

The ParagonCare logo features the company name in a blue, sans-serif font. The letter 'o' in 'Care' is replaced by a white circle with a blue outline, containing a white cross symbol. The background of the slide is a collage of images: a woman in a white lab coat smiling and looking upwards, and several hands being raised in a gesture of celebration or agreement. The images are overlaid with large, semi-transparent blue and white geometric shapes.

Enabling Healthcare

Annual General Meeting

21 November 2024

ParagonCare Limited
ASX : PGC

Disclaimer

Summary information

This Presentation contains summary information about ParagonCare, and its activities current as at 21/11/2024. The information in the Presentation is of a general nature and does not purport to be complete or comprise all information which a shareholder or potential investor may require in order to determine whether to deal in ParagonCare shares. It should be read in conjunction with the Company's other periodic and continuous disclosure announcements lodged with the Australian Securities Exchange, which are available at www.asx.com.au.

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Past performance

Past performance information, including past share price performance, given in this Presentation is given for illustrative purposes only and should not be relied upon as an indication of future performance.

Future performance

This presentation contains certain "forward-looking statements" including statements regarding ParagonCare's intent, belief or current expectations with respect to its business and operations, market conditions, results of operations and financial condition, and risk management practices. The words "likely", "expect", "aim", "should", "could", "may", "anticipate", "predict", "believe", "plan" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Forward-looking statements, opinions and estimates provided in this Presentation are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Forward-looking statements including projections, guidance on future earnings and estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance.

This Presentation contains such statements that are subject to risk factors associated with an investment in ParagonCare. ParagonCare believes that the expectations reflected in these statements are reasonable, but they may be affected by a range of variables which could cause actual results or trends to differ materially.



Peter Lacaze

Chairman

Welcome

Acknowledgement of Country

In the spirit of reconciliation ParagonCare acknowledges the Traditional Custodians of Country throughout Australia and their connections to land, sea and community.

We pay our respect to their Elders past and present and extend that respect to all Aboriginal and Torres Strait Islander peoples today.



Introduction: Board Directors



Peter Lacaze
Chairman



David Collins
Chief Executive Officer



Carmen Riley
Executive Director/
Chief Operating Officer



Alan McCarthy
Non-Executive Director



John Walstab
Executive Director and Executive General
Manager ParagonCare Asia

Format of Meeting

1. Chair Address
2. Questions and Voting Procedure
3. Formal Business
4. CEO Presentation
5. General Questions





Peter Lacaze

Chairman

Chair Address

Question & Voting Procedure

Annual General Meeting 2024



Formal Business

Annual General Meeting 2024



Agenda Item 1

Receipt and consideration of financial statements & reports

To receive and consider the financial report of the Company and the related reports of the Directors (including the Remuneration Report) and auditors for the financial year ended 30 June 2024.

Further information

- ✦ Ernst & Young, the Company's external auditor are present and available to answer any queries.
- ✦ Please note there is no vote required for this Item.

Resolution 1

Adoption of Remuneration Report

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

“That for the purpose of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report (included in the Directors' Report) for the financial year ended 30 June 2024 be adopted.”

For	Against	Proxy's Discretion	Abstain
222,406,940	10,656,843	2,931,924	611,063
94.24%	4.52%	1.24%	-

Further information

- 🌐 Voting restrictions apply to Key Management Personnel and their closely related parties.
- 🌐 The vote on this Resolution is advisory only and does not bind the Directors or Company.
- 🌐 The Board recommends that Shareholders vote in **FAVOUR** of this Resolution.
- 🌐 The Chair of the Meeting intends to vote undirected proxies in **FAVOUR** of this Resolution.

Resolution 2

Re-election of Mr John Walstab as a Director

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

‘That Mr John Walstab, being a Director who retires by rotation pursuant to the Company’s Constitution and being eligible for re-election, be re-elected as a Director of the Company’.

For	Against	Proxy’s Discretion	Abstain
1,324,685,404	11,405,811	2,937,053	393,759
98.93%	0.85%	0.22%	-

Further information

- There are no voting exclusions on this Resolution.
- The Board (with Mr Walstab abstaining) recommends that Shareholders vote in **FAVOUR** of this Resolution.
- The Chair of the Meeting will vote undirected proxies in **FAVOUR** of this Resolution.

Resolution 3

Re-election of Mr Alan McCarthy as a Director

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

‘That Mr Alan McCarthy, being a Director who retires by rotation pursuant to the Company’s Constitution and being eligible for re-election, be re-elected as a Director of the Company’.

