PARADIGM BIOPHARMA

Capital Raising Presentation August 2022

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Leadership

Experienced team to drive clinical execution of Paradigm's multiple clinical and R&D programs.

About Paradigm

Paradigm Biopharmaceuticals Ltd is an Australian public company founded in 2014 and listed on the Australian Stock Exchange (PAR.ASX) in 2015.

Proven Molecule	FDA-approved drug with 60-year track record of treating inflammation, pentosan polysulfate sodium for subcutaneous use (PPS, iPPS, ZILOSUL®).
Lead Programs	**Osteoarthritis (OA)** • Phase 3 clinical program commenced. • Sites enrolling in US, UK and AUS with EU and CAN to commence imminently. • OA program has received FDA Fast Track Designation. • Harmonised protocol to achieve simultaneous registration in key jurisdictions. **Mucopolysaccharidosis (MPS I & VI)** • MPS I: Phase 2 open label clinical trial nearing completion (Australia). • MPS VI: Phase 2 double-blinded, placebo-controlled study commenced in two sites in Brazil.
Established Safety & Efficacy	• Phase 2 trial provided encouraging evidence of meaningful treatment effects in responses to SC iPPS compared to placebo overall for pain, ADL and PGIC. • Real world evidence via SAS and EAP > 600 subjects
IP & protection	• Exclusive supply agreement with originator and the only FDA-approved manufacturer for 25 years post marketing • Protection comparable with composition of matter patents • Complex molecular structure - biosimilar-like difficult to replicate

SAS - Special Access Scheme
EAP – Expanded Access Program

Recent Company Milestones

- FDA Fast Track designation granted for OA program
- First phase 3 OA subjects dosed in US
- Further IP protection reported with acceptance of AUS patent
- 100% recruitment in phase 2 synovial fluid biomarker trial – near term clinical data
- First UK site activated
- Canada regulatory and ethics approval for phase 3 OA trial
- Research partnership with NFL Alumni Health
- MPS clinical Program Update

Upcoming Catalysts

Upcoming Near-term Catalysts

- **PARA_OA_008 top-line data readout September 2022**
- Canine OA model preliminary data readout Q3 CY2022
- PARA_OA_002 Update – First data safety monitoring board review Q4 CY2022
- PARA_OA_006 extension study commencement Q4 CY2022
- FY22 tax rebate Q4 CY2022
- Further IP generation and protection
- MPS-I data presented at International Conference on Lysosomal Diseases Q1 CY2023
- PARA_OA_008 6-month data Q1 CY2023
- Canine OA Model – 20-week follow-up (3-year human equivalent) data Q1 CY2023
- PARA_OA_002 Stage 1 dose selection 1H CY2023.
- Paradigm is currently in active discussion with multiple potential partners for its Phase 2 asset in Mucopolysaccharidosis (MPS).

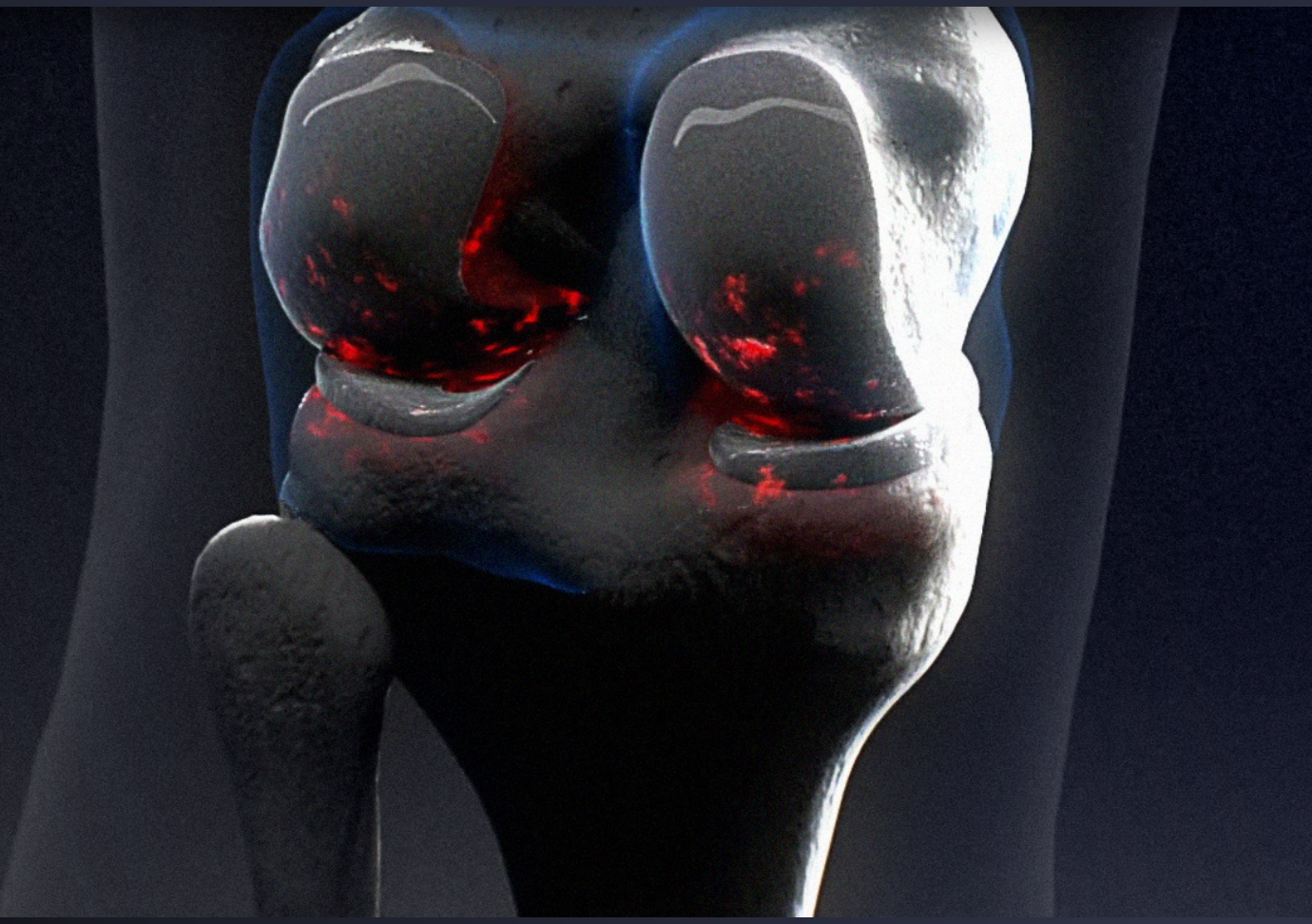
PARA_OA_008 Phase 2 study

- **Top-line results September 2022**
- Biomarker study assessing change from baseline in multiple objective measures associated with disease progression of OA
- A positive readout could deliver:
  - Early evidence of disease modification.
  - First data on change in synovial fluid biomarkers associated with cartilage degradation following PPS compared to placebo.
  - Provide further confidence of PPS efficacy in OA and a snapshot of Phase 3 effects.
  - Potential to increase sales price from US$2,500 (Pain & function) to US$6,000+[1] (DMOAD) per treatment course.
  - Potential to become first line therapy for OA treatment[1].

