

27th September 2017

Chief Executive Officer Transition

Melbourne, Australia – The Board of Paragon Care Limited (ASX: PGC) (**Paragon** or **Company**) today announces the forthcoming transition of its Chief Executive Officer, Mr. Mark Simari, to Mr. Andrew Just, who has been appointed as his successor. Following an appropriate transition period, Mark will remain with the Company in a new role focused on mergers and acquisitions.

In line with its stated strategy, Paragon continues to pursue acquisitive growth while also driving returns from its existing portfolio of products and services. The decision to strengthen the senior leadership team is driven by the compelling opportunities the Board sees for both organic and inorganic growth, which are greater today than at any time in the Company's history.

Paragon Chairman, Mr. Shane Tanner, said:

"CEO succession has been discussed by the Board and Mark for some time, ensuring we were fully aligned on the ideal profile for Mark's successor. The availability of Andrew Just played a large part in accelerating the timing of Mark's decision. The organic growth opportunity within Paragon is significant and we believe Andrew's extensive skills and experience in the healthcare equipment, devices and consumable segments will further enhance the Company's exciting growth profile. We are delighted to appoint someone of Andrew's calibre."

Mark Simari commented:

"Andrew's background and experience is a fantastic fit with Paragon's current stage of growth. I look forward to supporting Andrew's transition into the role and, over time, moving my sole focus to identifying and executing acquisitions to support Paragon's long-term growth strategy. After more than ten years with the Company and nine years as CEO, I'm pleased to be transitioning the Company's leadership at a moment of such strength and opportunity."

Andrew Just is expected to commence full-time in the role of CEO in January 2018. Andrew and Mark will work closely together during a transition period to ensure a smooth handover process. Andrew will report directly to the Chairman and the Board.

Andrew Just has twenty-five years of highly relevant global experience in the healthcare industry through previous roles at Fortune 500 and ASX-listed companies including Radiometer, Stryker, Cochlear, GE Healthcare, Roche and Novartis. He has worked across multiple healthcare sectors involving functional leadership of sales, marketing, clinical, services, operations, supply chain and general management. His track record includes successfully delivering strong organic growth through a clear focus on strategy and people, led by driving customer value. A brief biography for Andrew is provided in Appendix 1.

Incoming Paragon CEO, Andrew Just, said:

"I'm excited about joining Paragon at a time when the organic growth opportunity looks so strong. The fundamentals and growth track are clear and positive, with opportunities in several areas to build further on Paragon's value proposition. It's a testament to Mark's integrity and commitment to Paragon and its shareholders that he's willing to support the leadership transition and remain focused on the Company's continued growth. I feel privileged to join the team and look forward to contributing."

Mr. Tanner added:

“On behalf of the Board, I would like to acknowledge the value created by Mark in his current role over the past 10 years. Mark and I were the only employees of Paragon for the first 12 months. As CEO, Mark successfully led Paragon’s evolution from a shell company to become one of Australia’s leading suppliers of medical equipment, devices and consumables. Under his leadership, Paragon has completed 14 acquisitions, contributing to an increase in the Company’s market capitalisation from A\$2 million in April 2007 to approximately A\$150 million today.

The Board and I are delighted that Mark will continue to support Paragon’s growth through a focus on mergers and acquisitions. I would like to take this opportunity on behalf of all stakeholders to thank Mark for his valuable contribution during his time as CEO.”

A summary of the key terms of Andrew Just’s employment agreement are set out in Appendix 2. A summary of the key terms of the variations to Mark’s service agreement are set out in Appendix 3.

****ENDS****

For more information please contact:

Shane Tanner
Chairman
Mobile: 0411 107 099

About Paragon Care Limited

Paragon Care is a Melbourne based, listed company with the ASX (PGC), which has progressively acquired businesses in the healthcare sector. It is a leading provider of medical equipment, devices and consumables for the Australian and New Zealand healthcare market. 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 end to end solutions including equipment and consumable solutions for acute, aged, and primary care.

