ASX RELEASE 30 October 2025

September 2025 Quarterly Activities Report & Appendix 4C

Key Highlights

- **Phase 3 Milestone Achieved**: Participants dosed in both Australia and the United States in the pivotal PARA_OA_012 Phase 3 clinical trial.
- **Site Activation on Track**: Majority of selected trial sites now initiated across both regions, with all expected to be active and recruiting by early November. Early screening data show an improved screen-failure rate versus PARA_OA_002, reflecting FDA guided refinements to clinical trial protocol.
- **Shareholder Engagement**: Launch of Paradigm's dedicated InvestorHub platform providing real-time access to company updates, videos, and shareholder Q&A functionality.
- **EGM**: Shareholders approved all resolutions at the September 2025 Extraordinary General Meeting.
- **Capital & Registry Management**: Implementation of an Unmarketable Parcel Sale Facility to streamline the share register and reduce administrative costs.
- **Cash Position**: Cash balance of approximately A$19.68m at 30 September 2025, with an additional A$30.29m in available facility, providing funding runway through planned recruitment and toward the mid-2026 interim analysis.

Paradigm Biopharmaceuticals Ltd. (ASX: PAR) ("Paradigm" or "the Company") is pleased to provide its quarterly update for the three months ended 30 September 2025 and continuing activities to accompany its Appendix 4C cash flow report for the period.

Operational Update

The September quarter represented a major inflection point for Paradigm as the Company entered the dosing phase of its global Phase 3 clinical trial (PARA_OA_012) evaluating injectable pentosan polysulfate sodium (iPPS) for pain associated with knee osteoarthritis.

Participants have now been randomised and dosed in both Australia and the United States, confirming operational readiness across multiple trial sites. Site activation continues to ramp, and as a result, a growing number of participants are being screened and assessed. Paradigm is closely monitoring activation progress across all sites and may withdraw sites that are slow to initiate. Encouragingly, strong screening performance from active sites may ultimately reduce the total number of sites required to complete recruitment.

The Company continues to evaluate the potential inclusion of additional sites outside Australia and the United States to further support recruitment, with updates to be provided should these expansions proceed.

The total target enrolment remains 466 participants (1:1 randomisation), with the interim analysis planned once 50% of participants reach Day 112, anticipated in mid-CY2026.

Early screening data indicate a significant improvement in screen failure rates compared with the earlier PARA_OA_002 study, reflecting targeted eligibility, monitoring and protocol refinements following discussions with the US FDA.

Recruitment Support Initiatives

Paradigm continues to invest in multiple patient-recruitment channels to maintain strong trial momentum and ensure timely enrolment across regions. The Company is implementing a multi-layered strategy designed to raise awareness, streamline pre-screening, and improve conversion from initial contact to randomisation.

Hope4OA: Paradigm's dedicated patient-education and trial-connection platform (www.hope4oa.com) continues to attract growing engagement from individuals seeking new treatment options for osteoarthritis. The site provides clear, accessible information on the disease, study eligibility criteria, and participating clinical centres, while allowing potential participants to register interest directly with local trial coordinators.

Citeline (US) and **Medimark (Australia)**: Targeted digital advertising and patient-outreach programs in both regions are actively identifying and pre-qualifying eligible participants based on self-reported OA data. These programs incorporate online questionnaires, pre-screening calls, and referral pathways to nearby trial sites, improving efficiency and reducing screen-failure rates.

In addition to these initiatives, Paradigm continues to work closely with clinical investigators and site coordinators to ensure consistent messaging, rapid follow-up of potential participants, and a patient-centric recruitment experience.

Collectively, these efforts are optimising enrolment performance and helping to achieve geographic balance across clinical centres, positioning the PARA_OA_012 study for sustained recruitment momentum in the quarters ahead.

Financial Highlights

On 30 September 2025, Paradigm held A$19.68m in cash and an additional A$30.29m available through the Obsidian Global Convertible note facility. Net cash used in operating activities during the quarter was A$6.51m, primarily reflecting ongoing expenditure on CRO activities, clinical-site operations, and investigational product manufacturing.

The Company remains fully funded to execute the Phase 3 program through to the mid-2026 interim analysis, supported by the US$27m (A$41.2m) Obsidian Global Partners convertible note facility, of which US$7m (A$10.68m) has been drawn. Paradigm continues to explore complementary funding and partnership opportunities to enhance flexibility and minimise dilution to shareholders.

During the September quarter, Paradigm completed the A$500,000 cash payment associated with the acquisition of Proteobioactives Pty Ltd, as announced on 26 June 2025. This acquisition secures the global intellectual property rights to Pentacoxib™, a patented oral combination of PPS and a COX-2 inhibitor for the treatment of osteoarthritis pain and inflammation. The transaction broadens Paradigm's osteoarthritis portfolio beyond its injectable PPS Phase 3 program, enabling development in earlier-stage disease and veterinary applications through a capital efficient, staged approach. Importantly, there are no assumed liabilities, and future milestone payments are contingent upon clinical and regulatory outcomes.

