

STAR COMBO PHARMA LIMITED

ACN 615 728 375

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of members of Star Combo Pharma Limited (**Company**) is to be held for the purpose of conducting the business of the meeting as itemised.

Venue: Star Combo Conference Room
171 – 177 Woodpark Rd, Smithfield, NSW, 2164.

Date: Wednesday 28th November 2018

Time: 11.00 a.m. (Sydney time)

BUSINESS OF THE MEETING

Financial Statements and Reports

To receive and consider the Financial Statements and Reports of the Directors and Auditor for the financial year ended 30 June 2018.

Resolution 1: Re-election of Director – Mr Richard Allely

To consider, and if thought fit, to pass the following resolution as an **ordinary resolution**:

“That Mr Richard Allely, having been appointed a non-executive Director on 2 February 2018 and, being eligible, offers himself for re-election, be re-elected as a non-executive Director of the Company in accordance with the Constitution.”

Resolution 2: Re-election of Director – Ms Su Zhang

To consider, and if thought fit, pass the following resolution as an **ordinary resolution**:

“That Ms Su Zhang, having been appointed an executive Director on 4 November 2016 and, being eligible, offers herself for re-election, be re-elected as an executive Director of the Company in accordance with the Constitution.”

Resolution 3: Re-election of Director – Mr Craig Bottomley

To consider, and if thought fit, pass the following resolution as an **ordinary resolution**:

“That Mr Craig Bottomley, having been appointed a non-executive Director on 17 April 2018 and, being eligible, offers himself for re-election, be re-elected as a non-executive Director of the Company in accordance with the Constitution.”

Resolution 4: Re-election of Director – Dr Ziyue Sui

To consider, and if thought fit, to pass the following resolution as an **ordinary resolution**:

“That Dr Ziyue Sui, having been appointed a non-executive Director on 21 June 2018 and, being eligible, offers herself for re-election, be re-elected as a non-executive Director of the Company in accordance with the Constitution.”

Resolution 5: Remuneration Report

To consider, and if thought fit, pass the following resolution as an **ordinary resolution**:

“In accordance with Section 250R of the Corporations Act, the Company adopts the Remuneration Report as set out in the Directors’ Report for the year ended 30 June 2018.”

Voting Exclusion Statement

The Company will disregard any votes on Resolution 5 by or on behalf of a member of the Key Management Personnel of the Company (including Directors) (“**KMP**”) whose details are included in the Remuneration Report, or their closely related parties. However, the Company need not disregard a vote cast by a KMP or closely related party of the KMP if:

- (a) the person is acting as proxy and the proxy form specifies how the proxy is to vote, and the vote is not cast on behalf of a person who is otherwise excluded from voting on this Resolution as described above; or
- (b) the person is the Chair voting an undirected proxy which expressly authorises the Chair to vote the proxy on a resolution connected with the remuneration of a member of the KMP.

Note: The vote on this resolution is advisory only and does not bind the Directors or the Company.

Resolution 6: Non-Executive Director – aggregate remuneration

To consider and, if thought fit, pass the following resolution as an ordinary resolution, with or without modification:

“That, for the purposes of Listing Rule 10.17, Rule 31.1 of the Constitution and all other purposes, the maximum aggregate annual remuneration payable to non-executive Directors of the Company be increased from \$150,000 to \$300,000 per annum.”

Voting Exclusion Statement

The Company will disregard any votes cast in favour of Resolution 6 by or on behalf of any Director and any associate of a Director, as well as any votes cast as a proxy by a member of the KMP or their closely related parties acting as a proxy.

However, the Company need not disregard a vote if cast by:

- (a) the person acting as proxy and the proxy form specifies how the proxy is to vote, and the vote is not cast on behalf of a person who is otherwise excluded from voting on this Resolution as described above; or
- (b) the Chair as proxy for a person who is entitled to vote, voting an undirected proxy which expressly authorises the Chair to vote the proxy on a resolution connected with the remuneration of a member of the KMP.

Resolution 7: Re-appointment of Company Auditor

To consider, and if thought fit, pass the following resolution as an ordinary resolution:

“That, in accordance with Section 327B of the Corporations Act, BDO East Coast Partnership be re-appointed as auditor of the Company.”

General

To consider any other business as may be lawfully put forward in accordance with the Constitution.

Other Information

The Explanatory Memorandum accompanies and forms part of this Notice.

All Shareholders should read the Explanatory Memorandum carefully and in its entirety. Shareholders who are in doubt regarding any part of the business of the annual general meeting should consult their financial or legal adviser for assistance.

Voting by Proxy

Any Shareholder of the Company entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote instead of that Shareholder.

