



Paragon Technologies Adopts Limited Duration Stockholder Rights Plan

Stockholders to Vote on Rights Plan at 2025 Annual Meeting

EASTON, PA—March 17, 2025—Paragon Technologies, Inc. (OTC Pink: PGNT) (“Paragon Technologies” or the “Company”) today announced that its Board of Directors (the “Board”) adopted a limited duration stockholder rights plan (the “Rights Plan”).

The Rights Plan is intended to protect Paragon Technologies and its stockholders from efforts by a single stockholder or group of stockholders to obtain control of Paragon Technologies without paying a control premium. The Rights Plan is similar to other rights plans adopted by publicly held companies and is intended to promote the fair and equal treatment of all stockholders and to allow stockholders to realize the long-term value of their investment.

The Rights Plan provides several recognized stockholder protections, including the following:

- The rights plan will automatically expire on the day after the Company’s 2025 Annual Meeting of Stockholders (“2025 Annual Meeting”), unless approved by stockholders at the 2025 Annual Meeting, in which case it will expire in one year, on March 16, 2026;
- The Rights will be exercisable only if any person (or any persons acting as a group) acquires 10% (or, in the case of a person or group qualifying as a passive investor, 20%) or more of the Common Stock in a transaction not approved or exempted by the Board;
- The Rights Plan has an exception for non-coercive offers made for all shares of the Company that treat all stockholders equally;
- The Rights Plan does not contain any dead-hand, slow-hand, no-hand or similar features that would limit the ability of a future board of directors to redeem the Rights; and
- The Rights Plan does not preclude the Board from considering an offer that recognizes the full value of the Company.

Additional Information on Stockholder Rights Plan

Pursuant to the Rights Plan, Paragon Technologies will issue, by means of a dividend, one right (“Right”) to purchase one Reference Security (as defined in the Rights Plan), subject to adjustment for each outstanding share of Paragon Technologies’ common stock, par value \$1.00 per share (“Common Stock”), to stockholders of record on the close of business on March 31, 2025. The Rights generally become exercisable only if a person or group (each, an “acquiring person”) acquires beneficial ownership of 10% (or, in the case of a person or group qualifying as a passive investor, 20%) or more of the outstanding shares of the Common Stock in a transaction not approved or exempted by the Board. In that situation, each holder of the Right (other than the acquiring person, whose Rights will become void and will not be exercisable) will be entitled to purchase, at the exercise price, shares of the Common Stock at a 50% discount to the then-current market price. In addition, if Paragon Technologies is acquired in a merger or other business combination after an unapproved party acquires more than 20% of the outstanding shares of the Common Stock, each holder of the Right would then be entitled to purchase, at the then-current exercise price, shares of the acquiring company’s stock at a 50% discount. The Board may, at its option, exchange each Right (other than Rights owned by the acquiring person that have become void) in whole or in part, at an exchange ratio of one share of the Common Stock per outstanding Right, subject to adjustment. The Rights Plan contains an exception for non-coercive offers made for all shares of the Company that treat all stockholders equally. Except as provided in the Rights Plan, the Board is entitled to redeem the Rights at \$0.001 per Right.

If a person or group beneficially owns 10% (or, in the case of a person or group qualifying as a passive investor, 20%) or more of the outstanding shares of the Common Stock prior to Paragon Technologies' announcement of its adoption of the Rights Plan, then that person's or group's existing ownership percentage will be grandfathered, although, with certain exceptions, the Rights will become exercisable if at any time after the announcement of the adoption of the Rights Plan, such person or group increases its ownership of the Common Stock by more than 0.0001% of outstanding Common Stock.

Advisors

Paul Hastings LLP is serving as legal counsel to Paragon Technologies.

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. For additional information please visit: www.pgntgroup.com.

Cautionary Statement Regarding Forward-Looking Statements

Any statements contained in this press release that do not describe historical facts may constitute forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, including statements regarding the anticipated benefits and expected consequences of the Rights Plan that Paragon Technologies has adopted. Such statements are identified by use of the words "anticipates," "believes," "estimates," "expects," "intends," "plans," "predicts," "projects," "should," and similar expressions. Any forward-looking statements contained herein are based on current expectations, but are subject to risks and uncertainties that could cause actual results to differ materially from those indicated, including, but not limited to, the effectiveness of the Rights Plan in providing the Board with time to make informed decisions that are in the best long-term interests of Paragon Technologies and its stockholders and the Board's belief that the Rights Plan provides recognized stockholder protections. 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, please contact the Company at info@pgntgroup.com.

Investor Relations Contact:

Alliance Advisors IR
ParagonIR@allianceadvisors.com