



Paragon Technologies, Inc.

Hesham Gad

A Proven Path of Long-Term Shareholder Value Creation

**Elect the Gad Nominees: A Uniquely Qualified and Proven Slate
that Continue Paragon's Past Decade of Success**

www.saratogaproxy.com/PGNT

June 2025





This presentation is for discussion and informational purposes only. The materials contained herein and provided herewith (the “Materials”) represent the opinions of Hesham Gad and the other participants named in his proxy solicitation (collectively, “Mr. Gad” or the “Stockholder”) as of the date hereof and are based solely on publicly available information with respect to Paragon Technologies, Inc. (the “Company”). The Stockholder reserves the right to change any of its opinions expressed herein at any time as it deems appropriate and disclaims any obligation to notify the Company or any other party of any such changes. The Stockholder disclaims any obligation to correct, update or revise the information or opinions contained herein or otherwise provide any additional materials. Certain financial projections and statements made herein have been derived or obtained from filings made with regulatory authorities and from other third-party reports. There is no assurance or guarantee with respect to the prices at which any securities of the Company will trade, and such securities may not trade at prices that may be implied herein. The estimates, projections and potential impact of the opportunities identified by the Stockholder herein are based on assumptions that the Stockholder believes to be reasonable as of the date of the Materials, but there can be no assurance or guarantee that actual results or performance of the Company will not differ, and such differences may be material.

The Materials are provided merely as information and are not intended to be, nor should they be construed as, as advice on the merits of any decision with respect to the Company, Company securities or any transaction. The Materials are not, nor should they be construed to be legal, tax, investment, financial or other advice. Under no circumstances are the Materials to be used or considered as an offer to sell or a solicitation of an offer to buy any security.

The Materials contain forward-looking statements. All statements contained herein that are not clearly historical in nature or that necessarily depend on future events are forward-looking, and the words “anticipate,” “believe,” “expect,” “potential,” “opportunity,” “estimate,” “plan,” “may,” “will,” “projects,” “targets,” “forecasts,” “seeks,” “could,” and similar expressions are generally intended to identify forward-looking statements. The projected results and statements contained herein that are not historical facts are based on current expectations, speak only as of the date of the Materials, and involve risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such projected results and statements. Assumptions relating to the foregoing involve judgments with respect to, among other things, future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond the control of the Stockholder. Although the Stockholder believes that the assumptions underlying the projected results or forward-looking statements are reasonable as of the date of the Materials, any of the assumptions could be inaccurate and therefore, there can be no assurance that the projected results or forward-looking statements included herein will prove to be accurate. In light of the significant uncertainties inherent in the projected results and forward-looking statements included herein, the inclusion of such information should not be regarded as a representation as to future results or that the objectives and strategic initiatives expressed or implied by such projected results and forward-looking statements will be achieved. The Stockholder will not undertake and specifically declines any obligation to disclose the results of any revisions that may be made to any projected results or forward-looking statements herein to reflect events or circumstances after the date of such projected results or statements or to reflect the occurrence of anticipated or unanticipated events.

Unless otherwise indicated herein, the Stockholder has not sought or obtained consent from any third party to use any statements, photos or information indicated herein as having been obtained or derived from statements made or published by third parties. Any such statements or information should not be viewed as indicating the support of such third party for the views expressed herein. No warranty is made as to the accuracy of data or information obtained or derived from filings made by the Company or from any third-party source. No representation, warranty or undertaking, express or implied, is given as to the reliability, accuracy, fairness or completeness of the information or opinions contained herein, and the Stockholder and its, employees, representatives and agents expressly disclaim any liability which may arise from this presentation and any errors contained herein and/or omissions here from or from any use of the contents of this presentation. All trade names, trademarks, service marks, and logos herein are the property of their respective owners who retain all proprietary rights over their use.

Paragon Technologies

Paragon Technologies, Inc. is a holding company owning subsidiaries that engage in diverse business activities, including automation, distribution, real estate investment, and ownership of marketable securities.

