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THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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paragon GmbH & Co. KGaA

Delbrück, Federal Republic of Germany

INVITATION TO THE SECOND NOTEHOLDERS' MEETING

**to the holders of
€ 43,649,000.00 6.75% bearer bond 2017/2027
of
paragon GmbH & Co. KGaA
(ISIN: DE000A2GSB86 / WKN: A2GSB8)**

paragon GmbH & Co. KGaA, with its registered office in Delbrück, entered in the commercial register (*Handelsregister*) of the Paderborn Local Court under number HRB 13491 and with its business address at Bösendamm 11, 33129 Delbrueck (hereinafter also referred to as "**paragon**" or the "**Issuer**" and, together with its consolidated subsidiaries at the respective time, the "**paragon Group**") and notary Dr Dirk Otto, with official residence in Frankfurt am Main, as vote coordinator (the "**Voting Manager**"), hereby invite the holders (each a "**Noteholder**" and collectively the "**Noteholders**") of the

**€43,649,000.00 6.75% bearer bond
of paragon GmbH & Co. KGaA
due on 5 July 2027
ISIN: DE000A2GSB86 / WKN: A2GSB8**

divided into 43,649 bearer bonds (*Inhaberschuldverschreibungen*) with a nominal value of EUR 1,000.00 each (each a "**Note**" and together the "**Notes**"), to a second noteholders' meeting on

**19 December 2025
at 10:00 (CET)
at
Hotel Waldkrug
Graf-Sporck-Straße 34
33129 Delbrueck.**

Admission will begin at 9:15 (CET).

A so-called vote without a meeting has already taken place on the proposed resolutions for the second noteholders' meeting presented below within the period beginning on 27 November 2025 at 0:00 and ending on 29 November 2025 at 24:00 with the notary Dr Dirk Otto, whose office is located in Frankfurt am Main, being the voting manager, during which the necessary quorum (at least half of the outstanding Notes) was not reached. Accordingly, the Voting Manager determined that there was no quorum. The request to cast votes in the vote without a meeting was publicly announced on 12 November 2025 in the Federal Gazette (*Bundesanzeiger*) and on the Issuer's website (www.paragon.ag) under the heading "*Investors / Bonds / Bond 2017/2027 / Documents*".

Due to the lack of a quorum in the vote without a meeting, the Voting Manager may convene a noteholders' meeting in accordance with section 18 (4) sentence 2 of the German Bond Act ("**SchVG**"), which shall be deemed to be a second meeting within the meaning of section 15 (3) sentence 3 SchVG. Against this background, this second noteholders' meeting is herewith being convened for the purpose of the noteholders passing a new resolution.

Noteholders who already participated in the vote without a meeting in the period from 27 November 2025 to 29 November 2025 must register for the second noteholders' meeting and submit a (new) special certificate with a (new) blocking note in order to be able to exercise their voting rights vested with the Notes at the second noteholders' meeting, and must then participate in the second noteholders' meeting or be represented at it and vote again. Forms and instructions for this are available on the Issuer's website (www.paragon.ag) under the heading "*Investors / Bonds / Bond 2017/2027 / Documents*".

Compared to the outstanding total nominal amount of the Notes at the time the vote without a meeting was convened, the redemption of the Notes held by the Issuer itself in the meantime has resulted in a reduction of €1,562,000 (or 1,562 units) to €43,649,000 (or 43,649 units). The original total nominal amount was €45,211,000 (or 45,211 units), of which €1,562,000 was most recently held by the Issuer itself, which it had acquired on the stock exchange as part of its bond buyback programme.

Important information:

Noteholders should note the following information:

The publication of this invitation to the second noteholders' meeting does not constitute a public offer for sale or an offer or invitation to acquire, purchase or subscribe for the Notes or other securities of the Issuer.

The background to the second noteholders' meeting set out in section 1 below has been prepared voluntarily by the Issuer in order to explain to noteholders the background to the items on the agenda of the second noteholders' meeting and the specific proposals for the resolutions. The relevant explanations are not to be understood as a definitive basis for the voting behaviour of the Noteholders. The Issuer does not guarantee that the preliminary remarks in this invitation to the second noteholders' meeting contain all the information necessary or appropriate for a decision on the items to be resolved.

This invitation to the second noteholders' meeting does not replace an independent review and assessment of the items to be resolved or a further review of the legal, economic, financial and other circumstances of the Issuer by each individual Noteholder. Each Noteholder should make its decision on how to vote on the items to be resolved at the second noteholders' meeting not solely on the basis of this invitation to the second noteholders' meeting, but after consulting with its own lawyers, tax and/or financial advisors and taking into account all available information about the Issuer.

*This invitation to the second noteholders' meeting was published in the Federal Gazette (*Bundesanzeiger*) on 1 December 2025 and is also available on the Issuer's website. Unless otherwise stated, the information contained herein is current to the best of the Issuer's knowledge. However, the information*

contained herein may become inaccurate after the date of publication of the invitation to the second noteholders' meeting. Neither the Issuer nor its respective legal representatives, employees or advisors and agents or their respective legal representatives, employees and advisors assume any obligation in connection with this invitation to the second creditors' meeting to update this invitation or to provide information about circumstances that arise after the date of this invitation to the second noteholders' meeting.

Neither the Issuer nor its respective legal representatives, employees or advisors and agents or their respective legal representatives, employees and advisors, nor any other person, in particular advisors, named in this invitation to the second noteholders' meeting, guarantee the accuracy and completeness of the information contained herein or assume any liability in connection with this invitation to the second noteholders' meeting. In particular, they shall not be liable for any damages arising directly or indirectly in connection with the use of the information contained in the invitation to the second noteholders' meeting, in particular for damages resulting from investment decisions made on the basis of the invitation to the second noteholders' meeting or caused by the inaccuracy or incompleteness of the information contained in the invitation to the second noteholders' meeting.

This invitation to the second noteholders' meeting contains certain forward-looking statements. Forward-looking statements are all statements that do not relate to present or historical facts or events. This applies in particular to statements about the Issuer's intentions, beliefs or current expectations regarding its future financial performance, plans, liquidity, prospects, growth, strategy and profitability, as well as the economic conditions to which the Issuer is exposed. Forward-looking statements are based on the Issuer's current best estimates and assumptions. However, such forward-looking statements are subject to risks and uncertainties, as they relate to events and are based on assumptions that may or may not occur in the future, either in whole or in part.

The above applies equally if there are changes to the proposed resolutions before the end of the second noteholders' meeting.

1. Background to the second noteholders' meeting

1.1 The paragon Group at a glance

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 systems, modern display systems and high-end acoustic systems in the electronics segment. In the mechanics segment, paragon develops and produces active mobile aerodynamics systems. In the automotive market for battery systems, paragon supplies power battery management systems and develops drive batteries.

In 2024, paragon also began to expand existing technologies in the "Interior" sector, in particular the acoustic systems under its own "ETON" brand, outside the automotive industry as a new business segment called "Consumer Products". An important step in this context was the acquisition of a licence for the "TELEFUNKEN" brand from the US brand owner, under which loudspeakers, sound systems and headphones are to be marketed.

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

1.2 Focus on core business

With the aim of strengthening the Group's core business, paragon has systematically sold off parts of the company that do not belong to its core portfolio in recent years.

For example, paragon sold all shares in paragon semvox GmbH, which develops AI-based solutions for voice control and human-machine interactions and represented the digital assistance division within the paragon Group, to Volkswagen's subsidiary CARIAD SE in a contract dated 1 December 2022. This purchase agreement was executed on 12 May 2023. The net proceeds from the sale amounted to approximately €37.5 million, of which approximately €30 million was used to further reduce the Group's debt, in particular to repay the paragon's CHF bond.

