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ASX ANNOUNCEMENT

FY26 FULL YEAR FINANCIAL RESULTS

ParagonCare

Enabling Healthcare

Paragon Care Limited

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ParagonCare delivers revenue and underlying earnings growth in line with guidance

Paragon Care Limited (ASX:PGC) (“ParagonCare” or the “Company”) a leading healthcare wholesaler, distributor, and manufacturer throughout the Asia Pacific region, today announced its financial results for the year ended 30 June 2026 (“FY26”).

Key FY26 Highlights (versus FY25)

Financial Performance

Statutory –

- Revenue of \$3.7 billion, up 1.8%
- Statutory EBITDA \$50.8 million, down 42.6%
- Statutory NPAT \$(16.0 million) loss, down 177.9%

Underlying -

- Normalised¹ revenue growth 6.7%
- Underlying EBITDA of \$97.2 million, up 2.1%
- Underlying NPAT of \$26.0 million, down 13.6%
- Improved operating cash generation
- Net gearing at 2.5x²
- Infinity Pharmacy Group (“Infinity Group”) debt recovery valued at \$9.3 million (representing approximately 19% recovery, ex GST).

Strategy Execution

- 3-2-1 integration completed with realised synergies in line with strategy
- Investment in value-add and revenue generation functions to drive growth & capability
- Expanded the Company’s channel and category offer through strategic acquisitions and investments
- Opened new purpose-built Brisbane distribution centre with integrated automated solution
- Expansion of multi-disciplinary shared services function in Asia
- Awarded 5-year Australian Defence Force supply contract

¹ Normalised revenue growth is calculated by adjusting prior year revenue to loss of Infinity Group (in administration) and Ramsay Group revenues (contract exited 31 January 2026) and impact of FX movement in current year.

² Includes last twelve months EBITDA of acquired businesses.

Non-IFRS and Underlying numbers not subject to audit or review by external auditors.

Statutory Financial Performance –

Statutory Results - \$m	FY26	FY25	Var \$	Var %
Revenue	3,680.5	3,613.9	66.6	1.8%
EBITDA	50.8	88.5	(37.7)	(42.6%)
EBIT	13.5	58.6	(45.1)	(76.9%)
Profit Before Tax	(21.7)	25.5	(47.2)	(185.0%)
Net Profit After Tax	(16.0)	20.6	(36.6)	(177.9%)
EPS	(0.97)	1.24	(2.21)	(177.9%)

The statutory result for the year includes an expense to recognise the estimated credit loss of the debt owed by the Infinity Group. The FY26 expense of \$38.0 million (\$34.9 million net GST recoverable) is in addition to the \$1.2 million provision recorded in FY25.

Underlying Financial Performance –

Underlying Result - \$m	FY26	FY25	Var \$	Var %
Revenue	3,680.5	3,613.9	66.6	1.8%
EBITDA	97.2	95.2	2.0	2.1%
Depreciation & Amortisation	27.2	23.1	4.1	17.9%
EBIT	70.0	72.1	(2.1)	(3.0%)
Finance Costs	34.3	33.1	1.2	3.6%
Profit Before Tax	35.7	39.0	(3.3)	(8.6%)
Net Profit After Tax	26.0	30.1*	(4.1)	(13.6%)
EBITDA margin	2.64%	2.63%	-	-
Net Debt (vs June 25)	284.1	216.4	67.7	31.3%
Net Debt: EBITDA (Proforma [^] LTM)	2.5x	2.3x	0.2x	10.0%
EPS (Underlying)	1.6	1.8	(0.2)	(13.6%)

Non-IFRS and underlying numbers are not subject to audit or review by external auditors.

* Restated on finalization of PGC / CH2 PPA adjustments in FY25.

[^] Includes last twelve months EBITDA of acquired businesses.

Revenue increased 1.8% to \$3.7 billion and Underlying EBITDA was up 2.1% to \$97.2 million in FY26 from the previous corresponding period (pcp).

Normalised organic revenue, adjusted for the exit of Ramsay Group and Infinity Group revenues, and impact of movement in FX on translation to A\$ and contribution from acquisitions in the year, grew by 6.7% on pcp.

When measured on a like-for-like currency basis, Underlying EBITDA growth was 7.4% on pcp,

The completion of the merger integration activity provides an expanded portfolio of products and services across the group, including dental and aesthetics, and strategically expands the footprint across Asia.