Paragon seeks to acquire in whole, or in part, businesses that will continue to diversify and grow our revenue stream and cash flow to support continued acquisitions.



Paragon Technologies

Prior to Gad Leadership

One Subsidiary:

- SI Systems, LLC (“SI Systems” or “SI”) – supply chain automation founded in 1958
- Had experienced decades of decline
- Annual Revenues of approximately \$8 million and net loss of \$1 million when Gad joined Board in 2010
- Business remained stagnant for next several years.



Paragon Technologies –2014 to 2024 Under Gad's Leadership

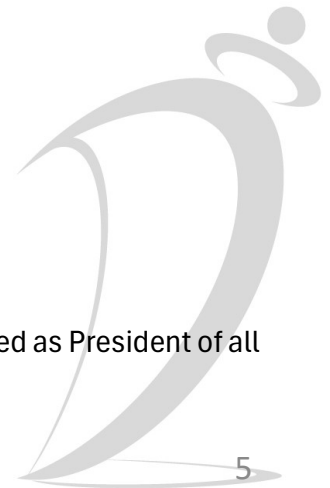
Three Subsidiaries:

- SI Systems, LLC – supply chain automation
- SED International de Colombia – IT hardware and services distributor (80% owned)
- Ohana Home Services – Real Estate Investment portfolio of marketable securities
- Marketable Securities - ~\$1.5 million
- Portfolio of US Treasuries - ~\$ 4 million
- **Annual revenues of approximately \$120 million**
- Consistent and significant profitability over a decade

Accomplished the above results without any external capital, no debt, and minimal shareholder dilution.

Share price advanced from \$0.90 to \$7.20 during Gad's leadership.*

*Reflects share price at beginning of 2014 (year in which Gad became CEO) through November 5, 2024, when Gad was removed as President of all subsidiaries



Background

- In August 2024, Sham Gad was removed by director Sam Weiser as Chairman and CEO of Paragon, a position he held for over a decade. Gad is the largest shareholder of Paragon, owning 28.2% of the outstanding stock.
- Weiser claimed the reason for the termination was that he could focus on a strategic plan for Paragon, citing false assertions that Paragon's businesses were underperforming despite years of growing sales and profitability.
- Gad had NO indication this was going to occur, especially because during Gad's tenure as CEO from 2014 to his removal, Gad generated a 11% annualized return to stockholders – Paragon was succeeding.
- Gad believed Weiser's motives were financial – he orchestrated the takeover for his financial benefit. Gad's beliefs were later confirmed by Paragon's former counsel ([see Slides 10-12](#))
- **On September 27, 2024, as shareholders lost confidence in Weiser and his true intentions, stockholders representing a majority of the outstanding shares delivered written consents to remove Weiser and Jacobs as directors.** Rather than respect the clear will of stockholders, Weiser cited a technicality with the consents and within days, amended the company's bylaws to require a 75% threshold for director removal.
- Over the next several months, Weiser and Jacobs orchestrated a deceptive and misleading narrative against Gad to remain in power. In doing so, they subjected Paragon to significant litigation and expense, stacked the Board with hand picked directors who then went on to enact a poison pill that cost Paragon millions, sought to delay the Company's annual meeting, and engaged in other self-serving entrenchment actions.