APPENDIX 1: Andrew Just – Biography

Andrew Just has twenty-five years of highly relevant global experience in the healthcare industry. He has worked across multiple healthcare sectors involving functional leadership of sales, marketing, clinical, services, operations, supply chain, general management and company director responsibilities in both turnaround and growth environments.

Since 2014, Andrew held the role of Regional Director, Asia, for Fortune 500 company Radiometer, based in Sydney, Australia. Radiometer is part of Danaher Corporation's (NYSE:DHR) life sciences and diagnostics platform, focused on acute care diagnostic equipment. In this role Andrew led a team of approximately 150 people and was responsible for the overall business of Radiometer in the region.

From 2011-2013, Andrew worked in the role of Director of Marketing and Clinical, for Fortune 500 company Stryker (NYSE:SYK), one of the world's leading medical technology companies, focused on orthopaedics and a broad range of medical equipment.

Prior roles held by Andrew included Senior Vice President of Operations, General Manager Latin Americas (2005-2010), at ASX-listed Cochlear (ASX: COH), a global industry leader in implantable hearing devices. From 1999-2005, Andrew also held several roles at GE Healthcare, a unit of Fortune 500 company General Electric Company (NYSE: GE), including General Manager Services, Sales and Marketing Manager and Operations Manager over this period. GE Healthcare provides a broad range of transformational medical technologies and services in more than 100 countries. Prior to GE Healthcare, Andrew held various roles with Roche, Novartis and Wyeth Pharmaceuticals.

Central to many of these roles has been Andrew's focus and successful delivery of strong organic growth, through a clear focus on strategy and people, led by driving customer value.

Andrew Just holds a Master of Business Administration from the Australian Graduate School of Management and Bachelor of Economics from Macquarie University. He achieved Six Sigma Black Belt Certification while working at GE Healthcare.

APPENDIX 2: Andrew Just – Summary of Employment Agreement**1. Position and commencement**

Paragon will employ Mr. Andrew Just in the position of Chief Executive Officer. Mr. Just's employment as Chief Executive Officer will commence in January 2018.

2. Term

There is no fixed term. The agreement is ongoing unless terminated by either party in accordance with executive employment agreement executed between both parties (see section 4 below).

3. Remuneration

Mr. Just's remuneration will comprise a fixed component, a short term incentive component and a long term incentive component.

Fixed remuneration

Mr. Just is entitled to fixed remuneration of \$525,000 (including base salary, superannuation and motor vehicle allowance) per annum. This will be subject to annual review.

Short term incentive

Mr. Just is entitled to short term incentive awards. Payment of any short term incentive award will be subject to the performance of Paragon and/or the fulfillment of certain conditions as determined by Paragon in consultation with Mr. Just.

Long term incentive

Mr. Just is entitled to long term incentive awards. Mr. Just's entitlement to any long term incentive will be subject to the performance of Paragon and/or fulfillment of certain conditions as determined by Paragon.

4. Termination

In the case of notice being given by the executive, the notice period is 3 months, in the case of notice being given by the Company, the notice period is 6 months. Paragon may elect to pay Mr. Just in lieu of working out the notice period. Paragon may terminate Mr. Just's employment at any time without notice or payment in lieu of notice in certain circumstances, such as serious misconduct or poor performance.

APPENDIX 3: Mark Simari – Key Variation to Service Agreement

Mr. Mark Simari's existing service agreement has been varied to reflect the proposed transitional arrangements described above. A summary of the key terms of those variations are set out below.

- Mr. Simari has provided the Company with 6 months' notice under his Employment Agreement.
- Mr. Simari will continue in the position as Managing Director and CEO until Mr. Just commences.
- At the time of Mr. Just's commencement, Mr. Simari will resign as a Director of Paragon Care Limited.
- Mr. Simari will then take on a consulting role with a key focus on mergers and acquisitions on commercial terms.