

Half Year FY 2015 Results Presentation

FEBRUARY 2015



Paragon Care Group of Companies



Record Half Year for Paragon Care

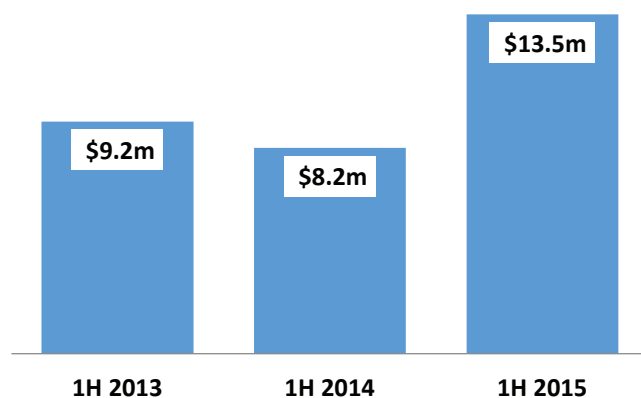
- Revenue of \$13.5m, up 65% over the prior corresponding period.
- EBITDA of \$1.6m, up 282% over the prior period.
- Net profit after tax of \$0.84m compared to \$0.07m in the prior period.
- Fully franked interim dividend declared of 0.6 cents per share, up 20% on prior period.
- The company remains on track to deliver on its previous guidance of \$3.5m-\$4m EBITDA for FY 2015, which will represent strong growth over the previous financial year.



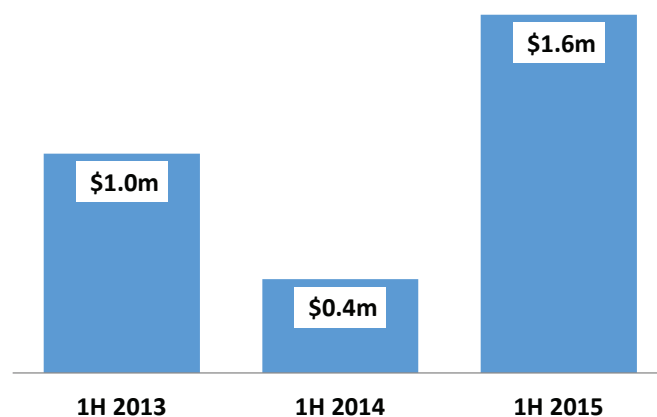
HALF YEAR FY 2015 FINANCIAL RESULTS

Key Financial Data

Revenue



EBITDA



Reported Profit & Loss

\$m unless stated	HY14	HY15	Δ
Total Revenue	8.2	13.5	65%
Other Income	0.05	0.04	
Total EBITDA	0.4	1.6	282%
D&A	(0.1)	(0.2)	29%
EBIT	0.30	1.4	384%
Interest	(0.2)	(0.3)	46%
PBT	0.08	1.1	1247%
Tax	(0.01)	(0.3)	
NPAT Reported	0.07	0.84	1044%
EPS (cents)	0.2	1.27	635%

Balance Sheet and Cash Flow

- The current banking facilities has provided Paragon Care with a significant opportunity to develop and grow its business both organically and via further acquisitions.
- First half FY 2015 operating cashflow of positive \$2.1m compared to an operating cash outflow of \$(0.6)m in the prior corresponding period.
- A strong focus on working capital management, in particular better matching of supplier payments with customer collections on an individual contract basis.



Balance Sheet	HY14 \$m	HY15 \$m
Cash	7.8	3.2
Receivables	3.6	5.9
Inventories	3.7	8.5
Other	0.2	0.3
Total Current Assets	15.3	17.9
PP&E	0.6	1.1
Intangibles/Other	9.0	18.9
Total Non-Current	9.6	20.0
Total Assets	24.9	37.9
Payables	3.5	5.2
Borrowings	1.4	3.7
Provisions/Other	0.4	1.0
Total Current Liabilities	5.4	9.9
Borrowings/Other	2.6	8.3
Total Non-Current	3.5	8.3
Total Liabilities	7.9	18.2
Net Assets	16.9	19.7

Cash Flow	HY14 \$m	HY15 \$m
Operating Activities	(0.6)	2.1
Investing Activities	(0.006)	(6.45)
Financing Activities	5.9	4.7
Cash at Beginning of Period	2.5	2.8
Cash at End of Period	7.8	3.2
Net Increase/(Decrease)	5.3	0.4

\$m	FY14 (Actual)	FY15 (Forecast)	1H-FY15 (Actual)	2H-FY15 (Forecast)
Revenue	\$19.4m	\$30m - \$33m	\$13.5m	\$16.5m - 19.5m
EBITDA	\$1.8m	\$3.5m - \$4m	\$1.6m	\$1.9m - 2.4m

- The first six months of trading have tracked well and in line with company expectations
- A number of key revenue opportunities have been secured for delivery for the second half of FY15
- Scanmedics has had an immediate impact to the Group with strategies currently being implemented to leverage the product platform Paragon offers the sector
- Final stages of integrating all businesses on our SAP Business-One platform
- The company continues to review and assess complimentary acquisition opportunities to further enhance the product offering to its customers and deliver on its strategic plan



- Deliver organic growth as each acquisition is integrated into the platform
- Maximise the opportunity available through industry consolidation
- Achieve a critical mass of \$100m in revenue
- Maintain conservative balance sheet metrics whereby net debt to EBITDA remains less than 2x
- Continue to develop and grow company manufactured products
- Capitalise on the extensive pipeline of greenfield and brownfield developments across the Health and Aged Care sector over the next decade and beyond



Our Offer

Premium provider of durable medical equipment to the acute, aged care and primary care market

Recent expansion into consumables, ultrasound, newborn care, temperature management and aesthetics.

