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OBJ executes \$85 million agreement to acquire Nutrition Systems

OBJ Limited (ASX:OBJ) has conditionally agreed to acquire 100% of Export Corporation (Australia) Pty Ltd, which owns and operates the Nutrition Systems business, a distributor of nutrition products.

Nutrition Systems is a highly profitable distributor and wholesaler of nutritional wellness products in Australia and New Zealand.

This acquisition is expected to strengthen OBJ's growth by positioning it closer to target markets and the end consumer through Nutrition Systems distribution network of specialty stores, major pharmacy and grocery chains.

It will also allow the Nutrition Systems business to access OBJ's technology platforms and manufacturing expertise.

Consideration of \$85 million

The total acquisition consideration is \$85 million of which \$50 million will be satisfied with cash from a proposed capital raising and \$35 million in equity.

Established in 1991, Nutrition Systems was one of the first companies in Australia to import health, wellness and sports nutritional products from the United States of America.

For over 25 years, Nutrition Systems has been importing and distributing the highest quality sports nutrition products from the USA, with a focus on innovative and effective products.

Leading wellness brands

Nutrition Systems distributes leading nutritional wellness brands including Cellucor, Scivation, Muscle Pharm, ProSupps, Ghost, GAT Sports, BPI, Lenny & Larry's and Quest Nutrition.

These products are distributed through major grocery and pharmacy platforms including Woolworths, IGA, Coles and Costco, Chemist Warehouse and Terry White Chemists, convenience stores, including Caltex and EzyMart.

It also distributes through hundreds of speciality health and wellness retailers and online, including Nutrition Zone, Elite Supplements, Supps R Us and Supplement Mart.

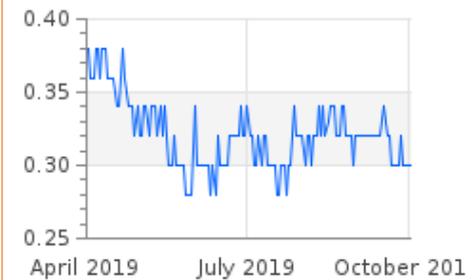
Extensive R&D

In addition to maintaining an efficient distribution network with next-day delivery to most customers, Nutrition Systems undertakes extensive and ongoing product research and development of sports nutrition products.

Price: 0.015

Market Cap: \$27.14 m

1 Year Share Price Graph



Share Information

Code: OBJ

Listing: ASX

52 week High Low
0.42 0.26

Sector: Pharma & Biotech

Website: www.obj.com.au

Company Synopsis:

OBJ Ltd (ASX:OBJ) is listed on the Australian Securities Exchange.

action@proactiveinvestors.com.au

The business operates more than 9,000 square metres of distribution facilities in Australia and New Zealand and employs more than 60 staff.

Its flagship magazine 'Inside Fitness' has a circulation of 20,000 copies per issue while the business also sponsors sports organisations, including Perth Wildcats, Sydney Roosters, the Hurricanes and New Zealand Warriors.

OBJ will be required to obtain approval for the transaction from its shareholders at a general meeting.

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Contact us +61 (0)2 9280 0700 action@proactiveinvestors.com.au

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