

Sigma Healthcare's proposed merger with Chemist Warehouse Group clears a major hurdle

HMC Capital Partners Fund 1 (HMCCP or the Fund), a major shareholder in Sigma Healthcare (Sigma), is pleased to note the announcement from the ACCC this morning that it will not oppose the proposed merger between Sigma and Chemist Warehouse Group.

The decision follows a long and rigorous review process by the ACCC which concluded that the merger was unlikely to substantially lessen competition in the pharmacy supply chain. The merger process will now progress to seek both Sigma and Chemist Warehouse Group shareholder approvals, with completion likely to occur during the first half of CY2025.

HMCCP's significant interest in Sigma was the seed asset for the Fund at inception in August 2022. Since then, HMCCP has been a highly active and supportive shareholder which included helping Sigma to structure and negotiate the proposed merger with Chemist Warehouse Group that was announced in December 2023.

The proposed merger is truly transformational for Sigma. It will create a leading healthcare wholesaler, distributor and retail pharmacy franchisor with an implied market capitalisation post completion in excess of \$25bn¹.

Since inception of the Fund, the investment in Sigma has delivered an IRR for HMCCP in excess of 100%². It demonstrates the value of HMC Capital's pro-active investment approach and unique deal-making and capital market capabilities. We look forward to applying these skills and working constructively with our other investee companies to unlock further value for Fund unitholders.

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¹ Based on prevailing Sigma share price of c.\$2.35 as at 2pm on 7 November 2024

² Inception date 31 August 2022. Information current as at 7 November 2024. Illustrative and figures subject to rounding, based on prevailing Sigma share price of c.\$2.35 as at 2pm on 7 November 2024. Past performance should not be taken as an indicator of future performance.