Events Demonstrate a Self-Serving Entrenchment Agenda

- August 9, 2024 – Gad suddenly removed as Chairman/CEO so Weiser could focus on his “strategic plan”
- September 27, 2024 – after patiently waiting nearly two months and never providing his promised strategic plan, **stockholders representing a majority of the outstanding shares (53.3%) consented to remove Weiser and Jacobs**
- **Two days later**, September 29, 2024 – Weiser amended the bylaws requiring a 75% supermajority to remove directors.
- November 1, 2024 – Gad filed complaint in the Delaware Court of Chancery against Weiser/Jacobs citing breach of fiduciary duty in amending bylaws. Court granted expedited case with a Dec. 10 hearing.
- **Three days later**, November 4, 2024 – Weiser terminated Gad as President of all subsidiaries.
- November 5, 2024 – **Weiser attempts to maintain his control by using corporate funds to offer a monthly “consulting” payment to a shareholder who had previously consented to his removal.** In return, the shareholder would be required to agree not to “vote or provide any written consent, proxy, or instructions as a shareholder to remove any of the current directors of Paragon or in favor of the election of any other directors to Paragon’s Board.
- November 22, 2024 – Paragon corporate counsel of 14 years, Thompson Hine (Derek Bork) suddenly resigns; Gad receives emails from Bork revealing improper and possible fraudulent activity by Weiser. Note as part of the subsequent litigation, **Weiser filed motion for confidentiality to prevent these emails from being publicly available. Gad files opposition motion citing best interest of shareholders in knowing all relevant information.**
- December 3, 2024 – Just days before the start of Court proceedings, Board meets to revert removal threshold in bylaws but adds a procedure that requires stockholders to request a record date from the Company before any corporate action. Gad files amended complaint.
- December 20, 2024 – Board meeting to announce the “retirement” of Jacobs, expansion of Board to 5 and addition of 3 “independent” directors: Timothy Eriksen, David Lontini, and Howard Brownstein. **Gad, who was Chair of Nominating Committee, was kept in dark and was not part of this process at all.**

Events Demonstrate a Self-Serving Entrenchment Agenda, cont.

- March 2025 – Weiser’s hand-picked directors **adopted a poison pill** seeking to stop shareholders supportive of Gad from acquiring shares and preventing shareholders from entering into any agreements or understandings, effectively suffocating communication among shareholders. **Gad forced to file third amended complaint with Delaware Court of Chancery for breach of fiduciary duty against Eriksen, Lontini, and Brownstein.**
- April 2025 - Despite months of wasteful legal expense and continued setbacks with the Court, the entrenched directors submitted a false and misleading counterclaim against Gad based on their “independent findings” seeking to delay the annual meeting which was intended for June 2025.
- Within days of this filing the Vice Chancellor DENIES incumbent directors motion citing that their claims against Gad were “questionable” and “not relevant.” In rejecting the incumbent directors, the Court stated:
 - *“The defendants [Brownstein, Eriksen, Lontini, Weiser] thus seek to upset the schedule for this case based **on a questionable claim** [against Gad] that seeks to litigate matters which, while doubtless important to the company, **are not relevant** to the propriety of the defendants’ conduct when making the decisions challenged in this litigation.” (emphasis added).*
- On the same day, Vice Chancellor also DENIES incumbent directors' motion for confidentially citing that incumbent directors had FAILED to prove that the Company or stockholders would be harmed if information became public.
- Realizing that their disingenuous attempts were failing, incumbents reached settlement agreement with Gad. Gad obtains significant benefits for stockholders in settlement: waiver of the AAU provision of poison pill, a status quo provision to eliminate entrenchment tactics such as dilution, and an annual meeting to be held no later than June 30, 2025

Events Demonstrate a Self-Serving Entrenchment Agenda, cont.