The full reconciliation between underlying and statutory earnings is provided below:

Item	FY26			
	EBITDA	EBIT	PBT	NPAT
Statutory	50.8	13.5	(21.7)	(16.0)
<i>Adjusted for items identified as excluded from underlying earnings:</i>				
Provision for Infinity debt, net of GST recovered ¹	34.9	34.9	34.9	24.4
Mergers & acquisitions and related costs ²	4.7	4.7	4.7	4.2
Restructuring & integration costs ³	6.4	6.4	6.4	4.7
Share based payments ⁴	1.9	1.9	1.9	1.9
FX hedges and other currency measurements ⁵	(1.6)	(1.6)	(1.6)	(1.1)
Depreciation & amortisation of fair valued acquired intangibles assets ⁶	-	10.1	10.1	7.1
Interest charge on unwinding of deferred consideration	-	-	0.9	0.9
Underlying⁷	97.2	70.0	35.7	26.0

¹ Includes the lifetime expected credit loss expense of \$34.9 million recognised for Infinity Group balances net of recoverable GST of \$3.1 million.

² Includes external consultants and professional advisers costs plus dedicated internal resources for M&A activity only.

³ Staff redundancy costs & salaries and wages of exited roles as part of merger integration activity.

⁴ Share based payment valued in accordance with AASB2 (performance rights valued at \$0.50 each).

⁵ Unrealised (gain)/loss on FX hedges and other currency remeasurements.

⁶ Amortisation of fair valued intangible assets recognised as part of business combination accounting.

⁷ Due to rounding, individual figures may not sum to the corresponding totals.

Revenue & Margin by Channel & Segment –

ANZ Segment -

Revenue \$M	FY26	FY25	Var \$	Var %
Wholesale	2,825.4	2,979.0	(153.6)	(5.2%)
Medical Technology	168.9	169.7	(0.9)	(0.5%)
Contract Logistics	493.5	335.8	157.7	47.0%
Clinical Manufacturing	32.7	28.1	4.6	16.4%
ANZ Total Revenue	3,520.4	3,512.6	7.8	0.2%

Margin \$M	FY26	FY25	Var \$	Var %
Wholesale	177.6	180.0	(2.4)	(1.3%)
Medical Technology	66.0	70.5	(4.5)	(6.4%)
Contract Logistics	21.4	14.1	7.3	52.2%
Clinical Manufacturing	15.1	12.5	2.6	21.2%
ANZ Total Margin	280.1	277.0	3.1	1.1%

Asia Segment -

Revenue \$M	FY26	FY25	Var \$	Var %
Medical Technology	160.1	101.3	58.8	58.0%
Asia Total Revenue	160.1	101.3	58.8	58.0%

Margin \$M	FY26	FY25	Var \$	Var %
Medical Technology	67.3	47.0	20.4	43.4%
Asia Total Margin	67.3	47.0	20.4	43.4%

Key highlights:

ANZ Segment –

- Excluding loss of Infinity Group and exit of Ramsay Group contract, ANZ revenue growth was 6.1%
- ANZ segment margin held steady at 8.0%

Wholesale - ANZ

- Normalised Wholesale revenue was 1.5% v. pcg despite the loss of Infinity Group and exit of Ramsay Group contract
- Wholesale margin grew to 6.3% from 6.0% pcg due to exit of low margin businesses

Medical Technology - ANZ

- Med Tech markets were patchy with solid results in medical devices, with challenges faced in orthopaedics and vision with suppliers switching to direct models. New business in Aesthetics was in line with expectations
- Med Tech margin at 39.1% was marginally lower than pcg of 41.5% due to market expansion strategies and FX movement back to AUD (\$2.4) million

Contract Logistics - ANZ

- Contract Logistics revenues were bolstered by both increased volume with existing customers and new customer wins
- Contract Logistics revenue growth was gained at a higher margin of 4.3%, an increase of 0.1% on pcg

Clinical Manufacturing - ANZ

- Clinical Manufacturing posted double-digit revenue growth from increased volumes with existing customers and through the acquisition of Fisher Biotech
- Clinical Manufacturing margin of 46.4% increased from 44.5% due to mix and operating efficiencies

Asia Segment –

- Revenue growth \$58.8m v. pcp consists of \$45.4m acquisitions and \$13.3m organic growth
- Organic revenue growth represents 13.2% increase on pcp
- Margin contribution up \$20.4m v pcp, representing 43.4% increase
- Margin at 42.1% v. 46.4% - lower in FY26 due to diversification of products and geographies
- Regional footprint and management focus to expand into other territories
- Expansion of multi-disciplinary shared services function and establishment of regional management team

Expenses

Overall expenditure included the ECL provisioning of the Infinity Group debt net of GST, integration & restructuring costs, M&A activity, unrealised FX remeasurements, share based payment expense based on fair value of performance rights at award date of \$0.50 each, and amortisation on the fair value of identifiable intangibles assets recognised on acquisitions. These expenses have been excluded from underlying earnings results in FY26 (and the prior comparable period).

