



## MEDIA RELEASE

### **Douglas Pharmaceuticals strikes deal with Vital Foods to acquire its Phloe® digestive health business**

**Auckland, New Zealand September 1, 2015:** New Zealand's largest pharmaceutical manufacturer, Douglas Pharmaceuticals, has bought the Phloe digestive health business in New Zealand, with an option for additional territories, from Auckland-based Vital Foods for an undisclosed sum.

Vital Foods CEO Justus Homburg was pleased to announce that the sale of the New Zealand Phloe product line to Douglas Pharmaceuticals not only allows for the growth of Phloe in New Zealand, but it also enables Vital Foods to focus more effectively on the international market for Phloe products.

Phloe Bowel Health contains Zyactinase®, a proprietary kiwifruit extract with a unique mode of action derived from naturally occurring prebiotics, enzymes and fibre that aids regular and efficient bowel function.

"Phloe is well supported by clinical evidence so the brand fits in well with our existing research-based Clinicians™ range of health supplements. This acquisition provides an exciting opportunity and we intend to grow the brand in New Zealand," comments Douglas Pharmaceuticals' Managing Director, Jeff Douglas.

Phloe is widely distributed through grocery and pharmacy channels.

Jeff Douglas says the latest acquisition is in line with the organisational strategy to further develop its successful domestic business.

Founded in 1967 by Sir Graeme Douglas, the company employs around 460 people marketing and distributing its product domestically, and exporting to a further 45 countries worldwide.

Vital Foods, founded by Dr Bruce Donaldson and Mike Hollier and supported by a group of angel investors in 1999, has been funded since 2007 by a group of experienced consumer healthcare sector investors including Inventages Venture Capital, Nestlé Health Science and BioPacific Ventures. Vital Foods operates a kiwifruit extract manufacturing facility in Auckland and manufactures and distributes products containing Zyactinase internationally.

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