster to act and able to empower quality teams in-market in order to grow both market share and total addressable market.

In the course of this year, we are pleased to have added more capability to our in-market teams, funded by efficiencies we have generated elsewhere in the group. Through our collective efforts, we delivered strong top and bottom-line growth in both China and North America, we increased our marketing investment by 56% to 12.6% of sales and we continued to refine and tell our unique "Why Comvita" story to consumers around the world.

In order to give like for like performance, I will skip this page and focus on constant currency revenue performance.

Our constant currency revenue increased by 11% to \$96.5M in Greater China, by 23% to \$27.2M in North America and by 30% to \$26.7M in Rest of Asia. In Australia and New Zealand, sales declined by 27% to \$32.1M due to disruption to the Asian Health market and tourism, and our strategy to leverage our in-market team in China of around 200 people. In EMEA, our revenue was down by 25% to \$5.2M as a result of Brexit challenges in H2, meaning no product could be shipped to Europe.

Looking at our net contribution by segment, our Greater China net contribution increased by 9% to \$19.9M. Our North American contribution increased by 7% to \$4.7M. Our rest of Asia contribution increased by 52% to \$6.4M with strong growth across all markets. Our ANZ net contribution decreased by 27% to \$10.2M due to revenue decline. Finally, we were delighted to prove that despite significant revenue headwinds, we were able to deliver a break-even performance in EMEA, giving us further confidence about the long-term opportunity to have self-funded, profitable growth in the future.

I now turn to our focus growth markets, where our strategic focus is to have long-term structured investment to grow the total addressable market and our market share.

When looking at Greater China, you can see that our total sales increased by 7% to \$93M and our net contribution by 9% to \$19.9M in the world's biggest honey market.

Again, for transparency reasons, we will focus on constant currency performance.

In Mainland China, our total revenue grew by 31% to 337M RMB and our net contribution by 25% to over 70M RMB. We increased investment in our brand by 139% in order to build long-term loyalty and advocacy.

Our China market highlights are:

- New leadership team in place and performing strongly
- Record results in key festivals 11:11 and 6:18



- Number six and only international brand in healthy food category in Alibaba
- Digital channel +41% to 57% of total
- Retail sector +28% vs PCP
- UMF Mānuka +38%
- New CBEC / Daigou model implemented to ensure amplification of in market brand strength and supply efficiency
- Asian health model supports local ANZ Daigou with targeted brand collateral and value chain initiatives
- Enhanced management and visibility of inventories
- Mainland China efficiencies support Hong Kong profit focus
- Multiple brand partnership events driving affinity

We are proud to form long-term partnerships with other high-profile brands in the China market, further driving affinity and engagement. As you can see, our afternoon tea, a highlight of Shanghai society, drove a high volume of target market engagement, with over five million post views delivered.

Other high profile brand partnerships/associations are underway.

For the purpose of transparency, we will focus on constant currency performance.

Our revenue in North America grew by 23% to US\$17M in FY21, with net contribution increasing by 18% to US\$3.2M, representing 19% of sales. Structured brand investment is again central to our plan and was increased by 80% vs PCP. In order to diversify earnings, we invested strongly in the digital channel and grew sales by 37% vs PCP and now represent 36% of total North American sales.

Our North America market highlights:

- Comvita is the fastest growing Mānuka honey brand in the U.S.
- Increasing rates of sale per point of distribution with key retail customers for Mānuka
- Strong growth in key product categories versus PCP, including UMF Honey +24% and Propolis +31%.
- Retail distribution increased by an estimated +2000 stores, doubling our retail presence
- Comvita.com metrics demonstrates successes in growing our brand within the online channel.
 - Number of users +31%
 - Number of transactions +33%
 - Email Marketing +29%
 - Social +117%
- Earned media impressions of 1,265 million, up from 722 million in PCP.
- Committed to save 5 million bees working with beekeepers across the U.S., which led to a feature in Forbes during World Bee Month.
- Partnered with major health media publications to expand thought leadership within the Mānuka category.

In summary, our focus strategy is starting to deliver results with a strong FY21 result reported. We saw double-digit top and bottom-line growth in our focus growth markets, our digital channel and the Mānuka category.

