

INTERIM GROUP REPORT
AS OF SEPTEMBER 30, 2025
NINE MONTHS

Key Figures paragon Group

€'000 or as stated	Jan. 1 to Sept. 30, 2025	Jan. 1 to Sept. 30, 2024	Change	July 1 to Sept. 30, 2025	July 1 to Sept. 30, 2024	Change
Revenue	83,444	106,262	-21.5%	28,001	30,902	-9.4%
EBITDA ¹	12,487	12,902	-3.2%	4,116	4,390	-6.2%
EBITDA margin in %	15.0 %	12.1 %	23.2%	14.7 %	14.2 %	3.5%
EBIT	4,766	3,918	21.6%	1,388	1,740	-20.2%
EBIT margin in %	5.7%	3.7 %	54.9%	5.0 %	5.6 %	-12.0%
Consolidated net income	-378	-1,004	62.3%	-381	7	-5,648.4%
Earnings per share in € (basic and diluted)	-0.08	-0.22	62.0%	-0.08	0.00	n.a.
Investments [CAPEX] ²	5,635	7,186	-21.6%	2,571	4,603	-44.1%
Operating cash flow	1,810	8,068	-77.6%	-111	5,446	-102.7%
Free Cashflow ³	-3,825	882	-533.7%	-2,681	843	-418.1%
€'000 or as stated	Sep. 30, 2025	Dec. 31, 2024	Change	Sep. 30, 2025	Sep. 30, 2024	Change
Total assets	98,347	98,317	0.0%	98,347	100,526	-2.2%
Equity	-8,258	-9,953	17.0%	-8,258	-5,114	61.5%
Equity ratio in %	-8.4%	-10.1%	17.1%	-8.4%	-5.1%	65.0%
Cash and cash equivalents	708	4,391	-83.9%	708	1,322	-46.5%
Bank and bond liabilities less cash and cash equivalents	57,105	54,827	4.2%	57,105	57,560	-0.8%
EBITDA last 12 months	17,378	17,793	-2.3%	17,378	14,298	21.5%
Net debt ratio ⁴	3.29	3.08	6.6%	3.29	4.03	-18.4%
Employees ⁵	680	685	-0.7%	680	701	-3.0%

Share

	Sep. 30, 2025	Dec. 31, 2024	Change	Sep. 30, 2025	Sep. 30, 2024	Change
Xetra closing price in €	2.88	1.94	48.5%	2.88	2.28	26.3%
Number of shares issued	4,526,266	4,526,266	0.0%	4,526,266	4,526,266	0.0%
Market capitalization in € million	13.0	8.8	4.3	13.0	10.3	2.7

1 For information on the calculation of EBITDA, please refer to the explanations in the combined management report in the annual report.

2 CAPEX = Investments in property, plant, and equipment + Investments in intangible assets

3 Free cash flow = Operating cash flow – Investments [CAPEX]

4 As defined in Section 3 of the bond terms and conditions WKN A2GSB8 (loans plus bonds minus cash and cash equivalents divided by EBITDA)

5 Plus 14 temporary workers (December 31, 2024: 6)

Summary of the first nine months of 2025

- Forecast for automotive business for 2025 increased from approximately €18 million to approximately €19 million EBITDA with revenue of €115 to €120 million
- Revival of business with Porsche and Chinese customers in the second half of the year – ongoing cost savings continue to be noticeable
- Revenue planning for the new Consumer Products segment in 2025 revised to up to €2 million with balanced earnings due to various adverse circumstances – no impact on stable automotive business
- Revenues in the automotive sector amounted to €83.4 million (prior-year period: €106.3 million) in the first nine months of fiscal year 2025, and decreased by 21.5% compared to the prior-year period – revenue decline due to sale of starter battery business to be considered
- 9.4% year-on-year decline in sales in the third quarter reflects current call-off level – EBITDA
- Group EBITDA remained at €12.5 million in the first nine months despite lower sales (previous year: €12.9 million); EBITDA margin increased to 15.0% (previous year: 12.1%)
- Group EBIT improved from €3.9 million to €4.8 million in the same period comparison; EBIT margin now at 5.7% after 3.7% in the same period last year
- Revenue expectations for the full year 2025 are therefore now €117 million to €122 million, or approximately €19 million EBITDA
- Deliveries not received from Nexperia are fully replaced by other suppliers
- paragon considers itself well equipped to deal with the current chip crisis – uncertainties remain regarding the indirect effects of possible bottlenecks at customers

Foreword by the Management

Dear shareholders,
Dear customers and business
partners, dear employees,

as an automotive supplier, times are tough right now. Customers are suffering from sluggish sales in China and US tariffs, which are making it more difficult to sell German cars. Many car manufacturers have found that the market for their new electric vehicles is smaller than expected. Very costly strategic shifts are weighing on their balance sheets. Some journalists are asking whether the German automotive industry's model of success is coming to an end, thus contributing to the general pessimism. And then, as if the whole scenario wasn't challenging enough, the chip crisis 2.0 was added to the mix with the disputes surrounding Nexperia. As an individual market participant, a medium-sized company like paragon has a hard time swimming against the media tide.