Experienced Board of Directors

	Shares	%
Shane Tanner (Non-Exec Chairman)	0.50m	0.70%
Mark Simari (Managing Director)	1.65m	2.40%
Brett Cheong (Executive Director)	2.63m	3.90%
Michael Newton (Non-Exec Director)	0.20m	0.30%
Total	4.95m	7.36%

Paragon Care

Shares on Issue	67.4m
Share Price @ 24 Feb 2015	47c
12 month Range	22.5 - 51c
Market Cap	\$31.68m
Net Debt	\$5.7m
EV	\$37.38m

Unique Offerings

- PGC has acquired and integrated 8 businesses into 1 platform from June 2009 to November 2014
- Has a broad suite of premium products forming a 'one stop shop' for clients
- Only non-global provider of a full suite of medical equipment, products, consumables and devices

Strong Demand Dynamics

- Underlying business is driven by increasing demand in the acute and aged care sector
- Market size is estimated at ~\$600m pa for capital equipment and in excess of \$10b for consumables and medical products
- Ageing population
- Investment by governments and private providers

Positioned for Growth

Key Events

Acquisitions
Jan 2009
— Jun 2013

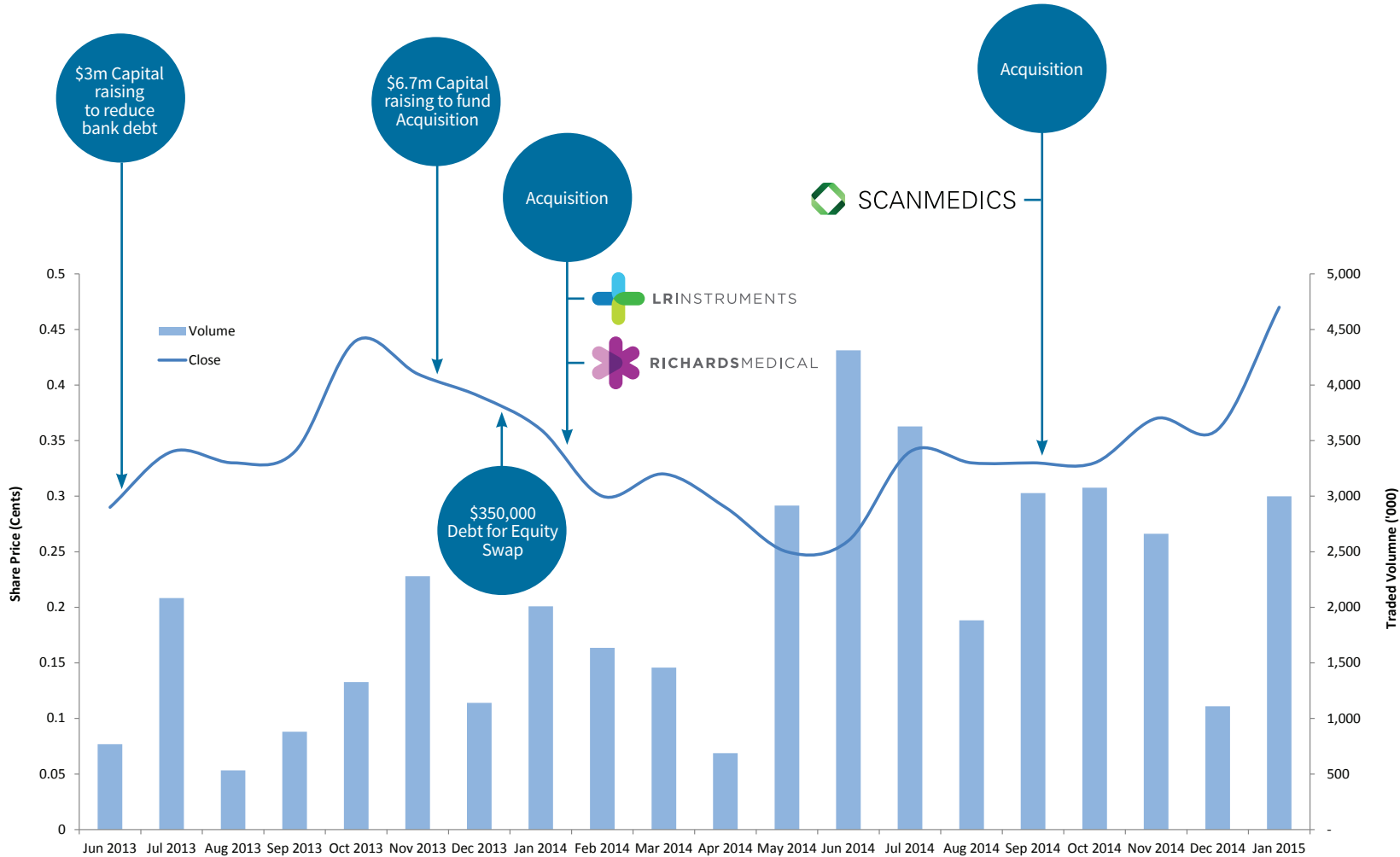
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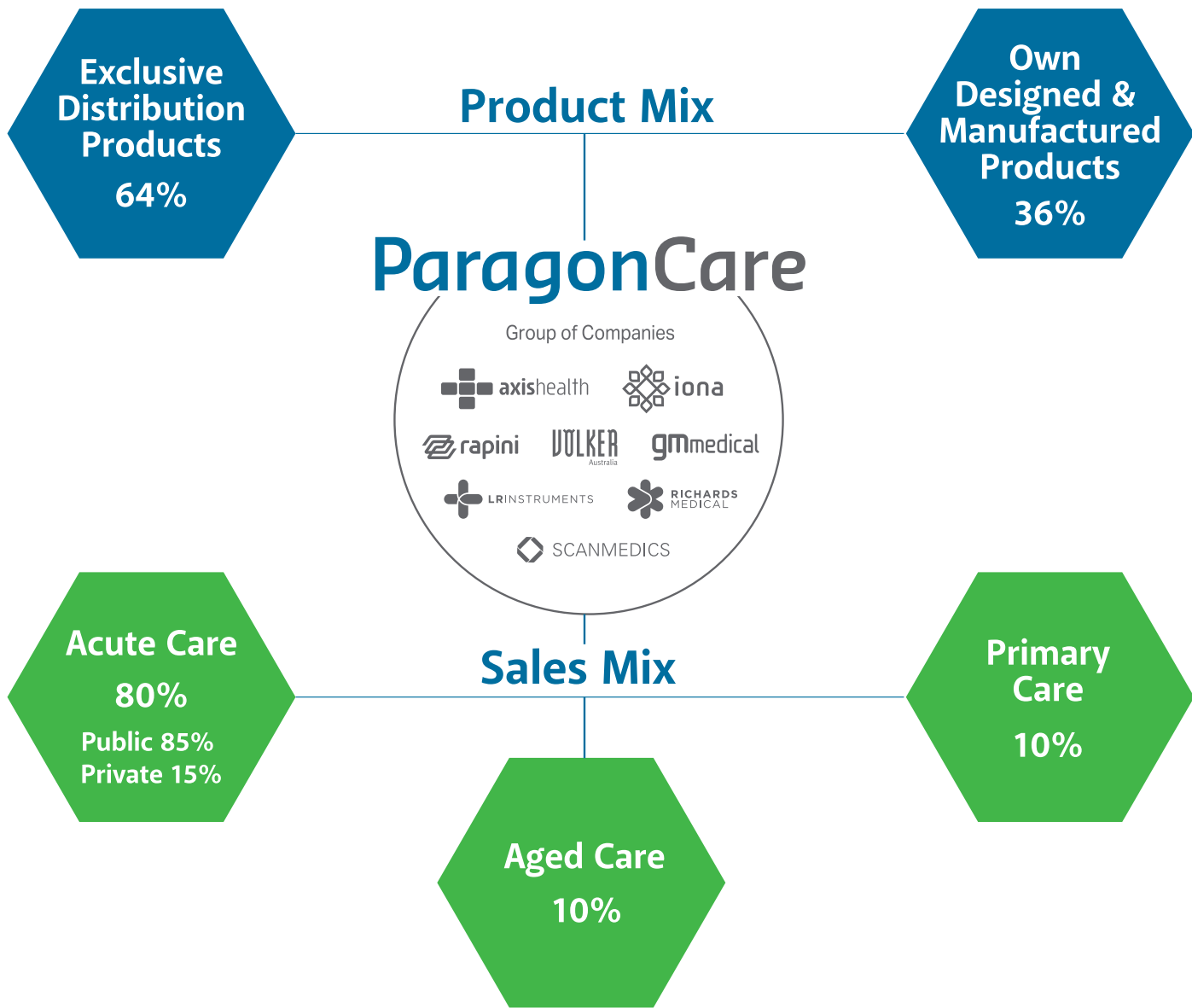
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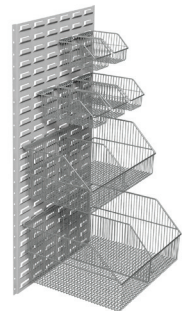
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Product range only matched by global players

Paragon Care's Suite of Products



Paragon Care has:

- Exposure to high growth health and aged care markets
- Large distribution platform in place which provides gateway to the health and aged care sector
- Diverse product portfolio offers a comprehensive full service offering
- Highly fragmented industry with consolidation opportunities
- Long standing relationships with suppliers and customers
- Growing earnings and dividend profile
- Well positioned to fund short term growth opportunities



ParagonCare

Thank you for your time



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