We further simplified the business – our product range, our operating businesses and roles and responsibilities. We reduced inventory, we generated cash and we paid down debt. Our transformation at Comvita is on track as we put in place foundations to deliver long-term profitable growth.

Finally, we have made good progress on delivering our 60:15:20 plan.

For FY22, our focus is to deliver:

- FY22 EBITDA guidance range of \$27M to \$30M



- Continued double digit top and bottom-line growth in focus growth markets
- Digital to at least 38% of revenue
- Mid-single digit revenue growth in ANZ market
- Focus on further increase in GP% (H2)
- Transformation program continues with \$2.5M investment within guidance
- Targeting further reduction in inventory from \$100M to \$90M
- Capital expenditure investment of circa \$18M

Before I hand back to Brett, I wanted to share our Q1 performance and I'm pleased to say that despite Covid disruptions in offline retail, underlying revenue is in line with our expectations. We have invested 50% more in our brand and delivered an unaudited Q1 EBITDA of 10.6% above PCP.

We are also exploring material opportunities to enhance our global leadership and accelerate growth.

Our full year guidance is maintained.

CHAIR RESUMES

We are now going to conduct the formal business of the meeting where we will read the resolutions to be voted on. You may ask questions on each matter being put to shareholders through the virtual meeting website.

Now, moving to the resolutions, I propose to call a poll on each of these resolutions.

As I mentioned, shareholders will be able to cast their vote using the electronic voting card received when online registration is validated.

To vote, you will need to click "Get Voting Card" within the online meeting platform. You will be asked to enter your Shareholder or Proxy Number to validate. Please then mark your voting card in the way you wish to vote by clicking "FOR", "AGAINST" or "ABSTAIN" on the voting card. Once you have made your selection, please click "Submit Vote" on the bottom of the card to lodge your vote.

Please refer to the virtual meeting online portal guide or use the help line specified if you require assistance.

Voting will remain open until five minutes after the conclusion of the meeting. Results of the vote will be announced via NZX.

Each resolution set out in the Notice of Meeting is to be considered as an ordinary resolution and, as such, must be approved by a simple majority of the votes cast by shareholders entitled to vote and voting on the resolution.

The outcome of proxy votes will be displayed for your information after voting on all the resolutions.

RESOLUTION 1

Appointment and Remuneration of Auditors

To consider, and if thought fit to pass, the following ordinary resolution:

"That the meeting record the re-appointment of KPMG as the auditors of the Company for the current financial year ending 30 June 2022 pursuant to section 207T of the Companies Act 1993, and authorise the Board to fix KPMG's remuneration."

Are there any questions for the Board concerning the motion from shareholders?



Thank you – please now select either “FOR”, “AGAINST” or “ABSTAIN” for Resolution 1 on the voting card.

RESOLUTION 2

Director’s Election – Luke Bunt

To consider, and if thought fit to pass, the following ordinary resolution:

“That Luke Bunt, who retires by rotation and is eligible for re-election, be re-elected as a Director of the Company.”

I now invite Luke to speak to his re-election.

Luke Bunt to present his re-election speech.

Biography – Luke Bunt

A professional director and consultant, Luke has over 30 years’ experience in manufacturing, wholesaling and retailing in both durable goods and FMCG and has considerable experience in financial services and property. He has held senior executive positions in a number of well-known New Zealand corporates, both public and private. This includes ten years with The Warehouse Group where he was Chief Financial Officer and Head of Property, and 10 years with the DB Group where he was Group General Manager Finance and Planning. Luke is a member of the NZ Institute of Chartered Accountants. He joined the Comvita board in July 2014.

Chair resumes

Are there any questions for the Board concerning the motion from shareholders?

Thank you – please now select either “FOR”, “AGAINST” or “ABSTAIN” for Resolution 2 on the voting card.

RESOLUTION 3

Director’s Election – Yawen Wu

To consider, and if thought fit to pass, the following ordinary resolution:

“That Yawen Wu (China Resources) be elected as a Director by shareholders.”

I now invite Yawen to speak to her election.

Yawen Wu to present her election speech.