In August 2023, the lithium-ion starter battery business (and thus the majority of the Power division) was transferred to Clarios, a leading global manufacturer of low-voltage batteries, along with several engineers, by way of an asset deal, combined with a further cooperation and supply agreement. paragon will therefore continue to participate in Clarios' success in the future by supplying the electronics for battery management for its current and, if applicable, future business. The business with high-voltage drive battery systems using lithium-ion cell technologies based on flow-shape technology and battery management systems, which now constitutes the battery technology business segment, was not transferred. The transaction generated income of €6.6 million for paragon.

1.3 Current financial position and liquidity situation

a) *Financing structure of the Issuer*

paragon is financed through bank loans and predominantly through the 2017/2027 Notes. As of 30 September 2025, bank and bond liabilities less cash and cash equivalents amounted to €54.8 million, compared to €57.1 million as of 31 December 2024, of which approximately €44 million was attributable to the Notes. The net debt ratio rose by 6.6% to 3.29 as of 30 September 2025 compared to 3.08 as of 31 December 2024 due to lower cash and cash equivalents.

b) *Current net assets, financial position and results of operations of the paragon Group*

The following selected financial figures for the Issuer as of 30 September 2025 (including information on the same period of the previous year) were taken from the unaudited interim consolidated financial statements as of 30 September 2025. The information has not been reviewed or audited. The following figures have been rounded in accordance with commercial practice.

In € thousand or as stated	9 months to 30 September 2025	9 months to 30 September 2024	Financial year to 31 December 2024	Financial year to 31 December 2023
Revenue	83,444	106,262	135,744	161,647
EBITDA ¹	12,487	12,902	17,793	17,672
EBITDA margin in %	15.0	12.1	13.1	10.9
EBIT	4,766	3,918	786	1,052
EBIT margin in %	5.7	3.7	0.6	0.7
Consolidated net profit	-378	-1,004	-6,105	-10,571
Earnings per share in € (basic and diluted)	-0.08	-0.22	-1.35	-2.34
Capital expenditure (CAPEX) ²	5,635	7,186	10,765	7,595
Operating cash flow	1,810	8,068	15,962	-6,163

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

Free cash flow ³	-3,825	882	5,197	-13,578
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In € thousand or as stated	30 September 2025	31 Dec. 2024	31 Dec. 2023
Balance sheet total	98,347	98,317	108,520
Equity	-8,258	-9,953	-4,084
- of which loss carryforwards			
Equity ratio in %	-8.4	-10.1	-3.8
Cash	708	4,391	3,209
Bank and bond liabilities less cash and cash equivalents	57,105	54,827	57,650
EBITDA last 12 months	17,378	17,793	25,234
Net debt ratio ⁴	3.29	3.08	2.28
Employees (continuing operations) ⁵	679	684	740

Stable automotive core business with positive outlook despite highly challenging market environment

According to preliminary figures, consolidated sales in the third quarter of 2025 declined by 9.4% compared with the previous year, reflecting the lower level of call-offs from OEM customers. 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 to Clarios must also be taken into account here. The fact that paragon was nevertheless able to increase its EBITDA margin demonstrates the success of its efficiency improvement programmes and rigorous cost management. With this 21.5% decline in sales compared to the first nine months of 2024, paragon generated almost the same nominal EBITDA amount as in the same period of the previous year, according to preliminary figures, resulting in a significant improvement in the EBITDA margin from 12.1% to 15.0%. Against the backdrop of high financing expenses of €4.9 million (previous year: €4.6 million) and taking into account own work to be capitalised in accordance with IFRS accounting standards in the amount of €4.8 million, only €2.9 million of EBITDA remained in the reporting period for liquidity generation, which was mainly used for investments. EBIT increased from €3.9 million in the first nine months of 2024 to almost €4.8 million in the nine-month period ending 30 September 2025, corresponding to an EBIT margin of 5.7% (previous year: 3.7%).

Operating cash flow declined significantly, and paragon recorded a negative free cash flow of approximately €3.8 million in the nine-month period ending 30 September 2025. As of 30 September 2025, cash and cash equivalents amounted to only €708,000. Bank loans were only available to an insignificant extent. Trade payables were only reduced by €171 thousand to €25.9 million between 30 June 2025 and 30 September 2025.

Solid operating performance in 2025 and cautiously positive outlook

Despite the recent turmoil in the automotive industry, paragon was able to benefit from its consistently innovative product portfolio in 2025.

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 (31 December 2024: 6)

Contrary to all the negative news from the industry, paragon confirms its annual revenue forecast of €115 to €120 million for its core automotive business, which it last published on 19 August 2025 on the occasion of its half-year results, and raises its EBITDA forecast for the automotive business. August 2025 on the occasion of its half-year results and is slightly raising its EBITDA forecast for the automotive business for 2025 from approximately €18.0 million to approximately €19.0 million.

As previously announced, however, the start-up phase of the new additional business with consumer products is taking significantly longer than originally expected due to delays in the activation of distribution 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 consolidated forecast for the paragon Group from the end of last year is no longer achievable due to start-up delays in the consumer business. This is primarily due to the delayed provision of licensed products and longer delivery times as a result of international supply chain problems. Most recently, weather-related disruptions in parts of China have led to further delivery delays from suppliers. A paragon employee was sent to the site to assess the situation. The issuer expects consolidated EBITDA to be in the region of €19.0 million. As stated, this EBITDA is not yet sufficient to create adequate liquidity reserves.

Reference to risks threatening the Company's continued existence

The auditor has issued an unqualified audit opinion on the Issuer's consolidated financial statements for the past financial year ending 31 December 2024 (as in previous years). However, the Company refers to the information contained in the section "Facts threatening the continued existence of the Company" in the 2024 notes to the consolidated financial statements and in the section "Risks threatening the continued existence of the Company" in the combined group management report, as well as to the auditor's note and comments on "Significant uncertainty in connection with the continuation of business activities" in its audit opinion.

This states: "The Group's liquidity situation has not normalised and the willingness of lenders and equity providers to provide the Group with additional funds is limited. In addition, there is a risk that the bond issued by paragon GmbH & Co. KGaA could be called in the event of default on the semi-annual interest payments. As a result of the tense liquidity situation, deferral agreements were reached with suppliers and service providers, among other things, and further measures to support liquidity were initiated.

If the planned sales level and profitability are not achieved or a suitable financing structure is not concluded, it would not be possible to return to the original payment agreements. If suppliers and service providers no longer accept the extended payment terms and deferrals, or if the bond becomes due at short notice, the Group's solvency would be at risk. As explained in the aforementioned sections of the notes to the consolidated financial statements and the combined management report, these events and circumstances indicate that there is significant uncertainty that could cast doubt on the Group's ability to continue as a going concern and that constitutes a risk to the Group's continued existence within the meaning of Section 322 (2) sentence 3 of the German Commercial Code (HGB)."

For details of paragon's net assets, financial position and results of operations, as well as the associated risks, please refer to the audited consolidated financial statements as at 31 December 2024 and the group management report for the 2024 financial year, published on 30 April 2025, which are available on the Company's website (<https://ir.paragon.ag/en/reports-and-releases/financial-reports/annual-reports>) under the heading "Annual Reports".

The interim group report as at 30 September 2025, published on 12 November 2025, is also available on the company's website (<https://ir.paragon.ag/en/reports-and-releases/financial-reports/interim-reports>) under the heading "Interim Reports".