We don't live on an island of bliss either, but our aim is to make the most of what we have. Sales in the third quarter were down 9.4% year-on-year, reflecting the lower level of orders as described above. A nine-month comparison with the same period last year shows a 21.5% decline in sales; the effect of the sale of the profitable starter battery business must be considered here. However, if you look at the EBITDA trend, you can see the success of our efficiency improvement programs and our ironclad cost management. With this 21.5% decline in sales compared to the first nine months of 2024, we generated almost the same nominal EBITDA amount as in the same period of the previous year, resulting in a significant improvement in the EBITDA margin

from 12.1% to 15.0%. EBIT increased from €3.9 million in the same period last year to almost €4.8 million, corresponding to an EBIT margin of 5.7% (previous year: 3.7%).

This is an impressive result, and we are continuing our efforts to continuously increase efficiency. This makes it possible, contrary to all the negative news from the industry, to slightly raise the annual forecast for paragon's core automotive business, which was last published on August 19, 2025, in the half-year results. paragon now expects EBITDA for 2025 in the automotive sector to be approximately €19 million instead of approximately €18 million. As expected, a certain catch-up effect is noticeable in the automotive sector in the second half of the year. Sales to paragon's main customer, Porsche, are showing an upward trend. This is mainly due to products such as adaptive spoilers and high-quality instruments. However, sales to Chinese customers are also rising compared to the first half of the year.

paragon has succeeded in completely replacing missing deliveries of Nexperia components with other suppliers. Uncertainties remain regarding possible shutdowns at car manufacturers due to parts shortages from other suppliers.

As already mentioned in the half-year report, the start-up phase of the new additional business with consumer products is taking significantly longer than originally expected due to delays in activating sales channels. Most recently, severe weather in China has also hampered the supply chain that had already been established. The company has therefore changed its plans and does not expect this business segment to ramp up sustainably until next year. The original plan for 2025 was for consumer products to account

for approximately 15% of sales; as previously reported, the medium- and long-term goal is for this segment to account for approximately 20% of paragon's total sales.

The adjusted planning in the Consumer Products business segment has no impact on the automotive business, which remains stable. paragon treats the consumer business as a pure add-on to its core business in the areas of automotive electronics and electromechanics and is very careful to avoid taking unnecessary risks and dependencies, even if this very conservative approach means that it takes longer to establish this line of business.

The consolidated forecast for the paragon Group from the end of last year is no longer achievable due to the delay in the start-up of the consumer business. In the Consumer Products segment, sales of up to €2 million are now expected, with a balanced result. As a result, consolidated sales are expected to range between €117 million and €122 million, with EBITDA expected to be around €19 million.

The number of employees (including temporary workers) fell slightly from 684 as of September 30, 2024, to 680 as of September 30, 2025. We would like to express our special thanks to the paragon employees for their tireless commitment to the company, as well as to our customers, business partners, and shareholders for their trust.

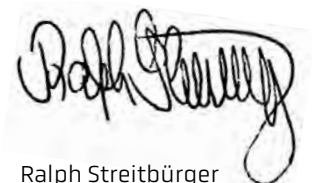
As reported, the difficult market situation in China and US tariffs have also had an impact on paragon. Although our improvement measures and cost savings have enabled paragon to increase its results despite lower sales, the financial leeway is not yet sufficient to be prepared for further declines in sales – for example, due to possible production

stoppages at car manufacturers due to a lack of Nexperia components. At the same time, the company must take advantage of market opportunities at home and abroad to generate sales growth again. The terms of the EUR bond, which were last amended in 2022, do not take the current scenario into account and have become an obstacle in many ways. paragon needs to become "winter-proof" and requires a respite to regain momentum. Therefore, on November 10, 2025, paragon informed the public that it had decided to restructure the EUR bond and invited creditors to a vote without a meeting in accordance with the SchVG on November 12, 2025. The management is asking the creditors of the EUR bond to approve the amended bond terms to enable paragon to develop positively in the long term.

Delbrück, November 12, 2025



Klaus Dieter Frers
Chairman of the
Management Board



Ralph Streitbürger
Chief Financial Officer

paragon on the capital market

In the third quarter of 2025, paragon shares increased by 31.5% (€2.88) compared to the closing price of €2.19 in the previous quarter. Market capitalization increased accordingly from €9.9 million (June 30, 2025) to €13.0 million as of September 30, 2025.

The better performance compared to the indices rewards the company's positive development. However, the company considers the share to be undervalued.

