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**Press Release**

## **Record half-year result for PharmaZen**

Biotechnology company PharmaZen Limited has recorded a record half year pre-tax profit for the six months ending June 2018.

Earnings before interest tax and depreciation jumped by more than \$1million with pre-tax profit of \$785,000 turning around the prior year loss of \$170,000. Turnover for the period was \$5.56m compared with \$3.75m for the first six months of 2017, a 48% increase.

Based in Christchurch, PharmaZen is an innovative developer, manufacturer and marketer of science based, natural nutritional ingredients. Shares in PharmaZen are traded through the Unlisted securities trading platform.

Chief Executive Officer Craig McIntosh described the result as extremely pleasing and believes this result provides a glimpse of the future growth potential for the business.

“Last year (2017) was an exceptionally disruptive year with the culmination of multiple projects putting pressure on infrastructure. The bulk of these projects have now been completed and we are starting to reap the benefits.

“Both the new multipurpose extraction facility and the expanded freeze-drying facilities are now fully commissioned, operational and generating profit,” he said.

Apart from the plant and equipment projects the company is continuing to invest in research and development projects and has just been awarded a US patent for one of its bone health products marketed under the StimuCal™ and MCH-Cal™ trademarks (High Osteocalcin Microcrystalline Hydroxyapatite for Calcium Supplement, US patent No. 9,974,841 B2). It is already sold globally as a supplement to optimise bone mineral density, but the additional certification is likely to further extend its reach.

“We expect to continue to see growth in this area but it’s pleasing to note that demand is up across all ranges. We are particularly pleased with our CollaMex™ collagen, a product used for joint health and skin care supplements, which has already surpassed 2017 full year sales,” he said.

It is the growth in the botanical area, however, that has McIntosh most excited.

“Kiwifruit has been one of our major focus areas and we have seen a 250% increase in sales of our ActiPhen pure kiwifruit extract on the same period 2017.”

ActiPhen has exceptionally high levels of the enzyme actinidin and is used as a digestive health supplement.



McIntosh is expecting the growth to continue to accelerate with the company running a major clinical trial involving 100 participants for a second generation product they will be launching later in 2018.

With the major expansion in place and the company experiencing substantial growth, PharmaZen has made significant senior appointments to strengthen the management team.

Ben Alberts, formerly Chief Executive Officer for Globepak – South Africa’s largest sports nutrition manufacturer - has been appointed Chief Operating Officer and Gary Monk, formerly General Manager of Gelita New Zealand, as Chief Technical Officer.

“We are extremely excited by both appointments with both Ben and Gary having specific skills that are already making immediate contributions to the current business but, more importantly, skills that are aligned with our future expansion aspirations,” he said.

**Further information:** Craig McIntosh, P: 337-4852 | 021-372-069