[1]ASX Release : 8th November 2021 – Global Market Research

Osteoarthritis

OA



Blockbuster market opportunity

Zilosul® aims to meet a significant unmet need in osteoarthritis.

At 10% market share, Zilosul® revenue potential US$10B+ p.a.[4]

People affected by OA in 2020[3]

72m+

People affected by OA by 2030[3]

120m+

Markets: US, EU5, Canada and Australia.

In the US alone, OA is predicted to increase by 86% to 67 million by 2030.[3]

Knee and Hip (Global)

69% of all OA

OA patients dissatisfied with current treatments[1]

81%

Target uptake: 10% dissatisfied market[1]

Zilosul® indicative price: US$2500 per year[2]

1. National Institute of Health; Emerging drugs for osteoarthritis; Hunter DJ and Matthews G 16(3): 479–491; 2011 September.
2. Global Pricing Research conducted by Paradigm. EU5: Germany, UK, Spain, France, Italy
3. OARSI. Osteoarthritis: A Serious Disease, Submitted to the U.S. Food and Drug Administration December 1, 2016
4. Calculation based on 10% penetration dissatisfied patients with Knee and Hip OA in the 72m addressable market of US, EU5, Canada and Aus., at price of US$2500.

Osteoarthritis - Global Phase 3

PARA_OA_002 Global Progress

United States

- Approximately 56 sites have been selected
- 41 sites activated and participant screening commenced late in Q1 CY22 following site activation.
- Large pool of subjects being screened by activated sites.
- **Randomisation commenced.**

Australia

- All 8 sites have been activated.
- Sites activated and enrolling participants in WA, VIC, NSW, SA and QLD.

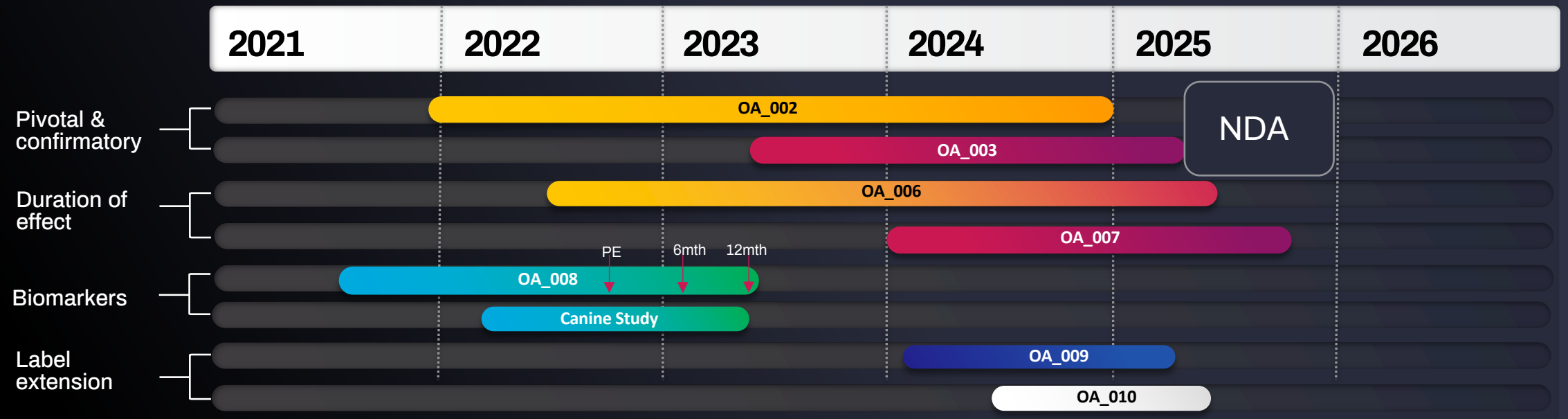
UK and Europe

- 12 sites selected.
- UK Reg & Ethics approval received.
- First UK Site activated and commenced screening activities.

Canada

- Regulatory and ethics approval received.
- Site activation and enrollment in Q3 2022.
- Up to 10 sites to be activated.

Timeline for OA



Study	Objective	Key Milestone
002	NDA pivotal	DSMB Review Q4 2022, dose selection 1H CY2023
003	NDA confirmatory	First subject randomised 1H CY2023
006 / 007	Establish durability of effect	First subject enters 006 observational study 2H CY2022
008	DMOAD	Primary endpoint readout Q3 CY2022, 6-month MRI data Q1 CY2023
Canine study	DMOAD (equivalent to 3-year follow-up)	Data available Day 56 Q3 CY2022, 20-week follow-up 1H CY 2023
009	Retreatment	Timelines will be confirmed following dose selection
010	Establish safety and efficacy in hip OA	

PAR expects to provide Primary Endpoint (PE), 6 month and 12 month data from the OA_008 Phase 2 trial as milestones are reached.

** Timelines based on enrolment projections. May be subject to change.

Disease Modification Potential

Current programs to inform of Zilosul® potential as a DMOAD[1]

PARA_OA_008 - Australia

- Biomarker study assessing change from baseline in multiple objective measures associated with disease progression of OA
- 60 participants randomised to PPS or placebo
- Enrolment completed
- **Near term clinical data, September 2022**
- Study will explore:
  - Synovial fluid biomarker
  - Serum biomarkers
  - Clinical outcomes – WOMAC® Pain and Function (Clinical outcomes used here are the same as primary endpoint in phase 3 trial)
  - Structural changes – MRI

Canine OA Study

- 21 Dogs with OA of the stifle joint are treated with PPS at a dosing of 3mg/kg (1.7mg/kg human equivalent) or placebo (2:1) weekly for 6-weeks
- Near term data, September 2022
- Study will explore:
  - Pain and function (gait analysis)
  - Structural changes (X-ray and MRI)
  - Synovial fluid and serum
  - 20-week follow-up period (equates on average to a period of 3 years in human lifespan)

