

ASX ANNOUNCEMENT

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Australian Securities Exchange
Company Announcements Office

TRADING UPDATE – FY23 RESULTS

Paragon Care Limited (PGC) has today updated its earnings guidance for the year ending 30 June 2023 (FY23).

Based on the unaudited Accounts, PGC expects to deliver Underlying EBITDA of approximately \$38 million. This is a 35% increase on the equivalent Underlying EBITDA reported for FY22. The key driver of this increase has been the inclusion of the Quantum and SMS businesses as well as some modest organic revenue growth in the original PGC businesses.

These results have also been adjusted for the decision to close the Lovell manufacturing business following a strategic review completed throughout FY23. Lovell had been budgeted to contribute approximately \$1 million of EBITDA in FY23 (prior year \$1.9 million) and will be shown as a Discontinued Business in the full year Accounts. This will also require a one-off charge of approximately \$3 million which includes the write-off of goodwill and inventory as well as redundancy costs.

As expected, PGC's net debt position has improved from \$70 million at December 2022 to \$64 million at June 2023 (all figures pre AASB-16). As a result, gearing for the PCG group remains around 2 times Underlying EBITDA (pre AASB-16).

Group CEO & Managing Director, Mark Hooper commented "FY23 has been an important year for the Paragon Care business which has seen the successful integration of the Quantum and SMS businesses. The detailed strategy work undertaken over the past year also provides a strong platform for future growth."

Paragon Care Limited is expected to release its full year FY23 results on 30 August 2023.

For further information please contact:

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This announcement is authorised for release to the market by the Board of Directors of Paragon Care Limited

About Paragon Care Limited

Paragon Care (ASX:PGC) is an Australian based listed company in the healthcare sector. It is a leading provider of medical equipment, devices and consumables to the healthcare markets in Australia, New Zealand and Asia.