

Paragon Technologies News Release

EASTON, Pa., May 17, 2019 / -- Paragon Technologies, Inc. (OTC Pink: PGNT), a holding company, announced its results for the three months ended March 31, 2019, on May 15, 2019.

Paragon Technologies, Inc.'s Consolidated Statement of Operations for the three months ended March 31, 2019 and 2018 are summarized below. For further detail on our results, shareholders should carefully review our quarterly report, which can found at www.pgntgroup.com.

(In Thousands)	March 31, 2019	March 31, 2018
Net Sales	\$ 23,700	\$ 18,773
Operating Income	252	78
Other income (expense)		
Interest Income	4	3
Interest expense	(121)	(91)
Realized gain (loss) on investment, marketable securities	(11)	149
Unrealized gain on investment, equity securities	23	1
Total other income (expense), net	(105)	62
Income before income taxes and noncontrolling interest	147	140
Income tax expense	98	86
Net income before noncontrolling interest	49	54
Net income attributable to noncontrolling interest	26	23
Net income attributable to Paragon Technologies, Inc and subsidiaries	\$ 23	\$ 31

Analysis of Results and General Business Commentary:

Beginning in 2018 newly issued accounting rules required that all companies record any unrealized losses or gains from equity investments in the income statement. Therefore, Paragon's investment gains or losses reflect realized gains or losses in the Company's investment portfolio and unrealized gains or losses from equity securities.

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 owning subsidiaries that engage in diverse business activities, including material handling, distribution, real estate and investments.

Cautionary Note Regarding Forward-Looking Statements

This press release contains forward-looking statements within the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements concern the Company's operations, financial condition and performance and are based largely on the Company's beliefs and expectations. These statements involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors and risks include, among others, those related to: general economic conditions, including those in the markets in which the Company operates; the Company's ability to expand its revenue streams; technological changes in the Company's industry; the continued acceptance of the

Company's distribution channel by vendors and customers; decreased demand for the Company's products and services and the Company's ability to retain or replace its significant customers; factors affecting the capital markets and share prices generally; economic and political risks of selling products in foreign countries, including risks of non-compliance with U.S. and foreign laws and regulations; cybersecurity risks and risks of damage and interruptions of information technology systems; and the Company's ability to complete acquisitions, strategic investments, divestitures, mergers or other transactions on acceptable terms or at all. New risk factors emerge from time to time, and it is not possible for management to predict all such risk factors, nor can management assess the impact of all such factors on the Company's business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. All statements in this press release other than statements that are purely historical are forward-looking statements. The Company does not intend and assumes no obligation, to update any forward-looking statements made in this press release. Readers are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date of this press release.