DMOAD Label

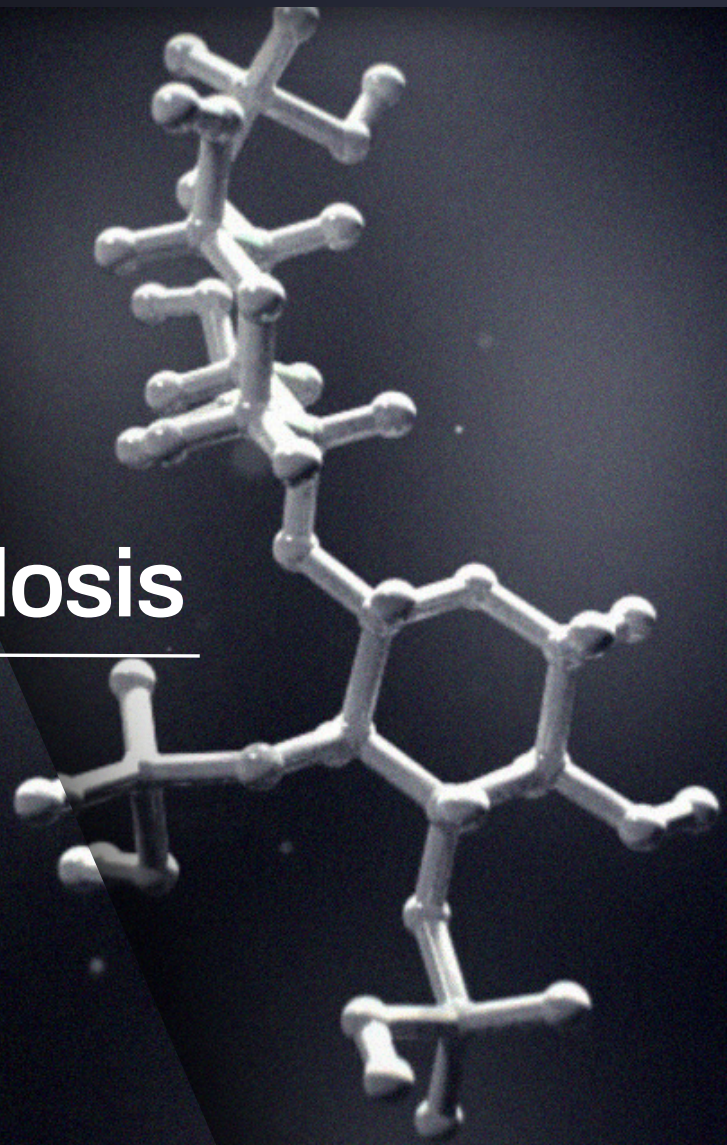
A label claiming disease modification has the potential to:

- Increase sales price from US$2,500 (Pain & function) to US$6,000+[2] (DMOAD) per treatment course.
- Offer Zilosul® as a first line therapy for OA treatment[2].
- First clinical demonstration of DMOAD effects in OA.
- In addition to the clinical effects of PPS on pain and function in OA

[1]Disease Modifying Osteoarthritis Drug (DMOAD)

[2]ASX Release : 8th November 2021 – Global Market Research

Mucopolysaccharidosis



Mucopolysaccharidosis (MPS)

Phase 2 Asset in rare pediatric disease associated with inflammation and ongoing musculoskeletal pain – PPS has FDA and EMA orphan designation for MPS

MPS I - Australia

- Open label trial dosing subjects weekly SC for 12-weeks, then every other week for a total of 52-weeks.
- Primary endpoint is safety, key secondary endpoints are pain and function, as well as PK.
- Interim top-line data reported PPS was well tolerated, demonstrating reduction in pain and GAGs and improvement in function.
- Invited to present at ICLD 2023, the XVII International Conference on Lysosomal Diseases in Sydney, Australia, February 20-21, 2023.
- Dr Drago Bratkovic, will present the research entitled: *Pentosan Polysulfate Sodium: A Potential Treatment to Improve Bone and Joint Manifestations of Mucopolysaccharidosis I*.
- The presentation will cover data on pain, function, Urinary GAG data and change in biomarker analysis.

MPS VI - Brazil

- A double-blind placebo-controlled trial with 12 subjects. Dosed weekly SC for 24-weeks.
- Primary endpoint is safety, key secondary endpoints are pain and function.
- Study design presented at LSD World Symposium Feb 2022.
- 50% patients enrolled with the potential remaining participants identified.
- Safety Monitoring Physician confirmed successful evaluation of patients aged 16 and above and the study is now scheduled to assess PPS in two younger ages groups.

Capital Raising and Use of Funds

Paradigm is undertaking a capital raising of approximately $66.0 million at $1.30 per share via a:

- Institutional placement of A$45.7 million under Paradigm's existing LR7.1 capacity; and
- 1 for 15 pro-rata non renounceable entitlement offer of A$20.3 million

- Use of funds:
  - Paradigm's Phase 3 clinical program and new drug application (NDA) related activities;
  - Business development related activities;
  - Product development related activities (auto injector, for example);
  - Working capital.

- Pro-forma cash position of $108.5[1] million post capital raising, and company is funded into Q1 CY2024[2]
- Paradigm is currently in active discussion with multiple potential partners for its Phase 2 asset in Mucopolysaccharidosis (MPS).

[1]assumes capital raising is fully subscribed and FY22R&D rebate of $6.6m
[2]assumes current recruitment rate is maintained

Summary

- A substantially de-risked phase 3 asset in blockbuster indication
- FDA Fast-Track designation for OA program
- Promising clinical pipeline across multiple indications
- New CEO with significant experience commercialising new drugs
- Five major clinical data readouts/milestones in the next 12 months:
  - PARA_OA_008 top-line 56-week data (biomarker and WOMAC ® pain and function data)
  - Canine OA model preliminary data readout
  - PARA_OA_008 6 month and 12 month data (MRI, biomarker and duration of effect data)
  - MPS-I Clinical data presented at International Conference on Lysosomal Diseases
  - PARA_OA_002 Data Safety Monitoring Board review and Dose Selection
- Advanced partnering discussions on MPS program
- Funded into 2024 with $108.5m of cash[1]

[1]assumes capital raising is fully subscribed and FY22R&D rebate of $6.6m

For more information please visit:
paradigmbiopharma.com
or email any queries to
investorrelations@paradigmbiopharma.com

