



6 May 2016

Blackmores acquires Global Therapeutics, Australia's leading Chinese herbal medicine company

Blackmores Limited (ASX:BKL), Australia's leading natural health company, today announced the acquisition of Global Therapeutics Pty Ltd (Global Therapeutics), Australia's leading provider of retail Chinese herbal medicine formulations through the brands Fusion® and Oriental Botanicals®.

Blackmores will acquire 100% of Global Therapeutics for A\$23 million subject to customary adjustments. The acquisition will be debt-funded and is expected to be earnings accretive in the first full year under Blackmores ownership.

In the last 12 months Global Therapeutics delivered \$20 million in invoiced sales and \$3.0 million earnings before income tax, depreciation and amortisation.

Global Therapeutics was established in Byron Bay in 1999 as Fusion® Health by naturopath and medical herbalist Paul Keogh and natural health industry veteran Geoff Teasel. The product range is based on the combination of incorporating herbal extracts used in China for more than 2,000 years with those validated by modern science. The Fusion® range has a leading position in health food stores, while its sister range, Oriental Botanicals®, is the leading brand in this category in pharmacy.

The acquisition of the two highly respected brand names, full product portfolio and more than 40 staff will further cement Blackmores' position as the number one provider of natural health products in Australia while also giving the company a leadership position in the health food store channel.

"The acquisition of Global Therapeutics affirms Blackmores' position as the leading natural health company in Australia and gives us a foothold in the rapidly growing Chinese herbal medicine market," said Blackmores Chief Executive Officer, Christine Holgate. "The Blackmores Group now has leading brands in pharmacy, health food stores and the practitioner market."

"Through its leading brands Fusion® and Oriental Botanicals® Global Therapeutics has established an enviable position in the health food store and pharmacy channels highlighting the growing acceptance of Chinese herbal medical treatments in Australia," she said. "They have a strong reputation for innovation and a growing product range."



“In the future, Global Therapeutics will also provide us a new product portfolio to sell through our existing distribution networks in Asia while also deepening our understanding of Chinese herbal medicine,” she said. “It will bring us closer to our Chinese consumers in Australia which will underpin our growth success internationally, and it will give us further scale to boost our operational effectiveness.”

With over 4,700 registered traditional Chinese medicine practitioners in Australia, as well as the growing use of Chinese herbs in self-selection channels, Blackmores sees considerable opportunity in this \$170 billion global market.

“The acquisition furthers our strategy of product leadership and channel diversity within the category we operate,” she said.

The transaction is scheduled to complete on 10 May 2016.

For further information, please contact:

Sally Townsend
Head of Communications
Blackmores Ltd.
M: 0419 225 781

Christine Holgate
Chief Executive Officer
Blackmores Ltd.
M: 0409 102 122