For	Against	Proxy’s Discretion	Abstain
1,335,282,995	725,321	2,923,840	489,871
99.73%	0.05%	0.22%	-

Further information

- There are no voting exclusions on this Resolution.
- The Board (with Mr McCarthy abstaining) recommends that Shareholders vote in **FAVOUR** of this Resolution.
- The Chair of the Meeting will vote undirected proxies in **FAVOUR** of this Resolution.

Resolution 4

Appointment of Auditor

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

“That, for the purposes of section 327B of the Corporations Act and for all other purposes, Ernst & Young, having consented in writing to act in the capacity of auditor and being duly nominated in accordance with section 328B(1) of the Corporations Act, be appointed as auditor of the Company with effect from the close of the Meeting.”

For	Against	Proxy's Discretion	Abstain
1,336,181,068	251,879	2,913,218	75,862
99.76%	0.02%	0.22%	-

Further information

- There are no voting exclusions on this Resolution.
- The Board recommends that Shareholders vote in **FAVOUR** of this Resolution.
- The Chair of the Meeting will vote undirected proxies in **FAVOUR** of this Resolution.

Resolution 5

Renewal of Paragon Care Limited Employee Incentive Plan

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

“That, under and for the purposes of Listing Rule 7.2 Exception 13(b), and for all other purposes including section 259B and 260C of the Corporations Act, Shareholders approve the renewal of the Company’s Employee Incentive Plan (EIP) and issue of securities under the EIP in accordance with the terms set out in the Explanatory Statement.”

For	Against	Proxy’s Discretion	Abstain
1,328,342,028	978,326	2,941,845	6,959,828
99.71%	0.07%	0.22%	-

Further information

- 🌐 Voting restrictions apply to Key Management Personnel and their closely related parties.
- 🌐 The Chair of the Meeting intends to vote undirected proxies in **FAVOUR** of this Resolution.

Resolution 6

Issue of Performance Rights to Ms Carmen Riley

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

“That, for the purposes of the purpose of Listing Rule 10.14 and for all other purposes, Shareholders approve the grant of Performance Rights to Ms Carmen Riley, a Director of the Company (or her nominee) under the Company’s Employee Incentive Plan in accordance with the terms set out in the Explanatory Statement.”

For	Against	Proxy’s Discretion	Abstain
1,313,981,649	22,117,858	2,944,195	177,825
98.13%	1.65%	0.22%	-

Further information

- 🌐 Voting restrictions apply to Key Management Personnel and their closely related parties.
- 🌐 The Board (with Ms Riley abstaining) recommends that Shareholders vote in **FAVOUR** of this Resolution.
- 🌐 The Chair of the Meeting intends to vote undirected proxies in **FAVOUR** of this Resolution.

Poll & Close of Formal Business

Annual General Meeting 2024





David Collins

Chief Executive Officer

CEO Presentation

Who are we

ParagonCare

CH2
Clifford Hallam Healthcare

OBORNE 
HEALTH SUPPLIES

Who are we

ParagonCare

Enabling Healthcare

3 Business 2 Years 1 Team



Strategic Overview

Our Strategy

Diversified healthcare distributor

- Being the **leading independent wholesaler & distributor** in the Asia Pacific healthcare market by providing **tailored solutions** in leveraging ParagonCare's comprehensive range, with a unique combination of Quality, Service and Price being a key value driver for our customers and strategic supplier partners.
- To be the **master franchise holder** for Asia Pacific agency arrangements.
- The best-in-class **red cell blood diagnostics manufacturer** in Asia Pacific.
- Specialist Contract Logistics** offering into healthcare suppliers with our integrated service model and hub & spoke solution.

Our Vision



ParagonCare is easy to do business with.



Pharmaceuticals, capital equipment, diagnostics, medical consumable, devices & complimentary medicines.



Execute daily tasks in a lean & efficient manner to get the job done.



Superior technology and data.

ParagonCare completed the merger with CH2 in June 2024 - the combined entity offers a compelling value proposition to customers and supply partners



An expanded product range for cross-selling and bundling
covering pharmaceutical, nutritional, medical consumables, complementary medicines, medical equipment, medical devices, equipment service and logistics.



A focus on operational efficiency, quality service and competitive pricing
with an integrated service model.