Capital Raising Overview

Offer Summary

Paradigm Biopharmaceuticals LTD is undertaking a capital raising of approximately A$66.0 million

Offer structure and size	Fully underwritten capital raising of approximately $66.0 million comprising: • an institutional placement (Placement) of approximately $45.7 million under Paradigm's existing LR7.1 capacity; and • a 1 for 15 pro-rata non renounceable entitlement offer of approximately $20.3 million (Entitlement Offer). Approximately 50.8 million new fully paid ordinary shares (New Shares) to be issued under the Capital Raising, representing approximately 21.7% of existing shares on issue.
Offer Price	Offer price for the Placement and Entitlement Offer will be $1.30 per New Share, representing a discount of: • 34.5% to the last closing price at 10th August 2022 of $1.985 per share; and • 28.8% to the 5-day VWAP of $1.827 per share. • 8.2% discount to the 30-day VWAP of $1.416 per share.
Use of Funds	Funds raised under the Placement and Entitlement Offer will be used towards: • Paradigm's Phase 3 clinical program and new drug application (NDA) related activities; • Business development related activities; • Product development related activities (auto injector, for example); and • Working capital and offer costs.
Record date	Record date for the Entitlement Offer is 7:00pm (Sydney time) on Thursday 18th August 2022
Ranking	All New Shares issued will rank equally with existing shares.
Underwriter	Bell Potter Securities Limited is sole lead manager, underwriter and bookrunner to the offer.

Indicative Offer Timetable

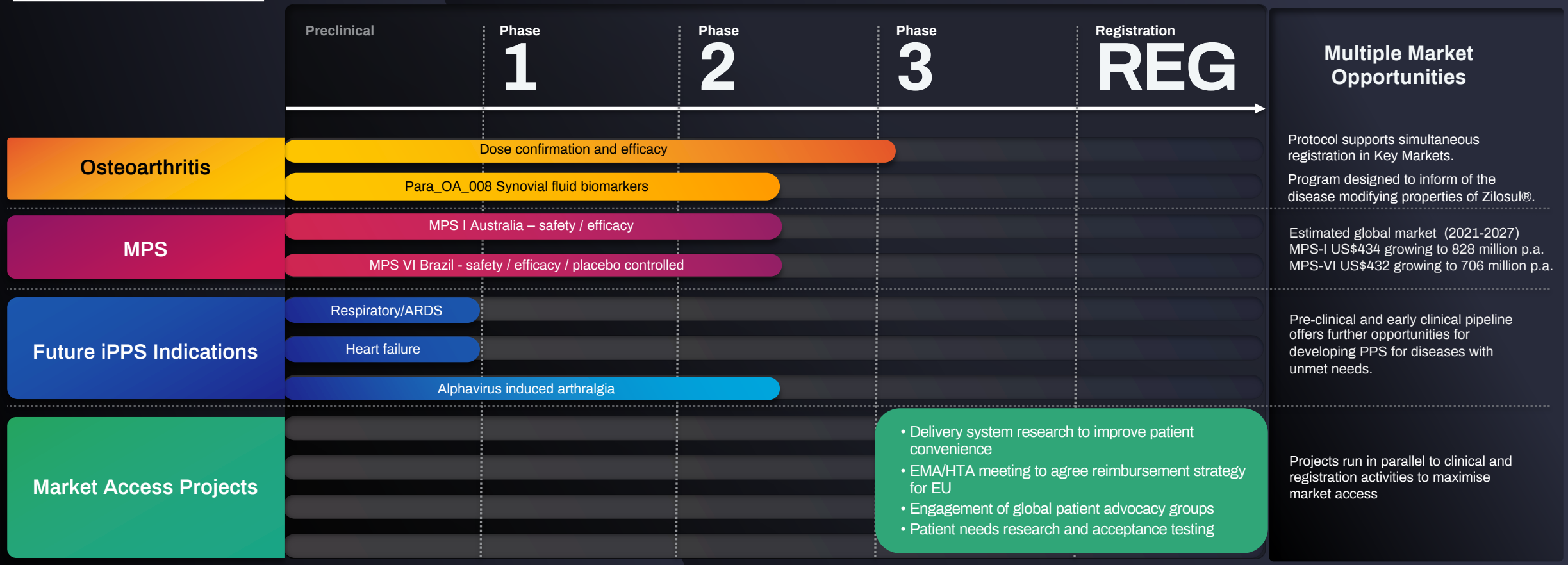
Event	Sydney, Australia time
Trading halt	Thursday, 11th August 2022
Announcement of completion of Placement and recommencement of trading	Monday, 15th August 2022
Record date for Entitlement Offer	Thursday, 18th August 2022
Settlement of New Shares issued under the Placement	Thursday, 18th August 2022
Allotment and normal trading of New Shares under the Placement	Friday, 19th August 2022
Entitlement Offer opening date	Monday, 22nd August 2022
Entitlement Offer closing date (5:00pm, Sydney time)	Wednesday, 7th September 2022
Announcement of results of Entitlement Offer	Monday, 12th September 2022
Settlement of New Shares under the Entitlement Offer	Tuesday, 13th September 2022
Allotment of New Shares under the Entitlement Offer	Wednesday, 14th September 2022
Normal trading of Entitlement Offer shares	Thursday, 15th September 2022

Appendix Slides

Paradigm Appoints Experienced US-Based CEO

- Experienced pharmaceutical industry executive joined Paradigm as Chief Executive Officer (CEO) on 1 July 2022.
- 30 years of experience in the pharmaceutical industry in various commercially focused roles, including the creation of new divisions within branded and generic pharmaceutical businesses.
- Achieved outstanding sales results, forged a multitude of license, asset purchase, and other agreements with multiple top 10 global pharmaceutical companies and numerous other business partners and generated significant returns for investors.
- Proven track record highlighted by several successful business and product launches in the USA, including a new Institutional (Hospital & Specialty Markets) business unit at Sandoz, driving the growth of a $900M P&L.
- Directed commercial functions for a product launch (Bivalirudin) that achieved $100M+ sales in its first year.

