

CEO AND MANAGING DIRECTOR'S REPORT

The 2021/22 financial year has been unique for Sigma, with a transition of leadership after 11 years under the one CEO. Our incoming CEO, Vikesh Ramsunder, commenced on 1 February 2022, at the beginning of our new financial year. Vikesh provides some insight into his experience, focus and early observations.

Can you give us some insight into your background and experience?

I moved to Australia with my family in January 2022 and commenced as Sigma CEO on 1 February 2022. Prior to that, I was the CEO of the Clicks Group in South Africa, which is the largest listed health and beauty retailer in Southern Africa. The Group with over 621 pharmacies has in its stable the country's largest pharmaceutical wholesaler 'UPD' of which I was Managing Director from 2010 until 2015. I was at the Clicks Group for 28 years, starting in retail stores and working across all facets of the business.

This grounding has given me great perspective of pharmaceutical wholesaling, distribution and retailing, experience that is transferable across borders. Serving the customer exceptionally well is always the starting point to prosperity and it will be the core around which we build everything at Sigma.

What have been your greatest achievements in your career to date?

I do not come from a position of privilege, so becoming CEO of the Clicks Group after starting on the retail shop floor was a moment of personal pride. I am however most proud of the work that we did as a group to increase access to healthcare of previously disadvantaged communities and improving the lives of our employees through investment in training and development and the employee share ownership scheme. Ultimately as CEO you are measured by performance, so I am also proud of the growth of the Group during my leadership, and the returns we were able to produce for shareholders.

What attracted you to Sigma?

I knew of the Sigma business and history long before the CEO role became an option. I had from a distance observed the Sigma story and was aware of the investments being made and the challenges being encountered. For me personally, the attraction to join and lead Sigma was in the opportunity to leverage the investment and build on the equity of what was once a market leading brand.

I have visited several distribution centres (DCs) around the world from various industries, and it is clear that Sigma has world class DCs and automation. From my experience, the opportunity we now have is to work these incredible assets harder. Retail is also part of my DNA, so I was attracted to

the pharmacy brands within the Sigma network as well. Sigma has some pharmacy brands with long heritage and community connection. Again, I see opportunity to improve our performance in this space.

What have been your observations of Sigma and what are your objectives?

It has been less than three months since joining, but I have already formed some clear views about where Sigma is at now and where our work must begin.

Firstly, we have clearly had some ERP implementation issues that have impacted service delivery to our customers. We continue to make progress in overcoming these complex issues and I am very aware we need to rebuild the trust and confidence with our customers. Our team is focused on achieving this as quickly as possible with my full support.

Secondly, I think the Sigma business is more complex than it needs to be. In the short-term I am very focused on creating a simplified business model and eliminating the complexity within our structures and reporting to make Sigma easier to deal with and making our teams more accountable.

Thirdly, Sigma has world class infrastructure that is currently being under-utilised. My attention has already turned to the strategic opportunities that will better leverage these assets to drive improved customer service, strong growth and shareholder returns.

Any final comments?

Whilst I am rapidly learning about the Australian market, from my extensive experience, I know what success looks like and it starts with providing great customer service. What truly matters to our customers and suppliers is for Sigma to reliably deliver on time and in full. This also truly matters to me and my team will take whatever action is required to continuously improve on this critical measure.

I am also committed to ensuring we have the right people in the right roles, that enhance our core values and support our people to collectively optimise performance and achieve outcomes.

Sigma has a long and proud history and now has world class capability. I am energised and driven to lead Sigma into a future that benefits society, our people and importantly our shareholders.

I look forward to reporting to you later in the year the board's strategy on how we will move the business forward.

Vikesh Ramsunder
CEO & Managing Director

