

Another Milestone for paragon AG – Major Order From Geely Auto Group for New DUSTDETECT[®] Particle Sensors

- Geely has chosen paragon to supply particle sensors over a period of 7 years
- Production of the sensors to begin at the Chinese factory in the second half of 2020
- Initial order volume amounts to around € 26 million
- Expected follow-up projects with other Geely platforms would lead to a doubling of the project scope from around 2021

Delbrück, Germany, June 7, 2018 – Today, paragon AG [ISIN DE0005558696] announced its receipt of a major order from the leading Chinese automobile and motorcycle manufacturer Geely Auto Group. The project duration will last for over seven years and will include the delivery of several million DUSTDETECT[®] particle sensors.

The contract from Geely Auto Group is a decisive success for paragon AG in the first phase of its introduction of this innovation into the Chinese market. With this, the company from Delbrück, Germany, is once again expanding its excellent global position in the area of air quality management sensors in cars. The large-volume order of DUSTDETECT[®] particle sensors significantly expands the model portfolio of the Sensors unit.

Production of DUSTDETECT[®] for the first Geely platform will begin in the second half of 2020. Production for the cars the sensors will be built into is planned for the first quarter of 2021. Geely is additionally planning to implement the sensors in other model platforms starting in 2021. This could lead to the project volume doubling and therefore the extension of the duration of the contract.

“In the last few months, we have once again ramped up our initiatives in the Chinese market in order to make strategically important contacts. We’re really excited that these efforts

have so quickly led to this major order from such a well-known and ambitious manufacturer as Geely Auto Group,” emphasizes Klaus Dieter Frers, Chief Executive Officer and founder of paragon AG. “The central megatrends that move us, like urbanization and CO₂ reduction, are especially important topics in China at the moment. In combination with the highly dynamic automotive market, this offers great opportunities for paragon. The contract from Geely shows that our products are high-value solutions for Chinese manufacturers. Our goal is to swiftly expand our excellent position in China,” adds Wolfgang Ketter, who has been the General Manager of the paragon Kunshan, China, site for almost four years. In addition to the successful setup of on-site production, Ketter is responsible for, so far, gaining five local car manufacturers as paragon customers.

paragon is the global leading provider in the area of air quality management sensors in cars and has been developing DUSTDETECT® since 2015. The sensor detects the level of fine dust particles of sizes of 2.5 µm and smaller, which can reach a humans’ alveoli, both inside and outside the vehicle. Depending on the measurement, the sensor will give a signal to control the recirculation damper. At the same time, vehicle passengers will be informed of the current air quality of the vehicle interior. Especially in urban areas and cities with high traffic volumes, DUSTDETECT® provides great value for passengers’ health as a supplement to the proven paragon air quality sensors and ionization systems.

Profile: Geely Auto Group

Geely Auto Group, listed on the Hong Kong Stock Exchange and headquartered in Hangzhou, China, is the leading automotive manufacturer in China. It was founded as a subsidiary of Zhejiang Geely Holding Group in 1997. Geely Auto Group sells cars under the brands Geely Auto, Lotus, LYNK & CO., PROTON and Volvo, among others.

The quickly growing company employs over 50,000 employees in 27 production plants. Geely vehicles are distributed through a network of over 850 dealers in China and around 350 sales and service subsidiaries in overseas markets. In 2017, Geely Auto Group sold over 1.25 million units. The company's sales goal for the current year is set at 1.58 million units.

Profile: paragon AG

paragon AG (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 AG develops and produces active mobile aerodynamic systems.

In addition to the company headquarters in Delbrück (North Rhine-Westphalia, Germany), paragon AG 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).

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