

paragon to Use FSD Technology From Voltabox in Automotive Segment

- **Comprehensive cooperation with an industrial battery manufacturer being reviewed as part of the partial sale of Voltabox**

Delbrück, March 24, 2021 – paragon [ISIN DE0005558696] is now planning to enter the electromobility market even with its Automotive business. With the help of the new Flow-Shape-Design (FSD) technology from its subsidiary Voltabox, a variety of lithium-ion battery systems are set to be offered for the automotive market. paragon is planning to license the FSD technology and thus help Voltabox achieve a breakthrough. This will create significant synergies between paragon and Voltabox for the first time. Until now, Voltabox has mainly marketed its battery systems for industrial uses and buses.

Meanwhile, the discussions on a partial sale of Voltabox shares owned by paragon will take a few weeks longer than originally planned. As reported, paragon GmbH & Co. KGaA and a Swiss investor group signed a letter of intent (LoI) for the acquisition of Voltabox share blocks in December of last year. The originally envisaged transaction structure will in all likelihood be expanded; in addition to the planned investment, it is now also being negotiated that a large industrial battery manufacturer, whose shareholder is one of the Swiss investors, will enter into a comprehensive cooperation with Voltabox AG. The basic features of the cooperation have already been agreed. Valuation issues and the financing of the transaction still need to be discussed.

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. In addition, the Group holds a stake in Voltabox AG (ISIN DE000A2E4LE9), a subsidiary that is also listed on the regulated market (Prime Standard) of Deutsche Börse AG in Frankfurt a.M., which is active in the rapidly growing electromobility segment with cutting-edge lithium-ion battery systems developed inhouse.

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, Neu-Ulm and Nuremberg (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.

Capital Market & Press Contact**paragon GmbH & Co. KGaA**

Stefan Westemeyer
Bösendamm 11
33129 Delbrück, Germany
Phone: +49 (0) 52 50 - 97 62-141
Fax: +49 (0) 52 50 - 97 62-63
Email: investor@paragon.ag