1.4 Current status of the 2017/2027 Notes

Prolongation in March 2022 and adjustment of individual bond terms

On 10 March 2022, in a Noteholders' meeting held in accordance with the provisions of the German Bond Act (SchVG) Noteholders resolved to extend the term of the 2017/2027 Notes by five years (with maturity now on 5 July 2027) and to adjust certain terms of the Notes. This included a switch to semi-annual interest payments and a base interest coupon of 6.75% p.a., which may decrease depending on paragon's net leverage ratio. In addition, a so-called PIK interest element was added, which provided for the granting of convertible bonds in the equivalent of 3.0% p.a. of the nominal amount, or alternatively an additional interest payment of 2.5% p.a. The total interest rate on the 2017/2027 Notes in the current 2025 financial year is 8.75%. The PIK interest element has always had to be paid in cash to date, as the granting of convertible bonds with the features provided for in the amended bond terms was not possible under German stock corporation law (*Aktienrecht*).

Furthermore, the amended terms and conditions of the Notes provided for mandatory repurchases or partial terminations, particularly in the event of proceeds being generated from company sales.

Notes Repurchases

As part of an initial bond repurchase offer in 2023, paragon acquired Notes with a nominal value of €4.789 million, meanwhile reducing the nominal amount of the Notes to €45,211,000.00 through redemption.

In addition, on 6 November 2023, paragon began repurchasing the Notes on the stock exchange for a total nominal amount of up to €20.2 million. The current bond repurchase programme will run until 30 June 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 harbour regulations"). As a result, no more than 25% of the average daily turnover (20-day average) in the Notes 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 the daily high. The bond repurchase is carried out via the regional stock exchanges in Stuttgart, Frankfurt and Tradegate Exchange. By 28 November 2025, Notes with a total nominal value of €1,562,000.00 had been repurchased in this way which were redeemed on that date.

1.5 Reasons for the invitation to the second noteholders' meeting and explanation of the proposed resolutions

The Company is in talks with banks and financiers to expand its financial scope with new funds. In the current market situation, it is already difficult for automotive suppliers to obtain debt capital. However, with reference to the Notes maturity in mid-2027, no financier has yet been willing to provide paragon with new funds.

Although the Notes still have a remaining term of one and a half year, the Company is increasingly finding that paragon's customers, especially the large OEMs, regard the Notes maturity in 2027 as a risk to the financial stability of their supplier and are taking this into account negatively when awarding contracts. As a result, paragon has already lost significant customer orders for this reason. There is a risk that new orders with longer terms will no longer be awarded to the Company.

This is all the more true given that the automotive industry is currently facing major challenges, above all the dwindling market share of foreign OEMs in China, the world's largest automotive market, and US tariff policy, which is making exports to the US considerably more expensive and difficult. The major OEMs are struggling with declining sales figures, which is also forcing their suppliers to constantly adjust their cost structures. Further challenges may arise from the current and renewed chip crisis if OEMs are forced to temporarily shut down production due to problems in the supply chain.

Against this backdrop and without knowing the state of the capital markets in 2027, the management estimates that refinancing the 2017/2027 Notes in 2027 will be very difficult and expects this shorter maturity to have an increasingly negative impact on paragon's business model. In the management's opinion, repayment with the Company's own cash flow is impossible from today's perspective.

Although operational improvements and cost savings have enabled paragon to maintain its results despite lower sales, as explained above, paragon's financial leeway is currently not sufficient to cope with further declines in sales – for example, due to possible production stoppages at car manufacturers caused by a lack of Nexperia components. At the same time, paragon must take advantage of market opportunities domestically and abroad in order to generate sales growth again, which requires liquidity as a first step. In addition to enabling the raising of external funds, this requires the consistent continuation of improvement programmes and the further adjustment of fixed cost structures to the decline in sales. This will take some time and financial relief.

The terms and conditions of the Notes as amended by the Noteholders' resolutions of 10 March 2022 did not sufficiently take into account developments in recent years and need to be adjusted accordingly. This applies in particular to the PIK interest element in the form of convertible bonds, which was originally intended as a liquidity-saving "equity kicker" but, in practice, cannot be granted in this form for reasons of stock corporation law and instead costs the Company additional liquidity. Therefore, this interest element should be omitted. Furthermore, mandatory partial repayments and repurchases are no longer appropriate or necessary, as, on the one hand, no sales of Group companies are planned or possible and, on the other hand, the Company has already proven that it is willing to reduce its debt and will continue to do so actively. The cancellation therefore does not preclude the Issuer from repurchasing bonds from the market or otherwise in the future. The repurchase of bonds at the Issuer's discretion is attractive to the Issuer due to the associated reduction in the net debt ratio and the associated reduction in interest rates, and is therefore in the interests of both the Issuer and the Noteholders.

At the same time, the Company is prepared to amend the terms and conditions of the Notes with collateral in favour of the Noteholders in the form of unconditional and irrevocable guarantees from the two main operating subsidiaries, paragon movasys GmbH and paragon electronic GmbH. Both companies are debt-free and have not provided any guarantees in the past. The guarantees also contain so-called negative covenants, which prohibit the guarantors from using parts or all of their assets as collateral for financial liabilities, thus ensuring that the substance of the subsidiaries is preserved in the future. The negative covenant also extends to the raising of external financing.

In addition, the Issuer is improving the terms and conditions of noteholders' termination rights in the event of a change of control by removing the requirement that at least 25% of all noteholders must exercise their termination rights before a single termination becomes effective. This means that, in the event of a change of control, each noteholder can decide for themselves whether to exercise their termination rights or to remain invested in the Notes.

In order to prepare the Company for the challenges still to come in the automotive market and to make it "winter-proof", and in order to take advantage of the market opportunities arising in the

wake of the looming crisis, the management believes that an extension of the 2017/2027 Notes by yet another four years at this point in time, combined with a deferral of interest payments for one interest year and further adjustments to the terms and conditions, also in favour of the Noteholders, is the best way to respond to the aforementioned challenges and to give the Company a certain "breathing space" to regain momentum. Therefore, on 10 November 2025, paragon decided to initiate a Noteholder vote to restructure the Notes and informed the public accordingly and initiated a voting without a meeting in the period from 27 November 2025 to 29 November 2025, which, however, was not quorate due to the failure to achieve the required quorum for a resolution.

The extension of the 2017/2027 and the one-year interest pause will, in the opinion of the Issuer's management, also contribute significantly to paragon's return to the original payment agreements with suppliers and service providers and the repayment of deferred liabilities in the course of the 2026 financial year, taking into account the sales planned for this year and the forecast operating profitability. The Issuer's management believes that the elimination of the PIK interest rate will make an important contribution to paragon's continued positive development in the coming years.

The management therefore requests with this invitation to the second noteholders' meeting the Noteholders of the 2017/2027 Notes to approve the amended terms and conditions based on the proposed resolutions as briefly outlined in section 1.6 and formulated in detail in section 2.

1.6 Proposed resolutions

Against this background, the Issuer proposes that the noteholders of the 2017/2027 Notes adopt the following resolutions in particular, which are set out in more detail in section 2:

- (i) Extension of the term of the 2017/2027 Notes by four years, i.e. until 5 July 2031 (prolongation), and amendment of individual terms and conditions for the early redemption of the Notes (including in the event of a change of control);
- (ii) Deferral of the interest coupons due on 5 January 2026 and 5 July 2026 in accordance with Section 3 (a) (ii) of the bond terms and conditions, with subsequent payment at the end of the term (interest suspension); and precautionary waiver by the noteholders of any termination rights pursuant to Section 7 (a) (i) of the bond terms and conditions of the 2017/2027 bonds with regard to this deferral;
- (iii) Waiver of the PIK interest element pursuant to Section 3 (a) (ii) of the bond terms and conditions (additional PIK interest of 2.5% p.a. or, alternatively, the granting of convertible bonds amounting to 3.0% of the Notes amount);
- (iv) Waiver of certain mandatory partial repayments or repurchases;
- (v) Granting of unconditional and irrevocable guarantees by paragon movasys GmbH and paragon electronic GmbH regarding the payment of the amounts payable by paragon (nominal amount and interest) under the 2017/2027 bond in favour of the noteholders and deletion of § 2 (c), which has become obsolete; and
- (vi) Confirmation of the appointment of the joint representative for the extended term of the 2017/2027 bond / Precautionary re-election of a joint representative.

