

## September 2026 Quarterly Activities Report

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**Paradigm Biopharmaceuticals Ltd (Administrators Appointed) (ASX: PAR)** (Paradigm or the Company) provides its quarterly activities report for the three months ended 30 September 2026. The quarter concluded with the Phase 3 interim analysis meeting the pre-specified futility criterion and the appointment of voluntary administrators.

Since quarter end, the Rest of World analysis of the Phase 3 interim data has identified encouraging pain and function findings. Independent analysis of the Phase 3 data is being undertaken to inform assessment of the program and potential future development.

### Key Developments

- **Phase 3 interim result:** On 23 September 2026, the independent Data Safety Monitoring Board (DSMB) confirmed that interim efficacy in PARA\_OA\_012 was below the pre-specified continuation threshold. The trial met its futility criterion.
- **Voluntary administration:** Hayden White and Chris Pattinson of FTI Consulting were appointed Administrators effective 29 September 2026. The appointment was announced on 30 September, and the Company's securities remained suspended.
- **Safety monitoring:** The planned 80% safety review was completed during the quarter, with a recommendation at that time to continue without modification. This preceded the September interim efficacy result.
- **July convertible note drawdown:** US\$3 million (approximately A\$4.3 million) was drawn on 13 July 2026.
- **September Tranche 4 drawdown:** US\$2 million (A\$2.79 million) was drawn on 11 September 2026. The Company agreed to return the US\$2 million on 24 September 2026.
- **Tax receipts:** The Company received approximately A\$4.76 million in July from its FY25 R&D tax incentive.
- **Medical leadership:** Dr Daniel Furtner was appointed Chief Medical Officer effective 16 September 2026. Dr Donna Skerrett continued with the Company as Senior Scientific Advisor.
- **Quarter-end cash:** Cash and cash equivalents at 30 September 2026 were A\$4.33m.

## Research and Development Activities

### Phase 3 Clinical Program

R&D activity during the quarter centred on the PARA\_OA\_012 knee osteoarthritis program, including participant follow-up, clinical-site activity, safety monitoring and preparation of the interim dataset. Following completion of recruitment in the June quarter, the program progressed towards its interim analysis across sites in the United States, Australia, Hong Kong and Moldova.

The study evaluated a six-week course of twice-weekly subcutaneous iPPS (injectable pentosan polysulfate) against placebo. Its primary efficacy assessment was change in weekly average daily pain at Day 112, supported by measures of WOMAC pain and physical function and patient-reported overall improvement. Clinical operations and data-management work supported collection, review and reconciliation of the study assessments ahead of the independent interim analysis.

### Phase 3 Interim Analysis

On 23 September 2026, Paradigm announced that the independent Data Safety Monitoring Board (DSMB) had confirmed the interim efficacy result for the pivotal PARA\_OA\_012 study was below the pre-specified continuation threshold. The study met its pre-specified futility criterion. The analysis followed approximately 50% of participants reaching the Day 112 primary efficacy endpoint; 538 participants had received treatment.

Following the interim result, the R&D focus shifted to understanding the available clinical data and the factors that may have influenced the outcome. The Company reported operational challenges and significant missing data, and initiated review of pain, physical function, safety and other pre-specified endpoints following the relevant database and unblinding processes. This included examining data completeness, treatment exposure and regional differences to inform reassessment of the development strategy.

As announced on 30 September 2026 following the appointment of Administrators, the Phase 3 trial would not proceed as planned. Continued clinical and data review was subject to the Administrators' assessment and available resources.

### Independent Safety Review

On 13 August 2026, Paradigm announced completion of the planned DSMB safety review of approximately 80% of participants who had completed dosing at Day 39. The DSMB recommended continuation of the study without modification. This was the third formal safety review, following the earlier 20% and 50% reviews.

The safety recommendation preceded the September interim efficacy result and should be read in that chronological context.