Corporate bond 2017/27

The corporate bond placed in June 2017 (ISIN DE000A2GSB86; WKN A2GSB8) with an original total volume (nominal value) of €50 million is listed on the Open Market (over-the-counter) of the Frankfurt Stock Exchange in the Scale segment for corporate bonds of Deutsche Börse AG.

In March 2022, a creditors' meeting decided to amend the bond terms and conditions. In addition to a semi-annual interest payment and a higher interest coupon, the final maturity was postponed by 5 years to July 5, 2027. In 2023,

paragon reduced the nominal value of the bond from €50.0 million to €45.2 million through buybacks.

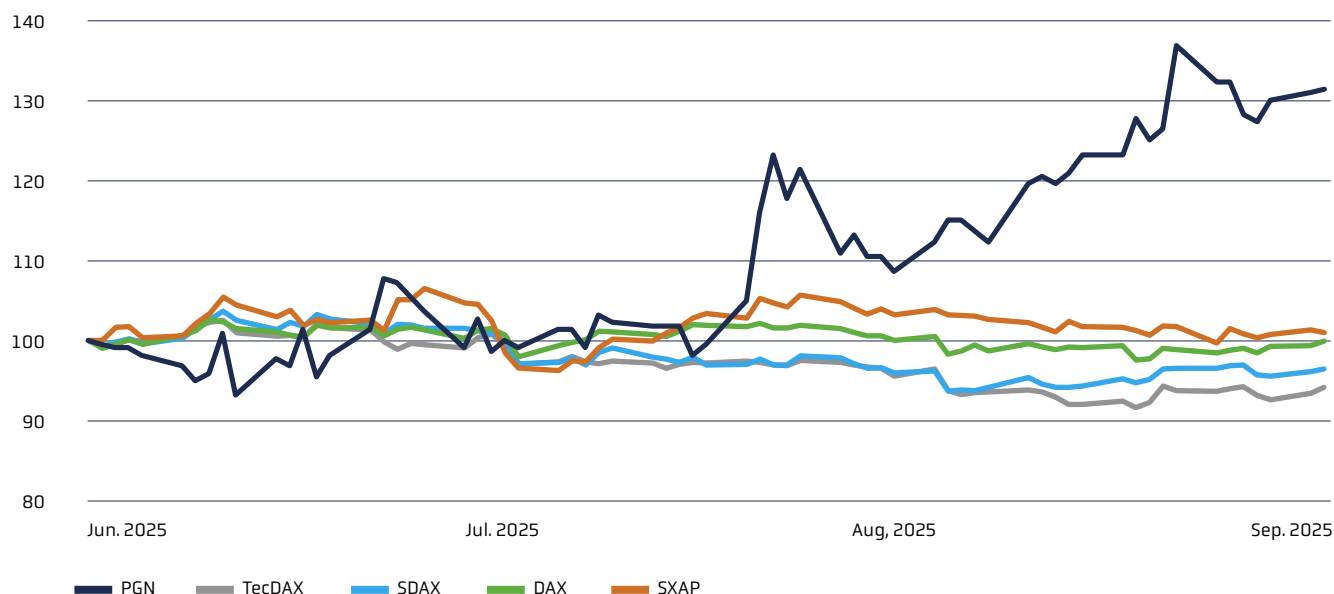
The interest rate on the bond depends on the net debt ratio of the paragon Group. The interest rate for the 2025 fiscal year is 8.75%.

On November 6, 2023, paragon began repurchasing the bond on the stock exchange for a total nominal amount of up to €20.2 million. The current program will run until June 30, 2027, at the latest. The repurchase is being carried out by an independent securities service provider. Based on two independent legal opinions regarding the purchase price and acquisition volume, the provider must comply with the prohibition of market abuse (so-called "safe harbor provisions"). As a result, no more than 25% of the average daily turnover (20-day average) in the bonds may be acquired on the stock exchange on any given day. In order not to influence the market price, purchases may not be made at a daily high price. The bond repurchase is carried out via the regional stock exchanges in Stuttgart, Frankfurt, and Trade-gate Exchange. By September 30, 2025, bonds with a total nominal value of €1,432,000.00 had been repurchased.

At the end of the quarter, the bond closed at a price of 64.0%.

Performance of the paragon share

in %



As reported, the difficult market situation in China and the US tariffs also had an impact on paragon. Although extensive improvement measures and cost savings have enabled paragon to increase its results despite lower sales, the financial leeway is not yet sufficient to be prepared for further declines in sales – for example, due to possible production stoppages at car manufacturers due to a lack of Nexperia components. At the same time, the company must take advantage of market opportunities at home and abroad to generate sales growth again. The terms of the EUR bond, which were last amended in 2022, do not take the current scenario into account and have become an obstacle in many ways. paragon needs to become “winter-proof” and requires a respite to regain momentum. Therefore, on November 10, 2025, paragon informed the public that it had decided to restructure the EUR bond and invited a vote without a meeting in accordance with the SchVG on November 12, 2025.