- May 2025 – Paragon reports Q1 2025 results under the leadership of Weiser and his new Board **showing the worst quarterly financial loss in nearly 8 years**
- May 2025 – the incumbent directors failing to find nominees for their own slate, resort to nominating two members of Gad’s slate, Ronell Rivera and Elodie Leoni, **WITHOUT THEIR CONSENT**
- **Despite having previously and explicitly declined** to be nominated by the Board’s Nominating Committee, both individuals were named as part of the Company’s formal proxy materials.
- Minutes after learning they were nominated both Mr. Rivera and Ms. Leoni, emailed Tim Eriksen, Chair of Paragon’s Nominating Committee expressly stating they did not wish to be included. Mr. Eriksen disregarded their request.
- Concerned by the potential that shareholders would be materially misled by the Company’s inclusion of them in its proxy materials, Mr. Rivera and Ms. Leoni issued a public statement to shareholders the following morning (emphasis added):
 - *“I clearly and respectfully informed Mr. Tim Eriksen that I did not wish to be included on the management slate,” said Mr. Rivera. **“To be listed against my will — after making my position unmistakably clear — creates a false impression to shareholders during a highly sensitive process. I remain fully committed to the Gad shareholder-aligned slate and to transparent, ethical governance.”***
 - Ms. Leoni added: ***“I made it unequivocally clear to Mr. Eriksen that I did not consent to being nominated on his slate. Including my name without permission is a disservice to shareholders. I remain fully committed to the Gad shareholder-aligned slate and to transparent, ethical governance.”***

Weiser's Apparent Financial Motivations, Misconduct & Attempt at Concealment

In November 2024, Gad received 3 emails from Paragon's former corporate counsel just days after the counsel withdrew from the Company after nearly 15 years of service. During my litigation with the Company, when it became likely that this correspondence was going to become publicly available, Weiser attempted to utilize the Court to withhold this key information from stockholders.

On November 16, 2024, the Board held a meeting during which Weiser and Jacobs agreed **to increase Weiser's compensation**. Days later, on November 22, 2024, Weiser **circulated seemingly fabricated minutes of that meeting, minutes he appeared to have altered in an attempt to make his compensation retroactive so he would receive additional compensation, which had not been approved by the Board and to which he was not entitled.**

Weiser's self-serving behavior is on full display in emails, which are now publicly available, forwarded to me by Paragon's former corporate counsel in an effort to alert me that he was concerned about Weiser's conduct (emphasis added):

Email #1

- *Hi Sam. I'm not sure why you have copied me here, **but the November 16 minutes are not the minutes I drafted or that you provided to [Paragon's Director of Finance]**. When you brought up your increased compensation during that board meeting, you stated it as "consulting" compensation and it was not stated as being "retroactive." After the meeting, we had several conversations where **I told you that paying your compensation as "consulting" compensation was likely not lawful, as you have accused [Gad]**. When you redrafted the minutes to state that the compensation was "retroactive" and asked me to bless them as "kosher" I told you multiple [sic] times **that the board did not approve your compensation** as retroactive and that my recommendation was to "have it approved at the next board meeting." If [Paragon] has paid your increased compensation retroactively, that was not approved by the board.**

*Verified Second Amended and Supplemental Complaint, paragraph 83.

Weiser's Apparent Financial Motivations, Misconduct & Attempt at Concealment, cont.

As Weiser scrambled to contain the fallout from his actions, more revelations began to surface (emphasis added):

Email #2

*Hi Sam. I'm not sure why you keep copying me, as we withdrew several days ago, but to state the issue I raised more succinctly: **you drafted fabricated minutes and then pressured me to bless them so that [Paragon's Director of Finance] would pay your comp "retroactively" to October 6. You revised your fabricated minutes further** and then circulated them to the board for approval earlier today, after not circulating minutes to the board for approval for months. I'm curious how you are now going to get the board to approve your "retroactive" comp to October 6, as your attempt to fabricate the minutes has failed. Although you told counsel that our withdrawal was "Gad related," a critical component of our withdrawal **was your obsessive focus on increasing your compensation** over the past two weeks and creating fabricated minutes to make your comp increase "retroactive," knowing that the board did not approve retroactive compensation.***

**Verified Second Amended and Supplemental Complaint, paragraph 86.



Weiser's Apparent Financial Motivations, Misconduct & Attempt at Concealment, cont.