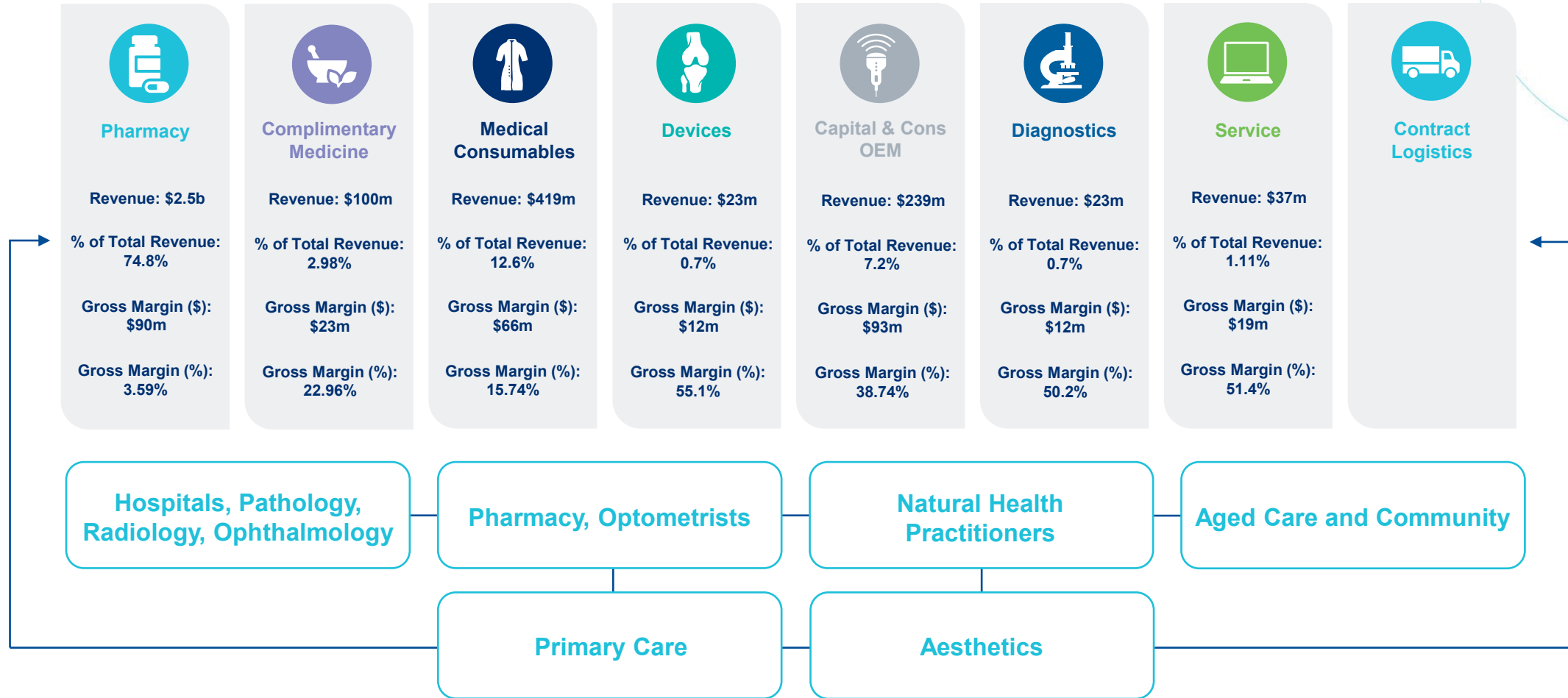
A strong footprint in Asia Pacific
including Australia, New Zealand, Japan, Thailand, Vietnam, Korea and Philippines.



Sovereign manufacturing infrastructure
reevaluation and reset.