To enable paragon's sustainable positive development, a restructuring of the EUR bond is planned, which provides for a one-year interest moratorium, an extension of the term until July 2031 with a waiver of the previous PIK interest rate of 2.5%, and a deferred interest payment at the end of the term. In return for the interest waiver, guarantees are being provided by two major subsidiaries that are debt-free and profitable; together, they represent paragon's entire production in Europe.

Business performance

Cumulative global sales figures for the first nine months of 2025 show a further slight increase compared to the previous year 2024.

The European automotive market has recovered in terms of new car registrations, with regional differences and a strong focus on electric mobility. According to Trading Economics, around 8.1 million new cars were registered across the EU during this period – an increase of 0.9% compared to the same period last year. Large markets such as Spain and Germany are particularly showing double-digit growth rates. Growth is being driven by the battery electric vehicle (BEV) segment and the introduction of new models, while gasoline and diesel vehicles are experiencing declines across Europe. Overall, the European passenger car market is showing stable to slightly positive development in 2025.

The German automotive market will show stable to slightly positive development in 2025, driven by a strong increase in electric and hybrid vehicles. Private buyers are increasingly preferring electric cars, the infrastructure is growing, and the variety of models is increasing – a clear step towards an electrified mass market.

According to S&P Global, the US automotive market is showing a slow recovery in the first nine months of 2025, but EV adoption is stagnating compared to Europe and China. The political framework (the tax bonus is up for discussion), and inadequate infrastructure are key factors holding back growth. Nevertheless, there are positive impulses from new models and falling prices, especially in the mass market segment.

focus2more sees very dynamic development in the Chinese automotive market in the first nine months of 2025. China remains the world's largest and fastest-growing market, especially in the field of electric mobility. 17.4 million vehicles were sold by the end of September, an increase of 8.2% compared to the previous year. China remains the global leader in electric mobility, with more than half of all new cars being electric and combustion engines losing ground [–1.9% compared to the previous year]. Chinese manufac-

turers dominate the market and are increasingly displacing Western brands. Government subsidies and aggressive pricing strategies continue to drive demand.

It is part of paragon's self-image to consistently exploit opportunities. Customer inquiries remain at a solidly high level, and various paid pre-development projects serving as proof-of-concepts demonstrate continued high interest in paragon's innovations. paragon's "local-for-local" strategy is becoming increasingly successful. The plant in Kunshan is gradually strengthening its independence from supplies from Germany, with each new order expanding the base of local Chinese customers.

The sales office in Detroit (USA), which was established in 2024, is already bearing fruit. American car manufacturers are showing great interest in paragon products, samples and prototypes are being requested, workshops are being held, first concrete requests for quotations (and the RFQs) are already being processed.

paragon's business performance in the first nine months of the fiscal year 2025 was characterized by lower overall sales volumes. Sales revenues decreased by 21.5% from €106.3 million in the first nine months of 2024 to €83.4 million in the first nine months of 2025.

The sales development in the two business segments was as follows:

Business segment	Electronics ¹			Mechanics ²			Eliminations			paragon Automotive		
	9M/ 2025	9M/ 2024	Change in %	9M/ 2025	9M/ 2024	Change in %	9M/ 2025	9M/ 2024	Change in %	9M/ 2025	9M/ 2024	Change in %
€'000 or as stated												
Revenue with third parties	51,295	68,833	-25.5	32,149	37,429	-14.1	0	0	n.a.	83,444	106,262	-21.5
Intersegment sales revenue	626	515	21.5	205	170	20.8	-831	-685	21.3	0	0	n.a.
Revenue	51,921	69,348	-25.1	32,354	37,599	-13.9	-831	-685	21.3	83,444	106,262	-21.5
EBITDA	10,006	10,636	-5.9	1,810	2,266	-20.1	0	0	n.a.	11,816	12,902	-8.4
EBITDA margin	19.5 %	15.3 %	27.2	5.6 %	6.0 %	-7.2	n.a.	n.a.	n.a.	14.2 %	12.1 %	16.6

1 Sensors, Interior, and Power business units.

2 Kinematics business unit (paragon movasys GmbH).

As expected, the largest segment, Electronics, dominated the Group's activities with segment sales of €51.9 million (previous year: €69.3 million). Of this, €51.3 million (previous year: €32.1 million) was attributable to sales to third parties in the Sensor Technology, Interior, and Power divisions, which correspond to 61.5% of Group sales (previous year: 64.8%). Segment EBITDA amounted to around €10.0 million (previous year: €10.6 million).

