

## **paragon AG Converts to Partnership Limited by Shares and Bolsters Company Management With Experienced Executives**

- **Change of legal form effective today with entry into the commercial register**
- **Dr. Matthias Schöllmann, formerly of Hella, to lead the automotive business starting September 1**
- **Christian Johannsen, formerly of Webasto, took over as Chief Financial Officer on July 1**

**Delbrück, Germany, July 5, 2018 – Today, paragon AG [ISIN DE0005558696] is completing its conversion into a partnership limited by shares (KGaA), which was ratified by the Annual General Meeting on May 8. This change of legal form ensures that paragon will remain a family business while increasing its access to the capital market. Company founder and previous Chief Executive Officer Klaus Dieter Frers is the Chairman of the Board of paragon GmbH, which is the general partner of paragon GmbH & Co. KGaA. On September 1, long-time Hella manager Dr. Matthias Schöllmann will join management and take over as head of the automotive business.**

With today's entry of the change of legal form into the commercial register, all owner shares of paragon AG will no longer be listed. However, trade does not have to be interrupted for this conversion, as the listing will continue seamlessly with the shares of paragon GmbH & Co. KGaA (under the existing ISIN).

"This company is dear to my heart. My family and I want to continue to assure the success of paragon in the future as the anchor shareholder," comments Klaus Dieter Frers on the completed conversion. "paragon will grow to entirely new dimensions over the coming years, which will require additional management resources. I am therefore pleased that we were able to recruit an internationally experienced executive with outstanding expertise in the

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automotive supplier industry in Dr. Matthias Schöllmann. Dr. Stefan Schwehr, formerly Chief Technology Officer (Electronics), will focus more on new digital issues and corresponding collaborations as Managing Director of paragon GmbH. Under his leadership, we will expand our portfolio to include speech-enabled and cloud-based offerings.”

Dr. Matthias Schöllmann, formerly Managing Director at Hella, will be responsible for the automotive business of paragon GmbH, consisting of the units Sensors, Acoustics, Cockpit and Body Kinematics, as Managing Director. “After many successful years at Hella, I was looking for close proximity to products, customers and markets,” explains Dr. Schöllmann. “I’ve been following the paragon success story for a long time now. paragon is a very fascinating company and operates in very attractive emerging markets.”

As Chairman of the Board of paragon GmbH, the general partner of paragon GmbH & Co. KGaA, Klaus Dieter Frers will continue to help shape the strategic orientation of the Group. This also includes supporting the Group’s battery systems manufacturer Voltabox AG, whose Supervisory Board Chairman is Mr. Frers. Christian Johannsen took over as Chief Financial Officer of paragon GmbH & Co. KGaA on July 1. He comes from Webasto Thermo & Comfort SE, where he had been Director Controlling.

**Dr. Matthias Schöllmann** (48) was a member of management of Hella GmbH & Co. KGaA for the past five years and was in charge of original equipment sales. Schöllmann had previously performed various management duties in the sales, program management and development divisions, with a very heavy focus on electronics.

**Christian Johannsen** (50) was most recently in charge of controlling of the Heating Systems business unit at Webasto Thermo & Comfort SE in Gilching, Germany. Johannsen had worked in leading controlling positions at the Hella Group in Lippstadt, Germany, before joining Webasto ten years ago.

#### **Securities information for shareholders of paragon AG**

The change in legal form of paragon AG into a partnership limited by shares (KGaA) became effective today with the entry into the commercial register. From now on, paragon will be trading under the name paragon GmbH & Co. KGaA. All shareholders of the former paragon AG are now limited liability shareholders of paragon & Co. KGaA.

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At the start of trading on July 6, 2018, the securities description will be changed from paragon AG to paragon GmbH & Co. KGaA with the ISIN DE0005558696. The paragon GmbH & Co. KGaA shares will then be tradable from July 6, 2018, when the stock exchange opens. Clearstream Banking AG will automatically change over the shareholders' securities accounts to the new company name. The shareholders will not be charged any commissions or fees.

**Portrait 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, e-mobility and body kinematics. 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. With Voltabox AG (ISIN DE000A2E4LE9), a subsidiary that is also listed on the regulated market (Prime Standard) of Deutsche Börse AG in Frankfurt, Germany, the Group is also active in the rapidly growing Electromobility operating segment with its cutting-edge lithium-ion battery systems. In the Mechanics operating segment, paragon GmbH & Co. KGaA develops and produces active mobile aerodynamic systems. 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), Nuremberg and Landsberg am Lech (Bavaria, Germany), St. Georgen (Baden-Württemberg, Germany), Bexbach (Saarland, Germany) and Aachen (North Rhine-Westphalia, Germany) as well as in Kunshan (China) and Austin, Texas (USA). **Financial Press & Investor Relations Contact**

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