Business Development

Business Development - Category Management - Customer and Supplier Relationships



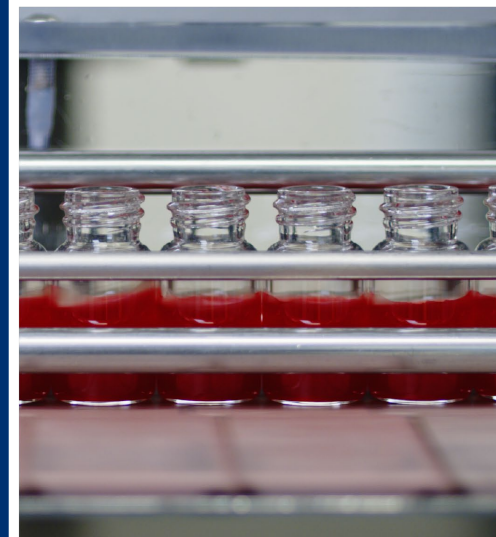
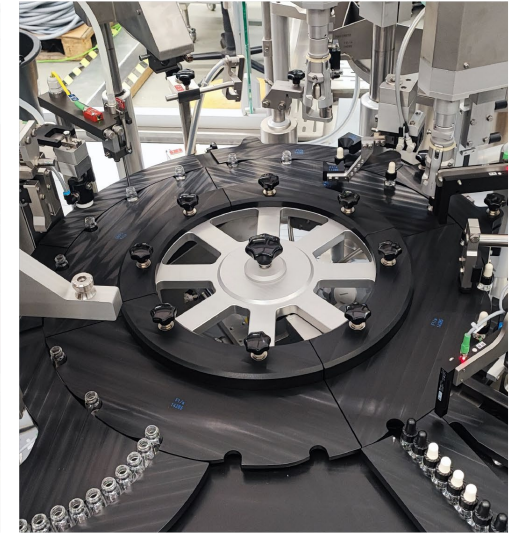
SHARED SERVICES: Corporate Services - Finance - Supply Chain - IT - Customer Service - Marketing - Procurement - Commercial

Focus on operational efficiency, quality service and competitive pricing

The merged entity will benefit from cost synergies through network optimisation and the implementation of a shared services model

Specific initiatives include:

- ✔ The consolidation of warehouse locations in Australia and the optimisation of site performance through improved automated processes.
- ✔ The rationalisation of logistics across Australia with a focus on quality service.
- ✔ The rationalisation of offices throughout Australia.
- ✔ Implementation of a shared services model and the utilisation of cross functional resources.
- ✔ Removal of duplicate roles and internal restructure.
- ✔ A focus on operational efficiency and cost rationalisation in order to drive flexibility in pricing strategies.



Consolidating to 8 warehouse locations in Australia and expanding New Zealand and Asia.



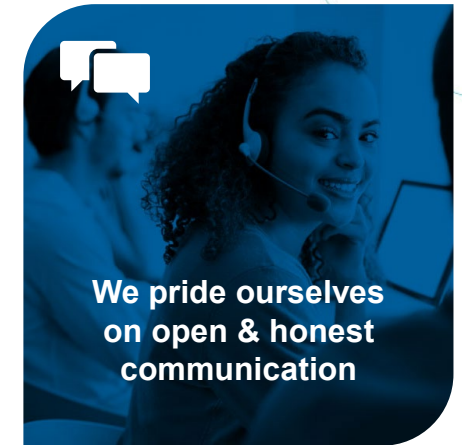
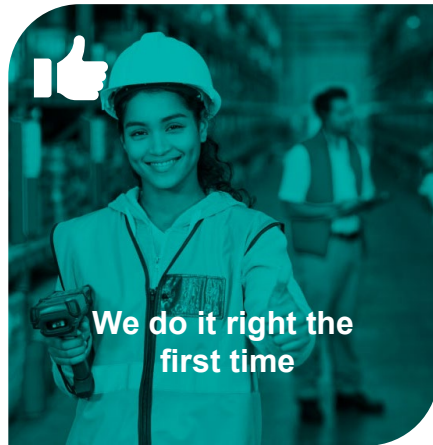
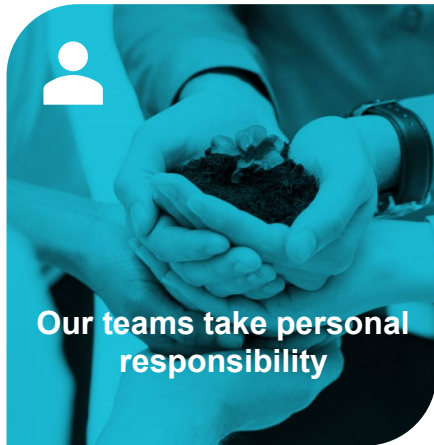
Broad combined geographical reach

Australia - New Zealand - Philippines - Thailand - Korea - Japan - Vietnam

+ *Planned expansion to Singapore, Malaysia and Indonesia*

People, Diversity, Environment & Sustainability

Our greatest strength comes from our ingrained culture of **“ONE TEAM”** and building solid client and supplier relationships, maintaining open lines of communication, **and delivering what we say we will do.**