The Mechanics segment generated segment sales of €32.4 million (previous year: €37.6 million), of which €32.1 million was attributable to sales to third parties (previous year: €37.4 million). As already mentioned, this reduction is primarily attributable to significantly lower sales of adaptive rear spoilers and folding tables in the luxury segment for a German premium customer. Segment revenue from third parties is mainly generated by paragon movasys GmbH in the Kinematics division and accounted for 38.5% of consolidated revenue in the first nine months of 2025 (previous year: 35.2%). The Segment EBITDA amounted to €1.8 million (previous year: €2.3 million).

Revenue development in the individual business segments was as follows:

Revenue distribution €'000	9M/ 2025	Share in %	9M/ 2024	Share in %	Change in %
Sensors	20,747	24.9	28,023	26.4	-26.0
Interior	27,597	33.1	36,053	33.9	-23.5
Power	2,951	3.5	4,757	4.5	-21.0
Mechanics ¹	32,149	38.5	37,429	35.2	-14.1
paragon Automotive	83,444	100.0	106,262	100.0	-21.5

1 represented by the Kinematics division

As a result of lower demand from our customers and the scheduled discontinuation of a vehicle series at the end of September 2025, sales in the Sensors division amounted to €20.1 million, which is, as expected, below the previous year's level of €28.0 million.

Sales in the Interior division in the first nine months of 2025 were €27.6 million, below the level of the same period last year (€36.0 million), mainly due to slightly lower demand in the display instruments product group (stopwatches, watches, and compasses) and the planned discontinuation of some products. The ramp-up of new products has not yet been able to compensate for these effects.

As expected, sales revenues in the Power division decreased to €3.0 million in the first nine months of 2025 (previous year: €4.8 million). This was due to the sale of the low-voltage starter battery business to Clarios in fall 2023. However, the sales achieved in this division in the reporting period exceeded the company's expectations following the sale of the sub-division.

In the Kinematics division, sales revenues fell by 14.1% to €32.1 million (previous year: €37.4 million) for the reasons mentioned above. However, the Kinematics division remains the largest division within the paragon Group.

Earnings

In the first nine months of the current fiscal year, paragon generated sales of around €83.4 million (previous year: €106.3 million). Other operating income increased by around €3.3 million to €6.6 million. This item includes receivables from a previous carve-out in the reporting year. With a change in inventories of €1.0 million (previous year: €-0.5 million) and capitalized development costs of €4.8 million (previous year: €4.9 million), total operating performance amounted to €95.8 million (previous year: €114.0 million).

The cost of materials amounted to €44.0 million (previous year: €58.2 million). This resulted in a reduced material usage ratio (calculated from the ratio of cost of materials to revenue and change in inventories) of 52.1% (previous year: 55.0%).

This results in gross profit of €51.9 million for the first nine months of 2025 (previous year: €55.8 million), corresponding to a gross profit margin of 62.1% (previous year: 52.5%). Personnel expenses amounted to €28.8 million (previous year: €29.6 million), resulting in a personnel expense ratio of 34.5% (previous year: 27.9%).

Considering other operating expenses of €10.6 million (previous year: €13.3 million), earnings before interest, taxes, depreciation, and amortization (EBITDA) amounted to €12.5 million (previous year: €12.9 million), corresponding to an

EBITDA margin of 15.0% (previous year: 12.1%). After depreciation and amortization of €7.7 million (previous year: €8.9 million), earnings before interest and taxes (EBIT) amounted to €4.8 million (previous year: €3.9 million). The EBIT margin was 5.7% (previous year: 3.7%).

With a financial result of €4.9 million (previous year: €4.6 million) and income tax expense of €-0.3 million (previous year: €-0.3 million), the paragon Group generated earnings of €-0.4 million in the reporting period (previous year: €-1.0 million). This corresponds to earnings per share of €-0.08 (previous year: €-0.22).

Net assets

Total assets remained constant at €98.3 million as of September 30, 2025 (December 31, 2024: €98.3 million).

Inventories increased to €18.0 million (December 31, 2024: €16.6 million). Other current financial assets also increased from €35.3 million in the previous year to €37.6 million in the reporting year. This is mainly attributable to a receivable from a previous carve-out.

Long-term assets, on the other hand decreased from €63.1 million in the previous year to €60.7 million in the reporting year, mainly due to the change in property, plant and equipment, primarily because of scheduled depreciation.

Equity increased to €-8.3 million as of the balance sheet date (December 31, 2024: €-10.0 million). This is mainly due to the capital increase at paragon Automotive Co., Ltd., which was subscribed by the parent company of an important Chinese cooperation partner to expand the cooperation. The latter now holds a 20% stake in the paragon subsidiary in China. As a result, the equity ratio improved to -8.4% (December 31, 2024: -10.1%).