On November 23, 2024, the Company's former corporate counsel responded again, this time with even greater clarity as he addressed Weiser's conduct directly and left no room for ambiguity (emphasis added):

*You didn't take over the board, or fire Sham 60 days later, to settle our fees. You could have done that as a director, or instructed Sham to. I didn't ask for your help or intervention with our fees. I asked for your advice. You did not make a simple mistake with the minutes, and there is a trail of texts and emails to show what you did. Your retroactive comp might be a relatively minor matter, but taking your comp unlawfully as a "consultant" and fabricating minutes and pressuring me over it are not minor matters to me. You focused on all of that while disregarding my reasonable requests relating to the jeopardy that our fees are under while **we are accumulating time at a rate of more than \$100k per month**, while still owed fees from a year ago. Your threats including malpractice were the final nail. We haven't abandoned the company at a critical juncture, we teed up 5 law firms to handle the specific matters involved. **Everything for Monday, for your entrenchment not the company, is ready to go. And there is no malpractice claim for failing to preserve two directors against the wishes of 51% of the shareholders.******

***Verified Second Amended and Supplemental Complaint, paragraph 87.

Unable to Attack Gad's Successful Track Record at Paragon, Incumbents Pursue a Smear Campaign They Cannot Prove with Evidence and Claims the Court Cited as "Questionable" and "Not Relevant"

- As CEO of Paragon, Gad **delivered a 11% annualized return** over a 10 years from 2014-2024
- In 2017, when Gad assumed oversight of Paragon subsidiary, SI, and complete capital allocation over all of Paragon, **Gad delivered a 30% annualized return through August 2024**
- Unable to challenge this, the other incumbent directors manufactured a campaign of lies, slander, and misleading statements.
- Lie #1: Claim Gad has "No Plan. No Vision. No Track Record of Success."
 - **Truth:** See above returns . This value was delivered through a vision of transforming Paragon into a diversified holding company, which has been executed successfully in the most important way: value creation for shareholders.
- Lie #2: "Neglect of SI Systems, a core business that deteriorated under his watch due to lack of investment and strategic oversight."
 - **Truth:** This blatantly illustrates the incompetence and utter lack of understanding of SI by these directors and should alarm shareholders that they would make such a statement. For six years prior to my management of SI, aggregate earnings before tax was a loss of \$224,000. Over the next eight years, under Gad's management, SI's aggregate earnings before tax were approximately \$5.7 million, achieved with no outside capital. **[See Slide 23 for SI's Financial Performance]**

Unable to Attack Gad's Successful Track Record at Paragon, Incumbents Pursue a Smear Campaign They Cannot Prove with Evidence and Claims the Court Cited as "Questionable" and "Not Relevant"

- Lie #3: "Mismanagement of Paragon's foreign subsidiary, SED International de Colombia S.A.S., which remains exposed to significant currency and political risk."
 - **Truth:** This fabrication should deeply trouble long-term stockholders, as it attacks the integrity and commitment that Ronell Rivera has dedicated to SED Colombia since Paragon acquired it. [See Slide 35 for SED's Financial Performance]
- Lie #4: "A poor performing real estate portfolio, that we believe was likely purchased so Gad could take company paid trips to Las Vegas."
 - **Truth:** In terms of returns from real estate as an asset class, Paragon's annual return measured as the sum of net rental income return plus annual appreciation, the Company's real estate investment returns met or exceeded real estate asset class expectations. Paragon recently sold a real estate asset and booked a gain of approximately \$450,000 against a purchase price of \$750,000.



Unable to Attack Gad's Successful Track Record at Paragon, Incumbents Pursue a Smear Campaign They Cannot Prove with Evidence and Claims the Court Cited as "Questionable" and "Not Relevant"

- Claims regarding Gad's past history with the law:
 - In 2008, prior joining Paragon, Gad was charged with theft by taking. Gad was ultimately exonerated under Georgia Law. This was fully disclosed to Company counsel, the Board, and in Paragon's financial filings.
 - In 2011, Gad was charged with making a false statement relating to the allegation that Mr. Gad checked the incorrect box on his driver's license application as to whether Mr. Gad is a U.S. citizen. Gad pled not guilty, and charges were dismissed upon Mr. Gad's successful completion of a Pretrial Diversion Agreement
- Gad's full disclosure and transparency is evident by a 2013 email Paragon counsel sent to Weiser:

