

Successful Completion of Institutional Entitlement Offer

13 December 2023

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Sigma Healthcare Limited (**Sigma**) is pleased to announce the successful completion of the institutional component (**Institutional Entitlement Offer**) of its fully underwritten 1 for 1.85 pro-rata accelerated non-renounceable entitlement offer to raise approximately \$400 million (**Entitlement Offer**), which was announced on Monday, 11 December 2023.

The Institutional Entitlement Offer raised approximately \$178 million and was strongly supported by existing eligible institutional shareholders. Take-up by existing eligible institutional shareholders under the Institutional Entitlement Offer and by HMC Capital Limited (**HMC**), the manager of Sigma's largest shareholder, HMC Capital Partners Fund I (**Major Shareholder**)¹ is 92%.

The institutional shortfall received strong demand from existing eligible institutional shareholders and new institutional investors. New Shares issued under the Institutional Entitlement Offer will rank equally with existing fully paid shares from the date of issue.

Sigma CEO Vikesh Ramsunder said: "We are very pleased by the support demonstrated by existing and new institutional investors for the Entitlement Offer. The Entitlement Offer will fund increased working capital requirements and progress business growth initiatives including relaunching our Amcal and Discount Drug Store brands and expanding our private and exclusive label product range. In the event the Proposed Merger proceeds to completion, and to the extent the proceeds have not been applied to fund working capital needs and new business initiatives, some of the net proceeds from the Entitlement Offer may instead be used to partially fund the cash consideration by Sigma under the Proposed Merger."

¹ Position is held in the HMC Capital Partners Fund I via HMC Capital Partners Holdings Pty Ltd as trustee of HMC Capital Partners Holding Trust. As described in Sigma's announcement on 11 December 2023, HMC (the manager of the Major Shareholder who holds 19.07% of Sigma shares on issue) has provided a priority sub-underwriting commitment for \$76 million (equivalent to the value of the Major Shareholder's entitlement under the Entitlement Offer) (**HMC Priority Sub-underwriting**). The HMC Priority Sub-underwriting does not involve payment of any sub-underwriting fees and (save with respect to priority and fees) is on the same terms as other sub-underwriters to the Offer. The HMC Priority Sub-underwriting is conditional on the Underwriting Agreement not being terminated. The result is that the Major Shareholder (through its related entities under the HMC Priority Sub-underwriting) will subscribe in full for the Major Shareholder's entitlement under the Entitlement Offer.

The Institutional Entitlement Offer will result in the issue of approximately 254 million new shares (**New Shares**) at \$0.70 per New Share (**Offer Price**). New Shares under the Institutional Entitlement Offer are expected to be issued on Wednesday, 20 December 2023 and trading on a normal settlement basis is expected to commence on the ASX on the same day.

Sigma expects its voluntary suspension to be lifted and shares to recommence trading from market open today.

Retail Entitlement Offer

The retail component of the Entitlement Offer, which is fully underwritten, will raise a further approximately \$223 million (**Retail Entitlement Offer**).²

The Retail Entitlement Offer will open 9:00am (Melbourne Time) on Monday, 18 December 2023 and close 5:00pm (Melbourne Time) on Friday, 19 January 2024.

Eligible retail shareholders on the Record Date at 7:00pm on Wednesday, 13 December 2023 will have the opportunity to apply for New Shares at the Offer Price. Eligible retail shareholders will receive by email (if they have elected to receive electronic communications) or post, a letter directing them to where they can obtain a copy of the retail entitlement offer booklet in relation to the Entitlement Offer (**Retail Offer Booklet**) and a personalised entitlement and acceptance form.

Eligible retail shareholders under the Retail Entitlement Offer may:

- Elect to take up all or part of their pro-rata entitlement prior to 5:00pm (Melbourne time) on Friday, 19 January 2024; or
- Do nothing and let their pro-rata entitlement lapse.