Bondholders should note that a resolution on the proposed agenda items by the bondholders is only possible if bondholders holding at least twenty-five (25) per cent of the outstanding Notes at

the time of the meeting participate in the second noteholders' meeting. Noteholders are therefore urged to participate in the vote.

In accordance with the bond terms and conditions (Section 11) and pursuant to the provisions of Section 18 (4) sentence 2 of the German Bond Act (*Schuldverschreibungsgesetz*, "**SchVG**"), this resolution will be passed as a so-called second noteholders' meeting due to the previous vote without a meeting being unable to pass a resolution.

1.7 Information about the Guarantors

In return for the deferral of interest payments and the adjustment of the interest rate structure, unconditional and irrevocable guarantees are to be provided by two significant subsidiaries of paragon, paragon movasys GmbH and paragon electronic GmbH (together the "**Guarantors**"). The Guarantors are debt-free and profitable over the year as a whole and together represent paragon's entire production in Europe.

a) *paragon movasys GmbH*

paragon movasys GmbH, based in Delbrueck, registered in the commercial register of the Paderborn Local Court under HRB 13474 and with its business address at Bösendamm 11, 33129 Delbrück ("**paragon movasys**"), represents the body kinematics segment of the paragon Group. paragon is the sole shareholder of paragon movasys.

The following selected financial figures for paragon movasys GmbH as of 31 December 2024 (including information on the same period of the previous year) were taken from the company's unaudited annual financial statements as of 31 December 2024. The figures have not been reviewed or audited and have been rounded for commercial purposes.

In € thousand or as stated	1 Jan. to 30 Sept. 2025	1 Jan. to 31 Dec. 2024
Revenue	30,632	46,947
Cost of materials	20,809	30,174
Personnel expenses	7,115	9,146
EBIT	48	1,113
EBT	-151	-934
Annual result	-151	-695

In € thousand or as stated	30 September 2025	31 Dec. 2024
Balance sheet total	16,119	16,096
Equity	-17,701	-17,550
Cash	1	586
Liabilities to banks	43	0

b) *paragon electronic GmbH*

paragon electronic GmbH, based in Delbrueck, registered in the commercial register of the Paderborn Local Court under HRB 12209 and with its business address at Bösendamm 11, 33129 Delbrück ("**paragon electronic**") (formerly productronic GmbH), bundles the production activities in the electronics sector. paragon is the sole shareholder of paragon electronic.

The following selected financial figures for paragon electronic GmbH as at 31 December 2024 (including information on the previous year's period) were taken from the company's unaudited annual financial statements as at 31 December 2024. The figures have not been reviewed or audited and have been rounded for commercial purposes.

In € thousand or as stated	1 Jan. to 30 Sept. 2025	1 Jan. to 31 Dec. 2024
Revenue	38,513	65,883
Cost of materials	22,314	38,658
Personnel expenses	8,545	12,504
EBIT	1,117	2,913
EBT	1,084	3,642
Net income (before profit transfer)	1,084	3,642

In € thousand or as stated	30 September 2025	31 Dec. 2024
Balance sheet total	28,443	26,529
Equity	8,904	7,819
Cash	0	14
Liabilities to banks	0	0

Service agreement

On the basis of a basic service agreement (*Leistungsgewährungsgrundvertrag*) with paragon, paragon provides paragon electronic GmbH with intra-group services, in particular by transferring fixed assets to paragon electronic in order to ensure the independent production of electronic components for the paragon Group.

Profit Transfer Agreement

A profit transfer agreement dated 10 March 2016 exists between paragon (as the controlling company) and paragon electronic (as the controlled company), under which the controlled company is obliged to transfer the annual net profit from its commercial balance sheet to the controlling company at the end of each financial year for the duration of the agreement. Profit is defined as the net income that would have been generated without the profit transfer, less any loss carryforward from the previous year under commercial law and the amount to be allocated to statutory or statutory reserves. The profit transfer may not exceed the amount specified in Section 301 of the German Stock Corporation Act (AktG) in its currently valid version. The parent company is obliged to compensate for any annual deficit incurred by the subsidiary during the term of the agreement. The profit transfer agreement has not been terminated.

1.8 What happens if the resolutions are not passed as proposed?

As already explained, the Company is increasingly finding that paragon's customers, especially the large OEMs, regard the bond maturity in 2027 as a risk to paragon's financial stability and are taking this into account negatively when awarding contracts, with the result that paragon has already lost significant orders. The Company expects this trend to continue, meaning that its operating business is likely to perform worse in the future than if an extension of the Notes is approved.

Against the backdrop of the major challenges currently facing the automotive industry and in light of its ongoing market observations, the Company also considers the refinancing of the 2017/2027 Notes in 2027 to be difficult.

In the management's opinion, repayment from the Company's own cash flow is impossible from today's perspective.

In this context, the Company would also like to reiterate the liquidity risks that threaten its existence. If the planned sales level and profitability are not achieved due to a weaker market, or if it is not possible to improve the Group's financing structure, it would not be possible to return to the original payment agreements with suppliers and service providers. If they no longer accept the extended payment terms and deferrals, or if external financing becomes due, the Group's solvency would be at risk.

As part of its financial reporting, the Company regularly reviews whether its continued existence is still assured. The corresponding forecast period is 12 to 18 months (in the sense of a forecast). The company therefore assumes that if the bond extension fails and no other financing alternatives are available, the Company's auditor will no longer issue an audit opinion for the 2025 financial statements, which would further complicate refinancing and operations.

In addition, the Company would have to examine whether it would be insolvent or over-indebted without bond refinancing or at least a secure prospect of such refinancing. If insolvency or over-indebtedness were to be determined, the Company would have to file for insolvency immediately. In this context, the Company points to the current market capitalisation of paragon shares, which is less than €12 million. In the event of insolvency, this is likely to fall even further. In addition to the liabilities from the 2017/2027 Notes, the paragon Group also has liabilities to banks and trade payables (*Verbindlichkeiten aus Lieferungen und Leistungen*).

1.8 What happens if the resolutions are not passed as proposed?

As already mentioned, the company is increasingly finding that paragon's customers, especially the large OEMs, view the bond maturity in 2027 as a risk to paragon's financial stability and are taking this into account negatively when awarding contracts, with the result that paragon has already lost significant orders. The company expects this trend to continue, meaning that its operating business is likely to perform worse in the future than if a bond extension were to be approved.

Against the backdrop of the major challenges currently facing the automotive industry and in light of its ongoing market observations, the company also considers the refinancing of the 2017/2027 bond in 2027 to be difficult. In the management's opinion, repayment from the company's own cash flow is impossible from today's perspective.

In this context, the company once again points out the liquidity risks that threaten its existence. If the planned sales level and profitability are not achieved due to a weaker market, or if it is not possible to improve the Group's financing structure, a return to the original payment agreements with suppliers and service providers would not be possible. If they no longer accept the extended payment terms and deferrals, or if external financing becomes due, the Group's solvency would be at risk.

