

paragon announces preliminary half-year figures - operating profitability and cash flow improved

- As expected, sales fell to EUR 75.4 million after 6 months following the sale of the starter battery business in fall 2023 (prior-year period: EUR 86.4 million)
- Current sales development also reflects the slow recovery in customer call-off behavior
- Despite the challenging market environment, EBITDA (continuing operations) improved from EUR 8.1 million in the same period of the previous year to EUR 8.5 million thanks to various optimization measures - EBITDA ratio now at 11.3% (same period of the previous year: 9.3%)
- Reduced net debt leads to a significant reduction in financing expenses
- Earnings after interest and taxes significantly improved from EUR -5.6 million in H1/2023 to EUR -1.0 million in continuing operations in the first half of 2024 - slightly positive result expected for the year as a whole
- Improved profitability also reflected in operating cash flow - significant increase in the first half of the year from EUR -5.4 million (same period of the previous year) to EUR 2.6 million
- Publication of final figures for the first half of the year on August 21, 2024

Delbrück, July 25, 2024 - paragon GmbH & Co. KGaA [ISIN DE0005558696] today announced preliminary figures for the first six months. Various optimization measures and reduced net debt led to a significant improvement in profitability.

According to preliminary figures, paragon generated revenue of EUR 75.4 million in the first six months of the 2024 financial year (previous year: EUR 86.4 million). The reduction in revenue compared to the prior-year period was expected by the management and is mainly due to the sale of the starter battery business in fall 2023 and the slow recovery in customer call-off behavior.

Despite the challenging market environment, paragon was able to increase its profitability. EBITDA from continuing operations amounted to EUR 8.5 million after six months (prior-year period: EUR 8.1 million). The EBITDA ratio thus increased significantly to 11.3% after six months compared to 9.3% in the same period of the previous year.

Also due to the reduction in net debt, the interest burden fell from EUR 7.4 million in the first six months of 2023 to EUR 3.2 million in the first half of 2024. According to preliminary

figures, paragon was able to improve its earnings after interest and taxes from continuing operations from EUR -5.6 million in the first half of 2023 to EUR -1.0 million in the first half of 2024. The company expects slightly positive earnings after interest and taxes for 2024 as a whole.

The improved profitability is also reflected in the operating cash flow. This increased significantly by EUR 8.0 million from EUR -5.4 million in the same period of the previous year to EUR 2.6 million in the first six months.

The Group interim report with the final figures for the first six months will be published as scheduled on August 21, 2024.

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.

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