

Drawdown of Tranche 4 under the Convertible Note Facility

Paradigm Biopharmaceuticals Ltd. (ASX: PAR) ("Paradigm" or "the Company") a late-stage drug development company focused on delivering new therapies to address unmet medical needs, advises that it has strengthened its working capital position through the drawdown of the remaining balance of Tranche 4, valued at US\$2 million (approximately A\$2.8 million), under its US\$27 million (A\$41.2 million) Convertible Note Facility with Obsidian Global Partners, LLC.

The additional capital supports Paradigm's fully enrolled global Phase 3 clinical trial (PARA_OA_012), evaluating injectable pentosan polysulfate sodium (iPPS) for the treatment of knee osteoarthritis, as the Company advances towards its planned interim analysis and subsequent top-line primary endpoint readout.

The Tranche 1, Tranche 2 and Tranche 3 drawdowns occurred (and were announced by the Company) on 1 July 2025, 17 November 2025 and 18 February 2026, respectively. The first US\$3 million of Tranche 4 occurred (and was announced) on 13 July 2026.

With enrolment successfully completed at 538 participants, exceeding the original target of 466, Paradigm has achieved a significant milestone in its pivotal development program. The Company's focus is now on progressing patient treatment, follow-up assessments and data collection across its clinical site network in the United States, Australia, Hong Kong and Moldova.

The completion of Tranche 4 supports this next stage of execution, providing working capital for ongoing clinical operations, database management and regulatory activities as Paradigm approaches these important clinical milestones.

Following completion of this Tranche 4 drawdown, approximately US\$5 million (approximately A\$6.9 million) remains available under the facility, providing continued financial flexibility to support Phase 3 execution and broader commercial readiness activities.

Paradigm remains funded through the planned interim analysis and top-line primary endpoint readout. With recruitment complete and funding in place to support these milestones, the Company is focused on delivering its Phase 3 program and advancing the potential commercial opportunity for iPPS in knee osteoarthritis.

The Company continues to apply disciplined capital management, directing expenditure towards the activities that support clinical delivery and long-term shareholder value.

Tranches 1, 2 and 3 were drawn down and announced on 1 July 2025, 17 November 2025 and 18 February 2026, respectively. The initial US\$3 million drawdown under Tranche 4 was announced on 13 July 2026.

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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