As part of its financial reporting, the company regularly reviews whether its continued existence is still assured. The corresponding forecast period is 12 to 18 months (in the sense of a forecast). The company therefore assumes that if the bond extension fails and there are no other financing or restructuring alternatives, in particular the implementation of StaRUG proceedings, the company's auditor will no longer issue an audit opinion for the 2025 financial statements, which would further complicate refinancing and operations.

In addition, the company would have to examine whether it would be insolvent or over-indebted without bond refinancing or at least a secure prospect of such refinancing. If insolvency or over-indebtedness were to be determined, the company would have to file for insolvency immediately.

In this context, the company points to the current market capitalisation of paragon shares, which is less than €12 million. In the event of insolvency, this is likely to fall even further. In addition to the liabilities from the 2017/2027 bond, the paragon Group also has liabilities to banks and trade payables.

2. Items of Voting without Meeting and proposed resolutions of Issuer

2.1 Agenda Item 1 - Amendment of the term of the Notes

The Issuer proposes that the following resolution be adopted:

Agenda item 1.1 Amendment of Section 4 of the bond terms and conditions (maturity, repayment, early repayment for tax reasons, at the discretion of the issuer and at the discretion of the bondholders in the event of a change of control, and repurchase)

Section 4 (a) of the terms and conditions (maturity) is amended and reworded as follows:

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| <p>(a) Die Schuldverschreibungen werden am 5. Juli 2031 (der “Fälligkeitstermin“) zum Nennbetrag zurückgezahlt (der „Rückzahlungsbetrag“). §3 (b) bleibt unberührt. Eine vorzeitige Rückzahlung findet außer in den nachstehend genannten Fällen nicht statt.</p> | <p>(a) The Notes will be redeemed at par (the “Final Redemption Amount”) on 5 July 2031 (the “Redemption Date”). §3 (b) shall apply separately. There will be no early redemption except in the following cases.”</p> |
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Section 4 (c) of the terms and conditions is amended and reworded as follows:

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| <p>(c) Vorzeitige Rückzahlung nach Wahl der Emittentin. Die Emittentin ist berechtigt, die jeweils ausstehenden Schuldverschreibungen mit einer Frist von mindestens 30 Tagen und höchstens 60 Tagen durch Bekanntmachung gemäß § 12 und im Einklang mit diesem § 4 (c) insgesamt oder teilweise ab dem ersten Kalendertag des jeweiligen Wahl-Rückzahlungsjahrs (wie nachstehend definiert) zu dem dann anwendbaren Wahl-Rückzahlungsbetrag (Call) (wie nachstehend definiert) zuzüglich etwaiger bis zum relevanten Wahl-Rückzahlungstag (ausschließlich) aufgelaufener und noch nicht gezahlter Zinsen zu kündigen und vorzeitig zurückzuzahlen.</p> | <p>(c) Early Redemption at the Option of the Issuer. The Issuer may, upon not less than 30 days' notice and not more than 60 days' notice to be given by publication in accordance with § 12 and in compliance with this § 4 (c), declare due and redeem the Notes, in whole or in part, as of the first calendar day of the respective Call Redemption Year (as defined below) at the applicable Call Redemption Amount (as defined below) plus accrued and unpaid interest to (but excluding) the relevant Call Redemption Date (as defined below) fixed for redemption.</p> |
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Eine teilweise Kündigung und teilweise vorzeitige Rückzahlung der Schuldverschreibungen durch die Emittentin kann jedoch nur unter der Voraussetzung erfolgen, dass (i) Schuldverschreibungen mit einem Gesamtnennbetrag von mindestens

An early termination and redemption in part of the Notes may only be declared by the Issuer and shall only valid under the condition that (i) the aggregate principal amount of Notes so terminated and redeemed is at least € 3,000,000.00 (in words: three million euros).

€ 3.000.000,00 (in Worten: drei Millionen Euro) gekündigt und zurückgezahlt werden.

Wahl- Rückzahlungsjahr	Wahl- Rückzahlungsbetrag (Call)	Call Redemption Year	Call Redemption Amount
5. Juli 2026 (einschließlich) bis 5. Juli 2027 (ausschließlich)	103 % des Nennbetrags	5 July 2026 (inclusive) to 5 July 2027 (exclusive)	103 % of the Principal Amount
5. Juli 2027 (einschließlich) bis 5. Juli 2028 (ausschließlich)	102 % des Nennbetrags	5 July 2027 (inclusive) to 5 July 2028 (exclusive)	102 % of the Principal Amount
5. Juli 2028 (einschließlich) bis 5. Juli 2029 (ausschließlich)	101 % des Nennbetrags	5 July 2028 (inclusive) to 5 July 2029 (exclusive)	101 % of the Principal Amount
5. Juli 2029 (einschließlich) bis 5. Juli 2031 (ausschließlich)	100 % des Nennbetrags	5 July 2029 (inclusive) to 5 July 2031 (exclusive)	100 % of the Principal Amount

„Wahl-Rückzahlungstag“ bedeutet denjenigen Tag, der in der Erklärung der Kündigung nach diesem § 4(c) als Tag der Rückzahlung festgelegt wurde.

“Call Redemption Date” means the date specified in the notice pursuant to § 4 (c) as the relevant redemption date.

Die vorzeitige Rückzahlung der Schuldverschreibungen nach diesem § 4(c) ist den Anleihegläubigern durch eine unwiderrufliche Kündigungserklärung zu erklären, die gemäß § 12 bekannt zu machen. Die Kündigungserklärung hat die folgenden Angaben zu beinhalten: (i) eine Erklärung, ob die Schuldverschreibungen ganz oder teilweise zurückgezahlt werden und im letzteren Fall den Gesamtnennbetrag der zurückzuzahlenden Schuldverschreibungen, (ii) den Wahl-Rückzahlungstag, der nicht weniger als 30 Tage und nicht mehr als 60 Tage nach dem Tag der Kündigungserklärung durch die Emittentin gegenüber den Anleihegläubigern liegen darf und (iii) den Wahl-Rückzahlungsbetrag (Call), zu dem die Schuldverschreibungen zurückgezahlt werden. Der Wahl-Rückzahlungstag muss ein Geschäftstag im Sinne von § 5(c) sein.

The early redemption of the Notes pursuant to this § 4 (c) shall be declared by the Issuer to the Noteholders by way of an irrevocable notice of termination to be published in accordance with § 12. Such notice of termination shall specify the following details: (i) a statement as to whether the Notes are to be redeemed in whole or in part and, in the latter case, the aggregate principal amount of the Notes which are to be redeemed; (ii) the Call Redemption Date, which shall be not less than 30 days and not more than 60 days after the date on which the notice of termination is being given by the Issuer to the Noteholders, and (iii) the Call Redemption Amount at which the Notes are to be redeemed. The Call Redemption Date must be a Business Day within the meaning of § 5(c).

Section 4 (e) (1) sentence 2 of the terms and conditions (25% quorum as a prerequisite for the effectiveness of an individual exercise of the put option) is deleted.

Section 4 (e) (2) (i) of the terms and conditions of the Notes (definition of change of control) is supplemented as follows:

Ein „**Kontrollwechsel**“ liegt vor, wenn eines der folgenden Ereignisse eintritt:

“**Change of Control**” means the occurrence of any of the following events:

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| <p>(i) die Emittentin erlangt Kenntnis davon, dass eine Dritte Person oder gemeinsam handelnde Dritte Personen im Sinne von § 2 Abs. 5 Wertpapiererwerbs- und Übernahmegesetz (WpÜG) (jeweils ein „Erwerber“) der rechtliche oder wirtschaftliche Eigentümer von mehr als 50 % der Stimmrechte der Emittentin geworden ist, oder die direkte, indirekte oder zugerechnete stimmenmäßige und/oder kapitalmäßige Mehrheit an der persönlich haftenden Gesellschafterin der Emittentin, paragon GmbH, erlangt; oder</p> | <p>(i) the Issuer becomes aware that any Third Person or group of Third Persons acting in concert within the meaning of § 2 (5) of the German Securities Acquisition and Takeover Act (<i>Wertpapiererwerbs- und Übernahmegesetz</i>, WpÜG) (each an “Acquirer”) has become the legal or beneficial owner of more than 50 % of the voting rights of the Issuer, or has acquired the direct, indirect or attributed majority of voting rights and/or capital in the issuer's general partner, paragon GmbH; or</p> |
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Section 4 (h) of the terms and conditions (Mandatory repurchases or repayments) is deleted.

