



QTM and PGC: ASX ANNOUNCEMENT

16 February 2022

Merger between Quantum Health Group Limited (ASX:QTM) and Paragon Care Limited (ASX:PGC)

Implementation of Scheme

Quantum Health Group Limited (ASX:QTM) (“**Quantum**”) and Paragon Care Limited (ASX:PGC) (“**Paragon**”) are pleased to announce that the merger of Quantum and Paragon effected by way of a scheme of arrangement between Quantum and its shareholders (“**Scheme**”) has been implemented today. Accordingly, Paragon now holds 100% of the issued share capital of Quantum.

Scheme Consideration

In accordance with the terms of the Scheme, eligible Quantum shareholders have been issued the Scheme consideration of 0.243 new Paragon shares¹ for each Quantum share held by them on the Scheme Record Date, being 7:00pm (Sydney time) on Wednesday, 9 February 2022 (“**Scheme Consideration**”).

Eligible Quantum shareholders will separately receive a holding statement representing the number of new Paragon shares issued to that shareholder pursuant to the Scheme.

In addition, Paragon has issued the Scheme Consideration otherwise required to be issued to Ineligible Foreign Shareholders (as that term defined in the scheme booklet announced to the ASX on 17 December 2021 (“**Scheme Booklet**”)) to a nominee who has been appointed to sell those new Paragon shares. The net proceeds of sale will be distributed to the Ineligible Foreign Shareholders in accordance with the process set out in the Scheme Booklet.

Paragon Board Appointments

As announced to the ASX by Paragon on 10 February 2022, effective from Implementation (being today, Wednesday 16 February 2022), John Walstab and Alan McCarthy have joined the board of directors of Paragon. Shane Tanner, Brent Stewart, Mark Simari and Geoffrey Joseph Sam have remained on the on the board of directors of Paragon.

Delisting of Quantum from ASX

As previously announced, trading in Quantum shares on the ASX was suspended from the close of trading on Wednesday, 2 February 2022.

Quantum will apply to the ASX today to have quotation of its shares terminated and for Quantum to be removed from the official list of the ASX, with effect from close of trading on Thursday, 17 February 2022.

Authorised for lodgement by the Board of Directors of Quantum Health Group Limited and Paragon Care Limited.

For more information:

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¹ Rounded down to the nearest whole number.