During the quarter, Paradigm undertook a series of corporate and governance initiatives aimed at strengthening its financial flexibility and improving cost efficiency. On 23 September 2025, the company held an Extraordinary General Meeting at which all resolutions were passed, including ratification of prior issues and approval to issue additional convertible notes and options under the existing US$27 million (A$41.2 million) Obsidian Global Partners facility. The approval provides Paradigm with continued access to subsequent tranches of funding on agreed terms, offering operational flexibility to support the ongoing Phase 3 program while preserving shareholder value.

The company also announced an Unmarketable Parcel Sale Facility on 11 September 2025, allowing shareholders with holdings valued under A$500 to sell their shares without incurring brokerage costs. The initiative is expected to deliver meaningful cost savings over time by reducing registry administration fees and simplifying shareholder management processes.

Investor and Media Engagement

Paradigm continued to strengthen engagement with institutional and retail investors during the September quarter through proactive participation in targeted investor forums and the launch of new communication initiatives designed to enhance transparency and accessibility.

In August 2025, Paradigm launched its dedicated InvestorHub platform, providing shareholders with a centralised online destination for company news, ASX announcements, videos, and investor resources. The platform enables two-way engagement through features such as Q&A functionality and event registration, reflecting Paradigm's commitment to keeping shareholders informed and involved as the company advances its clinical and corporate milestones.

On 9 September 2025, Paradigm presented at the Evans & Partners Small Cap Healthcare Conference in Sydney, providing an update on the company's Phase 3 clinical program, funding position, and broader osteoarthritis portfolio strategy. The event facilitated valuable interaction with specialist healthcare investors and further broadened awareness of Paradigm's investment proposition within the Australian institutional market.

Following the end of the quarter, Paradigm participated in the Ignite Investment Summit held in Hong Kong on 15–16 October 2025. Paradigm's Founder and Managing Director, Paul Rennie, took part in a panel discussion on investing in biotechnology and delivered a company presentation highlighting recent clinical and operational progress. The presentation video is available on Paradigm's InvestorHub under the Videos tab.

The launch of the InvestorHub, together with participation in key investor events, has strengthened Paradigm's communication with existing and prospective shareholders. The company will continue to engage with the investment community through regular updates and conference participation as it progresses toward upcoming clinical and corporate milestones.

Paul Rennie, MD of Paradigm Biopharma, commented on the quarter: *"The start of dosing in our Phase 3 program is a major milestone for Paradigm and a clear validation of the progress made over the past year. Our near-term priorities are to accelerate recruitment, maintain cost discipline, and ensure we remain on track for the planned interim analysis in mid-2026. We are building momentum across both clinical and corporate fronts as we continue to advance our mission to change the treatment landscape for osteoarthritis."*

Summary of Cash Flow and Quarterly Activity

As at 30 September 2025, Paradigm's cash and cash equivalents totalled A$19.86m, an improvement from A$16.82m at 30 June 2025. The increase reflects the drawdown of the first tranche under the company's convertible note facility with Obsidian Global Partners, partially offset by continued investment in Phase 3 clinical trial activities.

Net cash used in operating activities for the quarter was A$6.51m, primarily reflecting ongoing expenditure related to the pivotal PARA_OA_012 Phase 3 clinical trial, manufacturing, and regulatory operations. Paradigm continues to prioritise disciplined resource allocation to advance its clinical and corporate objectives.

- Paradigm invested A$5.67m in research and development activities during the quarter, primarily directed toward execution of the PARA_OA_012 Phase 3 program, including site activations, CRO operations, and investigational product supply.
- In addition to clinical progress, Paradigm continues to maintain a strong and flexible funding position. On 1 July 2025, the company announced a US$27m (A$41.2m) convertible note facility with Obsidian Global Partners. An initial US$7m (A$10.68m) was drawn during the September quarter to support ongoing Phase 3 trial execution, with the remaining US$20m available at the company's discretion following shareholder approval of tranches 2 and 3 at the September Extraordinary General Meeting. The facility provides sufficient capital to advance the trial through key milestones, including full recruitment and interim analysis, while preserving balance-sheet flexibility to pursue complementary funding and strategic opportunities that support future commercial readiness.
- Completed the A$500,000 payment for the acquisition of Proteobioactives Pty Ltd, securing global IP rights to Pentacoxib™, an oral PPS + COX-2 combination targeting earlier-stage osteoarthritis and veterinary indications. The staged transaction expands Paradigm's OA portfolio with no assumed liabilities and milestone payments contingent on development outcomes.
- Total cash outflows for the December 2025 quarter are forecast to be in the range of A$13–15m, driven by the operational ramp-up across multiple clinical sites and the expansion of recruitment and monitoring activities.
- In accordance with Listing Rule 4.7C.3 and as noted in item 6 of the Appendix 4C Cashflow Statement, payments to related parties and their associates during the quarter totalled $27K, covering $21K in non-executive Director fees and $6K for legal fees to BioMeltzer, an entity controlled by Amos Meltzer.