## **Corporate Activities**

### **Medical Leadership**

On 15 September 2026, Paradigm announced the appointment of Dr Daniel Furtner as Chief Medical Officer, effective 16 September 2026. Dr Donna Skerrett transitioned to Senior Scientific Advisor, remaining with the Company to support scientific continuity.

### **Funding and Capital Management**

#### **July Convertible Note Drawdown**

As announced on 13 July 2026, Paradigm completed a US\$3 million drawdown, stated as approximately A\$4.3 million, under its US\$27 million convertible note facility with Obsidian. The drawdown involved the issue of 3,000,000 convertible notes. The proceeds were intended to support participant treatment and follow-up, data management, regulatory work and clinical operations.

#### **Tax Incentive and Amended Assessment Receipts**

On 22 July 2026, Paradigm announced combined receipts of approximately A\$4.82 million, including A\$59,579 in interest.

#### **September Tranche 4 Drawdown and Agreed Return**

As announced on 11 September 2026, the Company completed a separate Tranche 4 drawdown of US\$2 million, equivalent to A\$2.79 million, under the Obsidian facility, which is secured. On 24 September 2026, following the interim analysis outcome, Paradigm agreed to return that amount. The associated 2,000,000 convertible notes were cancelled on 24 September. The return arrangement did not require a premium, redemption amount, fee or other additional payment.

### **Voluntary Administration**

As announced on 30 September 2026, Hayden White and Chris Pattinson of FTI Consulting were appointed Administrators effective 29 September 2026. The Board initiated the process with Obsidian's support to pursue balance-sheet restructuring while reviewing the clinical program and data. Control of the Company's business, property and affairs passed to the Administrators, with officers' powers suspended.

The Board intends to work with the Administrators and stakeholders on a proposed deed of company arrangement (DOCA) to restructure liabilities, preserve intellectual property and data, and assess future business options. There was no certainty that a DOCA will be approved or implemented.

On 30 September 2026, ASX continued the suspension of the Company's securities under Listing Rule 17.3 following the appointment of Administrators. Reinstatement remained subject to ASX being satisfied with the Company's compliance with the Listing Rules and the appropriateness of reinstatement.

## Summary of Cash Flow and Quarterly Activity

At 30 September 2026, Paradigm held cash and cash equivalents of A\$4.33m, compared with A\$15.373 million at 30 June 2026. Cash movements during the quarter reflected expenditure on the Phase 3 clinical program and corporate activities, together with the July and September convertible note drawdowns and the tax receipts outlined above. All amounts in this cash-flow summary are in Australian dollars.

Net cash used in operating activities for the quarter was \$13.5m. R&D remained the principal clinical expenditure focus, reflecting costs associated with the delivery of PARA\_OA\_012 and preparation of the interim analysis.

R&D cash payments of \$17.5m related to the Phase 3 program, including participant treatment and follow-up costs, clinical-site operations, trial monitoring and associated clinical research organisation services, investigational product supply and data management.

Corporate administration and corporate cash payments were \$473k, supporting the Company's corporate, governance and reporting activities. The appointment of Administrators late in the quarter changed the basis on which future expenditure and commitments would be assessed.

Net cash from financing activities was \$2.33m. The July 2026 US\$3 million drawdown and separate September 2026 US\$2 million drawdown are described above, together with the agreement to return the September tranche.

In accordance with ASX Listing Rule 4.7C.3, payments to related parties and their associates during the quarter were \$25k, including non-executive Director fees of \$23k and \$2k for legal fees to BioMetzler, as entity controlled by Amos Meltzer, as disclosed in item 6 of the Appendix 4C.

### Expected FY26 R&D Tax Incentive

The Company has submitted its FY26 R&D tax incentive claim and expects a refund of approximately A\$8.4 million by the end of calendar year 2026. The amount and receipt timing remain subject to assessment and processing, and the refund has not been treated as cash received during the September 2026 quarter. This is separate from the FY25 incentive and amended FY23 assessment receipts announced in July 2026.

