



FOR: IMMEDIATE RELEASE

CONTACT: Hesham M. Gad, Chairman of the Board and CEO
www.pgntgroup.com

SI SYSTEMS WIN \$2.3 MILLION CONTRACT FROM USPS

Easton, PA. – June 6, 2016 – SI Systems, A Paragon Technologies Company (OTC: PGNT), has been awarded a \$2.3 million contract to rejuvenate and retrofit the existing towline conveyor system at the United States Postal Service (USPS) National Distribution Center in Jacksonville, Florida.

SI Systems has been a long-time partner of the United States Postal Service and this contract represents SI's consistent ability to provide our solutions to serve the most demanding of logistics requirements.

"SI Systems is excited to implement our towline conveyor Rejuvenate & Retrofit (R&R) program solution in the Jacksonville, Florida facility," says Jim English, SI Systems Sr. Application Sales Engineer. He continued, "The R&R program allows us to renew existing towline conveyor systems to a like new condition with a minimal investment when compared to replacing the system. Likewise, we are focused on keeping the mail moving with the least impact on their day-to-day operations as possible."

About SI Systems

SI Systems has been providing world class automated material handling and software systems to organizations for their fulfillment, distribution center, warehouse, manufacturing and assembly operations for over 55 years. Having manufactured towline conveyor systems since 1965, SI Systems has one of the largest installation bases of towline conveyor systems. The entire Lo-Tow® product line of towlines is focused on longevity and performance, which translates into a fast return on investment and low cost of ownership.

Likewise, SI Systems' new Rejuvenate & Retrofit (R&R) program helps breathe new life into older towline systems by updating the design, controls upgrades, path and track repairs and other services to keep mature systems running as well or better than they did when new. SI Systems offerings include order fulfillment A-Frames, towline conveyor, AGV, AGC conveyance systems, document inserter, order fulfillment systems, WES, WMS, WCS Warehouse Software, and full range of slotting and integration services.

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. These investment activities include the purchase of securities in accordance with the Company's investment policy and the complete acquisition of operating businesses. Paragon's investment holdings currently consist of partial ownership interests in distribution, insurance, and restaurants. Our investment mandate is flexible, limited only by our focus on maximizing return on invested capital. Paragon's wholly owned operating subsidiary, SI Systems, Inc., offers branded technologies and material handling solutions that serve manufacturing operations and order fulfillment applications. 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.

###

PR14011-060616