

## paragon with very strong start to the year - outlook confirmed

- First quarter sales up significantly by 14.6 % to Euro 44.7 million (previous year's quarter Euro 39.0 million)
- Outlook for 2023 confirmed: approx. 170 million euros in sales with EBITDA between 20 and 25 million euros at Group level
- Milestones regarding further debt reduction implemented: CHF bond fully repaid in April 2023, EUR bond reduced by 4.8 million euros
- Current order backlog for the next five years increased by approx. 22

**Delbrück, May 12, 2023** - paragon GmbH & Co. KGaA [ISIN DE0005558696] has got off to a flying start this year. According to the quarterly report published today, paragon increased its consolidated sales by 14.6% to EUR 44.7 million. The growth shows a pleasing trend in all four continuing business divisions; the Kinematics division and the young Power division recorded an above-average increase.

In the first quarter of 2023, EBITDA of €3.8 million was achieved in the continuing business units and EBITDA of €5.1 million at Group level. The EBITDA achieved is thus slightly above the level of the previous year.

The long-term strategy of debt reduction also made good progress: at the end of April 2023, the CHF bond with an original volume of CHF 35.0 million was finally repaid. "The repayment of the CHF bond is a significant milestone for our company. At the same time, paragon has been able to reduce the EUR bond by EUR 4.8 million," emphasized Dr Martin Esser (CFO of paragon).

The management confirms the expectation for turnover in 2023 with at least approx. 170 million euros. This would correspond to a 6% increase in turnover for the continuing business units compared to the previous year. "This would almost compensate for the loss of revenue from the sale of the Digital Assistance business unit (paragon semvox GmbH) already in 2023. Revenue growth will be driven primarily by the young Power business unit and our local business in China." Klaus Dieter Frers (CEO and founder of paragon) elaborated. EBITDA for the Group is expected to be between EUR 20 and 25 million in 2023.

paragon was also able to win further orders in the first quarter of 2023. At the beginning of 2023, the order backlog for the next five years rose by around 22% to approximately EUR 761 million; a year ago, the order backlog ("booked business") for the same time horizon was still around EUR 624 million. With this increased order backlog, paragon's targeted growth in the coming years is on a very stable footing.

The consolidated financial statements for the 2022 financial year will be published on 22 May 2023. There were delays here by the auditor due to the recent closing of the sale of paragon semvox GmbH to CARIAD SE. According to preliminary figures, the sales revenues of the continuing operations totaled Euro 160.3 million in 2022 (plus Euro 12.7 million of paragon semvox GmbH). At Group level, this corresponds to revenue growth of 17.7%. EBITDA at group level amounted to €16.3 million.

#### **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 now operates independently with its power business unit following the sale of the Voltabox investment.

+++ Corporate News +++

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), Bengaluru (India) and Oroslavje (Croatia).

For more information on paragon, visit [www.paragon.ag](http://www.paragon.ag).

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