

QTM and PGC: ASX ANNOUNCEMENT

17 December 2021

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

Supreme Court of New South Wales approves convening of Scheme Meeting and despatch of Scheme Booklet

Quantum Health Group Limited (ASX:QTM) ("**Quantum**") and Paragon Care Limited (ASX:PGC) ("**Paragon**") are pleased to announce an update on the proposed acquisition by Paragon of all of the Quantum shares on issue by way of a scheme of arrangement between Quantum and its shareholders ("**Scheme**").

Court approval

The Supreme Court of New South Wales ("**Court**") has today made the following orders in relation to the Scheme:

- that Quantum convene and hold a meeting of Quantum shareholders ("**Quantum Shareholders**") to consider and vote on the Scheme to be held at 3:00pm (Sydney time) on Thursday, 27 January 2022 ("**Scheme Meeting**"); and
- approving the despatch of an explanatory statement providing information about the Scheme and the notice of Scheme Meeting ("**Scheme Booklet**") to Quantum shareholders.

Scheme Booklet

The Court today made orders approving the despatch of the Scheme Booklet to Quantum Shareholders. The Scheme Booklet includes the notice of Scheme Meeting and the Independent Expert's Report prepared by Leadenhall Corporate Advisory Pty Ltd ("**Independent Expert**").

The Scheme Booklet will be registered with Australian Securities and Investments Commission ("**ASIC**").

Following ASIC registration, a further announcement attaching a full copy of the Scheme Booklet will be made by Quantum and Paragon, and an electronic version of the Scheme Booklet will be made available for viewing and downloading from the ASX website at www2.asx.com.au and on Quantum's website at <https://qhealthcare.com.au/cg/>.

Quantum Shareholders who have provided an email address and have not made an election to receive documents in hard copy which is currently in force will receive an email which contains instructions about how to view or download a copy of the Scheme Booklet, to vote or lodge proxy voting instructions online, and to participate in the virtual Scheme Meeting.

Quantum Shareholders who have not provided an email address or have made an election to receive documents in hard copy will be provided with a letter (sent by post) which contains instructions about how to view or download a copy of the Scheme Booklet, a proxy form, to vote or lodge proxy voting instructions online, and to participate in the virtual Scheme Meeting.

Independent Expert's conclusion

As noted above, the Scheme Booklet includes the Independent Expert's Report. The Independent Expert has concluded that the Scheme is in the best interests of Quantum Shareholders, in the absence of a superior proposal.

The Independent Expert's conclusions should be read in context with the full Independent Expert's Report and the Scheme Booklet.

Quantum Board recommendation

The Quantum Board continues to unanimously recommend that Quantum Shareholders **vote in favour of the Scheme**, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of Quantum Shareholders.

Subject to those same qualifications, each director of Quantum intends to vote all Quantum shares held or controlled by them in favour of the Scheme.

Scheme Meeting

The Scheme Meeting will be held as a virtual meeting at 3:00pm (Sydney time) on Thursday, 27 January 2022. Further information is contained in the Scheme Booklet.

All Quantum Shareholders are encouraged to vote either before or during the virtual Scheme Meeting, including by proxy, by attorney or, in the case of a corporation, by corporate representative.

Details on how to vote on the Scheme are included in the Scheme Booklet to be despatched to Quantum Shareholders in connection with the Scheme.

Timetable

An indicative timetable for the Scheme is set out below*:

Event	Indicative date
Despatch of Scheme Booklet	Tuesday, 21 December 2021
Deadline for receipt of Proxy Forms for Scheme Meeting	3:00pm on Tuesday, 25 January 2022
Record date for determining entitlement to vote at the Scheme Meeting	7:00pm on Tuesday, 25 January 2022
Scheme Meeting	3:00pm on Thursday, 27 January 2022
Second Court Date	3:00pm on Tuesday, 1 February 2022
Lodge Court order with ASIC (Effective Date)	Wednesday, 2 February 2022
Scheme Record Date	7:00pm on Wednesday, 9 February 2022
Implementation Date	Wednesday, 16 February 2022

** All dates are indicative only and subject to change*

Further information

Once received, Quantum Shareholders are encouraged to read the Scheme Booklet in full (carefully taking notice of the advantages, disadvantages and risks of the Scheme) before deciding whether and how to vote on the Scheme.

For more specific advice pertinent to your own circumstances, you should seek professional advice from your financial, legal, tax or other professional adviser.

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

For more information:

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About Quantum Health Group Limited

Quantum Health Group Limited (ASX:QTM) is a leading independent Healthcare company operating throughout Asia. Quantum Healthcare specialise in the distribution of state-of-the-art medical imaging, patient treatment, and equipment services in Radiology, Oncology and Women's Healthcare. Quantum Healthcare's head office is in Sydney, Australia with direct subsidiary businesses operating in Thailand, South Korea, Philippines, NZ, Vietnam and China. Quantum is the authorised distribution partner for leading global healthcare manufacturers including Carestream, Philips Healthcare, Samsung, IBA and Accuray. Quantum Healthcare has successfully created a Healthcare Technology Platform across Asia and it provides first class customer service and clinical support for a large installed base of medical equipment in hospitals, universities, and private clinics.

About Paragon Care Limited - www.paragoncare.com.au

Paragon Care Limited (ASX:PGC) is an Australian based listed company in the healthcare sector. It is a leading provider of medical equipment, devices, and consumables for the Australian and New Zealand healthcare markets. 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 as positioned itself to provide advanced technology solutions including equipment, consumables, and services for acute and ancillary care environments.

Forward-looking statements

This announcement contains or may contain forward-looking statements that are based on Quantum's and Paragon's beliefs, assumptions and expectations and on information currently available to Quantum and/or Paragon (as applicable).

All statements that address operating performance, events or developments that Quantum and/or Paragon or their respective directors expect or anticipate will occur in the future are forward-looking statements, including, without limitation, statements as to the expectations of Quantum and/or Paragon of the benefits of the Scheme.

Quantum and Paragon believes that these forward-looking statements are reasonable as and when made. You should not place undue reliance on forward-looking statements because they speak only as of the date when made. Quantum and Paragon do not assume any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. No assurance or guarantee is, or should be taken to be, given in relation to, and no reliance should be placed on, the future business performance or results of Paragon or Quantum or the likelihood that the current assumptions, estimates or outcomes will be achieved. Actual results, developments or events could differ materially from those disclosed in the forward-looking statements.