Development Pipeline



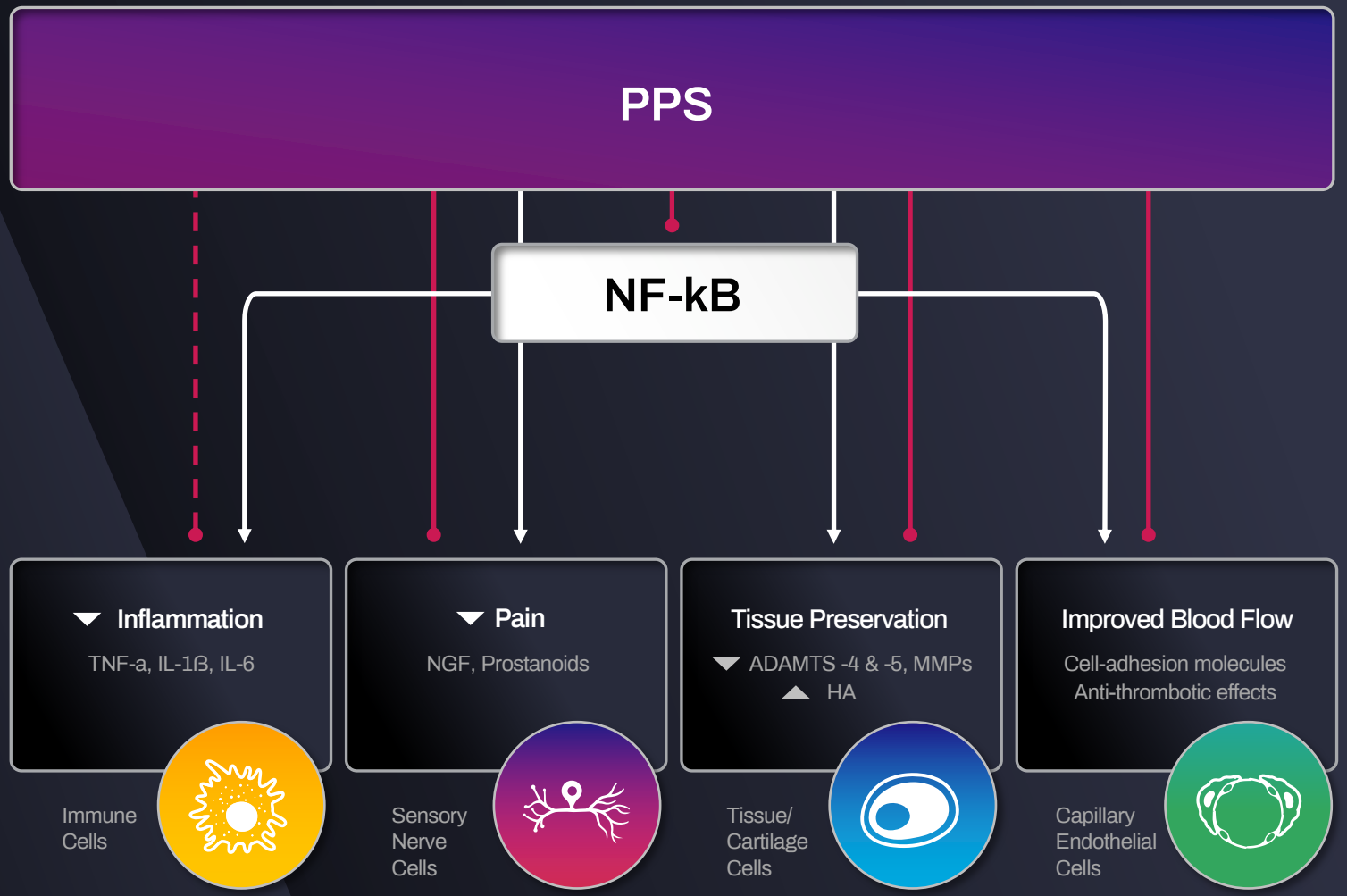
EMA = European Medicines Agency; HTA = Health Technology Assessment (funding authorities)

Mechanism of action

- Multiple modes of action
- Previous phase 2B, SAS and EAP experience

OA
MPS
ARDS
HFpEF
Alphavirus Induced Arthralgia

Current hypothesis for PPS mechanism of action



MOA Video: Click HERE to view, or via https://www.youtube.com/watch?v=rjZ-L_cHbm0

Strong Patents & IP Position

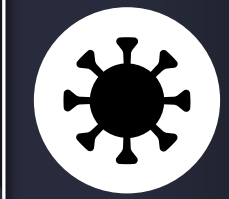
- Exclusive supply and ongoing development agreements with originator and only FDA approved manufacturer
- Patents and exclusive access to API provides protection comparable with composition of matter
- Complex molecular platform technology, biological starting material, trade-secret manufacturing process, biosimilar-like difficulty to replicate

Patent protection using PPS for new indications

Minimum life on patents is 2030 and beyond for more recent patents i.e. 2035 - 2040

Established regulatory exclusivity and trademarks

Patents for LSD + Orphan Status MPS (FDA & EMA)



Patent for Ross River virus and Chikungunya virus

Patents for osteoarthritis

Patent for Heart Failure indication

Prosecuting new patent applications

Risk Factors

Shareholders should consider the investment in the context of their individual risk profile for speculative investments, investment objectives and individual financial circumstances. Each Shareholder should consult their own stockbroker, solicitor, accountant or other professional adviser before deciding whether or not to invest in the New Shares.

An investment in New Shares should be regarded as very speculative and involves many risks. The New Shares carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares.

If any of the following risks actually occurs, our business, prospects, financial condition and results of operations could be materially and adversely affected, the trading price of the Shares could decline and you could lose all or part of your investment.

This section identifies some of the major risks associated with an investment in the Company. Intending Applicants before any decision is made to subscribe for shares should read the Company's prior continuous disclosure announcement to the ASX market in order to fully appreciate the risks particular to an investment in a medical device company such as Paradigm Biopharmaceuticals Limited and in particular the risks faced by the Company in the continued development and proposed commercialisation of its intellectual property rights.

Paradigm's assets and business is subject to a number of risk factors both specific to its assets / business and of a general nature which may impact on its future performance and forecasts. This is not an exhaustive list of the relevant risks and the risks set out below are not in order of importance. Many of the risks below are outside the control of Paradigm and its directors. These risks and other risks not specifically referred to below, may in the future materially adversely affect the value of Paradigm shares and their performance. Accordingly, no assurance or guarantee of future performance or profitability is given by Paradigm in respect of Paradigm shares or Paradigm's business / assets.

Before subscribing for Paradigm shares, prospective investors should carefully consider and evaluate Paradigm, its assets and its business and whether Paradigm shares are suitable to acquire having regard to their own investment objectives and financial circumstances and taking into consideration the material risk factors, as set out below. There is no guarantee of the price at which Paradigm shares may trade in the future nor any dividends or returns of any nature.