Biography – Yawen Wu

Ms Wu joined China Resources in April 2012 as Business Director of Strategy Department of China Resources (Holdings) Limited, and she joined China Resources Enterprise (CRE) as head of Asset Management Division in July 2021. Ms Wu also works as CEO of China Resources Verinvest Health Investment Co, Ltd since 2019. Ms Wu previously leads international M&A transactions and post-investment management at CR group level, and she has over ten-years’ experience in investment, strategic planning and management with industries across consumer goods, healthcare and real estate.

Ms Wu is currently a member of the board of directors and a member of a few board sub-committees of companies including Oatly Group AB (OTLY.US), Genesis Care Pty Limited, and a number of domestic companies that CR group has invested in mainland China. Ms Wu holds a Master of Science degree in International Business from University of Nottingham in the United Kingdom.



Chair resumes

Are there any questions for the Board concerning the motion from shareholders?

Thank you – please now select either “FOR”, “AGAINST” or “ABSTAIN” for Resolution 3 on the voting card.

RESOLUTION 4

Director’s Election – Bridget Coates

To consider, and if thought fit to pass, the following ordinary resolution:

“That Bridget Coates be elected as a Director by shareholders.”

I now invite Bridget to talk to her election.

Bridget Coates to present her election speech.

Biography – Bridget Coates

Bridget Coates is Chair of Toitū Tahua: Centre for Sustainable Finance, Chair of Fonterra’s Sustainability Advisory Panel to the Board and Chair of Koi Tu (a think tank, based at the University of Auckland). She is also Chairperson of the Real Estate Institute of New Zealand, Director of Yealands Wine Group, Director of Northern Rescue Helicopter Ltd. and Director and Trustee of Mindful Money, a charity with a focus on encouraging responsible investment.

She has been a Governor of the NZ Superannuation Fund and a Director of the Reserve Bank of New Zealand. Bridget has also been a Director of public companies, Sky City Limited and Fisher & Paykel Appliances Holdings Limited, and a Director of Tegel Group Holdings Ltd. She was formerly CEO of Carter Holt Harvey Plastic Products and Director of Research for CS First Boston NZ Ltd as well as being a Member of the University of Auckland Council. She holds degrees in arts, economics and finance from the University of Auckland and also holds the Chartered Financial Analyst qualification: she is a Chartered Member of New Zealand Institute of Directors.

Chair resumes

Are there any questions for the Board concerning the motion from shareholders?

Thank you – please now select either “FOR”, “AGAINST” or “ABSTAIN” for Resolution 4 on the voting card.

RESOLUTION 5

Director’s Election – David Banfield

To consider, and if thought fit to pass, the following ordinary resolution:

“That David Banfield be elected as a Director by shareholders.”

I now invite David to talk to his election.

David Banfield to present his election speech.

Biography – David Banfield

David joined Comvita in January 2020 as Chief Executive Officer. An entrepreneurial International Managing Director/CEO with significant experience leading both private and public sector business with revenues up to €300 Million.



First-hand experience in Acquisition, eCommerce, Direct to Consumer, Global Retail (Brand and Private label), B2B, B2C Manufacturing and Supply Chain across four continents. Results delivered through deep cultural understanding and motivation and development of multicultural International teams.

David has led a significant transformation at Comvita over the last 20 months with the turnaround in performance reflected in the strong FY21 audited results.

Chair resumes

Are there any questions for the Board concerning the motion from shareholders?

Thank you – please now select either “FOR”, “AGAINST” or “ABSTAIN” for Resolution 5 on the voting card.

We now move onto General Business.

I would now like to give shareholders the opportunity to ask questions - whether related to the presentations, the Financial Statements or the management of the company.

You can continue to provide questions online, and we will also address questions already submitted online. If we run short of time and are unable to answer your question online today, we will endeavor to respond to you after the meeting.

Are there any questions received from shareholders?

CLOSING COMMENT:

This concludes our 2021 Annual Shareholders’ Meeting. To close proceedings today, Dave Walters will lead us in a closing Karakia.

CLOSING KARAKIA WHAKAMUTUNGA: DAVE WALTERS

END.