

Paragon Technologies News Release

EASTON, Pa., November 12, 2019 / -- Paragon Technologies, Inc. (OTC Pink: PGNT), a holding company, announced its results for the three and nine months ended September 30, 2019 and 2018 on November 12, 2019.

Paragon Technologies, Inc.'s Unaudited Consolidated Statement of Operations for the three and nine months ended September 30, 2019, and 2018 are summarized below. For further detail on our results, shareholders should carefully review our quarterly report, which can be found at www.pgntgroup.com.

(In Thousands)	Three Months Ended		Nine Months Ended	
	September 30, 2019	September 30, 2018	September 30, 2019	September 30, 2018
Net Sales	\$ 30,842	\$ 20,996	\$ 81,794	\$ 60,125
Operating Income	737	573	1,653	614
Other income (expense):				
Interest Income	8	5	19	21
Interest expense	(141)	(116)	(374)	(292)
Realized gain (loss) on investment, marketable securities	(50)	(6)	(58)	145
Unrealized gain (loss) on investment, equity securities	74	(5)	90	(6)
Gain on sale of fixed assets	-	-	-	1
Total other income (expense)	(109)	(122)	(323)	(131)
Income before income taxes and noncontrolling interest	628	451	1,330	483
Income tax expense	277	194	638	275
Net income before noncontrolling interest	351	257	692	208
Net income attributable to noncontrolling interest	56	25	138	54
Net income attributable to Paragon Technologies, Inc and subsidiaries	\$ 295	\$ 232	\$ 554	\$ 154

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.