## Subsequent Administration Updates

On 23 October 2026, the Administrators announced their application to the Supreme Court of Western Australia for an extension of up to three months to the convening period. As announced on 28 October 2026, the application was heard before the Court on 27 October 2026, with the Court granting the extension sought. As a result of the orders, the duration of the voluntary administration has been extended for a period of up to three months.

In a separate 23 October 2026 announcement, the Company confirmed reliance on relief available to externally administered bodies for financial reporting and annual general meeting obligations. Accordingly, the Company's 2026 annual general meeting will not be held on or before 30 November 2026.

## About Paradigm Biopharmaceuticals

Paradigm Biopharmaceuticals Ltd (Administrators Appointed) (ASX: PAR) is a drug development company whose clinical program has focused on injectable pentosan polysulfate sodium (iPPS), including its development for knee osteoarthritis. The Company's business and affairs are under the control of the Administrators.

## Forward Looking Statements

This announcement contains forward-looking statements, including statements concerning clinical-data review, restructuring proposals and potential future activities. These statements are not guarantees or predictions of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the Company's control. Actual outcomes may differ materially. Readers should not place undue reliance on forward-looking statements. Any future activities remain subject to the administration process, available funding and applicable approvals.

The clinical analysis was prepared by Company management and its clinical advisers. The Administrators have not independently verified the data or the analysis and make no representation as to their accuracy or completeness. The Administrators are releasing this information to keep the market informed.

-Ends-

Authorised for release by the Voluntary Administrators\*.

Cash flows referred to in this activity report and the Appendix 4C predate the appointment of the Voluntary Administrators. The summary of activities refers to activities that were performed prior to the control of the Administrators.

To learn more please visit: [www.paradigmbiopharma.com](http://www.paradigmbiopharma.com)

FOR FURTHER INFORMATION PLEASE CONTACT:

| Media Enquiries                                                                                                                                                               | Creditor and Supplier Enquiries                                                                                                                                 | Investor                                                                                                                                                                                             |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Shane Murphy<br>Strategic Communications<br>FTI Consulting<br>T: +61 (0) 420 945 291<br>E: <a href="mailto:shane.murphy@fticonsulting.com">shane.murphy@fticonsulting.com</a> | James Dunne<br>Corporate Finance<br>FTI Consulting<br>T: +61 8 6430 1303<br>E: <a href="mailto:James.Dunne@fticonsulting.com">James.Dunne@fticonsulting.com</a> | Simon White<br>Director of Investor Relations<br>Paradigm Biopharma<br>T: +61 404 216 467<br>E: <a href="mailto:investorrelations@paradigmbiopharma.com">investorrelations@paradigmbiopharma.com</a> |

\*Christopher Pattinson and Hayden White of FTI Consulting were appointed as joint and several voluntary administrators of Paradigm Biopharmaceuticals Limited (Administrators Appointed) ACN 169 346 963 on 29 September 2026.

