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paragon Subsidiary Voltabox Receives New Major Order for Trolleybus Equipment

- Kiepe Electric places a follow-up order to equip another 185 trolleybuses in San Francisco
- Latest lithium-ion battery systems based on proven lithium-iron-phosphate technology (LFP)
- First delivery at the beginning of 2018

Delbrück, Germany, September 4, 2017 – paragon AG [ISIN DE0005558696] announced a new major order from Kiepe Electric today for its subsidiary Voltabox.

As a pioneer in electromobility for industrial applications, paragon's wholly owned subsidiary Voltabox AG has successfully established itself within the electromobility industry in just a short period of time with its high-performance lithium-ion battery systems. The advantages of lithium-ion technology, forward-looking energy system design, active thermal management and intelligent battery management provide vehicles and machines with high load requirements with performance and cost benefits that simply are not possible with any other drive technology available on the market today.

The first trolleybus, built by the German engineer Werner von Siemens, was driven in Berlin in 1882. The construction of overhead line infrastructure in city centers began in 1930. Globally, 40,000 vehicles in about 370 cities and 47 countries are currently in operation. The high-performance lithium-ion battery systems can now replace the diesel units that were previously installed to operate in sections without overhead lines.

Battery-powered trolleybuses are considered the cleanest and most economical form of electromobility in public transport worldwide, with an average capacity of up to 8,000 passengers per hour per direction. The zero-emissions concept combined with the generally

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positive ecological assessment of lithium-ion batteries makes this technology an important element in the sustainable development of cities and regions.

As part of Kiepe Electric's motion charging technology, charging occurs while the 18-meter-long battery-powered buses drive under the overhead lines on charging roads.

"We are pleased with this follow-up order from Kiepe Electric, which is based on our prior successful collaboration on a variety of international projects," said Klaus Dieter Frers, founder and CEO of paragon AG.

"The flexible battery modules developed by our Voltabox team early on form the backbone of our modular system," added Jürgen Pampel, CEO of Voltabox AG. "In conjunction with our innovative battery management system (BMS), we can also further expand our technological advantage in new projects."

The Voltabox battery modules with LFP cells, which have already been tested multiple times in practice, will be used for the current order. Through the use of lithium-iron-phosphate as the cathode material, these modules are characterized by their long lifespan, high power density, and high safety in particular. They are therefore the best choice for use in trolleybuses in San Francisco.

At the end of June 2017, Voltabox had already delivered about 300 battery systems for trolleybuses. The new battery systems will be produced at Voltabox of Texas's site in Austin, TX, USA. The first delivery is scheduled for the beginning of 2018.

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

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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 look back on almost 30 years of company history.

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) and Aachen (North Rhine-Westphalia, Germany) as well as in Kunshan (China) and Austin, Texas (USA).

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