



23 March 2020

## Comvita postpones capital raise as strong demand continues

Comvita Limited (“CVT”) is continuing to experience strong demand for its complete range of products (in particular Mānuka honey, Propolis, Fresh-Picked™ Olive Leaf Extract) from all markets over the last month. For example, we are seeing the best sales of Fresh-Picked™ Olive Leaf Extract in over seven years. We see good evidence that consumers are actively choosing products considered to support general immunity. We have good stock levels in market to support this demand and are in the process of moving extra inventory into market. At this stage there are no supply or logistic constraints, although this may change as the world’s response to COVID-19 changes.

In addition, this year’s Mānuka honey harvest is looking very positive with volumes improved by around 50% over the prior season including improved average UMF™ quality profile. Testing of all new season honey will be concluded by the end of April.

We continue working on our \$15m cost out and business transformation programme. Benefits are already starting to show for the business, although the full impact of these initiatives will only become obvious in the 2021 financial year.

Against this backdrop and the very difficult stock market conditions generally, the Comvita Board has decided to postpone the previously announced capital raise to existing shareholders until market conditions have stabilised. Comvita is currently trading profitably, is generating positive operating cashflows and paying down debt.

Ends.

For further information

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Background information

About Comvita ([www.comvita.co.nz](http://www.comvita.co.nz))

Comvita (NZX:CVT) is a global natural health company committed to the development of innovative products, backed by ongoing investment in scientific research.

### COMVITA LIMITED

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