Adjusted for normalisations, and for the impact of acquired businesses in the year, operating costs increased due to higher freight charges (fuel), and outside storage fees impacted by the delay in opening of the new Brisbane site (fully operational in June 2026).

The two-year merger integration activity was completed in FY26, which realised significant cost base rationalisation through business unit restructuring, relocating suitable roles to our Asia shared service locations, IT system harmonisation and removal of cost duplication. This has enabled the Company to invest in value creation and growth functions, as evidenced by the increase in advertising and marketing spend in the year which has driven revenue growth, particularly in Asia.

Capital Management

Improved operating cash generation at \$29.1 million, up 317% on pcp.

Net working capital ('NWC') at 30 June 2026 was \$94.1 million, a reduction of \$31.9 million v. pcp and \$53.5 million from 31 December 2025. NWC includes the deferred contingent consideration \$22.2 million, ECL provision against the Infinity Group debt of \$39.2 million (30 June 2025: \$1.2 million; 31 December 2025: \$48.5 million), and the NWC of acquired entities of \$25.3 million at year-end.

Excluding deferred contingent consideration, NWC at 30 June 2026 was \$116.3 million v. \$126.0 million pcp.

Net working capital management remains a key priority for the Company in FY27.

Net debt as at 30 June 2026 was 2.5x Underlying EBITDA (including LTM of acquired businesses), and in line with our year-end target.

No dividend has been declared and no dividend reinvestment plan is in operation for FY26. The Directors believe it is prudent to confirm the quantum and timing of the Infinity Group debt recovery from the Administration process before making a dividend determination. The dividend position will be reviewed at completion of 1H27 interim reporting period.

Outlook

- **Geographic & market expansion**

- Continue to grow our Asia regional presence
- Leverage capability and market opportunities in acquired businesses
- Enter new markets by leveraging existing capability & footprint
- Aesthetics, Dental and Animal Health expansion
- Wholesale channel launch in New Zealand
- Strategic M&A opportunities

- **Growth initiatives**

- Organic growth underpinned by product expansion, service and capability offer
- Focus on profitable revenue growth opportunities
- Enhanced go-to-market strategy with product portfolio offer
- New website and digital marketing initiatives
- New supplier agreements to deliver innovative healthcare products in market

- **Operational excellence**

- Strategic review of Sydney Warehouse for new site go live in FY28
- Shared service support through our Asian offices, off-shoring ANZ administration functions
- Invest in technology to improve business efficiency

- Management is not providing FY27 guidance due to economic instability, though expectation is to remain at mid-single digit revenue growth
- Establishment of Employee Share Trust to mitigate the dilution impact from Equity Incentive Plan (EIP) allocations
- Share buyback program to commence in FY27
- Dividend will be reviewed at FY27 half-year results

Carmen Riley, ParagonCare CEO & MD stated:

“ParagonCare enters FY27 well positioned to continue its long-held strategy of building a leading diversified Healthcare distributor across the Asia Pacific region.

Despite the number of challenges presented to the Company over the past 12 months, ParagonCare has transformed into a collaborative, forward-looking and united team focused on providing leading healthcare products, service and solutions across the APAC region. This is a testament to the resilience of the business, geographic channels, diversification and focus of our people.

We have delivered significant milestones during the past two-year merger period, and FY26 closes the 3-2-1 strategy with all key objectives achieved, and many exceeded.

The underlying performance of the Group reinforces our position in the market, and our compelling value proposition of having a fulsome Asia Pacific presence, bringing new products into our markets, and gaining new and growing existing customer revenues based on capability, not singularly price driven.

Whilst we expect some of the market and supply chain disruption to continue into FY27, we are confident the Group will continue to deliver underlying organic revenue and earnings growth. We will continue to curate the market for strategic acquisitions that complement our existing business, and we will continue to strive for excellence and value for our customers and suppliers.

I also want to assure our shareholders that we will continue to pursue the recovery of the shortfall in the Infinity Group debt recovery through legal avenues that will remain available to the Company once the administration process is complete. We do now need to ensure we are fully focused on the future growth of the business and the opportunities ahead of us are exciting in a growing market.

Thank you for the continued support of our shareholders, our customers, suppliers and our team. I look forward to updating you on our progress throughout 2027.”

Carmen Riley, CEO & MD.

ENDS

For further information please contact: Carmen Riley, Chief Executive Officer & Managing Director.

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This announcement is authorised for release to the market by Carmen Riley, Chief Executive Officer & Managing Director of Paragon Care Limited.

About Paragon Care Limited

Paragon Care Limited (ASX:PGC) is an Australian based listed company in the healthcare sector. It is a leading provider of medical equipment, devices, consumables, pharmaceuticals, complementary medicines, nutritional supplies, and manufacturer of Blood Bank diagnostic reagents to the healthcare markets in Australia, New Zealand and Asia.