

**23 September 2021**

**Me Today Update on King Honey Acquisition and trading**

**Auckland, New Zealand:** Me Today Limited (NZX: MEE) provides an update on the recent acquisition of the King Honey business together with an overview of the recent trading of its Me Today brand.

**King honey Acquisition**

Me Today Limited completed the acquisition of King Honey Limited on 30 June 2021. The Me Today team have been integrating the King Honey management and employees into the Me Today group in the 90 days since acquisition.

The Auckland based King Honey team have been relocated into the Newmarket offices of Me Today creating a new fresh base for the sales, marketing, and finance functions of the newly combined team to operate from.

King Honey operates two brands, the BEE + brand and the SuperLife Brand. Since acquisition Me Today has engaged a creative agency to refresh the SuperLife brand and has been working hard to expand the channel footprint for the brand. The group is expecting to launch the new branding in the NZ Market during October, and it is in discussion with a number of parties internationally regarding the launch of the SuperLife brand in market this financial year. The group has also been working to expand the Me Today product range to include Manuka Honey and will launch new honey products into the range prior to Christmas. These products will launch internationally in existing channels as part of the extended Me Today range.

King Honey produces high quality Manuka Honey through its network of 18,000 beehives and 3,600 queen bee rearing hives placed across the North Island of New Zealand and into the Marlborough region. The Bee Keeping operations are complimented by a distribution and production facility in Taupo, New Zealand. The company is well placed to take advantage of expansion in sales through the SuperLife and Me Today honey brands.

As part of the sales and brand led strategy, the group has recently added to its senior management team appointing Mike Durbin as Group Director of Sales and Stephanie Shennan as Head of Marketing. Both Stephanie and Mike have a wealth of knowledge, particularly in the honey space, both having worked for Manuka Health over a number of years in senior roles.

For King Honey the most important customer relationship currently is the partnership relating to the BEE+ Brand. This brand is well established in the Chinese market with an extensive reach created by the brand principal and distribution partner. King Honey continues to work to enhance this relationship and the company is about to launch product extensions into the market as part of the BEE+ brand such as lozenges, snaps, propolis Gel tabs and Sprays.

In discussions with the BEE+ brand partner, Me Today has established that the partner was holding a large amount of inventory of BEE+ products in market in China. The amount of inventory is more than the Me Today group expected as a result of enquires through the due diligence carried out leading into the acquisition. The group is in discussions with the vendor in respect to this level of inventory.

As a result, the company expects sales to be considerably less than anticipated for the year ended 31 March 2022. Based on information available to the company right now it expects that sales for the nine-month period from acquisition date to 31 March 2022 will be NZD 10million for the King Honey business. At EBITDA the company expects the King Honey business to be breakeven prior to any acquisition accounting adjustments

The company's first reporting period including the accounting for the acquisition will be the period to 30 September 2021, to be reported by 30 November.

### **Me Today Brand**

On 31 May 2021 Me Today Limited reported strong progress as it invested into building the Me Today brand and business globally. The key highlights for the year ended included:

- Renewal of the retail distribution agreement with Green Cross Health in New Zealand, with the Me Today range now stocked in 300 Unichem and Life pharmacies around the country, and access opened up to other select retailers
- New global distribution partnerships signed in Japan, Ireland, and Australia, providing access to hundreds of new retail outlets
- Access to the Chinese consumer via the cross-border e-commerce channel, having established the Me Today Tmall flagship store

In the period to date this financial year Me Today has continued to build on this success.

It has continued to increase sales and brand presence within New Zealand through increased ranging in store through the Green Cross network, ranging now includes 48 supplement and skincare products across six shelves in store. In addition, the brand is now listed in over 100 stores outside of the Green Cross network.

Internationally the brand launched in Ireland with its distribution partner UniPhar. Me Today is now listed in 70 stores throughout Ireland, and is targeting 100 before the end of March 2022. Me Today went live with its launch event hosting 30 media and key influencers at Dylan hotel in Dublin this week. Uniphar have been pleased with the success of the brand in these very early stages of launch and have already placed additional purchase orders.

Me Today is working closely with Mash Beauty Co Lab in Japan activating the brand throughout September and October, with Mash debuting the brand at Biople Fes, prior to launching in Biople stores on the 01<sup>st</sup> of November 2021. In Australia, Me Today has a clear plan with Adore Beauty seeing the brand launch mid-November with nine TGA approved supplements along with eleven products from its skincare range. This includes a selection from the Me Today Women's Daily range, Me Today Botanical skincare range and Me Today Vitamin Serum ranges.

