



23 February 2026

Comvita Delivers First-Half Priorities as Turnaround Continues

Comvita Limited (NZX: CVT) today announces its results for the six months ended 31 December 2025. The period reflects delivery against first-half priorities, a return to profitability, positive operating cash flow and improved operating performance, with the Company's turnaround continuing.

Financial Highlights (1H26 vs 1H25)

- Revenue: \$118.0m, up 18.3%
- Operating expenses: \$49.7m, down 13.6%
- Normalised EBIT¹: \$10.0m, up \$10.7m
- NPAT: \$4.6m, up \$11.1m
- Operating cash flow¹: \$20.8m, up \$10.9m
- Free cash flow¹: \$16.4m, up \$14.4m
- Net debt¹: \$48.7m, reduced \$32.9m
- Inventory: \$68.3m, reduced \$52.5m

Operational Progress

- New sales strategies implemented across SEA, China and the USA.
- Inventory normalising through disciplined procurement.
- Premium positioning maintained with focused innovation and new product delivery.
- Club-retail partnership outperforming sell-through expectations.
- Channel and customer mix continuing to diversify.
- Improved accountability, risk management and discipline across the global organisation.

Comvita Chair, Bridget Coates, said the first half reflected clear progress in stabilising the business while recognising the work still ahead.

“We delivered against our first-half priorities, returning to profitability, generating positive operating cash flow, and continuing to reduce inventory and net debt.”

“Operational discipline is strengthening, leadership capability is being rebuilt, and the Company is executing with consistency. These are important foundations, but the turnaround is not yet complete.”

Ms Coates said recapitalisation remains the Board's highest priority. “The process is progressing to plan, with the Board focused on its core objectives – certainty, equitable participation for all eligible shareholders and minimising dilution.”

“The Board has confirmed credible expressions of interest from both existing and prospective investors to support and potentially underwrite the capital raise, including interest from an offshore strategic investor. The Board is carefully assessing these options alongside continued constructive engagement with our lenders regarding extension of banking facilities from April 2026 subject to the recapitalisation.”

¹ Normalised EBIT, Free cashflow and Net Debt are Non-GAAP financial measures. Refer to Comvita FY26 Interim Results Presentation for disclosure of normalisations. We monitor these non-GAAP measures as key performance indicators, in assessing the performance of the core operations of our business.



She confirmed that full-year performance remains in line with normalised EBIT guidance of approximately \$14.3 million (normalised EBIT pre IFRS 16 \$13.5M), subject to trading execution and market conditions.

Chief Executive Officer, Karl Gradon, said the Company is operating with greater discipline and execution clarity. “We are maintaining a rigorous focus on operating fundamentals - cost control, inventory management and disciplined capital allocation.”

“At the same time, we are strengthening the drivers of long-term value - brand and innovation differentiation, digital and direct-to-consumer capability, and major retail and strategic partnerships. The result of this work is evident in our first-half performance.”

Mr Gradon said the Company is executing the turnaround while positioning for the next phase of category development.

“As we continue to stabilise and strengthen the business, the Mānuka honey category continues to evolve – and while this does present challenges, the long-term opportunity remains significant. Capturing that opportunity requires innovation, diversification and clear differentiation.

“The work underway today is building strong foundations - not only to support sustainable growth, but to position Comvita to lead this next phase of category development.

“I would like to acknowledge the strength of our leadership team and the dedication of all our global team, whose focus and commitment have been central to the progress achieved over the past six months.”

Financial Performance

Revenue increased to \$118.0 million, driven primarily by strong volume and sell-through in the US club-retail wholesale channel, improving overhead recoveries and supporting profitability. This offset sales challenges in the US club-retail digital channel and ANZ market, with other markets broadly stable overall.

Operating expenses reduced 13.6% to \$49.7 million, reflecting continued cost discipline and benefits from FY25 cost-out initiatives. Transaction-related costs of \$1.4 million were included in the first-half result. Normalised EBIT improved to \$10.0 million, reflecting improved operating leverage and portfolio diversification. NPAT was \$4.6 million, representing a material improvement year-on-year.

Balance Sheet and Cash Flow

Balance sheet strength improved during the period, supported by disciplined working capital management and improved operating performance.

Operating cash flow of \$20.8 million reflected improved earnings quality and cash conversion. Inventory normalisation generated \$22.5 million of cash inflow and materially improved the cash conversion cycle. Net debt reduced by \$13.7 million to \$48.7 million (June 2025 vs. December 2025), ahead of expectations. Further working capital improvements are not expected to the same level in the second half.

Banking Facilities

Constructive discussions continue with the Company’s lending syndicate regarding the extension of banking facilities beyond April 2026, subject to completion of the recapitalisation plan. The Board thanks its banking partners for their continued support.



Recapitalisation Process Update

The recapitalisation process is progressing to plan, with the Board focused on achieving its core objectives, including ensuring certainty, participation for all eligible shareholders and minimising shareholder dilution.

The Board has confirmed credible expressions of interest from both existing and prospective investors to support and potentially underwrite the capital raise. Expressions of interest have been at pricing levels above the current market price.²

This includes interest from an offshore strategic investor in the food and beverage sector to underwrite a capital raising at a share price of \$0.80 per share and a level materially above the minimum \$25 million required to position the company appropriately, providing the Company with increased financial flexibility.

If that option were progressed, the ultimate shareholding of the strategic investor would be determined by participation of existing shareholders in the capital raise and may require shareholder approval and Overseas Investment Office consent.

The Board is carefully assessing these options alongside continued constructive engagement with the Company's lenders regarding the potential extension of banking facilities.

The Board will keep shareholders informed in line with continuous disclosure obligations. Current timing for the recapitalisation is aligned with the April 2026 banking facility expiry.

Outlook

Full-year guidance remains unchanged, with normalised EBIT expected to be approximately \$14.3 million (normalised EBIT pre IFRS 16 \$13.5M) and remains subject to trading execution and market conditions.

While the first half delivered a strong result, the Company remains mindful of the key value drivers and challenges still to come which will influence the full-year outcome. These factors are being closely monitored and actively managed, including:

- Headwinds from ANZ and FX. Continued solid performance across other markets is currently offsetting these pressures.
- Key commercial partner in North America - sell-through in line with forecasts.
- Manuka honey season – currently in line with expectations.
- Lunar New Year – managing for maximum profitability (not just revenue) with results not yet known.

Second-half performance is expected to reflect normal seasonal patterns.

ENDS

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² Comvita Limited share price as at close of business 20 February 2026 was \$0.61.



Background information

Comvita (NZX:CVT) was founded in 1974/5, with a purpose to heal and protect the world through the natural power of the hive. With a team of 400+ people globally, united with more than 1.6 billion bees, we are the global market leader in Mānuka honey and bee consumer goods. Seeking to understand, but never to alter, we test and verify all our bee-product ingredients are of the highest quality in our own government-recognised and accredited laboratory. We are growing scientific knowledge on Mānuka trees, the many benefits of Mānuka honey and propolis and bee welfare. We have planted millions of native trees, improving our natural ecosystems and biodiversity, and mitigating climate change in conjunction with our focus on carbon emissions reduction, while helping ensure the supply of high quality Mānuka honey. In 2023 Comvita was certified B Corp, a global community of like-minded companies that strive to balance profit with purpose, seeking to use business as a force for good. Comvita has operations in Australia, China, North America, Southeast Asia, and Europe – and of course, Aotearoa New Zealand, where our bees are thriving.