## Appendix 4C

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

**Name of entity**

Paradigm Biopharmaceuticals Limited

**ABN**

94 169 346 963

**Quarter ended ("current quarter")**

30 September 2026

| <b>Consolidated statement of cash flows</b>               | <b>Current quarter<br/>\$A'000</b> | <b>Year to date (3<br/>months)<br/>\$A'000</b> |
|-----------------------------------------------------------|------------------------------------|------------------------------------------------|
| <b>1. Cash flows from operating activities</b>            |                                    |                                                |
| 1.1 Receipts from customers                               | 44                                 | 44                                             |
| 1.2 Payments for                                          |                                    |                                                |
| (a) research and development                              | (17,479)                           | (17,479)                                       |
| (b) product manufacturing and operating costs             | -                                  | -                                              |
| (c) advertising and marketing                             | -                                  | -                                              |
| (d) leased assets                                         | (14)                               | (14)                                           |
| (e) staff costs                                           | (394)                              | (394)                                          |
| (f) administration and corporate costs                    | (473)                              | (473)                                          |
| 1.3 Dividends received (see note 3)                       | -                                  | -                                              |
| 1.4 Interest received                                     | 99                                 | 99                                             |
| 1.5 Interest and other costs of finance paid              | (5)                                | (5)                                            |
| 1.6 Income taxes paid                                     | -                                  | -                                              |
| 1.7 Government grants and tax incentives                  | 4,758                              | 4,758                                          |
| 1.8 Other (provide details if material)                   | 12                                 | 12                                             |
| <b>1.9 Net cash from / (used in) operating activities</b> | <b>(13,452)</b>                    | <b>(13,452)</b>                                |
| <b>2. Cash flows from investing activities</b>            |                                    |                                                |
| 2.1 Payments to acquire or for:                           |                                    |                                                |
| (a) entities                                              | -                                  | -                                              |
| (b) businesses                                            | -                                  | -                                              |
| (c) property, plant and equipment                         | -                                  | -                                              |
| (d) investments                                           | -                                  | -                                              |
| (e) intellectual property                                 | -                                  | -                                              |
| (f) other non-current assets                              | -                                  | -                                              |

| Consolidated statement of cash flows |                                                       | Current quarter<br>\$A'000 | Year to date (3<br>months)<br>\$A'000 |
|--------------------------------------|-------------------------------------------------------|----------------------------|---------------------------------------|
| 2.2                                  | Proceeds from disposal of:                            |                            |                                       |
|                                      | (a) entities                                          | -                          | -                                     |
|                                      | (b) businesses                                        | -                          | -                                     |
|                                      | (c) property, plant and equipment                     | -                          | -                                     |
|                                      | (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 (Term deposits)                                 | -                          | -                                     |
| <b>2.6</b>                           | <b>Net cash from / (used in) investing activities</b> | <b>-</b>                   | <b>-</b>                              |

|             |                                                                                         |              |              |
|-------------|-----------------------------------------------------------------------------------------|--------------|--------------|
| <b>3.</b>   | <b>Cash flows from financing activities</b>                                             |              |              |
| 3.1         | Proceeds from issues of equity securities (excluding convertible debt securities)       | -            | -            |
| 3.2         | Proceeds from issue of convertible debt securities                                      | 4,312        | 4,312        |
| 3.3         | Proceeds from exercise of options                                                       | 168          | 168          |
| 3.4         | Transaction costs related to issues of equity securities or convertible debt securities | (103)        | (103)        |
| 3.5         | Proceeds from borrowings                                                                | -            | -            |
| 3.6         | Repayment of borrowings                                                                 |              |              |
|             | (a) lease liabilities                                                                   | (37)         | (37)         |
|             | (b) redemption of convertible debt securities                                           | (2,009)      | (2,009)      |
| 3.7         | Transaction costs related to loans and borrowings                                       | -            | -            |
| 3.8         | Dividends paid                                                                          | -            | -            |
| 3.9         | Other (Limited recourse loan repaid under ESP)                                          | -            | -            |
| <b>3.10</b> | <b>Net cash from / (used in) financing activities</b>                                   | <b>2,331</b> | <b>2,331</b> |

| Consolidated statement of cash flows |                                                                              | Current quarter<br>\$A'000 | Year to date (3<br>months)<br>\$A'000 |
|--------------------------------------|------------------------------------------------------------------------------|----------------------------|---------------------------------------|
| <b>4.</b>                            | <b>Net increase / (decrease) in cash and cash equivalents for the period</b> |                            |                                       |
| 4.1                                  | Cash and cash equivalents at beginning of period                             | 15,373                     | 15,373                                |
| 4.2                                  | Net cash from / (used in) operating activities (item 1.9 above)              | (13,452)                   | (13,452)                              |
| 4.3                                  | Net cash from / (used in) investing activities (item 2.6 above)              | -                          | -                                     |
| 4.4                                  | Net cash from / (used in) financing activities (item 3.10 above)             | 2,331                      | 2,331                                 |
| 4.5                                  | Effect of movement in exchange rates on cash held                            | 77                         | 77                                    |
| <b>4.6</b>                           | <b>Cash and cash equivalents at end of period</b>                            | <b>4,329</b>               | <b>4,329</b>                          |