The proxy does not need to be a Shareholder of the Company. A Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If no proportion or number is specified, each proxy may exercise half of the Shareholder's votes (in which case any fractional votes will be disregarded).

Proxies must be:

- (a) lodged at the Company's share registry, Link Market Services; or
- (b) faxed at the fax number specified below,

not later than 11.00 a.m. (Sydney time) on Monday 26 November 2018.

Link Market Services (hand deliveries)

Link Market Services
Level 12, 680 George Street,
Sydney, NSW 2000

Link Market Services (postal deliveries)

Link Market Services
Level 12, 680 George Street,
Sydney, NSW 200

Fax number for lodgment

+61 2 9287 0309

Online

www.linkmarketservices.com.au

A form of proxy is provided with this notice.

Proxies given by corporate Shareholders must be executed in accordance with the Corporations Act and their constitutions, or signed by a duly authorised attorney.

A proxy may decide whether to vote on any motion, except where the proxy is required by law or the Constitution to vote or abstain from voting, in their capacity as proxy. If a proxy is directed how to vote on a resolution, the proxy may vote on that item only in accordance with that direction. Any directed proxies which are not voted on a poll will automatically default to the chair of the Meeting, who must vote the proxies as directed. If a proxy is not directed how to vote on a resolution, a proxy may vote as they think fit. If a Shareholder appoints the Chair of the Meeting as a Shareholder's proxy and does not specify how the Chair is to vote on the resolution, the Chair will vote, as proxy for that Shareholder, in favour of the resolution.

Voting by corporate representatives

A corporate Shareholder wishing to appoint a person to act as its representative at the Meeting must provide that person with an authority executed in accordance with the Company's constitution and the Corporations Act authorising him or her to act as a corporate representative. The authority must be sent to the Company or its share registry in advance of the Meeting or be handed in at the Meeting when registering as a corporate representative.

Entitlement to Vote

In accordance with Section 1074E(2)(g)(i) of the Corporations Act and Regulation 7.11.37 of the Corporations Regulations, the Company has determined that for the purposes of the meeting all shares will be taken to be held by the persons who held them as registered Shareholders at 7.00 p.m. (Sydney time) on Monday 26 November 2018. Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.

Shareholder questions and comments

The Chair of the Meeting will provide Shareholders with an opportunity at the meeting to ask questions and make comments.

By Order of the Board
Star Combo Pharma Limited

A handwritten signature in black ink, appearing to read 'Patrick Raper', written over a horizontal line.

Patrick Raper
26 October 2018

17 October 2018

The Directors
Star Combo Pharma Limited
171 – 177 Woodpark Road
SMITHFIELD NSW 2164

Dear Board Members

Nomination of Auditor

I am a member of Star Combo Pharma Limited (**Company**).

In accordance with section 328B(1) of the Corporations Act 2001, I hereby nominate BDO East Coast Partnership of Level 11, 1 Margaret Street, Sydney, New South Wales 2000, to be appointed as auditor of the Company at the upcoming annual general meeting of the Company to be held on 28 November 2018.

Yours faithfully



Star (Jinxing) Zhang
(Shareholder and Managing Director)

STAR COMBO PHARMA LIMITED

ABN 38 615 728 375

EXPLANATORY MEMORANDUM

This Explanatory Memorandum relates to the Annual General Meeting of the Company to be held in the Star Combo Conference Room at 171 – 177 Woodpark Rd, Smithfield, NSW, 2164 on Wednesday 28 November 2018 at 11:00 am (Sydney time).

Financial Report and Reports of the Directors and Auditor

This item allows Shareholders the opportunity to consider the Financial Report, Directors' Report and Auditor's Report of the Company. Under Section 317 of the Corporations Act the Company is required to lay these three reports, together comprising the Company's Annual Report, before its Shareholders at its Annual General Meeting.

Resolution 1: Re-election of Mr Richard Allely

Under Listing Rule 14.4 a Director, other than the Managing Director, appointed to fill a casual vacancy or as an addition to the board must not hold office (without re-election) past the next annual general meeting.

Under Rule 26.3 of the Constitution, where any Director is appointed by the other Directors, that Director must offer himself or herself for election at the next annual general meeting.

Resolution 1 provides for the re-election of Richard Allely as a non-executive Director of the Company in accordance with Listing Rule 14.4 and Rule 26.3 of the Constitution.

Richard was appointed to the Board in 2018 as an independent non-executive Director and Chairman. Richard also currently sits on the board of the Australasian Medical Publishing Co Pty Limited (Chairman). Richard has previously held non-executive roles on the boards of Perisher Blue Pty Ltd, Australian Property Monitors Pty Ltd and Source Financial Inc. (a USA Public Company). He has also been an independent member of WorkCover Authority of NSW and an advisory board member of Renoir Consulting Group.

