



11 October 2021

ASX Announcement

Star Combo Pharma Limited (Star Combo) signs agreement with leading Vietnamese distributor to drive APAC sales

- **Star Combo has secured a distribution agreement with a leading Vietnamese distributor, Happy Co. Ltd for its proprietary health supplements product range, *Costar***
- **Exclusive agreement with minimum order quantities equating to \$A1 million**
- **Vietnamese health supplement market is valued at GBP423.1 million and is rapidly growing due to an increasing middle class and an aging population**
- **The agreement includes a strategic equity link which rewards the distributor for exceeding set sales targets**

Star Combo announced today it has signed a 12-month exclusive distribution agreement with a leading Vietnamese distributor, Happy Co. Ltd, for the widespread sales and distribution of the Company's proprietary health supplement product line, *Costar* across Vietnam.

Costar is Star Combo's wholly owned and proprietary range of health supplements and nutraceuticals products that are manufactured at its TGA approved and HACCP certified plant in Smithfield, NSW. This agreement provides Star Combo with direct access to the growing Vietnamese market via Happy Co's well established and extensive distribution channels. These channels include pharmacy, TV shopping channel, e-commerce and the chain store system across both wholesale and retail.

Vietnam's vitamin and health supplement market is currently valued at GBP423.1 million and has grown by over 13% in the last five years, and is expected to continue¹. This growth derives heavily from the rapid growth in the Vietnamese middle class, that reached 12.5 million in 2020, and an aging population that is expected to reach 14% of the total population by 2039².

Under the terms of the agreement, Happy Co. has been appointed as an exclusive wholesale and retail distributor of *Costar* products in Vietnam for a period of one year. This agreement also includes minimum order quantities equating to \$A1 million. On satisfaction of these minimum order quantities Happy Co. may renew the distribution agreement for a further two years.

No other Australian products with the same formulation will be distributed in Vietnam by Happy Co.

Commenting on the agreement, Star Combo CEO Su Zhang said, "All across the globe people are looking to improve their health in the wake of the COVID pandemic. The world's population is striving to be as healthy as it can be via preventative health products such as ours, and as a result, we are experiencing an increase in demand for our product range, particularly in the APAC region. This agreement with Happy Co will enable us to access a greater distribution network, and has the potential to create further supply opportunities in the region and beyond for the company going forward"

-ENDS-

¹ <https://britchamvn.com/wp-content/uploads/2021/08/Vietnam-Health-Supplements-Report.pdf>

² <https://britchamvn.com/wp-content/uploads/2021/08/Vietnam-Health-Supplements-Report.pdf>

This ASX announcement has been approved by the Star Combo Pharma Board of Directors.

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About Star Combo Pharma

Star Combo Pharma Ltd (ASX: S66) is a Sydney based contract manufacturer of vitamins, health and beauty products with a portfolio of own brands and distribution capabilities. Our products are made from natural ingredients with scientific R&D and adheres to the highest manufacturing practices governed by the Therapeutic Goods Administration. Star Combo has offices in China and currently supplies the Australian pharmacy network through 450 Terry White Chemmart stores as well as wholesale customers in Australia and China. Directed by pharmacist and experts in health supplement manufacturing, Star Combo's vision is to be the leading manufacturer of premium vitamins and dietary supplements in Australia. Since its establishment in 2004, Star Combo has demonstrated strong product and business development and continues to expand our current operations to serve our loyal business partners, customers and employees.