Non-current provisions and liabilities decreased to €40.6 million (December 31, 2024: €41.1 million); this is attributable to the repayment of loans and lease liabilities.

Current provisions and liabilities decreased to €66.0 million (December 31, 2024: €67.2 million). However, trade payables increased to €25.9 million (December 31, 2024: €24.6 million), while other financial liabilities decreased to €1.7 million (December 31, 2024: €2.4 million) due to repayments. Other non-financial liabilities increased slightly to €7.8 million (December 31, 2024: €7.6 million).

Financial position

Cash flow from operating activities decreased to €1.8 million in the reporting period (previous year: €8.1 million). This result is primarily due to an increase in working capital. Other receivables and other assets rose by €4.7 million in 2025.[SR2.1] Inventories also increased by €1.4 million in the current fiscal year. [SR3.1][SA3.2] [SR4.1][SR4.2]

Cash flow from investing activities increased to €-5.6 million in the reporting period (previous year: €-7.2 million). In particular, payments for investments in property, plant, and equipment in the reporting year were €1.7 million lower than in the comparative period.

Cash flow from financing activities increased to €0.1 million in the reporting period (previous year: €-2.8 million), mainly due to the payment from equity contributions from other shareholders in the Chinese subsidiary.

Cash and cash equivalents amounted to €0.7 million as of the balance sheet date (December 31, 2024: €4.4 million).

Opportunities and risks report

In the first nine months of 2025, there were no significant changes compared to the opportunities and risks described in detail in the 2024 Annual Report under "Opportunities and Risks." The 2024 Annual Report is available on the Internet at <https://ir.paragon.ag>.

Forecast

The summary management report for the 2024 financial year provides a detailed explanation of the previous forecast for the current 2025 financial year and the underlying assumptions. According to this, management expected consolidated revenue of between €140 million and €145 million for the 2025 financial year, with EBITDA of between €20 million and €22 million. The forecast share of the pure automotive business was specified in the 2025 half-year report as €115 to €120 million in revenue and approximately €19 million in EBITDA. Against the backdrop of this positive development, the company is raising its forecast for

the automotive segment for 2025 and now expects EBITDA of around €19 million with revenues between €115 million and €120 million.

The sales forecast for the newly created Consumer Products segment has been adjusted due to external conditions. Depending on the results of various sales campaigns and Christmas business, sales of up to €2 million with a balanced result are now expected in the Consumer Products segment. Consolidated sales are expected to range between €117 million and €122 million, with EBITDA expected to be around €19 million.

Development of key performance indicators

in millions €	2024	Since the beginning of the year 9M/2025	Forecast 2025
Financial performance indicators			
Revenue	€135.7 million	€83.4 million	€117 to €122 million
EBITDA	€17.8 million	€12.5 million	a. €19.0 million

Of which automotive sector::

in millions €	2024	Since the beginning of the year 9M/2025	Forecast 2025
Financial performance indicators			
Revenue	€135.7 million	€83.4 million	€115 to €120 million
EBITDA	€17.8 million	€13.0 million	a. €19.0 million

Of which Consumer Products sector:

in millions €	2024	Since the beginning of the year 9M/2025	Forecast 2025
Financial performance indicators			
Revenue	€0 million	€0 million	up to €2 million
EBITDA	€0 million	-0.5 million	€0 million

Condensed consolidated interim financial statements:

Consolidated statement of comprehensive income

in T€	Jan. 1 to Sept. 30, 2025	Jan. 1 to Sept. 30, 2024	July 1 to Sept. 30, 2025	July 1 to Sept. 30, 2024
Revenue	83,444	106,262	28,001	30,902
Other operating income	6,640	3,381	1,148	1,258
Increase or decrease in inventories of finished goods and work in progress	986	-539	980	-1,246
Other capitalized own work	4,764	4,894	1,637	3,249
Total output	95,834	113,998	31,766	34,163
Cost of materials	-43,975	-58,163	-14,892	-16,140
Gross profit	51,859	55,835	16,875	18,023
Personnel expenses	-28,756	-29,648	-9,730	-8,468
Depreciation and amortization of property, plant, and equipment and intangible assets	-7,721	-8,985	-2,728	-2,651
Other operating expenses	-10,617	-13,284	3,029	-5,163
Earnings before interest and taxes (EBIT)	4,766	3,918	1,388	1,740
Financial income	88	46	0	33
Financing expenses	-4,945	-4,683	-1,639	-1,448
Net financial income	-4,857	-4,637	-1,639	-1,415
Earnings before taxes (EBT)	-91	-720	-251	324
Income taxes	-287	-284	-130	-317
Consolidated net income	-378	-1,004	-381	7
Earnings per share in € (basic and diluted)	-0.08	-0.22	-0.08	0.00
Average number of shares outstanding (basic and diluted)	4,526,266	4,526,266	4,526,266	4,526,266
Other income				
Reserve from currency translation	-308	-27	24	-37
Total comprehensive income	-686	-1,031	-357	-30