People

- ✓ Deliver Reconciliation Action Plan (RAP)
- ✓ Succession Planning
- ✓ Implementing new STI
- ✓ Improved engagement in the recruitment of diverse groups (indigenous and disability)
- ✓ LTIFR – 3

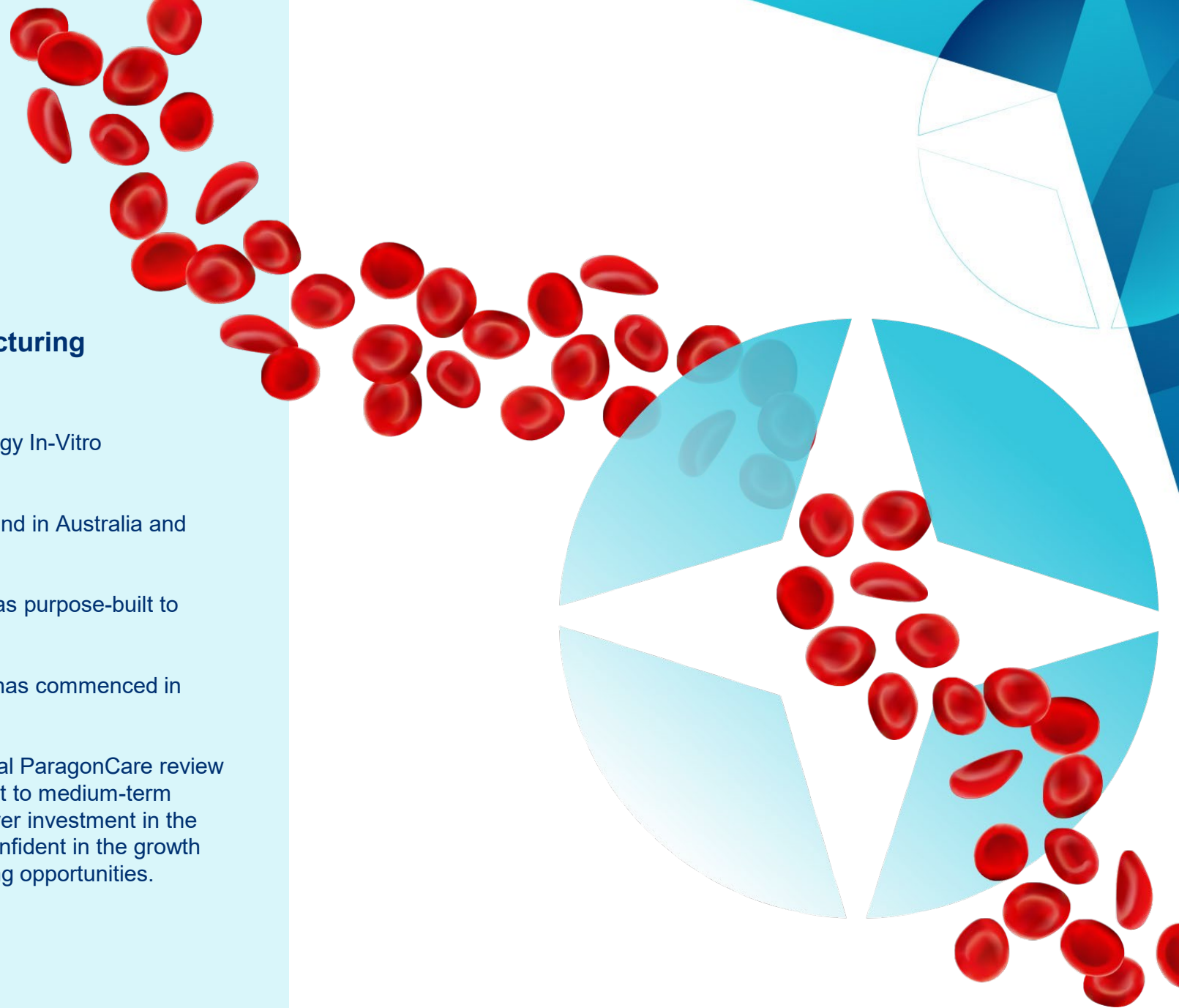
ESG

- ✓ ISO 14001 certification
- ✓ Net Zero journey to develop with solar power project for all warehouses
- ✓ Continuing to develop reporting on waste - scope 1 & 2 criteria
- ✓ Ongoing review and targets for Modern Slavery