The case you note is not a theft charge. [Gad] was charged, years after the fact with making an alleged unauthorized payment to a third party in connection with an employment during his college years. Faced with trying to prove a payment was authorized years after the fact, and without access to any of the relevant documents, Sham took the advice of his attorney...under which he was later exonerated. Under GA's first offender statute Sham does not have a conviction. The other charge relates to Sham checking the incorrect box on his driver's license application, stemming from his uncertain and unknown immigration status that resulted from the application of technical immigration laws when Sham was a child. This case has been repeatedly suspended....it looks to have been abandoned by the prosecutor's office.

Unable to Attack Gad's Successful Track Record at Paragon, Incumbents Pursue a Smear Campaign They Cannot Prove with Evidence and Claims the Court Cited as "Questionable" and "Not Relevant"

- Claims regarding Gad's misclassification of compensation/work authorization
 - Gad has never misclassified his compensation, and during all his years as CEO of Paragon, Gad's compensation was known by the Company and to its auditors, who never raised any issues.
- Gad has never made any misrepresentations to the Company regarding his immigration status.
 - Gad has made all the appropriate disclosures to both Company counsel and in the Company's financial statements.
 - Gad is lawfully authorized to work in the U.S
 - No surprise then, that despite months of demeaning and misleading allegations against Gad, incumbent Board has failed to provide any proof of these claims – as indicated by the Delaware Court who swiftly called them "questionable."

Instead, these directors – who have never stood for election – continued spending significant amount of shareholder money defending their entrenchment while they continued to implement further entrenchment schemes, including the poison pill. So far, the Company expects its legal spend to exceed \$3 million in 6 months – a staggering amount for a \$16 million market cap company.

In the same 2013 email to Weiser, Company counsel determines:

These matters [see prior slide] "arise from events long before Sham's professional career and do not disqualify Sham from any of the many activities he is currently involved in and has been involved in during his career, professional and philanthropic. These charges are not the type of charges, are not within the timeframes, that are addressed by SEC, OTC, or stock market questionnaires and disclosures. These charges would not disqualify Sham from serving on a public company board or from running a hedge fund or investment partnership, such as FINRA or SEC violation."

In Sum: A Proven Pattern of Entrenchment, False/Defamatory Statements Against Gad, and Lowest Form of Corporate Governance

- Ousted Gad in August 2024, claiming Paragon needed a strategic plan despite 10 years of significant shareholder value creation. There has been no strategic plan.
- Pass facially invalid bylaws after shareholders representing majority of the outstanding shares consent to remove Weiser and Jacobs.
- Weiser attempts to bribe a large shareholder by offering him a monthly “consulting” payment in exchange for not consenting and not voting against Weiser at the annual meeting.
- Mere weeks after Weiser anoints himself Chairman and CEO, he is proven to fabricate minutes in order to obtain more compensation than he was entitled to and spent stockholder money trying to hide this from stockholders.
- When fellow director Jacobs learns of Weiser’s self-dealing, he ultimately resigns.
- Weiser then hand-picks 3 ‘independent’ directors in December 2024.
- After Gad asked new director Tim Eriksen to look into Weiser’s actions in December, Eriksen and Weiser’s other hand-picked directors instead choose to gamble with stockholder money pursuing false and unsubstantiated claims against Gad.
- Unable to obtain shareholder support, new unelected directors pass a poison pill.
- Unable to obtain shareholder support, new unelected directors attempt to delay annual meeting.
- The Delaware Court of Chancery DENIES Boards’s attempt to delay annual meeting and DENIES attempt to hide information from shareholders.
- Unable to obtain shareholder support and nominees for their slate, new unelected directors place Gad’s nominees on their slate without their consent.
- Paragon, under full control of the new Board during Q1 2025, reports the worst financial loss in over 8 years.