In deciding whether to participate in the Offer, you should also read this Offer Booklet and all ASX announcements by the Company in their entirety and carefully consider the risks outlined in this section. Prospective investors should consult their technology, financial, tax and other professional advisers before making an investment decision.

Clinical Development: Clinical trials are inherently very risky and may prove unsuccessful or non-efficacious, impracticable or costly - which may impact profitability and commercial potential. Failure or negative or inconclusive results can occur at many stages in development and the results of earlier clinical trials are not necessarily predictive of future results. In addition, data obtained from trials is susceptible to varying interpretations, and regulators may not interpret the data as favourably as Paradigm, which may delay, limit or prevent regulatory approval.

PARA_OA_008 Clinical Trial: The PARA_OA_008 Phase 2 clinical trial aims to provide evidence that disease specific biomarkers in the synovial fluid of symptomatic OA patients are a potential marker of Zilosul® effects on the joint. Osteoarthritis is a chronic progressive disease of the whole joint, with pre-clinical and clinical evidence has demonstrated that PPS is active through multiple modes of action including decreasing inflammation by down-regulating inflammatory cytokines, reducing pain by reducing the production of NGF, protecting cartilage as evidenced by the downregulation of cartilage degrading enzymes, and supporting bone repair through improved blood flow. Previously, these effects have been evaluated by measuring serum biomarkers which may not fully describe the changes in the local OA joint environment. Whilst Paradigm's prior Phase 2B (PARA_OA_005) clinical trial did show a decrease in serum biomarkers in PPS patients compared with placebo, investors should note there is no guarantee that results will be replicated within the synovial fluid in the current PARA_OA_008 Phase 2 clinical trial, nor that regulatory authorities will find the data generated from this trial as sufficient to support Paradigm moving to a Phase 3 trial in Osteoarthritis. It is anticipated that patient recruitment, treatment and accordingly the results of Paradigm's Phase 2B PARA_OA_008 clinical trial may read out in the near term. This could be an important value inflexion for Paradigm in reviewing its disease modifying potential for PPS in Osteoarthritis..

Risk Factors Continued

Research and Development Activities: Paradigm's future success is dependent on the performance of Paradigm in clinical trials and whether it proves to be a safe and effective treatment. Paradigm's lead product is an experimental product in clinical development and product commercialisation resulting in potential product sales and revenues is likely to be years away, and there is no guarantee that it will be successful. It requires additional research and development, including ongoing clinical evaluation of safety and efficacy in clinical trials and regulatory approval prior to marketing authorisation. Drug development generally is often associated with a high failure rate and until Paradigm is able to provide further clinical evidence of the ability of Paradigm's product to improve outcomes in patients, the future success of the product in developed remains speculative. Research and development risks include uncertainty of the outcome of results, difficulties or delays in development and generally the uncertainty that surrounds the scientific development of pharmaceutical products.

Regulatory Approval: Paradigm operates within a highly regulated industry, relating to the manufacture, distribution and supply of pharmaceutical products. There is no guarantee that Paradigm will obtain the required approvals, licenses and registrations from all relevant regulatory authorities in all jurisdictions in which it operates. The Commencement of clinical trials may be delayed and Paradigm may incur further costs if the Food and Drug Administration (FDA) and other Regulatory Agencies observe deficiencies that require resolution or request additional studies be conducted in addition to those that are currently planned. A change in regulation may also adversely affect Paradigm's ability to commercialise and manufacture its treatments.

Intellectual Property risks: Securing rights in technology and patents is an integral part of securing potential product value in the outcomes of biotechnology research and development. Competition in retaining and sustaining protection of technology and the complex nature of technologies can lead to patent disputes. Paradigm's success depends, in part, on its ability to obtain patents, maintain trade secret protection and operate without infringing the proprietary rights of third parties. Because the patent position of biotechnology companies can be highly uncertain and frequently involves complex legal and factual questions, neither the breadth of claims allowed in biotechnology patents nor their enforceability can be predicted. There can be no assurance that any patents which Paradigm may own, access or control will afford Paradigm commercially significant protection of its technology or its products or have commercial application or that access to these patents will mean that Paradigm will be free to commercialise its drug candidates. The granting of a patent does not guarantee that the rights of others are not infringed or that competitors will not develop technology or products to avoid Paradigm's patented technology. Paradigm's current Patenting strategies do not cover all countries which may lead to generic competition arising in those markets.

Competition: The biotechnology and pharmaceutical industries are intensely competitive and subject to rapid and significant technological change, both in Australia and internationally, and there are no guarantees about Paradigm's ability to successfully compete. Paradigm's products may compete with existing alternative treatments that are already available to customers. In addition, a number of companies, both in Australia and internationally, are pursuing the development of competing products. Some of these companies may have, or may develop, technologies superior to Paradigm's own technology. Some competitors of Paradigm may have substantially greater financial, technical and human resources than Paradigm does, as well as broader product offerings and greater market and brand presence. Paradigm's services, expertise or products may be rendered obsolete or uneconomical or decrease in attractiveness or value by advances or entirely different approaches developed by either Paradigm or its competitors.

Commercial Risk: Paradigm may, from time to time, consider acquisition, licensing, partnership or other corporate opportunities for Paradigm's product development programs. There can be no assurance that any such acquisition, licensing, partnership or corporate opportunities can be concluded on terms that are, or are believed by Paradigm to be, commercially acceptable. In the case of licensing and partnership opportunities, even if such terms are agreed there is a risk that the performance of distributors and the delivery of contracted outcomes by collaborators will not occur due to a range of unforeseen factors relating to environment, technology and market conditions.

Market penetration: Where Paradigm does obtain regulatory approval, future success will also depend on Paradigm's ability to achieve market acceptance and attract and retain customers, which includes convincing potential consumers and partners of the efficacy of Paradigm's products and Paradigm's ability to manufacture a sufficient quantity and quality of products at a satisfactory pric

Risk Factors Continued

Manufacturing: There is a risk that scale-up of commercial supplies of Pentosan Polysulfate Sodium (PPS) may present technical and supply difficulties. Any unforeseen difficulty relating to manufacturing or supply of commercial GMP quantities of PPS may negatively impact Paradigm's ability to generate profit in future.

Reliance on Key Personnel: Paradigm is reliant on key personnel employed or engaged by Paradigm. Loss of such personnel may have a material adverse impact on the performance of Paradigm. In addition, recruiting qualified personnel is critical to Paradigm's success. As Paradigm's business grows, it may require additional key financial, administrative, investor and public relations personnel as well as additional staff for operations. While Paradigm believes that it will be successful in attracting and retaining qualified personnel, there can be no assurance of such success. The loss of key personnel or the inability to attract suitably qualified additional personnel could have a material adverse effect on Paradigm's financial performance.

