

Workload of paragon Plants Almost at Previous Year's Level

- Exclusivity of products lends stability to the automotive supplier
- Positive reaction to DUSTPROJECT air filter system from automotive manufacturers
- Decision on new building at the headquarters in Delbrück early 2021
- Discussions on the sale of Voltabox stake are progressing well
- Figures for 2019 and the first quarter of 2020 will be published on July 15

Delbrück, Germany, 2 July, 2020 – paragon [ISIN DE0005558696] has successfully resumed production after six weeks of closure. The outlook for the coming months has stabilized, so management will likely be able to decide on the new building for administration and production at the Delbrück location at the beginning of 2021.

paragon had shut down its entire production for six weeks due to plant closures of car manufacturers. At the end of April, production was resumed at all locations. Capacity utilization is now back at an average of 95% of the previous year's level. In these difficult times, the company benefits from being the sole supplier of more than four-fifths of its products to the automotive industry. At minus 4 percent, revenues in the past June were only marginally lower than in the same month last year. In July, paragon expects sales to be higher than in the same period of the previous year according to customer call-offs. paragon's management is cautiously optimistic for the third quarter of 2020.

Management wants to make the decision about the planned new building in Delbrück by early 2021. The liquidity situation allows the company to continue to invest in the development of new products without significant cutbacks.

One new product with a lot of potential is the DUSTPROJECT filter system, which is attracting a great deal of interest from car manufacturers due to the discussion around fine dust and the coronavirus pandemic. The high-voltage plasma filter developed by paragon ensures greatly

improved hygiene and health protection in vehicle interiors. With separation rates of up to 98.5 percent, the filter achieves a clean interior up to ten times faster than conventional automotive filter systems. Fine dust, viruses, bacteria and allergens are separated more effectively. The product, which protects the occupants without having to interrupt the air supply, is currently undergoing intensive testing by several OEMs in Europe and China and is scheduled to go into serial production from January 2021 onwards.

Financial calendar updated

paragon adjusted its financial calendar at the end of March so that the consolidated financial statements of 2019 still reflect the significantly altered economic conditions left in the wake of the COVID-19 pandemic. Among the factors affecting the preparation of the financial statements is the sale of the financial investment Voltabox, which is making good progress. Numerous expressions of interest have been received and management is very confident that they can reach an agreement on a sale in the third quarter.

paragon will present the preliminary figures for the 2019 fiscal year and the first quarter of 2020 on July 15. Publication of the annual report is expected on August 7 and the Annual General Meeting at the beginning of September.

Profile: paragon GmbH & Co. KGaA

paragon GmbH & Co. KGaA (ISIN DE0005558696), which is listed in the regulated market (Prime Standard) of the Frankfurt Stock Exchange, develops, produces and distributes forward-looking solutions in the field of automotive electronics, body kinematics and e-mobility. As a market-leading direct supplier to the automotive industry, the company's portfolio includes the Electronics operating segment's innovative air-quality management, state-of-the-art display systems and connectivity solutions, and high-end acoustic systems. In the Mechanics operating segment, paragon develops and produces active mobile aerodynamic systems. With Voltabox AG (ISIN DE000A2E4LE9), a subsidiary that is also listed on the regulated market (Prime Standard) of the Frankfurt Stock Exchange, the Group is also active in the rapidly growing Electromobility operating segment with its cutting-edge lithium-ion battery systems developed in-house.

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In addition to the company headquarters in Delbrück (North Rhine-Westphalia, Germany), paragon GmbH & Co. KGaA and its subsidiaries operate sites in Suhl (Thuringia, Germany), Landsberg am Lech and Neu-Ulm (Bavaria, Germany), St. Georgen (Baden-Württemberg, Germany), Limbach (Saarland, Germany), Aachen (North Rhine-Westphalia, Germany) as well as in Kunshan (China), Oroslavje (Croatia) and Austin (Texas, USA).

Additional information about paragon can be found at www.paragon.ag.

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