Agenda Item 1.2 Amendment to § 3 of the Terms and Conditions (Interest)

In § 3 (a) (ii) of the terms and conditions, the first three paragraphs and the penultimate paragraph are deleted.

The following new paragraph (b) is inserted in § 3:

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| <p>(b) Die zu den Zinszahlungsterminen 5. Januar 2026 und 5. Juli 2026 fälligen Zinszahlungen entfallen. Der Zinsbetrag für die entsprechenden Zinsperioden wird in einer Zahlung am Fälligkeitstermin nachgezahlt („Zinsnachzahlung“); Zinseszins wird hierfür nicht geschuldet. Sofern die Emittentin vorzeitige Rückzahlungen vornimmt, erfolgt die Zinsnachzahlung mit der letzten, die Schuldverschreibung vollständig tilgenden Teilrückzahlung.</p> | <p>(b) The interest payments due on the Interest Payment Dates 5 January 2026 and 5 July 2026 are waived. The interest amounts for the corresponding Interest Periods shall be paid in one payment in arrears on the Final Redemption Date (“Deferred Interest Payment”); no compound interest shall be payable on this amount. Should the Issuer make early redemptions, the Deferred Interest Payment shall be made together with the last partial repayment that fully redeems the Notes.</p> |
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The previous paragraphs (b) and (c) of § 3 become paragraphs (c) and (d).

Agenda Item 1.3 Amendment to Section 2 of the Terms and Conditions of the Notes (Status of the Notes and Negative Undertaking)

The heading of Section 2 is reworded as follows:

(Status der Schuldverschreibungen, Negativverpflichtung und Garantie)

(Status of the Notes, Negative Pledge and Guarantee)

Section 2 (c) of the Terms and Conditions of the Notes shall be deleted and replaced by the following new paragraph:

- (c) **Garantie.** Die paragon movasys GmbH, mit Sitz in Delbrück und eingetragen im Handelsregister des Amtsgerichts Paderborn unter HRB 13474, und die paragon electronic GmbH, mit Sitz in Delbrück, eingetragen im Handelsregister des Amtsgerichts Paderborn unter HRB 12209, (jeweils eine „Garantin“ und zusammen die „Garantinnen“) übernehmen jeweils als Gesamtschuldner gemäß Garantien vom [19. Dezember 2025] (zusammen die „Garantien“ und jeweils eine „Garantie“) gegenüber der Zahlstelle (wie in § 9 definiert) zugunsten der Anleihegläubiger die unbedingte und unwiderrufliche Garantie für die Zahlung von Kapital, Zinsen und etwaigen sonstigen Beträgen, die nach diesen Anleihebedingungen von der Emittentin zu zahlen sind,
- (c) **Guarantee.** paragon movasys GmbH, with registered office in Delbrück and registered in the commercial register of the Paderborn Local Court under HRB 13474, and paragon electronic GmbH, with registered office in Delbrück and registered in the commercial register of the Paderborn Local Court under HRB 12209, (each a “Guarantor”, and together the “Guarantors”) have each assumed on a joint and several basis pursuant to guarantees dated [19 December 2025] (together the “Guarantees” and each a “Guarantee”) vis-à-vis the paying agent (as defined in § 9) in favour of the Noteholders, the unconditional and irrevocable guarantee for the payment of principal, interest and any other amounts payable by the Issuer under these Terms and Conditions,
- (i) Jede Garantie begründet eine unmittelbare und nicht nachrangige Verpflichtung der jeweiligen Garantin, die mit allen anderen gegenwärtigen und zukünftigen nicht besicherten und nicht nachrangigen Verbindlichkeiten der jeweiligen Garantin zumindest im gleichen Rang steht, mit Ausnahme von Verbindlichkeiten, die nach geltenden Rechtsvorschriften vorrangig sind. Mit der Erfüllung einer Zahlungsverpflichtung der Garantinnen zugunsten eines Anleihegläubigers aus den von ihnen gewährten Garantien erlischt zugleich das jeweilige garantierte Recht eines Anleihegläubigers aus den Anleihebedingungen.
- (i) Each Guarantee constitutes a direct and unsubordinated obligation of the relevant Guarantor, ranking at least *pari passu* with all other present and future unsecured and unsubordinated obligations of the relevant Guarantor, save for such obligations which may be preferred by applicable law. Upon discharge of any payment obligation of the Guarantors subsisting under the Guarantees in favour of any Noteholder, the relevant guaranteed right of such Noteholder under the Terms and Conditions will cease to exist.
- (ii) Jede Garantie stellt einen echten Vertrag zugunsten der jeweiligen Anleihegläubiger als begünstigte Dritte gemäß § 328 Absatz 1 BGB dar, so dass ausschließlich die jeweiligen Anleihegläubiger die Erfüllung der Garantie unmittelbar von den Garantinnen verlangen und gegen die Garantinnen durchsetzen können. Die Zahlstelle, gegenüber der die Garantien abgegeben werden, ist zu keiner Zeit berechtigt oder verpflichtet Ansprüche der Anleihegläubiger gegen die Emittentin oder die Garantinnen geltend zu machen oder durchzusetzen und es bestehen keinerlei Ansprüche der Anleihegläubiger gegen die Zahlstelle.
- (ii) Each Guarantee constitutes a genuine contract in favour of the respective Noteholders as beneficiary third parties (*echter Vertrag zugunsten Dritter*) pursuant to § 328 (1) German Civil Code (BGB), such that exclusively the respective Noteholders can demand performance of the Guarantees directly from, and enforce the Guarantees directly against, the Guarantors. The Paying Agent to which the Guarantees are given shall, at no time, be authorised or obliged to assert or enforce any claims of the Noteholders against the Issuer or the Guarantors and Noteholders shall not be entitled to pursue any claims against the Paying Agent.
- (iii) Die Zahlstelle, gegenüber der die Garantien abgegeben werden, handelt nicht als Treuhänderin, Bevollmächtigte oder in einer anderen ähnlichen Eigenschaft für die Anleihegläubiger. Insbesondere trägt die Zahl-
- (iii) The Paying Agent to whom the Guarantees are given is not acting as trustee, agent or in any other similar capacity for the Noteholders. In particular, the Paying Agent shall have no responsibility for the legal validity, scope and enforceability of the Guarantees.

stelle keine Verantwortung für die Rechtswirksamkeit, den Umfang und die Durchsetzbarkeit der Garantien.

A sample of the guarantee can be viewed on the Issuer's website together with the voting documents and the amended terms and conditions.