Eligible retail shareholders who take up their entitlement in full will be entitled to apply for up to an additional 25% of their entitlement to the extent there is retail shortfall, subject to scale back on a pro-rata basis or to the extent considered necessary to prevent the issue of securities contrary to the law or ASX Listing Rules.³

Shareholders outside of Australia or New Zealand are ineligible to participate in the Retail Entitlement Offer. Shareholders in the United States are not eligible to participate in the Entitlement Offer, and those who are acting for the account or benefit of persons in the United States (including custodians and nominees) are not eligible to participate on behalf of those persons.

Further details on the eligibility criteria for the Retail Entitlement Offer will be set out in the Retail Offer Booklet.

² Includes the Major Shareholder's entitlement, which will be taken up by HMC via the HMC Priority Sub-underwriting.

³ As outlined in Sigma's announcement to ASX on 11 December 2023, the Major Shareholder's entitlement is excluded from allocation in this over-subscription facility as this will be allocated to HMC under its priority sub-underwriting arrangement to the extent this is not exercised by the Major Shareholder.

Key Dates for the Equity Raising

Event	Date
Announcement of results of Institutional Entitlement Offer	Wednesday, 13 December 2023
Voluntary suspension lifted and Sigma shares recommence trading	Wednesday, 13 December 2023
Entitlement Offer Record Date	7:00pm on Wednesday, 13 December 2023
Retail Entitlement Offer opens and Retail Offer Booklet made available	Monday, 18 December 2023
Settlement of New Shares issued under the Institutional Entitlement Offer	Tuesday, 19 December 2023
Allotment and normal trading of New Shares issued under the Institutional Entitlement Offer	Wednesday, 20 December 2023
Retail Entitlement Offer closes	5:00pm on Friday, 19 January 2024
Announcement of results of Retail Entitlement Offer	Wednesday, 24 January 2024
Settlement of New Shares issued under the Retail Entitlement Offer	Thursday, 25 January 2024
Allotment of New Shares issued under the Retail Entitlement Offer	Monday, 29 January 2024
Normal trading of New Shares issued under the Retail Entitlement Offer	Tuesday, 30 January 2024
Holding statements dispatched in respect of New Shares issued under the Retail Entitlement Offer	Tuesday, 30 January 2024

These dates (except where historical) are indicative only and are subject to change without notice. All times and dates refer to the time and date in Melbourne, Australia (Melbourne time).

For more information contact:

Gary Woodford
Head of Corporate Affairs

gary.woodford@sigmahealthcare.com.au
0417 399 204

Steve Dabkowski
Blue Dot Media

steve@bluedot.net.au
0419 880 486

Jim Kelly
Domestique

jim@domestiqueconsulting.com.au
0412 549 083

This announcement was authorised for release by the company secretary of Sigma Healthcare Limited.

IMPORTANT NOTICE

Goldman Sachs Australia Pty Ltd (**Underwriter**) has entered into an underwriting agreement in respect of the Entitlement Offer (**Underwriting Agreement**) to which only the Underwriter and Sigma are a party (refer to Appendix G of the investor presentation dated 11 December 2023 released to ASX by Sigma). The Underwriting Agreement provides that the Underwriter will not be issued any shares that would cause them to breach the 20% takeover threshold contained in Chapter 6 of *the Corporations Act 2001* (Cth). If the Underwriter was required to take up shares on issue which would otherwise cause them to breach the takeover threshold, then for the purposes of ASIC Report 612 (March 2019): (i) it will still fund the entire underwritten proceeds in accordance with and subject to the terms of the Underwriting Agreement by the Entitlement Offer completion date, (ii) the number of excess shortfall shares would be up to the number of shares offered under the Entitlement Offer less the number of shares that have been subscribed for and the number of shares that the Underwriter is able to take up without causing it to breach the takeover threshold when aggregated with any additional interests the Underwriter and its affiliates hold at the relevant settlement dates other than through its underwriting commitment, and (iii) it would enter into an arrangement for any excess shortfall shares to be issued to it, or to third party investors, after completion of the Entitlement Offer at the same price as the Entitlement Offer price. No material impact on control is expected to arise as a consequence of these arrangements or from any shareholder taking up their entitlement under the Entitlement Offer where there is an excess shortfall.