Consolidated Balance Sheet

in T€	Sep. 30, 2025	Dec. 31, 2024
ASSETS		
Non-current assets		
Intangible assets	29,902	29,903
Goodwill	5,745	5,745
Property, plant, and equipment	23,006	25,359
Investments accounted for using the equity method	1,522	1,522
Shares in associated companies	120	120
Other non-current financial assets	418	418
	60,715	63,069
Current assets		
Inventories	17,971	16,554
Trade receivables	4,206	5,398
Receivables from affiliated companies	9	0
Other current financial assets	6,571	2,862
Other current non-financial assets	4,235	2,690
Contract assets	3,633	3,055
Income tax assets	19	19
Cash	708	4,391
Assets classified as held for sale	281	281
	37,632	35,249
Total assets	98,347	98,317

in T€	Sep. 30, 2025	Dec. 31, 2024
LIABILITIES		
Equity		
Subscribed capital	4,526	4,526
Capital reserve	16,390	15,485
Minority interests	1,476	0
Revaluation reserve	175	175
Loss carryforward	-30,395	-24,290
Consolidated net income	-378	-6,105
Reserves from currency differences	-52	256
	-8,258	-9,953
Non-current provisions and liabilities		
Non-current lease liabilities	6,922	7,392
Long-term loans	5,623	5,777
Long-term bonds	24,825	24,825
Deferred taxes	336	61
Provisions for pensions	1,808	1,924
Other non-current financial liabilities	1,067	1,125
	40,581	41,105
Current provisions and liabilities		
Current lease liabilities	2,176	2,742
Current loans and current portion of long-term loans	7,622	7,701
Trade accounts payable	25,917	24,594
Short-term bonds	19,742	20,915
Income tax liabilities	1,024	1,193
Other current financial liabilities	1,703	2,394
Other current non-financial liabilities	7,840	7,628
	66,024	67,166
Total liabilities	98,347	98,317

Consolidated Cash Flow Statement

in T€	Jan. 1 to Sept. 30, 2025	Jan. 1 to Sept. 30, 2024
Consolidated net income	-378	-1,004
Depreciation and amortization of fixed assets	7,721	8,985
Financial result	4,857	4,637
Gain [-] or loss [+] from disposal of tangible and financial assets	172	0
Increase [+], decrease [-] in other provisions and pension provisions	-116	-437
Other non-cash expenses and income	-114	-233
Increase [-], decrease [+] in trade receivables, other receivables, and other assets	-4,700	2,656
Increase [-], decrease [+] in inventories	-1,417	2,760
Increase [+], decrease [-] in trade payables and other liabilities	892	-3,630
Interest paid	-5,108	-5,676
Cash flow from operating activities	1,810	8,068
Proceeds from disposals of property, plant, and equipment [+]	39	20
Payments for investments in property, plant, and equipment [-]	-871	-2,547
Payments for investments in intangible assets [-]	-4,764	-4,639
Cash flow from investing activities	-5,596	-7,166
Proceeds from equity contributions from other shareholders [+]	2,382	0
Payments for the repayment of financial loans [-]	-688	-1,871
Proceeds from the raising of financial loans [+]	0	847
Payments for bond repayments [-]	-259	-351
Payments for the repayment of liabilities from leases [-]	-1,025	-2,311
Proceeds from the settlement of currency derivatives [+]	0	925
Change in OCI	-308	-27
Cash flow from financing activities	102	-2,789
Cash flow from changes in cash and cash equivalents	-3,684	-1,887
Cash and cash equivalents at the beginning of the period	4,391	3,209
Cash and cash equivalents at the end of the period	708	1,322

Konzern-Consolidated Statement of Changes in Equity

in T€	Subscribed capital	Capital reserve	Revaluation reserve	Reserve from currency translation	Loss carryforward	Consolidated net income	Minority interest	Total
January 1, 2025	4,526	15,485	175	256	-24,290	-6,105	0	-9,953
Appropriation of earnings	0	0	0	0	-6,105	6,105	0	0
Consolidated net income	0	0	0	0	0	-378	0	-378
Currency conversion	0	0	0	-308	0	0	0	-308
Total other comprehensive income	0	0	0	-308	0	0	0	-308
Total	0	0	0	-308	-6,105	5,727	0	-686
Capital increase	0	905	0	0	0	0	1,476	2,382
September 30, 2025	4,526	16,390	175	-52	-30,395	-378	1,476	-8,258

in T€	Subscribed capital	Capital reserve	Revaluation reserve	Reserve from currency translation	Loss carryforward	Consolidated net income	Total
January 1, 2024	4,526	15,485	64	132	-20,478	-3,812	-4,084
Appropriation of profit	0	0	0	0	-3,812	3,812	0
Consolidated net income	0	0	0	0	0	-1,004	-1,004
Currency translation	0	0	0	-27	0	0	-27
Other income	0	0	0	-27	0	0	-27
Total	0	0	0	-27	-3,812	2,808	-1,031
September 30, 2024	4,526	15,485	64	105	-24,290	-1,004	-5,114

