

28 October 2025

ASX ANNOUNCEMENT

PARAGONCARE TO ACQUIRE SOMNOTEC GROUP

Paragon Care Limited (ASX:PGC) ("ParagonCare" or the "Company"), a leading healthcare wholesaler, distributor, and manufacturer throughout the Asia Pacific region, is pleased to announce that Paragon Care Singapore Pte. Ltd, a wholly-owned subsidiary of the Company, has entered into a binding share purchase agreement ("SPA") for the proposed acquisition of 100% of the Somnotec Group ("Acquisition").

Somnotec are a distributor of various leading edge medical devices and technology in Southeast Asia. Headquartered in Singapore and with subsidiary companies incorporated in Malaysia, Indonesia, Thailand (as an associated company) and Philippines. Somnotec has been serving the healthcare community for over two decades. Since the company's incorporation in 2003, Somnotec have grown to serve diverse fields of medicine in addition to expanding respiratory and home care product lines including Anaesthesia, Cardiology and Critical Care.

Somnotec currently has over 90 employees and its CEO, Richard Saw, has provided his commitment to continue leading Somnotec for a minimum of 2 years post completion of the acquisition. The Seller is Innovmedics (S) Pte. Ltd. and other minority shareholders of the Somnotec Group.

ParagonCare believes the acquisition of Somnotec will accelerate the Company's strategy of building a complete footprint across the Asian region and will better enable it to service OEM manufacturers across APAC. Somnotec predominantly falls within ParagonCare's MedTech and Contract Logistics sales channels.

The acquisition price for Somnotec is based on an enterprise value of SGD24 million (approximately A\$28.4 million including A\$18 million paid upfront and the remaining paid over 2 years subject to minimum EBITDA targets being achieved). Somnotec Group reported annual revenue of A\$40m and EBITDA of A\$5.6m for the financial year ending on 31 December 2024¹. The acquisition is anticipated to be earning accretive for ParagonCare in FY26.

ParagonCare has secured credit-approved term sheets for working capital facilities of NZ\$12 million (approximately A\$10.6 million) in New Zealand and of US\$17 million (approximately A\$26.1 million) in Thailand. These facilities will support the funding of this acquisition plus additional opportunities within our pipeline.

The completion of the acquisition is subject to several customary conditions, including obtaining regulatory authorisation in Thailand, obtaining required change of control consents from counterparties, and completing pre-acquisition announcements and creditor clearance in Indonesia. ParagonCare expects to complete this acquisition on or around 15 December 2025.

ParagonCare CEO, Carmen Riley, said "We are excited to welcome the Somnotec Group to the ParagonCare team. Somnotec is a well-run business and is highly complementary to ParagonCare's business. We are particularly pleased that CEO Richard Saw will remain with the business which will help ensure a smooth transition and its continued growth."

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¹ Based on the Management Accounts of Somnotec Group for FY24.

About Paragon Care Limited

Paragon Care Limited (ASX:PGC) is an Australian based listed company in the healthcare sector. It is a leading provider of medical equipment, devices, consumables, pharmaceuticals, complementary medicines, nutritional supplies, and manufacturer of Blood Bank diagnostic reagents to the healthcare markets in Australia, New Zealand and Asia.