



27 May 2020

Successful Completion of A\$33.3million Placement at \$0.68 per share

- Strong cash position after successful completion of A\$33.3million share placement to Goldenmax, a strategic partner in China
- Placement to fund substantial capital investment to increase market share in the Australian health supplement sector
- Capital investment to increase production capacity, build a new R&D facility at Smithfield NSW and significantly improve price competitiveness in target markets

The Board of Star Combo Pharma Limited (ASX: S66, Star Combo, the Company) is pleased to announce that it has received the full proceeds of the private placement from Goldenmax International Technology Ltd (**Goldenmax**), and as approved by shareholders at the Extraordinary General Meeting (**EGM**) held on the 23rd April 2020 has issued 49,000,000 million shares to Goldenmax.. The proceeds of the placement, while strengthening the Company's balance sheet, will provide the necessary strategic funding to support the company's strategy of being a leading Australian manufacturer and distributor of premium vitamins and nutritional products.

The funds will be primarily allocated as follows:

1. Expansion of the manufacturing facility at Smithfield NSW with a key focus on OEM and ODM segments;
2. Construction of a new R&D and testing laboratory;
3. Programs to drive operational efficiency and effectiveness; and
4. General Working Capital requirements.

Goldenmax and new Board of Directors Appointments

The Company welcomes Goldenmax as a substantial shareholder (36.1%) and the appointment of two directors from Goldenmax onto the Board of Star Combo. Goldenmax is a public company (002636) listed on the Shenzhen stock exchange with a market cap of CNY ¥6billion. The core business is manufacturing of copper clad laminates and pharmaceutical materials in China.

Appointment of **Mr Jialong Ding** – vice president of Pharmaceutical division of Goldenmax, former director, chairman, CEO and senior executive of several large pharmaceutical companies in China.

Appointment of **Ms Wei Han** – vice chairperson and executive director of Goldenmax, with over 30 years of experience in business and financial management.



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The Company's Chairman Richard Allely commented: "We are very excited to have Goldenmax invest in our company and bring with that investment a significant sales and distribution network across China, as well as strong process manufacturing and business expertise. The combination of a strong balance sheet and Star Combo's manufacturing and product development experience will underpin the company's strategy to establish itself as a market leader in the vitamin and nutritional products manufacturing sector in Australia."

For more information please contact:

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About Star Combo Pharma Ltd

Star Combo Pharm (ASX: S66) is a leading distributor and manufacturer of branded premium health and natural beauty products. Based in Sydney, our products are distributed to both local Australians and to overseas markets. Star Combo has offices and distribution agreements in China and currently supplies Australian pharmacy lines as well as distribution to over 450 Terry White and Symbion Chemists and wholesale customers in Australia and China. Directed by pharmacists and experts in health supplement manufacturing, Star Combo's vision is to curate health products made from natural ingredients with scientific R&D and manufacturing practices. Since its establishment in 2004, Star Combo has demonstrated strong product and business development and continues its vision to expand our current operations to serve our loyal business partners, customers and employees.