|            |                                                                                                                                                                             |                            |                             |
|------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|-----------------------------|
| <b>5.</b>  | <b>Reconciliation of cash and cash equivalents</b><br>at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts | Current quarter<br>\$A'000 | Previous quarter<br>\$A'000 |
| 5.1        | Bank balances                                                                                                                                                               | 4,329                      | 15,373                      |
| 5.2        | Call deposits                                                                                                                                                               |                            |                             |
| 5.3        | Bank overdrafts                                                                                                                                                             |                            |                             |
| 5.4        | Other (provide details)                                                                                                                                                     |                            |                             |
| <b>5.5</b> | <b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>                                                                                            | <b>4,329</b>               | <b>15,373</b>               |

|                                                                                                                                                                 |                                                                                         |                            |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|----------------------------|
| <b>6.</b>                                                                                                                                                       | <b>Payments to related parties of the entity and their associates</b>                   | Current quarter<br>\$A'000 |
| 6.1                                                                                                                                                             | Aggregate amount of payments to related parties and their associates included in item 1 | 25                         |
| 6.2                                                                                                                                                             | Aggregate amount of payments to related parties and their associates included in item 2 |                            |
| <i>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.</i> |                                                                                         |                            |

|           |                                                                                                                                                                                                                                                                                                                                             |                                                     |                                            |
|-----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------|--------------------------------------------|
| <b>7.</b> | <b>Financing facilities</b><br><i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i><br><i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>                                                                                              | <b>Total facility amount at quarter end \$A'000</b> | <b>Amount drawn at quarter end \$A'000</b> |
| 7.1       | Loan facilities                                                                                                                                                                                                                                                                                                                             | -                                                   | -                                          |
| 7.2       | Credit standby arrangements                                                                                                                                                                                                                                                                                                                 | -                                                   | -                                          |
| 7.3       | Other (please specify)                                                                                                                                                                                                                                                                                                                      | -                                                   | -                                          |
| 7.4       | <b>Total financing facilities</b>                                                                                                                                                                                                                                                                                                           | -                                                   | -                                          |
| 7.5       | <b>Unused financing facilities available at quarter end</b>                                                                                                                                                                                                                                                                                 |                                                     | -                                          |
| 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. |                                                     |                                            |
|           |                                                                                                                                                                                                                                                                                                                                             |                                                     |                                            |

|           |                                                                                                                                                                                                                                                                |                |
|-----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
| <b>8.</b> | <b>Estimated cash available for future operating activities</b>                                                                                                                                                                                                | <b>\$A'000</b> |
| 8.1       | Net cash from / (used in) operating activities (item 1.9)                                                                                                                                                                                                      | (13,452)       |
| 8.2       | Cash and cash equivalents at quarter end (item 4.6)                                                                                                                                                                                                            | 4,329          |
| 8.3       | Unused finance facilities available at quarter end (item 7.5)                                                                                                                                                                                                  | -              |
| 8.4       | Total available funding (item 8.2 + item 8.3)                                                                                                                                                                                                                  | 4,329          |
| 8.5       | <b>Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>                                                                                                                                                                                  | 0.3            |
|           | <i>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.</i>                                             |                |
| 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: The Company was placed into Voluntary Administration on 29 September 2026 with Hayden White and Chris Pattinson of FT Consulting appointed as Administrators. The board of directors note that this will provide time for a recapitalisation to occur. |                |
| 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: The Company was placed into Voluntary Administration on 29 September 2026 with Hayden White and Chris Pattinson of FT Consulting appointed as Administrators.                                                                                          |                |

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: The Company was placed into Voluntary Administration on 29 September 2026 with Hayden White and Chris Pattinson of FT Consulting appointed as Administrators.

*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 2026.....

Authorised by: By the Voluntary Administrators.....  
(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.