Richard was the Managing Director and CEO of PMP Limited (PMP) until 2012, when he stepped down from the position, after serving just over 10 years with the company (7 years as CFO). PMP is the largest printing and distribution company in Australia and New Zealand with a turnover in excess of \$A1 billion.

Prior to this, Richard held senior executive roles with a number of leading Australian and International companies including Tenix Pty Limited (formerly Transfield Pty Limited), John Fairfax Holdings Limited, Boral Limited, James Hardie Industries Limited and Fanner-PLP Pty Limited. Richard has significant experience in the manufacturing, building & construction and publication and media sectors within Australia and South East Asia.

Richard holds MBA, DipCM and Accounting and Commerce qualifications.

The Board, other than Mr Richard Allely, recommends the reappointment of Mr Richard Allely as a non-executive Director.

Resolution 2: Re-election of Ms Su Zhang

Su Zhang was appointed on 4 November 2016 on incorporation of the Company and also offers herself for re-election in accordance with Rule 26.6 of the Constitution.

Su has been working in the pharmaceutical industry for over 10 years, starting her career with Terry White Chemists after graduating in 2006. Upon leaving Terry White Chemists, Su worked for 3 years at Abbott Australia. She commenced at Abbott Australia as a Senior Drug Safety Associate and later moved into the role of Asia Pacific Regional Manager. In 2009, Su commenced employment with Star Combo, initially focusing her efforts on obtaining a TGA license for Costar Pharma. Su's responsibilities within Star Combo include quality control and compliance, operational management, production planning and sales cycle management.

Su holds MBA, GCComm and Pharmacy qualifications.

The Board, other than Ms Su Zhang, recommends the reappointment of Ms Su Zhang as an executive Director.

Resolution 3: Re-election of Mr Craig Bottomley

Craig Bottomley was appointed during the year and offers himself for re-election in accordance with Listing Rule 14.4 and Rule 26.3 of the Constitution.

Craig is currently the Executive Chairman and a founder of Building Interactive Pty Ltd, a technology company established in 2015 that provides a software platform for participants in the real estate sector. Craig has over 20 years' experience in establishing and developing commercial ventures covering various industries, including pharmaceuticals, technology and personal care products. Craig served as Chairman of Real Estate Agent Select Pty Ltd from 2014 to 2016. The company is an independent lead generation business in real estate. Craig assisted in securing funding, strategy and establishing corporate governance policies. Craig was a founder of ASX listed company Mayne Pharma Group Limited, serving as Chief Operating Officer and a director from 2005 to 2010. He was one of the key team members who facilitated the acquisition for Mayne Pharmaceuticals International Pty Ltd in 2009. Mayne Pharma currently ranks in the S&P/ASX 200 index.

Craig was a founder and a director of ASX listed company BWX Limited from 2013 to 2017. His role focused on strategy, acquisitions and securing funding to grow the company from a private personal care manufacturing business to a vertically integrated manufacturing and branded ASX listed business; the most significant acquisition being the brand Sulkin, which was acquired in 2015. BWX Limited became a listed ASX company in 2015 and currently ranks in the S&P/ASX 300 index.

The Board, other than Mr Craig Bottomley, recommends the reappointment of Mr Craig Bottomley as a non-executive Director.

Resolution 4: Re-election of Dr Ziyi Sui

Dr Ziyi Sui was appointed during the year and offers herself for re-election in accordance with Listing Rule 14.4 and Rule 26.3 of the Constitution.

As a senior manager in the medical device industry, Dr Sui has extensive knowledge and experience in medical device production, regulation, sales and marketing in both the Chinese and international market. With recent experience in pharmaceutical wholesale and retail business, she managed to build up a business-to-consumer (B2C) platform of homecare medical devices and healthcare products, which could be helpful for the introduction of Costar products in the Chinese market.

Dr Sui holds M.D. and PhD qualifications.

The Board, other than Dr Ziyue Sui, recommends the reappointment of Dr Ziyue Sui as a non-executive Director.

Resolution 5 Remuneration Report

Resolution 5 provides Shareholders the opportunity to vote on the Company's Remuneration Report. Under Section 250R(2) of the Corporations Act, the Company must put the adoption of its Remuneration Report to a vote at the annual general meeting. The Remuneration Report is contained in the Directors' Report (as set out in the Company's Annual Report) and can be downloaded from the Company's website, www.starcombo.com.au.

Section 250R(3) of the Corporations Act provides that Resolution 5 is advisory only and does not bind the Directors or the Company, and a failure of Shareholders to pass Resolution 5 will not require the Directors to alter any arrangements in the Remuneration Report.

