



9 August 2019

ASX Announcement (ASX: S66)

Star Combo announces termination of the Bio-E Share Sale Agreement

Star Combo Pharma Limited (ASX: S66) (**Star Combo** or **Company**) advises that the share sale agreement dated 3 July 2019 (**Share Sale Agreement**) and announced by the Company to ASX on 8 July 2019 in relation to the proposed acquisition of 100% of the shares in Bio-E Australia Pty Limited (**Bio-E**) has been terminated.

The Company and the vendors of the Bio-E business mutually agreed to terminate the Share Sale Agreement and release each other from all obligations, claims and liabilities arising under the Share Sale Agreement. The principal reason for the termination was a deterioration in the relationship between the Company and vendors of Bio-E. While the termination is regrettable, given the importance of the vendors to the continued operation and growth of Bio-E, the directors determined that in the circumstances it is in shareholders' best interests not to proceed with the proposed acquisition. No break fee is payable by the Company as a result of the termination of the Share Sale Agreement.

The Company will continue to manufacture for Bio-E on usual commercial terms.

The Company advises that the extraordinary general meeting convened for 20 August 2019 to consider various resolutions in relation to the proposed acquisition of Bio-E has been cancelled. Notice of the cancellation will be sent to shareholders.

Given the termination of the Share Sale Agreement, the Company has decided to cancel the Share Purchase Plan announced by the Company to ASX on 8 July 2019. Any application moneys received by the Company under the Share Purchase Plan will be returned to participating shareholders.

The Company has also cancelled the proposed \$50 million placement to professional and sophisticated investors the proceeds of which were intended to fund the cash component of the consideration payable under the Share Sale Agreement.

Richard Allely
Chairman
Star Combo Pharma Limited