

1 June 2026

ASX ANNOUNCEMENT

INFINITY GROUP RECOVERY AND EARNINGS UPDATE

Paragon Care Limited (ASX:PGC) ("ParagonCare" or the "Company") provides the following update in relation to the receivership of the Infinity Retail Pharmacy Group ("Infinity Group").

Infinity Group exposure and provisioning

As previously disclosed, ParagonCare has exposure to the Infinity Group arising from historical trading receivables. Following the appointment of receivers and administrators to the Infinity Group in December 2025, the Company undertook a comprehensive review of its recoverability position.

In its 1H FY26 financial results, the Company recognised a 100% provision against amounts owed by the Infinity Group. Any recovery received would represent a positive outcome for shareholders.

Distribution from administrators

The Company has been advised by the administrators that a preliminary Estimated Outcome Analysis has been prepared for the administration.

This Analysis indicates that ParagonCare would receive a distribution in the range of approximately A\$11.7m to \$15.8m representing a recovery in the range of approximately 24% to 32.5% of the Company's outstanding exposure to the Infinity Group, from the administration process. This is prior to enforcing guarantees ParagonCare has obtained from the owners and directors of the Infinity Group.

The Estimated Outcome Analysis is preliminary and indicative in nature and requires feedback from all secured lenders before finalising. ParagonCare will carefully review the Analysis and seek further information from the administrators as required. ParagonCare will also continue to work constructively with the administrators in relation to any potential further recoveries.

As further information becomes available, we will continue to update shareholders.

ParagonCare has already received a cash recovery of \$3.4m from the ATO relating to GST previously paid on the Infinity Group receivable.

Earnings update

Based on current trading, the Company provides the following update:

- Forecasted revenue for FY26 will be approximately A\$3.7b;
- Underlying EBITDA is forecast to be in the range of A\$95m to A\$100m, including the acquisition of Haju which was completed on the 1st of April, and is subject to our end of year audit process.
- Net debt is expected to be between 2 to 2.5 times EBITDA, assuming a full year contribution from acquisitions.

Logistics costs have been challenging during the period, along with pricing pressures from some manufacturers that have been forced to increase prices due to the price of oil. The Company continues to see stable underlying trading performance and remains focused on disciplined cost management and working capital optimisation.

The Company will provide a further update as part of its FY26 financial results.

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, consumables, pharmaceuticals, complementary medicines, nutritional supplies, and manufacturer of Blood Bank diagnostic reagents to the healthcare markets in Australia, New Zealand and Asia.