Insurance and Uninsured Risks: Although Paradigm maintains insurance to protect against certain risks in such amounts as it considers to be reasonable, its insurance will not cover all the potential risks associated with its operations and insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. It is not always possible to obtain insurance against all such risks and Paradigm may decide not to insure against certain risks because of high premiums or other reasons.

Product Safety and Efficacy: Serious or unexpected health, safety or efficacy concerns with Paradigm's (or similar third party) products may expose Paradigm to reputational harm or reduced market acceptance of its products, and lead to product recalls and/or product liability claims and resulting liability, and increased regulatory reporting. There can be no guarantee that unforeseen adverse events or manufacturing defects will not occur. Paradigm will seek to obtain adequate product liability insurance at the appropriate time in order to minimise its liability to such claims however there can be no assurance that adequate insurance coverage will be available at an acceptable cost. Any health, safety or efficacy concerns are likely to lead to reduced customer demand and impact on potential future profits of Paradigm.

Litigation: In the ordinary course of conducting its business, Paradigm is exposed to potential litigation and other proceedings, including through claims of breach of agreements, intellectual property infringement or in relation to employees (through personal injuries, occupational health and safety or otherwise). If such proceedings were brought against Paradigm, it would incur considerable defence costs (even if successful), with the potential for damages and costs awards against Paradigm if it were unsuccessful, which could have a significant negative financial effect on Paradigm's business. Changes in laws can also heighten litigation risk (for example, antitrust and intellectual property). Circumstances may also arise in which Paradigm, having received legal advice, considers that it is reasonable or necessary to initiate litigation or other proceedings, including, for example, to protect its intellectual property rights. There has been substantial litigation and other proceedings in the pharmaceutical industry, including class actions from purchasers and end users of pharmaceutical products.

Share Price Fluctuations: The market price of Paradigm shares will fluctuate due to various factors, many of which are non-specific to Paradigm, including recommendations by brokers and analysts, Australian and international general economic conditions, inflation rates, interest rates, changes in government, fiscal, monetary and regulatory policies, global geo-political events and hostilities and acts of terrorism, and investor perceptions. Fluctuations such as these may adversely affect the market price of Paradigm shares. Neither Paradigm nor the directors warrant the future performance of Paradigm or any return on investment in Paradigm.

Risk Factors Continued

Dilution Risk: Eligible shareholders that do not take up all or part of their entitlements will be diluted by not participating to the full extent in the Entitlement Offer and by the Institutional Placement, but and will not be exposed to future increases or decreases in Paradigm's share price in respect of those shares which would have been issued to them had they taken up all of their entitlement.

Economic Risks: Paradigm is exposed to economic factors in the ordinary course of business. A number of economic factors / conditions, both domestic and global, affect the performance of financial markets generally, which could affect the price at which Paradigm Shares trade on ASX. Among other things, adverse changes in macroeconomic conditions, including movements on international and domestic stock markets, interest rates, exchange rates, cost and availability of credit, general consumption and consumer spending, input costs, employment rates and industrial disruptions, inflation and inflationary expectations and overall economic conditions, economic cycles, investor sentiment, political events and levels of economic growth, both domestically and internationally, as well as government taxation, fiscal, monetary, regulatory and other policy changes may affect the demand for, and price of, Paradigm Shares and adversely impact Paradigm's business, financial position and operating results. Trading prices can be volatile and volatility can be caused by general market risks such as those that have been mentioned. Shares in Paradigm may trade at or below the price at which they are currently commence trading on ASX including as a result of any of the factors that have been mentioned, and factors such as those mentioned may also affect the income, expenses and liquidity of Paradigm. Additionally, the stock market can experience price and volume fluctuations that may be unrelated or disproportionate to the operating performance of Paradigm.

Dividend Guidance: No assurances can be given in relation to the payment of future dividends. Future determinations as to the payment of dividends by Paradigm will be at the discretion of Paradigm and will depend upon the availability of profits, the operating results and financial conditions of Paradigm, future capital requirements, covenants in relevant financing agreements, general business and financial conditions and other factors considered relevant by Paradigm. No assurance can be given in relation to the level of tax deferral of future dividends. Tax deferred capacity will depend upon the amount of capital allowances available and other factors.

Forward-Looking Statements: There can be no guarantee that the assumptions and contingencies on which any forward-looking statements, opinions and estimates contained in materials published by Paradigm are based will ultimately prove to be valid or accurate. The forward-looking statements, opinions and estimates depend on various factors, including known and unknown risks, many of which are outside the control of Paradigm. Actual performance of Paradigm may materially differ from forecast performance.

Impact of COVID-19: The global impact of the COVID-19 pandemic, and the advice and responses from health and regulatory authorities, is continuously developing. Global economic outlook is facing uncertainty due to the COVID-19 pandemic which has had and may continue to have a significant impact on capital markets and share prices. The Company's Directors are closely monitoring the situation and considering the impact on the Company's business from both a financial and operational perspective.

To date, COVID-19 has affected equity markets, governmental action, regulatory policy, quarantining, self-isolations and travel restrictions. These impacts are creating risks for the Company's business and operations in the short to medium term. There will also likely be an impact on the Company's sales and distribution during this time.

The Company has in place business continuity plans and procedures developed to manage the keys risks, such as COVID-19, that may cause a disruption to the Company's business and operations.

International Offer Restrictions

This document does not constitute an offer of new ordinary shares ("New Shares") of the Company in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the New Shares may not be offered or sold, in any country outside Australia except to the extent permitted below.

Cayman Islands

No offer or invitation to subscribe for New Shares may be made to the public in the Cayman Islands or in any manner that would constitute carrying on business in the Cayman Islands.

Luxembourg

This document has not been, and will not be, registered with or approved by any securities regulator in Luxembourg or elsewhere in the European Union. Accordingly, this document may not be made available, nor may the New Shares be offered for sale, in Luxembourg except in circumstances that do not require a prospectus under Article 1(4) of Regulation (EU) 2017/1129 of the European Parliament and the Council of the European Union (the "Prospectus Regulation").

In accordance with Article 1(4)(a) of the Prospectus Regulation, an offer of New Shares in Luxembourg is limited to persons who are "qualified investors" (as defined in Article 2(e) of the Prospectus Regulation).

Singapore

This document and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Shares, may not be issued, circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part 13 of the Securities and Futures Act 2001 of Singapore (the "SFA") or another exemption under the SFA.

