

## **paragon's robustness confirmed by significant increase in operating result despite decline in sales**

- At EUR 135.7m, sales revenue in 2024 16.0% lower than in previous year but still within the adjusted forecast - caused by restrained customer call-offs and sale of the starter battery business
- Nevertheless, operating EBITDA of EUR 19.0m (previous year: EUR 17.7m) within original expectations - operating EBITDA margin now at 14.0% (previous year: 10.9%)
- Success of the extensive improvement measures - cost savings will have a year-round effect in 2025
- New Consumer Products division to make significant sales contributions by 2025
- Forecast for 2025: EUR 140 to 145m in sales with EBITDA of EUR 20 to 22m

**Delbrück, April 30, 2025** - paragon GmbH & Co. KGaA [ISIN DE0005558696] today published its annual report for the year 2024. The audited consolidated financial statements confirm paragon's resilience to external influences and market fluctuations.

In 2024, sales declined as forecasted to EUR 135.7m (previous year: EUR 161.7m). In addition to the weaker automotive market, the loss of sales due to the sale of the starter battery business also played a role here. It is pleasing to note that – not including a write-down of an intangible asset from previous years that will have no future impact – an increase of 7.8% was achieved with an operating EBITDA of EUR 19.0m (previous year: EUR 17.7m). The cost savings achieved have shown effect and will have economies of scale for 2025. The subsidiary paragon movasys GmbH (Business Unit Kinematics) made a major contribution here, achieving a turnaround with an EBITDA margin of 10.3% (previous year: 3.1%) despite the significant sales weakness of a key customer and now delivering results comparable to the rest of the Group.

Of particular note is the very significant increase in operating cash flow from EUR -6.2m in the previous year to EUR 16.0m in 2024 and in free cash flow to EUR 5.2m (previous year: EUR -13.8m).

The paragon-Group's debt was already reduced to an appropriate level in 2023. Net debt as of December 31, 2024, was EUR 54.8m and the net gearing ratio was 3.1.

"In view of the permanent challenges posed by the various crises in the world and the weaker sales figures of car manufacturers than originally planned, we have actually done quite well. Our strategy of being more expansive again after our consolidation phase on the one hand, but consistently pushing ahead with our cost-cutting measures on the other, is paying off. We have won great new orders - especially from China -, opened our new plant in China, re-established a foothold in the US market, and are preparing to establish a presence in India together with a cooperation partner," said Klaus Dieter Frers, founder and CEO of the general partner of paragon GmbH & Co. KGaA. "In the medium term, we will also become less dependent on the automotive market by establishing a second distribution channel for our consumer products, which are sold under world-famous names. Whether the current 'tariff chaos' will affect our customers and therefore us or not, nobody can really say at the moment. But one thing is certain; we will react quickly and flexibly to it."

Due to the necessary adjustments in the course of the annual financial statements, the publication of the quarterly report for Q1/2025 has been postponed to May 27, 2025.

#### **About paragon GmbH & Co. KGaA**

paragon GmbH & Co. KGaA (ISIN DE0005558696), which is listed on the regulated market (Prime Standard) of Deutsche Börse AG in Frankfurt am Main, develops, produces and sells 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's Power division supplies battery management systems and traction batteries.

In addition to the company 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), Limbach (Saarland) and in Kunshan (China), Detroit (USA), Bengaluru (India) and Oroslavje (Croatia).

You can find more information about paragon at [www.paragon.ag](http://www.paragon.ag).

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