



1 September 2020

ASX Announcement

## \$11 Million Transformational Investment

- **\$11 million will be invested in the acquisition of 13 new production lines along with a substantial upgrade of the existing manufacturing facility at Smithfield NSW**
- **Investment underpins the strategy to become a leading Australian contract manufacturer**
- **Project will be funded from cash reserves**

**Star Combo Pharma Limited** (ASX: S66) (Star Combo) announces the expansion of its manufacturing capabilities at its wholly-owned TGA-licensed nutraceutical manufacturing site at 171 Woodpark Road, Smithfield, New South Wales. The expansion plans will involve upgrading the existing facility and the installation of 13 new production lines.

The capital investment of circa \$11 million will enable Star Combo to cost effectively address the growing demand in both local and overseas markets for Australian made premium vitamins and dietary supplements. Approximately \$5 million will be invested to upgrade the existing manufacturing plant and a further \$6 million for the acquisition and installation of additional plant to establish 13 new production lines. The project will commence in September 2020 and will be completed within two years. This investment is the result of extensive due diligence and evaluation of growth options, and is expected to deliver a substantial ROI with a full return on investment within three years of the lines being in production.

Star Combo CEO Su Zhang said this investment underpins the company's strategy to become a leading contract manufacturer in the premium vitamins and dietary supplement sector. This is also a testament of the Company's commitment to keeping manufacturing onshore.

"We expect demand for Australian made products to continue to grow both domestically and internationally. Our competitive position will be significantly strengthened with this transformational investment and I'm excited with the future prospects for the company. I also look forward to working closely with our new investor (Goldenmax International Technology Limited) to leverage both their process manufacturing knowledge and extensive sales and distribution network as we commission the new production lines" said Ms Zhang.

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This ASX announcement has been approved by the Star Combo Pharma's 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.