The Chairman will allow reasonable opportunity for Shareholders to ask about, or make comments on, the Remuneration Report.

The Chairman intends to exercise all undirected proxies in favour of Resolution 5. If the Chairman is appointed as your proxy and you have not specified the way the Chairman is to vote on Resolution 5, by signing and returning the Proxy Form, you are considered to have provided the Chairman with an express authorisation for the Chairman to vote the proxy in accordance with the Chairman's intention.

Noting that each current executive and non-executive Director has a personal interest in their own remuneration from the Company as set out in the Remuneration Report, and that each of them (and their closely related parties) would be excluded from voting on Resolution 5, the Board recommends that Shareholders vote in favour of adopting the Remuneration Report.

Resolution 6 – Non-Executive Director – aggregate remuneration

Listing Rules 10.17 and 10.17A and Rule 31.1 of the Constitution provide that the total aggregate annual remuneration payable to non-executive Directors of the Company should not exceed the aggregate amount approved by Shareholders.

Currently, the non-executive Directors of the Company are entitled to receive a combined maximum annual aggregate remuneration of approximately \$150,000, noting the Directors of the Company are entitled to apportion and distribute this aggregate non-executive Directors

remuneration as they determine providing they do not exceed the aggregate amount previously approved by Shareholders.

It is important to note that in the current phase of activities being undertaken by the Company there may be occasions when the non-executive Directors are required to perform services that fall outside the scope of their ordinary duties as a non-executive Director. In the event that the non-executive Directors are required to perform additional duties, they are entitled, under the Constitution, to be paid for the performance of these additional duties. However, payments for the performance of additional services must also fall within the aggregate amount of remuneration for non-executive Directors that has been approved by Shareholders.

Shareholder approval is sought to set the maximum aggregate annual remuneration payable to non-executive Directors of the Company and its child entities at \$300,000 (to be divided between non-executive Directors of the Company as the Board determines).

The Board considers that this increase in the maximum aggregate annual remuneration payable to non-executive Directors is necessary to provide an ability to increase the remuneration payable to the current non-executive Directors and any additional non-executive Directors who might join the Board. Further details on the remuneration paid to non-executive Directors are set forth in the Remuneration Report contained in the Directors' Report section of the Annual Report.

There have been no securities issued to a non-executive Director under Rule 10.11 or 10.14 at any time within the preceding three years.

The Company believes that all relevant information concerning Resolution 6 required in respect of Listing Rule 10.17 is included in the text, and accompanying notes, of this resolution in the Notice of Meeting.

Resolution 7 – Re-appointment of Company Auditor

Resolution 7 seeks Shareholder approval for the re-appointment of BDO East Coast Partnership as the auditor for the Company whose tenure as auditor ceases at this meeting, being the first annual general meeting of the Company.

Section 327A(2) of the Corporations Act requires that the initial auditor of a public company holds office only until the Company's first annual general meeting. Under section 327B(1) of the Corporations Act, the Company must appoint an auditor at its first annual general meeting.

In accordance with section 328B(1) of the Corporations Act, the Company has sought and received a Shareholder nomination for BDO East Coast Partnership to be appointed as the Company's auditor. A copy of the nomination is attached to this Explanatory Memorandum. The Company confirms that BDO East Coast Partnership has given and not withdrawn its consent to act as auditor as at the date of this Notice.

If Resolution 7 is passed, the appointment of BDO East Coast Partnership as the Company's auditors will take effect from the close of the meeting.

The Board unanimously recommend that the Shareholders vote in favour of Resolution 7.

Glossary

In this Notice and Explanatory Memorandum:

\$ means Australian Dollars.

ASX means ASX Limited ACN 008 624 691, and where the context permits the Australian Securities Exchange operated by ASX.

Auditor's Report means the auditor's report in the Financial Report.

Board means the board of Directors.

Chairman means the person appointed to chair the Meeting convened by this Notice.

Company means Star Combo Pharma Limited (ACN 615 728 375).

Constitution means the constitution of the Company as at the commencement of the Meeting.

Corporations Act means *Corporations Act 2001* (Cth).

Director means a director of the Company.

Directors' Report means the annual directors' report prepared under chapter 2M of the Corporations Act for the Company and its controlled entities.

Explanatory Memorandum means the explanatory memorandum attached to the Notice.

Financial Report means the annual financial report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.

Key Management Personnel means persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

Listing Rules means the listing rules of ASX.

Meeting means the annual general meeting to which this Notice relates.

Notice means this notice of meeting.

Option means option to acquire Shares.

Proxy Form means the proxy form attached to the Notice.

Share means an ordinary share in the capital of the Company.

Shareholder means a shareholder of the Company.