

## Paragon Technologies News Release

Easton, Pa., November 14, 2017 /Issuers Direct/ -- Paragon Technologies, Inc. (OTC Pink: PGNT), a holding company, announced its results for the period ended September 30, 2017 on November 14, 2017.

Paragon Technologies, Inc.'s Unaudited Consolidated Statement of Operations for the three months and nine months ended September 30, 2017 and 2016 are summarized below. For further detail on our results, shareholders should carefully review our quarterly report, which can be found at [www.pgntgroup.com](http://www.pgntgroup.com).

	Three Months Ended		Nine Months Ended	
	September 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016
Net Sales	\$ 18,824	\$ 2,733	\$ 42,993	\$ 6,710
Operating Income (loss)	195	(58)	(129)	(319)
Other income (expense)				
Interest income				
Interest expense	41	6	102	30
Gain (loss) on investment, marketable securities	(122)	7	(258)	(8)
Gain on bargain purchase	(48)	82	198	41
Gain on bargain purchase	-	-	4,226	-
Total other income (expense), net	(129)	95	4,268	63
Income (loss) before income taxes and non-controlling interest	66	37	4,139	(256)
Income tax expense (benefit)	83	15	97	(103)
Net income (loss) before non- controlling interest	(17)	22	4,042	(153)
Net income attributable to non- controlling interest	834	-	830	-
Net income (loss) attributable to Paragon Technologies, Inc. and Subsidiaries	\$ (851)	\$ 22	\$ 3,212	\$ (153)

### Analysis of Results:

Paragon's third quarter results for the period ending September 30, 2017 is the second full quarter to include the consolidated results of SED International de Colombia (SEDC), our majority owned subsidiary which was acquired on March 1, 2017.

The net loss of \$(851,000) attributable to Paragon Technologies, Inc. and Subsidiaries in the third quarter is a result of a one-time adjustment resulting from the 20% minority owned interest in SEDC owned by the President of SEDC. During the first quarter of 2017, Paragon booked a gain on the acquisition of SEDC of \$4.2 million, a figure that represented the gain on bargain purchase of 100% of SEDC. In the third quarter, a year to date equity true up of \$811,662 was made along with a year to date compensation expense true up of \$85,601. On a pro forma basis for the three months ended September 30, 2017, the net income attributable to non-controlling interest would have been \$22,000, versus the reported amount of \$834,000 and the net loss attributable to Paragon Technologies, Inc. and Subsidiaries would have been \$(39,000), versus the reported amount of \$(851,000).

Paragon's investment gains or losses reflect realized gains or losses in the company's investment portfolio.

Paragon utilizes pre-tax operating income, a non GAAP financial measure, in its analysis of financial results. Paragon Technologies defines pre-tax operating earnings outside of the investment gains/losses of the Company.

## About Paragon Technologies

Paragon Technologies, Inc. is a holding company with diverse business activities. Paragon seeks to acquire or invest in other businesses in part or whole. Our investment activities include the purchase of securities in accordance with the Company's investment policy and/or the complete acquisition of operating businesses. Our investment mandate is flexible, limited only by our focus on maximizing return on invested capital. Paragon's wholly owned operating subsidiaries include SI Systems, LLC, a leading provider of material handling solutions that serve manufacturing operations and order fulfillment applications; and SED International de Colombia, S.A.S., a leading technology distribution company in Latin America. Operating decisions for Paragon's operating businesses are made by the management of those businesses. All investment and capital allocation decisions under Paragon's investment policy are made by Sham Gad, Chairman and CEO of Paragon in consultation with Paragon's Board of Directors.