

ASX Release

24 September 2021

Appointment of Managing Director & Chief Executive Officer

Sigma Healthcare Limited (Sigma) advises that the Board has appointed Vikesh Ramsunder as Managing Director & Chief Executive Officer.

Vikesh is currently Group CEO of the Clicks Group in South Africa, a role that he has held since January 2019. Clicks Group is a leader in the South African healthcare market. Vikesh brings a valuable blend of leadership, strategic focus, industry knowledge and financial acumen following a 28-year career with the Clicks Group, including 18-years as a member of the executive team.

This appointment follows an extensive search process conducted with the support of Maritana Partners which unearthed a strong list of candidates, both internal and external.

Sigma Chairman Ray Gunston commented "The Board is delighted to announce someone of Vikesh's calibre to lead Sigma moving forward. He was a compelling candidate who comes with extensive experience in wholesaling, logistics, pharmacy and retail. He has been integral to the growth of the Clicks Group, which is now one of the largest wholesale, pharmacy and retail operations in Africa, with a market capitalisation around A\$6.0 billion, the equivalent of an ASX100 company in Australia. The market structure and regulatory environment of the wholesale and retail market in South Africa has many similarities to the Australian market."

"Vikesh joins Sigma at an exciting time in our proud history. The last four years have been committed to a sustained period of critical investments to rebuild our infrastructure in our core wholesale and retail business and set the business up for the future. We now emerge from that phase poised to accelerate our growth. Vikesh brings the mix of skills and experience that will be valuable in leading Sigma to fast-track that growth agenda both organically and through acquisitions."

Vikesh will commence with Sigma in February 2022 following the completion of his notice period.

Mr Ramsunder said "I am very excited to be joining a company with the scale and stature of Sigma Healthcare. I would like to thank the Board for their trust and confidence in allowing me to lead the business through its next phase of growth."

It was announced in April this year that Sigma's current CEO and Managing Director, Mark Hooper would remain with Sigma until the end of October 2021. In recognition for him now agreeing to remain with Sigma until 31 January 2022, Sigma has agreed to increase Mr Hooper's monthly total fixed remuneration for the three month period (or part thereof) by 50%, and in addition Mr Hooper is able to terminate his employment on one week's notice. Mr Hooper's employment contract otherwise continues on the same terms.

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Biography

Vikesh Ramsunder is currently Group CEO of Clicks Group in South Africa, a position he has held since January 2019. Prior to becoming Group CEO, Vikesh held a number of roles within the Clicks Group, including Chief Operating Officer from 2015, and Managing Director of United Pharmaceutical Distributors (UPD), the Click Group's pharmaceutical wholesaler business, where he was instrumental in driving UPD's integrated pharmaceutical and distribution strategy. Since joining the Clicks Group in 1993, Vikesh has progressed from the retail floor through all aspects of operations and management across the entire group, providing extensive knowledge and experience.

The Clicks Group) is a retail-led healthcare group which has been listed on the JSE Limited since 1996. Through market-leading retail brands Clicks, GNC, The Body Shop and Claire's, the group has over 840 stores across southern Africa. Clicks Group is a leader in the healthcare market where Clicks has the largest retail pharmacy chain with over 600 in-store pharmacies, while United Pharmaceutical Distributors (UPD) is South Africa's leading full-range national pharmaceutical wholesaler. (<https://www.clicksgroup.co.za/>)

Summary of Material Terms and Conditions of Employment

Commencement Date	February 2022
Term	No fixed term contract. Employment is ongoing until terminated by either party in accordance with the term and conditions of the employment contract.
Fixed Remuneration	Total Employment Cost (TEC) \$1,000,000 per annum inclusive of superannuation (subject to annual review).
Sign-on Rights	<p>Sigma will issue \$1,400,000 of rights to Company shares valued at the 10-day volume weighted average price commencing on the commencement date in recognition of the current exit arrangements for the executive from the current employer.</p> <p>The shares will vest in two equal tranches on the first and second anniversary respectively of the commencement date provided the executive is in the employ of Sigma and has not given notice of termination of employment.</p> <p>If shareholder approval is not obtained for the grant of the Rights, Sigma will pay the cash equivalent at the vesting date.</p>
Short Term Incentive (STI)	<p>Ability to earn at target benefit of 40% of TEC and a maximum benefit of up to 80% of TEC if specified annual performance targets as set by the Board are achieved in accordance with the STI plan.</p> <p>Will be delivered in a combination of cash and deferred equity as determined by the Board.</p> <p>For FY23 this will be 75% in cash and 25% deferred performance rights subject to continued employment for 12 months.</p>

Long Term Incentive (LTI)	<p>Subject to shareholder approval, Sigma will grant Loan Funded Shares to the value of 80% of TEC each financial year. In FY23, the first year of employment, the initial LTI grant will be 120% of TEC.</p> <p>The LTI plan is a loan funded share plan and provides for vesting over a graduated scale based on performance against applicable targets.</p>
Notice Period	<p>Either party may terminate the employment contract by providing 12-months written notice.</p>
Other	<p>The contract of employment otherwise includes provisions customary to a role of this nature.</p>