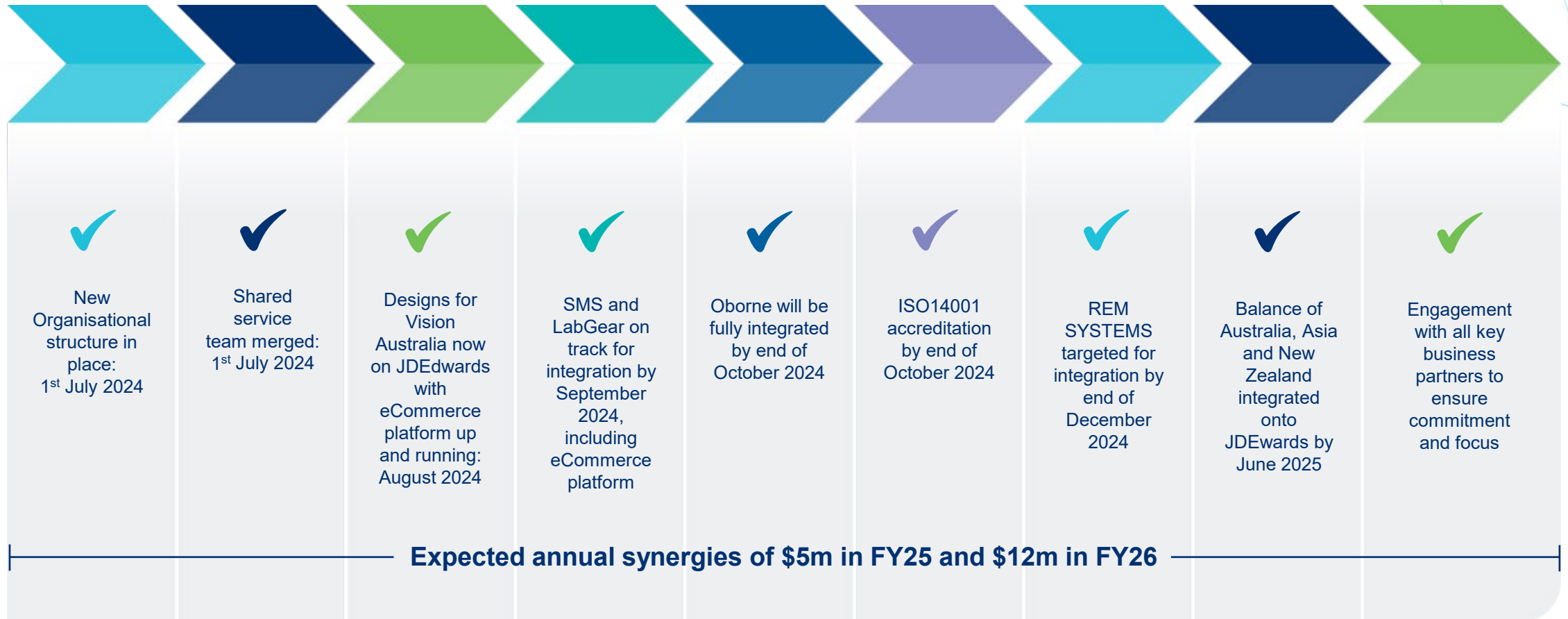
New Mount Waverley facility to support sovereign manufacturing capability

ParagonCare Diagnostics has a unique manufacturing and distribution capability through Immulab

- ✓ ParagonCare | Immulab manufactures immuno-haematology In-Vitro Diagnostics, which are primarily used in Blood Banks.
- ✓ ParagonCare | Immulab is the only manufacturer of this kind in Australia and plays a significant role in ensuring Australia's bio-security.
- ✓ The new Mount Waverley facility is state-of-the-art and was purpose-built to manufacture products for domestic and export markets.
- ✓ TGA Approval was received in July 2024 and production has commenced in August 2024.
- ✓ This facility was written down by \$31.7m as part of the final ParagonCare review prior to the merger. The write down was due to the current to medium-term profitability of Immulab and we needed to right size the over investment in the Mount Waverley site. Long term management remains confident in the growth potential if the business can secure contract manufacturing opportunities.