Agenda Item 1.4 Amendment to Section 7 of the Terms and Conditions (Right of Termination by Noteholders)

Section 7 (a) (i) is reworded as follows:

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| (i) die Emittentin Kapital oder Zinsen nicht innerhalb von 30 Tagen nach dem betreffenden Fälligkeitstag zahlt; | (i) the Issuer fails to provide principal or interest within 30 days from the relevant due date; |
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Section 7 is supplemented by the following new paragraph (d):

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| (d) Im Hinblick auf die Stundung der zum 5. Januar 2026 und zum 5. Juli 2026 fälligen Zinszahlungen gemäß § 3 (b) dieser Anleihebedingungen verzichten die Anleihegläubiger vorsorglich auf etwaige Kündigungsrechte gemäß § 7 (a) (i) dieser Anleihebedingungen. Dieser Verzicht schränkt in keiner Weise den Anspruch der Anleihegläubiger auf die Zinsnachzahlung nicht ein. | (d) With regard to the deferral of interest payments due on 5 January 2026 and 5 July 2026 in accordance with Section 3 (b) of these Terms and Conditions, the Noteholders waive, as a precautionary measure, any right to declare the Notes due and demand immediate redemption thereof in accordance with Section 7 (a) (i) of these Terms and Conditions. This waiver shall not limit in any respect the Noteholders' entitlement to the Deferred Interest Payment. |
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2.2 Agenda item 2 – Other resolutions

Confirmation of the appointment of the joint representative for the extended term of the 2017/2027 Notes / Precautionary re-election of a joint representative

The Issuer proposes that the following resolution be adopted:

"The joint representative of the Noteholders elected by resolution of the Noteholders on 10 March 2022, Ms Daniela Bergdolt, solicitor, Munich, is confirmed in her office as joint representative for the extended term of the Notes."

Note: The Issuer's proposed resolutions under item 2.1 (agenda items 1.1 to 1.4) will only be put to the vote uniformly.

3. Legal basis for the second noteholders' meeting, quorum and majority requirement

- 3.1 Pursuant to Section 11 (a) of the bond terms and conditions, the bond terms and conditions may be amended by the issuer with the consent of the bond creditors by way of a majority resolution in accordance with Sections 5 et seq. of the SchVG, as amended. Resolutions of the noteholders shall be passed either at a noteholders' meeting in accordance with Section 11(c)(i) of the bond terms and conditions or by way of a vote without a meeting in accordance with Section 11(c)(ii) of the bond terms and conditions pursuant to Section 18 SchVG. The decision is at the discretion of the Issuer.

- 3.3 A vote without a meeting pursuant to Section 18 SchVG in conjunction with Section 12 (c)(ii) of the bond terms and conditions has already been held on the items on the agenda for the second noteholders' meeting within the period from 27 November 2025 (0:00 CET) to 29 November 2025 (24:00 CET), during which the necessary quorum for a quorum (at least half of the outstanding Notes) was not reached. Accordingly, the Voting Manager determined that the vote without a meeting was not quorate. Pursuant to Section 18 (4) sentence 2 SchVG, if a vote without a meeting is not quorate, a noteholders' meeting may be convened for the purpose of passing a new resolution, which shall be deemed to be a second noteholders' meeting.
- 3.4 The second noteholders' meeting convened by this invitation shall have a quorum with regard to the resolutions specified in this invitation to the second noteholders' meeting, for which a qualified majority of at least 75% of the voting rights participating in the vote is required for them to be effective, if those present represent at least 25% of the outstanding Notes.
- 3.5 The resolutions on agenda item 1 in accordance with section 2 of this invitation to the second noteholders' meeting require a majority of at least 75 per cent of the voting rights participating in the vote in accordance with section 11 (b) sentence 2 of the bond terms and conditions in order to be effective. The resolutions on agenda item 2 in accordance with section 2 of this invitation to the second noteholders' meeting require at least a simple majority of the voting rights participating in the vote in accordance with section 11 (b) sentence 2 of the bond terms and conditions in order to be valid.

4. Legal consequences of the possible adoption of the resolutions

If the noteholders effectively pass resolutions on the matters referred to in clause 2, this shall have the following legal consequences in particular:

A resolution passed by the noteholders with the required majority shall be equally binding on all noteholders.

5. Eligibility to participate, voting rights and evidence

- 5.1 Any noteholder who registers in good time and proves their ownership of the Notes in accordance with the provisions of section 5.4 of this invitation at the latest upon admission to the bondholders' meeting is entitled to participate in the bondholders' meeting.
5. Each noteholder shall participate in the vote in accordance with the nominal value of the Notes of paragon GmbH & Co. KGaA outstanding at the time of the resolution. Each Note with a nominal value of EUR 1,000 grants one vote. In all other respects, Section 6 of the SchVG shall apply.
- 5.3 In order to participate in the noteholders' meeting or exercise voting rights, noteholders must register prior to the meeting (Section 11(c)(i) of the bond terms and conditions in conjunction with Section 10 (2) SchVG) ("**Registration**"). The Registration must be received no later than the third calendar day prior to the noteholders' meeting, i.e. by midnight (CET) on 16 December 2025, by post, fax or email at the following address:

paragon GmbH & Co. KGaA
c/o meet2vote AG
"Bond 2017/2027 of paragon GmbH & Co. KGaA: 2nd Noteholders' Meeting"
Marienplatz 1, D-84347 Pfarrkirchen
Fax: +49 8561 9069707
E-Mail: anmeldung@meet2vote.de

The Registration must contain at least the noteholders' personal details. In addition, the number of Notes held should be specified. A sample form for the content of the registration can be found on the Issuer's website (www.paragon.ag) under the heading "Investors/Bonds/Bond 2017/2027/Documents".

Noteholders who have not been registered at the above address by 24:00 (CET) on 16 December 2025 at the latest (receipt) are not entitled to participate or vote. In this case, proxies of the respective noteholder may also neither participate nor exercise voting rights.

- 5.4 Noteholders must also prove their eligibility to participate in the meeting and vote in accordance with Section 10 (3) sentence 2 SchVG at the latest upon admission to the noteholders' meeting. As proof, special evidence of the noteholders' ownership of the Notes issued in text form (Section 126 b BGB) by the custodian institution or the clearing system, must be presented with a blocking note from the custodian bank ("**Special Certificate with Blocking Notice**").

a) Special Certificate

The required special certificate is a certificate from the custodian bank which (i) states the full name and address of the noteholder and (ii) indicates the total nominal value of the bonds credited to the noteholder's account with this custodian bank on the date of issue of this certificate. For the purposes of the bond terms and conditions, "custodian bank" means any bank or other recognised financial institution that is authorised to conduct securities custody business and with which the bondholder maintains a securities account for the bonds, including the clearing system. Clearing system within the meaning of the bond terms and conditions means Clearstream Europe AG, Mergenthalerallee 61, 65760 Eschborn, Germany, and any functional successor.

b) Blocking Notice

The required blocking notice from the custodian bank is a notice stating that the bonds of paragon GmbH & Co. KGaA held by the noteholder will be blocked at the custodian bank from the date of dispatch of the special certificate (inclusive) until the end of the vote at the second noteholders' meeting.

Noteholders should contact their respective custodian bank regarding the formalities of the Special Certificate with Blocking Notice.

A sample form for the special certificate with blocking Special Certificate with Blocking Notice, which can be used by the custodian bank, is available on the Issuer's website at www.paragon.ag under the heading "*Investors/Bonds/Bond 2017/2027/Documents*".

In order to participate in the second noteholders' meeting and exercise voting rights, noteholders are requested to submit the documents in accordance with Sections 5.3 and 5.4 well in advance of the noteholders' meeting.

