

paragon AG Acquires Largest Competitor in the Market for Body Kinematics

- **paragon AG is now the global market leader for adaptive vehicle aerodynamic systems**
- **Enormous market growth expected from the CO₂ reduction megatrend**
- **The full acquisition of HS Genion GmbH**
- **Merger with paragon's Body Kinematics unit and planned continued operation under the new name paragon movasys GmbH**
- **The purchase promotes expansion into a system provider for vehicle aerodynamics**

Delbrück, Germany, December 11, 2017 – Today, paragon AG [ISIN DE0005558696] announced the full acquisition of its competitor HS Genion GmbH, Landsberg am Lech, Germany. As a result, paragon has become the undisputed global market leader for adjustable body components. With the acquisition, paragon is achieving an important milestone for the paragon Body Kinematics unit, established in 2011, on the way to becoming the leading system provider for vehicle aerodynamics.

The key themes of range and environmental footprint increasingly shape the development of modern vehicle models. In addition to weight, air resistance in particular determines the efficiency of vehicles, as measured by the drag coefficient (Cd), and thereby their CO₂ emissions. Here is where adaptive aerodynamic systems come into play that, for a long time, have advanced beyond the "rear spoilers" known from many sports cars. Increasingly, one finds body components that are adjustable by motorized control even in other types of vehicles.

Since 2011, paragon has offered state-of-the-art, high-performance and lightweight drives and components that control movable body parts such as rear and front spoilers. In addition, the current portfolio includes components for the convertible top periphery. The serial

production of new product generations of adaptive rear spoilers for various popular vehicles also began in the current fiscal year.

“As is generally known, we are also in the process of strengthening our software expertise through purchases. We didn’t want waste the opportunity to integrate the experts from HS Genion and their modern product portfolio at paragon. paragon is now the undisputed global market leader in an increasingly significant growth segment,” says Klaus Dieter Frers, Chief Executive Officer of paragon AG. “This will accelerate paragon’s development into a system provider in this area.”

“We are pleased to have the very capable industry expert paragon AG on our side, together with which we can successfully shape rapid technological development,” adds Jan Kürbis, managing director of HS Genion GmbH. “paragon AG’s long history of successful acquisitions enables us to look toward the future with optimism.”

HS Genion GmbH has been very successful in the areas of aerodynamics, comfort, convertible top components, cargo management and lifestyle for over 20 years. The company is headquartered in Landsberg am Lech, Germany, and has around 100 employees. Until now, HS Genion belonged to AUGENIO AG, headquartered in Dortmund, Germany, whose shares are wholly owned by the Hoffmann family. “We pass on HS Genion with an extremely well-filled order book and are happy to have found the right partner in paragon AG for our chosen growth course,” says Dr. Till Hoffmann. “The international positioning of paragon AG will help to fully realize the potential of HS Genion,” says Dr. Wolf Hoffmann. The parties have agreed not to disclose the purchase price. paragon plans to merge its own Body Kinematics unit with HS Genion and to operate under the name “paragon movasys GmbH” as a wholly owned subsidiary of the paragon Group.

More information on paragon AG is available at www.paragon.ag/en/investors.

Company Profile

paragon AG (ISIN DE0005558696), which is listed in the regulated market (Prime Standard) of the Frankfurt Stock Exchange, develops, produces and distributes products and systems in the field of automotive electronics, e-mobility and body kinematics. As a 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 the Voltabox subsidiaries, the Group is also active in the rapidly growing Electromobility operating segment with its own lithium-ion battery systems developed in-house. In the Mechanics operating segment, paragon develops, produces and distributes adjustable body components such as adaptively extendable spoilers. paragon AG and its predecessors have almost 30 years of company history to be proud of.

In addition to the company headquarters in Delbrück (North Rhine-Westphalia, Germany), paragon AG and its subsidiaries operate sites in Suhl (Thuringia, Germany), Nuremberg (Bavaria, Germany), St. Georgen (Baden-Württemberg, Germany), Bexbach (Saarland, Germany), Aachen (North Rhine-Westphalia, Germany), Landsberg am Lech (Bavaria, Germany) as well as in Kunshan (China) and Austin, Texas (USA).

Financial Press & Investor Relations Contact

paragon AG

Dr. Kai Holtmann
Artegastrasse 1
33129 Delbrück, Germany
Phone: +49 (0) 52 50 - 97 62-140
Fax: +49 (0) 52 50 - 97 62-63
Email: kai.holtmann@paragon.ag