Executing on the integration plan



ParagonCare is a leading healthcare wholesaler, distributor & manufacturer*

FY24 Proforma
Revenue**

\$3.33 billion

FY24 Proforma
EBITDA**

\$90.8 million

FY24 Proforma
Net Profit After Tax**

\$28.4 million

FY24 Statutory
Revenue***

\$2.97 billion

FY24 Statutory
EBITDA***

\$44.8 million

FY24 Statutory
Net Profit After Tax***

\$8.4 million

** ParagonCare completed the merger with CH2 Holdings Pty Ltd on 3 June 2024. ParagonCare acquired all of the issued shares in CH2 and issued 943,524,072 ordinary shares in ParagonCare to the CH2 vendors. Post transaction the CH2 vendors own 57% of ParagonCare.*

*** Proforma calculations are based on the 12-month contribution of both ParagonCare, Osborne (if Osborne was part of CH2 for the 12 months), and CH2 Holdings from 1 July 2023 to 30 June 2024.*

****Statutory calculations reflect the 12-month contribution of CH2 Holdings and one-month contribution from ParagonCare, from 3 June 2024 to 30 June 2024.*

FY24 Balance Sheet: Statutory

Commentary

- Balance Sheet materially changed due to the CHS, Osborne acquisitions, and ParagonCare merger.
- Working capital increase due to the strong revenue growth.
- Fixed Asset increase due to ParagonCare merger but adjusted for the Immulab write down.
- ROUA and Lease Liability in Other long-term assets/liabilities.
- Goodwill & intangibles increased due to CHS, Osborne, and having to value ParagonCare at the share price on the day of completion (accounting standard treatment). Down on previous estimate due to the reverse accounting treatment, and ParagonCare original Goodwill written off as part the acquisition accounting.
- On a proforma basis for CH2 and ParagonCare daily net debt for FY24 was \$169m – this is the true reflection of overall net debt levels due to the positive intra month cash movements.
- Available funds from debt facilities & cash at year end was \$169m, giving the group good access to funds for organic and in-organic growth.

\$m	FY24	FY23	Var \$	Var %
Receivables	350.6	209.9	115.3	54.9%
Inventory	307.7	215.8	91.9	42.6%
Trade payables	(553.1)	(374.1)	(179)	47.8%
Other current assets/liabilities	(38.9)	(10.6)	(0.8)	7.5%
Net Working Capital	66.3	41.0	27.4	66.8%
Fixed Assets	28.3	9.4	18.9	201.1%
Other long-term assets/liabilities	24.4	6.7	12.9	192.5%
Goodwill and intangibles	349.5	25.1	324.4	1292.4%
Funds Employed	468.5	82.2	386.3	470%
Cash	19.9	1	18.9	
Debt	(196.6)	(64.4)	(132.2)	205.3%
Equity	291.8	18.9	272.9	1444%
ROIC (Proforma Underlying EBIT)	14.1%			
ROE (Proforma Underlying EBIT)	22.65%			
Net Debt / EBITDA (Proforma)	1.95			

FY25 Outlook

\$m	FY24	GM	GM %	Oct YTD % Growth	FY25 Run Rate	GM	GM %	Est Full Year Growth Rate
Pharmacy	2,491	90	3.6%	19.1%	2,825	99	3.5%	13.4%
Medical Consumables	419	66	15.7%	5.4%	446	67	15.0%	6.5%
Capital & Consumables OEM	239	93	38.7%	13.1%	248	97	39.3%	3.6%
Service	37	19	51.3%	-37.2%	28	17	60.0%	-23.1%
Diagnostics	23	12	50.2%	5.2%	26	12	48.0%	11.7%
Surgical Specialties	23	12	55.1%	-31.1%	19	11	55.8%	-15.4%
Complementary Medicines	99	23	23.0%	17.0%	113	26	23.2%	13.7%
	3,331	314	9.4%	15.5%	3,704	330	8.9%	11.2%

Please note this forward-looking statement is an estimate and is provided as a general guide only and should not be relied upon as an indication or guarantee of future performance.

FY25 Outlook

- Continued execution on the integration plan for the merged entity.
- Increase cross-sell of expanded product range and bundled offerings.
- Focus on operational efficiency and cost rationalisation.
- Inaugural ParagonCare Annual Conference, with over 250 team members to reset strategy and focus on *“One Team”* way of doing business.
- Actively reviewing customer, product and agency partner pipeline to embed organic growth.
- Acquisition pipeline in place and we are being proactive in additional in-organic opportunities.



General Questions

Annual General Meeting 2024



Thank you for joining us today