

Paragon Technologies News Release

Company Announces Earnings Results

Paragon Announces Resolution of Outstanding Litigation -- Focus Shifts to Progress.

EASTON, PA / ACCESSWIRE / Date August 15, 2025 / Paragon Technologies, Inc. (OTC Pink: PGNT) (“Paragon” or the “Company”), a holding company, announced its results for the three and six months ended June 30, 2025, on August 13, 2025.

Paragon Technologies, Inc.'s Consolidated Statement of Operations for the three and six months ended June 30, 2025, and 2024 are summarized below. For further details on our results, shareholders should carefully review our quarterly report, which can be found at www.pgntgroup.com.

	Three Months Ended		Six Months Ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
(In Thousands)				
Net Sales	\$ 33,988	\$ 29,115	\$ 68,612	\$ 60,636
Operating Income (Loss)	(1,563)	733	(2,410)	1,267
Other Income (Expense)				
Realized Gain (Loss) on Marketable Securities	(336)	(600)	(336)	(677)
Unrealized Gain (Loss) on Marketable Securities	324	347	159	269
Gain on Sale of Fixed Assets	525	2	975	-
Interest Income	36	41	77	99
Interest Expense	(166)	(213)	(305)	(409)
Grant Income	-	5	-	8
Sublease Income	10	-	21	5
Total Other Income (Loss)	393	(418)	591	(705)
Income (Loss) Before Taxes and Noncontrolling Interest	(1,170)	315	(1,819)	562
Income Tax (Benefit) Expense	(251)	159	(149)	394
Net Income (Loss) Before Noncontrolling Interest	(919)	156	(1,670)	168
Net Income Attributable to Noncontrolling Interest	116	85	155	150
Net Income (Loss) Attributable to Paragon Technologies, Inc. and Subsidiaries	\$ (1,035)	\$ 71	\$ (1,825)	\$ 18

Analysis of Results and General Business Commentary:

The Company is pleased to announce that it has reached a settlement agreement with respect to certain ongoing litigation and other related matters as a result of adverse shareholder actions taken by the previous Board. Pursuant to the agreement, Hesham M. Gad has agreed to dismiss his claims against Paragon, and Mr. Gad and Paragon have concurrently agreed to certain mutual releases. “On behalf of all stockholders, we are thrilled to rid Paragon of the unnecessary and distracting events of the past months once and for all,” stated Mr. Gad. “We are working as prudently as possible to minimize the impact of the past months, and our focus is now squarely on progress.”

The Company’s realized loss on marketable securities during the quarter ended June 30, 2025, is due to the liquidation of securities by the previous Board and Management. Operating income was significantly impacted by increased expenses by the prior Board and Management.

In 2018 newly issued accounting rules required that all companies record any unrealized losses or gains from equity investments in the income statement.

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 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.

For further information, contact the company at ir@pgntgroup.com

SOURCE: Paragon Technologies, Inc.