

Targeted adjustment of economic bond terms achieved

- Bondholders approve the proposed resolutions recommended by the issuer and agreed with SdK by a large majority
- Adjustment of economic terms as proposed achieved
- Contested vote on the appointment of the joint representative – courts will likely have to make the final decision
- SdK representative physically attacked paragon' CEO and injured him

Delbrück, December 23, 2025 – The holders of the 2017/2027 bond (ISIN: DE000A2GSB86 / WKN: A2GSB8) issued by paragon GmbH & Co. KGaA [ISIN DE0005558696] approved the proposed resolutions of paragon and SdK - Schutzgemeinschaft der Kapitalanleger e.V. to amend the economic terms and conditions of the bond.

The term of the bond will be extended by four years, i.e. until July 5, 2031. An interest payment pause has been agreed for the 2026 calendar year; the additional payment will be made at the end of the term. Furthermore, the annual PIK interest element of 2.5% p.a. has been waived. Instead, a final bonus of 15.0% will be paid on the outstanding nominal amount on maturity date.

The now terminated buyback program is replaced by the issuer's obligation to carry out a bond buyback in the amount of EUR 2m from mid-2026 on.

paragon grants guarantees from two significant subsidiaries, including negative pledges. The founder of paragon, Klaus Dieter Frers, current CEO of the issuer's personally liable partner, paragon GmbH, is contributing a considerable amount in the millions by deferring or waiving variable remuneration components.

Of the outstanding bonds with voting rights with a nominal value of EUR 43.649m, bonds with a nominal value of EUR 15.256m were represented, which corresponded to a presence of 34.95%, which was thus significantly above the required quorum of at least 25%. 94.52% voted in favor of the proposed resolutions from an economic perspective.

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The resolutions were preceded by intensive negotiations with major bondholders and stakeholders in recent weeks, which ultimately led to an agreement on improved economic terms for a further extension of the term from the bondholders' perspective.

Klaus Dieter Frers commented on the resolutions passed at the creditors' meeting: "We would like to thank all bondholders for their tremendous support and the trust they have clearly demonstrated through their vote. Unfortunately, the meeting was ultimately overshadowed by what we consider to be an undignified contesting of the election of a new joint representative. In what can only be described as scandalous the board member of the SdK, Mr. Dr. Liebscher, finally became violent towards me in front of several witnesses and caused me painful injuries." The SdK was given the opportunity to comment on the incident but did not do so acceptably.

With the approx. 8 million votes represented by SdK, the SdK not only voted against the confirmation of the joint representative, attorney Daniela Bergdolt, but submitted also a motion for the immediate dismissal of Ms. Bergdolt and the election of its own board member Dr. Marc Liebscher as the new joint representative, which led to a lengthy interruption of the meeting and a dispute among the largest bondholders over the admissibility of this dismissal motion formulated as a counter-motion and brought to the brink of failure. Due to the objections, declared by several funds to the notary's minutes, the motion to dismiss and the election of Dr. Liebscher, that a decision on the person of the joint representative must be made now by court, the company assumes. Frers continues: "We will of course work constructively with a joint representative once being confirmed by the court; however, Dr. Liebscher has disqualified himself from this role."

The detailed announcement of the resolutions will be published in the Federal Gazette and on the paragon website in the near future.

The participation fee will be paid after the resolutions of the creditors' meeting have been implemented, which is expected to be at the end of January 2026.

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About paragon GmbH & Co. KGaA

paragon GmbH & Co. KGaA (ISIN DE0005558696), listed on the Regulated Market (Prime Standard) of Deutsche Börse AG in Frankfurt am Main, 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 high-end acoustic systems in the electronics segment. In the mechanics segment, paragon develops and produces active mobile aerodynamic systems. In the rapidly growing automotive market for battery systems, paragon supplies power battery management systems and drive batteries through its Power division.

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

For more information about paragon, please visit www.paragon.ag, and .

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