The business continues to invest strategically in its Me Today Tmall flagship store. Having a presence direct to market in China through the cross border model is important to the business.



Since 31 May, Me Today has developed and launched a women's Daily AHA Exfoliant, a range of 3 men's facial skincare products, a Plant Collagen+ range of 100% natural women's facial skincare products and 2 botanical skincare products; Me Today Virgin Marula Oil and Me Today Clarifying Facial Oil.

Given the early success of the launch in Ireland, and sales of products in both New Zealand and other international markets, the company reconfirms its guidance expecting gross revenue for the Me Today brand to be at least \$3m. The company continues to invest ahead of revenue in expanding and growing the sales and the footprint of the Me Today brand both in the New Zealand market and internationally.

The Covid-19 pandemic continues to impact the performance of the company's brands in New Zealand and in international markets. Restrictions on movements through varying level of lockdown from country to country make it difficult to carry out business, especially when brand and market growth are a core part of strategy. In New Zealand the extended lockdown at Level 4 has impacted retail pharmacy sales. The business will continue to monitor sales performance as impacted by Covid-19 and it will update the market should conditions further impact trading.

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**About King Honey**

King Honey is one of New Zealand's premium Manuka Honey producers. King Honey began operations in 2016 with a vision to bring highly skilled beekeepers together to develop a fully integrated Manuka honey brand. It has a network of 18,000 bee hives and 3,600 queen bee rearing hives placed across the North Island of New Zealand and into the Marlborough region. As well as servicing the domestic market, the business exports into the UK, Europe, USA and Asia. King Honey's team consists of over 75 experienced and highly skilled members focused on developing and maintaining excellent landowner relationships, risk management, high quality beekeeping and optimisation of locations and assets. The business currently operates two brands – the established BEE+ brand and the Superlife brand, which was launched in 2020. The BEE+ brand is 85% owned by Access Brand Management Pty Limited (ABM) – an Australian operated, Chinese owned, brand development, marketing and distribution company. King Honey controls its supply chains with a high

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percentage of supply being its own. This production focuses on the high value UMF Manuka Honey.. King Honey's business reputation, vertical integration and track record with landowners has been a major catalyst to its growth.

### **About Me Today**

Me Today is a New Zealand owned and operated, lifestyle and wellness company with a nurturing spirit. Its mission is to encourage positive change in the lives of its consumers through simple yet effective, daily self-care. Based on science and tradition, Me Today's range of supplements and skincare is thoughtfully formulated in New Zealand using clean, high-quality ingredients. Made effective and modern with self-care at its core, Me Today offers an efficacious cross-category product range that is easy to shop, and made with the environment in mind. Created to help people put themselves first so that they are at their best to then look after the people around them.

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Me Today. Me Today supplements are made from premium quality formulas based on scientific and traditional evidence, formulated for busy lifestyles. All products are encapsulated in easy to swallow vegetable capsules and are packed in glass vessels for efficacy and environmental reasons.

Me Today Skincare is enriched with essential botanicals, antioxidants and vitamins blended specially to hydrate, protect, and comfort your skin. The entire Me Today skincare range is cruelty-free, vegan and/or vegetarian friendly, formulated without parabens, SLS/SLES, Phthalates, and is made from 93%+ naturally derived ingredients.

Me Today has a clear focus on researching, understanding, and formulating relevant product solutions. New products are continually under development in the supplement and skincare categories to cater to changing consumer demand globally.

### **About The Good Brand Company Limited**

Established in 2018 to grow agency brands. Specialists in the Health, Natural Skincare, and Wellbeing spaces. Currently selling products in Pharmacy (Green Cross Health, Chemist Warehouse, Bargain Chemist, Independent Pharmacy, Countdown Pharmacy) and Health stores, with a dedicated national sales team. On behalf of its brand partners currently, The Good Brand Company has products in over 600 stores around New Zealand. As part of the service provided, The Good Brand Company is also a commercial partner to brands, offering services such as key account management, supply and demand reviews, 4pl warehousing & logistics options, go-to-market strategy input, trade marketing, brand marketing, and ultimately a good level of understanding of the New Zealand retail environment. The Good Brand Company has positioned itself as the New Zealand sales partner for brands wanting an effective yet efficient way to sell into New Zealand retailers. The Good Brand Company believes in working with Good Brands, has Good people, and offers Good service.

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