This document has been given to you on the basis that you are an "institutional investor" or an "accredited investor" (as such terms are defined in the SFA). If you are not such an investor, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party in Singapore. On-sale restrictions in Singapore may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

International Offer Restrictions

Hong Kong

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). Accordingly, this document may not be distributed, and the New Shares may not be offered or sold, in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

New Zealand

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the "FMC Act").

The New Shares are not being offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) other than to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

Termination Events

The Underwriting Agreement includes the following termination events

Part 1 – Immediate Termination Events

i. the Company ceases to be admitted to the official list of ASX or the Shares are suspended from trading for more than 2 business days on, or cease to be quoted on, ASX;

ii. ASIC takes certain action under sections 1324B or 1325 or Part 9.5 of the Corporations Act or gives notice of an intention to prosecute the Company or any of its directors or ASIC commences any investigation or hearing under Part 3 of the *Australian Securities and Investments Commission Act 2001*;

iii. certain Certificates required to be provided by the Company under the underwriting agreement are not furnished or are untrue, inaccurate, incomplete or misleading or deceptive in any material respect;

iv. the Offer Documents or any aspect of the Offer does not comply in any material respect with the Corporations Act or the ASX Listing Rules or any other applicable law;

v. the Company alters its capital structure or the Constitution without the prior written consent of the Underwriter;

vi. any member of the Group is Insolvent or there is an act or omission which is reasonably likely to result in any such member of the Group becoming Insolvent;

vii. the Company is prevented from issuing the Offer Shares within the time required by the ASX Listing Rules, applicable laws, an order of a court of competent jurisdiction or a Governmental Agency;

viii. the Company withdraws all or any part of the Offer or indicates that it does not intend to or is unable to proceed with the Offer;

ix. the Company is required to give or gives a correcting notice under section 708A(9)(c) or 708AA(10) other than as a result of a new circumstance arising;

x. unconditional approval (or conditional approval, provided such condition would not have a material adverse effect on the success or settlement of the Offer) by ASX for official quotation of the Placement Shares or the Entitlement Offer Shares is refused, is not granted or is withdrawn by certain dates, or ASX makes an official statement to any person or indicates to the Company or the Underwriter that official quotation on ASX will not be granted;

xi. the S&P/ASX 200 index falls by 10% or more below the level of the S&P ASX 200 index on the Business Day before the Announcement Date:

- for 2 consecutive Business Days between (A) the Business Day immediately following the Announcement Date and the Business Day immediately prior to the Placement Settlement Date or (B) the Placement Settlement Date and the Business Day immediately prior to the Entitlement Offer Settlement Date; or
- on the Business Day immediately prior to the Placement Settlement Date or the Entitlement Offer Settlement Date (as the case may be); or

xii. any event set out in the Timetable is delayed for more than 2 Business Days without the prior written consent of the Underwriter.

In addition, the Underwriter has the right to terminate the underwriting agreement (including its associated underwriting obligations) if certain conditions precedent are not satisfied by the time specified. These include the Underwriter receiving the due diligence committee report and sign-offs in a form and substance acceptable to the Underwriter.

Termination Events

Part 2 –Termination Events requiring a material adverse effect (as defined in the underwriting agreement) before termination

i. the Public Information includes a statement which is or becomes misleading or deceptive or likely to mislead or deceive or any forecasts, expressions of opinion, intention or expectation which are not based on reasonable assumptions;

ii. any information supplied by or on behalf of the Company to the Underwriter is or becomes misleading or deceptive, including by way of omission;

iii. an obligation arises on the Company to give ASX a notice in accordance with section 708AA(12) of the Corporations Act or any adverse events or circumstances occur or become known that would have required the Company to give ASX a notice in accordance with section 708AA(12) of the Corporations Act had the Entitlement Offer Cleansing Notice been lodged on the Announcement Date on the basis of information known at that time;

iv. a change in the chairman, chief executive officer or chief financial officer of the Company or board of directors of the Company is announced or occurs;

v. a director of the Company is charged with an indictable offence, any regulatory body commences any public action against a director of the Company (or announces that it intends to take such action) or any director of the Company is disqualified from managing a corporation under the Corporations Act;

vi. there is an adverse change, or an event occurs which is likely to give rise to an adverse change, in the business, assets, liabilities, financial position or performance, profits, losses, results, operations or prospects of the Group;

vii. a representation or warranty made or given by the Company under the underwriting agreement is breached or is untrue or incorrect or misleading or deceptive;

viii. there is introduced, or there is a public announcement of a proposal to introduce, a new law, or the Reserve Bank of Australia, or any Commonwealth or State, adopts or announces a proposal to adopt a new policy, any of which does or is likely to prohibit or restrict the Offer, capital issues or stock markets or materially adversely affects the Group;

ix. a default by the Company in the performance of any of its obligations under the underwriting agreement occurs;

x. the occurrence of:

- a suspension or material limitation in trading in securities generally on ASX, the New York Stock Exchange, the Hong Kong Stock Exchange, the Singapore Stock Exchange or the London Stock Exchange;
- a suspension (persisting for at least one Business Day) in trading in the securities of the Company on ASX; or
- a general moratorium on commercial banking activities in Australia, the United States, Singapore, Hong Kong, the Republic of China, Japan or the United Kingdom is declared by the relevant authorities, or there is a material disruption in commercial banking or securities settlement or clearance services in the those places;

xi. the occurrence of any other calamity or crisis or any change in financial, political or economic conditions or currency exchange rates or controls in Australia, New Zealand, Singapore, Hong Kong, Japan, the United States, the United Kingdom or elsewhere, which, in the judgment of the Underwriter, makes it impracticable or inadvisable to proceed with the Offer or the date of Completion;

xii. hostilities not presently existing commence (whether war has been declared or not) or a major escalation in existing hostilities occurs (whether war has been declared or not) involving any one or more of Australia, New Zealand, the United States, the United Kingdom, Japan, Russia, the People's Republic of China, United Arab Emirates, Singapore or any member state of the European Union or a major terrorist act is perpetrated on any of those countries or on any diplomatic, military, commercial or political establishment of any of those countries elsewhere in the world;

xiii. the due diligence committee report or any other information supplied in writing by or on behalf of the Company to the Underwriter in relation to the Group or the Offer is misleading or deceptive; or

xiv. the Company fails to comply with a provision of the Constitution, the ASX Listing Rules, the Corporations Act, applicable laws or a requirement, order or request made by or on behalf of ASIC, ASX or any Governmental Agency.