

ASX ANNOUNCEMENT

22 December 2021

Australian Securities Exchange
Company Announcements Office

APPOINTMENT OF GROUP CHIEF EXECUTIVE OFFICER & MANAGING DIRECTOR

Paragon Care Limited (ASX: PGC) ("**Paragon Care**" or the "**Company**"), a leading provider of medical equipment, devices and consumables to the healthcare markets in Australia and New Zealand, is pleased to announce the appointment of Mark Hooper as Group Chief Executive Officer and Managing Director of Paragon Care.

Mark Hooper is the current Chief Executive Officer of Sigma Healthcare (ASX: SIG) ("**Sigma**"). Sigma announced in April 2021 that Mark Hooper had tendered his resignation after almost eleven years as Managing Director & Chief Executive Officer. Mr Hooper will continue in his role with Sigma until 31 December 2021 and will commence his role with Paragon Care on 5 April 2022.

Mr Hooper was appointed Managing Director & CEO of Sigma in August 2010 and over the past decade he has led the Sigma business through a major divestment of the Pharmaceutical division and several acquisitions, as well as a major internal transformation project to generate operating efficiencies of over \$100m, and the renewal of Sigma's national distribution centre network. He was also Chair of the Wholesaler industry body (NPSA) from October 2015 to August 2020.

Prior to joining Sigma, Mr Hooper had a broad range of experience in finance, commercial and operational roles, primarily in the mining and pharmaceutical industries. Mr Hooper is a former Chief Financial Officer and Executive Director of PaperlinX Limited. From 2006 to 2008, Mr Hooper was the Chief Financial Officer and Chief Operating Officer for the Pharmacy and Consumer business for Symbion Health Limited. Prior to that he was the Chief Financial Officer of Sigma from 2001 to 2006.

Mr Hooper will join Paragon Care, at an exciting time in the Company's growth trajectory, following the planned merger with Quantum Health Group in Q3 FY22 (subject to shareholder and court approval). The merged entity will have an opportunity to cross-sell the combined product portfolio into the higher growth Asian markets and attract new suppliers over time based on its larger distribution footprint and a commitment to high levels of corporate governance in Asian markets.

Mr Hooper commented, "I am very excited to be joining Paragon Care at the early stages of its Asian expansion strategy, as the Company upgrades manufacturing capacity and scales operations through the merger with Quantum Health. I look forward to working with the team at Paragon Care to identify new growth opportunities and to execute on the next phase of the growth strategy."

Paragon Care Chair, Shane Tanner said, "We are delighted to announce Mark Hooper as the new Managing Director of Paragon Care at this transformational time for the company. Mark's career in healthcare has been extensive and he has few peers in the Australian market. As Paragon Care expands into Asia following the merger with Quantum Health, having someone with Mark's capacity to drive growth will be invaluable. Our current CEO, Phil Nicholl, will remain focused on growing the business in Australia and New Zealand and John Walstab, current Managing Director at Quantum Health will be focused on further expansion in Asia."

For further information please contact:

Shane Tanner

Chairman

shane.tanner@paragoncare.com.au

This announcement is authorised for release to the market by the Board of Directors of Paragon Care Limited

About Paragon Care Limited

Paragon Care (ASX:PGC) is an Australian based listed company in the healthcare sector. It is a leading provider of medical equipment, devices, and consumables for the Australian and New Zealand healthcare markets. These are high growth markets driven by the ageing of the population, continuously rising consumer expectations and increasing government spending. By combining a series of strategic acquisitions of class leading companies, Paragon Care has positioned itself to provide advanced technology solutions including equipment, consumables, and services for acute and ancillary care environments.

Forward-Looking Statements

Certain statements in this announcement are forward-looking statements. Forward-looking statements can generally be identified by the use of words such as “anticipate”, “estimate”, “expect”, “project”, “intend”, “plan”, “believe”, “target”, “may”, “assume” and words of similar import. These forward-looking statements speak only as at the date of this announcement. These statements are based on current expectations and beliefs and, by their nature, are subject to a number of known and unknown risks and uncertainties that could cause the actual results, performances and achievements to differ materially from any expected future results, performance or achievements expressed or implied by such forward-looking statements.

No representation, warranty or assurance (express or implied) is given or made by the Company that the forward-looking statements contained in this announcement are accurate, complete, reliable or adequate or that they will be achieved or prove to be correct. Except for any statutory liability which cannot be excluded, the Company and its respective officers, employees and advisers expressly disclaim any responsibility for the accuracy or completeness of the forward-looking statements and exclude all liability whatsoever (including negligence) for any direct or indirect loss or damage which may be suffered by any person as a consequence of any information in this announcement or any error or omission therefrom.

Subject to any continuing obligation under applicable law or relevant listing rules of the ASX, the Company disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements in these materials to reflect any change in expectations in relation to any forward-looking statements or any change in events, conditions or circumstances on which any statement is based. Nothing in these materials shall under any circumstances create an implication that there has been no change in the affairs of the Company since the date of the announcement.

APPENDIX

Pursuant to the Listing Rule 3.16.4, the Board of Paragon Care Limited (ASX: PGC) announces the summary of the key terms of the Chief Executive Officer, Mark Hooper.

| | |
|-----------------------------|---|
| Role | Managing Director and Group CEO - Paragon Care Limited |
| Commencement Date | 5 th April 2022 |
| Fixed Remuneration | \$850,000 inclusive of Superannuation |
| Short-Term Incentive | 60% of fixed remuneration, subject to continued employment and performance |
| Long-Term Incentive | 60% of fixed remuneration, subject to the Employee Incentive Plan rules |
| Sign-on equity | <ul style="list-style-type: none"> • First tranche on commencement: 1,500,000 fully paid shares • Second tranche conditional upon continued employment to 5th April 2023 or if the Company is taken over before that date: 1,500,000 fully paid shares. Replaced with cash equivalent if the Company is unable to issue the shares for any reason. |
| Subscription equity | Mark Hooper will subscribe to a further 1,500,000 fully paid shares at the lesser of \$425,000 or 10-day VWAP per share as soon as practicable after 5 th April 2022. |
| Notice | 3 months for employee, 12 months for company |
| Other | <ul style="list-style-type: none"> ○ If the planned merger with Quantum (QTM) does not proceed before 5 April 2022, the employment agreement terminates without recourse except the Company will issue the first tranche of the sign on equity. ○ If the Company is taken over before 5 April 2022, the employment agreement terminates without recourse except the Company will issue both tranches of the sign on equity and pay 12 months' notice. |