

Paragon Technologies News Release

Easton, Pa., August 11, 2017 /Issuers Direct/ -- Paragon Technologies, Inc. (OTC Pink: PGNT), a holding company, announced its results for the period ended June 30, 2017 on August 11, 2017.

Paragon Technologies, Inc.'s Unaudited Consolidated Statement of Operations for the three months and six months ended June 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.

	Three Months Ended		Six Months Ended	
	June 30, 2017	June 30, 2016	June 30, 2017	June 30, 2016
Net Sales	\$ 18,242	\$ 2,193	\$ 24,169	\$3,978
Operating Income (loss)	85	(201)	(327)	(261)
Other income (expense)				
Interest income	12	17	61	23
Interest expense	(105)	(5)	(136)	(15)
Gain (loss) on investment, marketable securities	58	50	246	(40)
Gain on bargain purchase	-	-	4,226	-
Total other income (expense), net	(35)	62	4,397	(32)
Income (loss) before income taxes and non-controlling interest	51	(139)	4,070	(293)
Income tax expense (benefit)	49	(56)	11	(118)
Net income (loss) before non-controlling interest	2	(83)	4,059	(175)
Net (loss) attributable to non-controlling interest	(6)	-	(4)	-
Net income (loss) attributable to Paragon Technologies, Inc. and Subsidiaries	\$ 8	\$ (83)	\$ 4,063	\$ (175)

Analysis of Results:

Paragon's second quarter results for the period ending June 30, 2017 is the first full quarter to include the consolidated results of SED International de Colombia (SEDC), our wholly owned subsidiary which was acquired on March 1, 2017. The increase in interest expense for the second quarter ending June 30, 2017 is a result of additional indebtedness incurred to acquire SEDC and additional indebtedness incurred at SI Systems, respectively.

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.