For organisational reasons, the registration must be received at the following address no later than the third calendar day before the date of the second noteholders' meeting, i.e. by midnight (CET) on 16 December 2025.

paragon GmbH & Co. KGaA
c/o meet2vote AG

"Bond 2017/2027 of paragon GmbH & Co. KGaA: 2nd noteholders' meeting"
Marienplatz 1, 84347 Pfarrkirchen
Fax: +49 8561 9069707
Email: anmeldung@meet2vote.de

6. Representation by authorised representatives and legal representatives

6. Each registered noteholder may be represented by an authorised representative of their choice when casting their vote (Section 14 of the German Bond Act (SchVG)).
6. The power of attorney and any instructions given by the principal to the representative must be in writing within the meaning of Section 126b of the German Civil Code (BGB). A form that can be used to grant power of attorney is available on the Issuer's website at www.paragon.ag under the heading "*Investors/Bonds/Bond 2017/2027/Documents*".
- 6.3 Proof of the granting of power of attorney must be provided. Even when voting by proxy, the requirements for proving the noteholder's eligibility to participate by presenting Special Certificate with Blocking Notice apply.
- 6.4 Noteholders who do not wish to authorise a third party of their own choosing may grant a proxy with voting instructions to the proxies appointed by the Issuer, Daniel Eichinger and Sandro Friedrich, both employees of meet2vote AG, Pfarrkirchen (the "**Proxies**"). A form for this purpose can be downloaded from the Issuer's website (www.paragon.ag) under the heading "*Investors/Bonds/Bond 2017/2027/Documents*". The Proxies require specific instructions on how to vote. The instruction may also be to always vote on all resolutions as proposed or recommended by the Issuer.

The Proxies are not available to take any action at the meeting beyond voting, to submit motions or questions, or to make statements.

Proxies and instructions from noteholders who have sent the Issuer valid Special Certificate with a Blocking Notice will be accepted by the Proxies until the end of the general debate, including by e-Mail at the following address: anmeldung@meet2vote.de.

- 6.5 The Issuer also allows noteholders to submit questions to the Issuer in advance of the meeting. The Issuer will then check whether it can answer these questions in advance by posting the information on its website at www.paragon.ag under the heading "*Investors/Bonds/Bond 2017/2027/Documents*" for all noteholders. Noteholders are requested to send their questions to the Issuer by email, fax or post:

paragon GmbH & Co. KGaA
- Investor Relations -
"2017/2027 bond of paragon GmbH & Co. KGaA: 2nd noteholders' meeting"
Bösendamm 11, 33129 Delbrück
Fax: +49 52 50 97 62-60
E-Mail: investor@paragon.ag

7. Counter-motions and Supplementary Motion

7. Each noteholder is entitled to submit counter-motions ("**Counter-motion**") within the statutory period regarding the items to be resolved at the second noteholders' meeting following this invitation.

7. Noteholders whose bonds together amount to 5 per cent of the outstanding bonds of the bond may request that new items be announced for resolution ("**Supplementary Motion**").

7.3 Counter-motions and Supplementary Motions must be sent to the Issuer by post, fax or email to the following address:

paragon GmbH & Co. KGaA
- Investor Relations
"Bond 2017/2027 of paragon GmbH & Co. KGaA: 2nd noteholders' Meeting"
Bösendamm 11, 33129 Delbrück
Fax: +49 52 50 97 62-60
Email: investor@paragon.ag

7.4 Special Certificate with a Blocking Notice (see section 5.4) must also be enclosed with regard to a Counter-motion and/or a Supplementary Motion. In the case of a Supplementary Motion, the noteholders who request that a further item be put to the vote must also prove that they together represent 5 per cent of the outstanding Notes. In this case, however, the quorum for a decision on this Supplementary Motion may be 50 per cent of the outstanding Bonds rather than 25 per cent.

8. Information on outstanding bonds

The total nominal amount of the bonds currently outstanding is €43,649,000.00, divided into 43,649 partial bonds with a nominal value of €1,000.00 each.

If there is an increase or decrease in the volume of bonds between the publication of this invitation and the start of the second creditors' meeting, the increased or lower amount shall apply.

At the time of publication of this invitation, the issuer or its affiliated companies are not entitled to any bonds. Currently, no bonds of paragon GmbH & Co. KGaA are held by third parties on behalf of the issuer or its affiliated companies.

As part of the ongoing bond buyback programme, further bonds are expected to be acquired by the date of the second noteholders' meeting. The issuer will announce the exact number together with the results of the noteholders' meeting.

9. Further information

Noteholders can find further information on the progress of the proceedings and answers to frequently asked questions (FAQs) on the Issuer's website (www.paragon.ag) under the heading "*Investors/Bonds/Bond 2017/2027/Documents*".

10. Documents

From the date of publication of this invitation until at least the end of the second noteholders' meeting, the following documents will be available to noteholders on the Issuer's website (www.paragon.ag) under the heading "*Investors/Bonds/Bond 2017/2027/Documents*":

- this invitation to the second noteholders' meeting, together with any announced supplementary requests and counter-motions,
- the terms and conditions of the Notes issued by paragon GmbH & Co. KGaA,
- sample guarantees,

- a sample registration form,
- the power of attorney and instruction form for granting powers of attorney to the Proxies appointed by the Issuer (the form already published will be updated if necessary),
- the proxy form for granting proxies to third parties,
- the form for requesting attendance fees, and
- the sample form for Special Certificate with Blocking notice.

Upon request by a noteholder, copies of the aforementioned documents will be sent to them immediately and free of charge. The request must be sent by post, fax or email to:

paragon GmbH & Co. KGaA
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11 Participation Fee

The Issuer shall reimburse all participating noteholders for the expenses incurred by participating in the noteholders' meeting in the amount of 0.25% of the outstanding nominal value that the respective participant registers for the noteholders' meeting, but at least 25.00 euros per securities account (the "**Participation Fee**").

Payment of the Participation Fee is subject to the quorum required for a resolution on the amendment of the bond terms and conditions being reached, i.e. 25% of the outstanding Notes at the second noteholders' meeting. The Participation Fee will be paid as soon as the resolutions to amend the bond terms and conditions have been implemented.

Forms for requesting the Participation Fee are also available to noteholders on the Issuer's website (www.paragon.ag) under the heading "*Investors/Bonds/Bond 2017/2027/Documents*".

Only those who participated in the second noteholders' meeting are entitled to receive the Participation Fee. Noteholders who only participated in the vote without attending the meeting but did not participate in the second noteholders' meeting will therefore not receive a Participation Fee.

12. Information on Data Protection

Regulation (EU) 2016/679 (General Data Protection Regulation, "**GDPR**") has been in force throughout Europe since 25 May 2018. The protection of noteholders' personal data and its legally compliant processing are of great importance to the Issuer. For this reason, the Issuer has outlined the rights of noteholders (including the right to lodge a complaint with a supervisory authority) and how the Issuer generally handles data for which it is responsible for processing on its website at www.paragon.ag under the heading "*Investors/Bonds/Bond 2017/2027/Documents*". In the context of managing the Notes and the upcoming vote, the Issuer processes the following categories of data from noteholders: contact details, number of Notes held by noteholders, information

on the custodian bank; if applicable, data on a representative appointed by a noteholder. The Issuer processes this data exclusively for the purpose of fulfilling the bond agreements (Art. 6 (1) (b) GDPR) and to comply with legal obligations (e.g. under the German Bond Act). The Issuer stores this data for as long as required by law (under tax law and the German Bond Act).

The aforementioned data will be forwarded to the Voting Manager, Notary Dr Dirk Otto, and, if necessary, to other service providers, lawyers and tax advisors who support the Issuer in organising the upcoming vote. Further information on data processing by the Issuer, including your data protection rights and how to contact us, can be found in our detailed data protection information at <https://paragon.ag/datenschutz>.

Delbrueck, December 2025

*paragon GmbH & Co. KGaA
(represented by paragon GmbH)
The Management Board*

Frankfurt/Main, December 2025

*Dr Dirk Otto, Notary
Voting Manager*