

paragon enters the new year with optimism - positive start to 2024 - forecast confirmed

- Revenue and EBITDA develop positively despite still subdued call-off level from customers
- EBITDA of EUR 4.1 million in the current period (prior-year quarter: EUR 3.8 million in continuing operations)
- Significant increase in profitability achieved in Q1/2024: EBITDA ratio at 10.1% (prior-year quarter: 8.6%), further measures being implemented
- Larger new building in China occupied
- Forecast for the current financial year confirmed unchanged: EUR 160 to 165 million in sales with EBITDA between EUR 18 and 20 million

Delbrück, May 7, 2024 - paragon GmbH & Co. KGaA [ISIN DE0005558696] has made a positive start to the current year. According to the quarterly report published today, paragon achieved consolidated revenue of EUR 40.9 million (prior-year quarter: EUR 44.7 million) and EBITDA of EUR 4.1 million (prior-year quarter: EUR 3.8 million). Both key figures are therefore within the communicated forecast for the 2024 financial year. The decline in revenue of EUR 3.8 million compared to the same quarter of the previous year reflects the previously announced scheduled discontinuation of a sensor product in summer 2023. It also confirms the paragon management's assessment published on December 11, 2023 that call-offs will pick up again in the course of the year.

“It is important to us that we continue on our course of continuously improving profitability. And we took another step forward here in the first quarter of 2024. We were not only able to increase EBITDA in continuing operations in the first quarter of 2024. Due to the significant reduction in debt, financing expenses also fell from EUR 3.0 million in the same quarter of the previous year to EUR 1.6 million in the quarter under review. As a result, the consolidated net loss decreased from EUR -1.7 million in the first quarter of 2023 to EUR -0.5 million in the quarter under review. Further measures will take effect over the course of the year and lead to a sustained positive consolidated result,” explained Klaus Dieter Frers, CEO and founder of paragon.

In the first quarter of 2024, the initiatives started in 2023 were systematically continued. The entire plant in China has been relocated to a significantly larger new building in order to take

advantage of the considerable growth potential. paragon has now expanded its product range in China to include the entire European product portfolio and has held initial talks with Chinese customers. In the USA, paragon will already have its own sales office in the next few months. A cooperation with an interesting Indian automotive supplier has been initiated. The next products to be produced at the plant in Croatia, which already has all the necessary quality certificates, have also been determined.

A large number of new products and product variants are currently in the development process. Numerous proof-of-concept orders testify to the high level of customer interest in innovative paragon products from all divisions. Frers: "The level of quoting activity by paragon's sales team in the first quarter of 2024 in particular is record-breaking. This will give us a further boost for a successful future."

About paragon GmbH & Co. KGaA

Listed on the Regulated Market (Prime Standard) of Deutsche Börse AG in Frankfurt a.M., paragon GmbH & Co. KGaA (ISIN DE0005558696) develops, produces and distributes pioneering solutions in the fields of automotive electronics, body kinematics and electromobility. The portfolio of the market-leading direct supplier to the automotive industry includes innovative air quality management, modern display systems and connectivity solutions, as well as high-end acoustic systems in the electronics segment. In the mechanics segment, paragon develops and produces active mobile aerodynamic systems. In the fast-growing automotive market for battery systems, paragon's Power business unit supplies battery management systems and traction batteries.

In addition to its headquarters in Delbrück (North Rhine-Westphalia), paragon GmbH & Co. KGaA and its subsidiaries have sites in Suhl (Thuringia), Landsberg am Lech and Nuremberg (Bavaria), St. Georgen (Baden-Württemberg) and Limbach (Saarland) as well as in Kunshan (China), Dover (USA), Bengaluru (India) and Oroslavje (Croatia).

For more information on paragon, visit www.paragon.ag.

Capital Market & Press Contact

paragon GmbH & Co. KGaA

Dr. Martin Esser

Bösendamm 11

33129 Delbrück, Germany

Phone: +49 (0) 52 50 - 97 62-200

Fax: +49 (0) 52 50 - 97 62-102

Email: investor@paragon.ag