Notes

Basis of accounting

The interim consolidated financial statements of paragon GmbH & Co. KGaA as of September 30, 2025, have been prepared in accordance with the uniform accounting and valuation principles of the International Financial Reporting Standards (IFRS), which were also used in the consolidated financial statements as of December 31, 2024. The standards of the International Accounting Standards Board (IASB) and the interpretations of the International Financial Reporting Interpretations Committee (IFRIC) applicable as of the balance sheet date apply. A detailed description of the accounting principles, consolidation and the accounting and valuation methods used is published in the notes to the consolidated financial statements in the 2024 annual report.

The form and content of the interim consolidated report comply with the reporting requirements of Deutsche Börse. The report represents an update of the annual report, considering the reporting period. It focuses on the current reporting period and should be read in conjunction with the annual report and the additional information about the company contained therein. The annual report can be viewed on the Internet at www.paragon.ag.

In addition to the parent company, the paragon Group's consolidated group also includes the domestic subsidiaries paragon movasys GmbH (including its Croatian subsidiary paragon movasys d.o.o.), paragon electronic GmbH, ETON Soundsysteme GmbH, paragon electrodrive GmbH, and Nordhagen Immobilien GmbH. The Chinese subsidiaries paragon Automotive Kunshan Co., Ltd. and paragon Automotive Technology (Shanghai) Co., Ltd. and, in India, paravox Automotive Pvt Ltd. (99%) are also included in the scope of consolidation of the paragon Group. The investment in Hepa GmbH (50%) is accounted for using the equity method in accordance with IAS 28. Unless otherwise stated, paragon holds 100% of the shares in each case. Due to the currently minor significance of paragon movasys d.o.o., Croatia, and paragon Automotive LLC, USA, these companies are not consolidated.

Income statement, balance sheet, cash flow statement

The sections "Financial Position and Assets" and "Earnings" provide a detailed overview and specific explanations of the consolidated income statement, consolidated balance sheet, and consolidated cash flow statement of paragon GmbH & Co. KGaA.

Management and Supervisory Board

As of September 30, 2025, there were no changes in the composition of the Supervisory Board and Management Board compared to December 31, 2024.

Events after the balance sheet date

On November 10, 2025, the Management Board of paragon GmbH & Co. KGaA decided to offer the creditors of its 6.75% bearer bond maturing on July 5, 2027 (ISIN: DE000A2GSB86; WKN: A2GSB8) (the "2017/2027 Bond"), which still has a value of around EUR 45.2 million, to vote without a meeting in accordance with the German Bond Act in order to extend the term of the 2017/2027 Bond by four years, i.e. until July 5, 2031, and to amend certain provisions of the bond terms and conditions. This includes, for example, granting an interest moratorium for the interest due in 2026 until the repayment date, on which it will be paid retrospectively, as well as changing the interest rate structure by eliminating the PIK interest element. To improve the position of the bondholders, guarantees are to be granted by the two main subsidiaries. The notice of the vote without a meeting is expected to be available from November 12, 2025, in the Federal Gazette and on the paragon website (<https://paragon.ag/>) in the "Investor Relations" section under "Bonds / Bondholder Vote."

Information on related parties

As of September 30, 2025, the nature and amount of transactions between the paragon Group and related parties had not changed significantly compared to December 31, 2024.

For further information, please refer to the consolidated financial statements of the paragon Group as of December 31, 2024, in the 2024 Annual Report.

Notes on the preparation of the interim consolidated financial statements

The interim consolidated financial statements have not been audited or reviewed.

Assurance of the legal representatives

We confirm to the best of our knowledge that, in accordance with the applicable accounting principles for interim reporting, the interim consolidated financial statements give a true and fair view of the net assets, financial position, and results of operations of the Group in accordance with generally accepted accounting principles, and that the interim management report of the Group presents the course of business, including the business results and the position of the Group, in such a way that it conveys a true and fair view of the actual circumstances. The Financial position and results of operations of the Group and the interim Group management report present the course of business, including the business results and the situation of the Group, in such a way that it conveys a true and fair view, and that the significant opportunities and risks of the expected development of the Group in the remaining fiscal year are described.

Delbrück, November 12, 2025



Klaus Dieter Frers
Chairman of the Management Board

Financial calendar

November 12, 2025

Interim Group Report as of September 30, 2025 – Nine Months

Legal Notice

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