OUTLOOK

Building Momentum Toward the Interim Analysis

Paradigm enters the December quarter with a clear operational focus on accelerating recruitment and dosing across its global Phase 3 clinical trial (PARA_OA_012) of iPPS for knee osteoarthritis. With participants now dosed in both Australia and the United States, site activity continues to build, supported by improved screening performance and patient-referral initiatives.

Recruitment is expected to progress steadily through the December quarter, with the company targeting 50% participant enrolment by the end of CY2025. This milestone will

position PARA_OA_012 for its interim analysis, planned once half of participants reach Day 112, anticipated mid-2026. The analysis, overseen by an independent Data Safety Monitoring Board (DSMB), represents a key clinical and commercial catalyst for Paradigm, potentially providing early efficacy signals and informing future regulatory and partnering discussions.

Operational and Data Milestones

Paradigm expects continued operational momentum and regular news flow over the coming quarters as the Phase 3 program advances toward several key milestones. These include achieving 50 percent recruitment by the end of CY2025, publication of the PARA_OA_008 Phase 2 clinical data manuscript by year-end and reaching full recruitment for PARA_OA_012 during the first half of 2026. The company anticipates conducting the interim analysis in mid-2026 once half of participants have reached Day 112, under the supervision of the DSMB. In parallel, Paradigm continues to advance discussions relating to potential regional licensing opportunities in osteoarthritis.

Investor and Corporate Engagement

Paradigm's 2025 Annual General Meeting will be held at 11:00 am (AEDT) on Wednesday, 19 November 2025 at FB Rice, Level 33, 477 Collins Street, Melbourne VIC 3000, and virtually via the Automic online platform.

Following the AGM, Paradigm will present at the Bell Potter Healthcare Conference at 4:00 pm (AEDT) on 20 November 2025, providing an update on clinical and corporate progress. Additional investor webinar events are being planned and will be announced through the company's InvestorHub mailing list.

About Paradigm Biopharmaceuticals

Paradigm Biopharmaceuticals Ltd. (ASX: PAR) is a late-stage drug development company driven by a purpose to improve patients' health and quality of life by discovering, developing, and delivering pharmaceutical therapies. Paradigm's current focus is developing iPPS for the treatment of diseases where inflammation plays a major pathogenic role, indicating a need for the anti-inflammatory and tissue regenerative properties of PPS, such as in osteoarthritis (phase 3).

Forward Looking Statements

This Company announcement contains forward-looking statements, including statements regarding anticipated commencement dates or completions dates of preclinical or clinical trials, regulatory developments, and regulatory approval. These forward-looking statements are not guarantees or predictions of future performance, and involve known and unknown risks, uncertainties, and other factors, many of which are beyond our control, and which may cause actual results to differ materially from those expressed in the statements contained in this presentation. Readers are cautioned not to put undue reliance on forward-looking statements.

Authorised for release by the Paradigm Board of Directors.

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Paradigm Biopharma

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity	
Paradigm Biopharmaceuticals Limited	
ABN	**Quarter ended ("current quarter")**
94 169 346 963	30 September 2025

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (3 months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	33	33
1.2	Payments for		
	(a) research and development	(5,699)	(5,699)
	(b) product manufacturing and operating costs	-	-
	(c) advertising and marketing	-	-
	(d) leased assets	(12)	(12)
	(e) staff costs	(460)	(460)
	(f) administration and corporate costs	(580)	(580)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	148	148
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	63	63
1.9	**Net cash from / (used in) operating activities**	**(6,507)**	**(6,507)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	(500)	(500)
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	5	5
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**(495)**	**(495)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	10,681	10,681
3.3	Proceeds from exercise of options	1	1
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(593)	(593)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings (lease liabilities)	(31)	(31)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (Limited recourse loan repaid under ESP)	-	-
3.10	**Net cash from / (used in) financing activities**	**10,058**	**10,058**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	**16,818**	**16,818**
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(6,507)	(6,507)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(495)	(495)

Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	10,058	10,058
4.5	Effect of movement in exchange rates on cash held	(13)	(13)
4.6	**Cash and cash equivalents at end of period**	**19,861**	**19,861**

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter $A'000	Previous quarter $A'000
5.1	Bank balances	19,861	16,818
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**19,861**	**16,818**

6.	Payments to related parties of the entity and their associates	Current quarter $A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	27
6.2	Aggregate amount of payments to related parties and their associates included in item 2	

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	30,294	10,681
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	30,294	10,681

7.5	**Unused financing facilities available at quarter end**	30,294

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

Convertible Note facility from Obsidian Global Partners, with no interest payable and expires on 1 January 2028. Refer to ASX Announcement on 01 July 2025 for full details.

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(6,507)
8.2	Cash and cash equivalents at quarter end (item 4.6)	19,861
8.3	Unused finance facilities available at quarter end (item 7.5)	30,294
8.4	Total available funding (item 8.2 + item 8.3)	50,155
8.5	**Estimated quarters of funding available (item 8.4 divided by item 8.1)**	7.71

Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.

8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:

8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer:.

8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer:

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: ..30 October 2025.....

Authorised by: ...By the board.....
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.