Introduction

- Paragon has delivered an **11% annualized return to shareholders** under CEO, Sham Gad.
- In 2017, Mr. Gad assumed full operational control of SI Systems, and **complete capital allocation over Paragon..** During the next 7 and a half years, PGNT book value per share increased from \$1.66 to \$13.04, a CAGR of 20.4% respectively **while shareholders realized a 30% annualized return.**
- Gad's leadership was marked by **integrity, transparency, and value creation.**
- A uniquely qualified slate has been nominated to drive continued success.
- The incumbent board has engaged in **costly entrenchment actions and unfounded attacks that have cost Paragon millions and historically large financial losses.**



The Integrity of Leadership

For nearly 15 years, Gad had run Paragon with:

- Transparency
- Shareholder-centric mindset
- Long-term stewardship over short-term optics
- Leadership built on **ethics, accountability, and performance**



By all accounts, Paragon has been an enormously successful financial result for shareholders under Gad's leadership.

Since the acquisition of SED and Gad's oversight of SI Systems in 2016 and 2017, respectively, Paragon has delivered consistent and growing profitability.

Financial Snapshot (consolidated)

Year ending December 31,

\$ US	Sales (millions)	Net Profit	EPS	S. Equity
2017	\$64.6	\$2.7m	\$1.56	\$6.0m
2018	\$85.1	\$952k	\$0.56	\$6.5m
2019	\$112.9	\$992k	\$0.58	\$8.1m
2020	\$108.1	\$3.6m	\$2.11	\$11.8m
2021	\$141.1	\$3.3m	\$1.97	\$14.6m
2022	\$134.2	\$4.4m	\$2.76	\$18.1m
2023	\$125.2	\$1.1m	\$0.66	\$22.6m



Scorecard

Year ending December 31,

Share Price

2014	\$0.90	→ Gad becomes CEO of Paragon
2015	\$1.98	
2016	\$1.22	
2017	\$1.15	→ Gad assumes added role as CEO at SI Systems and control over all capital allocation
2018	\$1.00	
2019	\$2.10	
2020	\$4.57	
2021	\$6.80	
2022	\$7.10	
2023	\$9.00	
11/5/24	\$7.20*	→ 30% annualized return since oversight of all capital allocation

*Reflects share price at beginning of 2017 through November 5, 2024, when Gad was removed as President of all subsidiaries



The Result has been Significant Long-Term Shareholder Value Creation

Over the past 7+ years (2017-2023) when Gad assumed complete capital allocation control of Paragon:

- Grew shareholders equity from \$2.8 million to over \$22, or a compound annual rate of 20.4%
- Increased book value per share from \$1.66 to \$13.04, a CAGR of 20.4%
- Increased its stock price from \$1.20 to \$7.20, a CAGR of 30.9%
- Began investing excess cash in risk-free interest-bearing securities in 2022



Meet the Slate – Qualified, Aligned, and Committed

Ronell Rivera

Mr. Rivera is the Founder and President of SEDC, Paragon's largest and most valuable subsidiary with an outstanding record of value creation.

- **Proven Value Creator with Deep Knowledge of SEDC:** After Paragon acquired SEDC in 2016, Mr. Rivera has more than doubled annual revenues to nearly \$120 million and delivered a consistent track record of growing profitability.
- **Strong Alignment with Stockholders:** Owns a 20% equity interest in SEDC, a significant financial stake on par with a large equity investment in Paragon.
- **Joined Our Slate Because He Believes in Our Vision and Will Work Alongside Gad to Pursue the Next Phase of SED's Growth.**

Sham Gad

Mr. Gad is a long-tenured director of Paragon, with a vast and intimate knowledge of the Company's businesses.

- **Proven Track Record of Significant Shareholder Value Creation:** During his tenure as CEO from 2014 to 2024, Gad delivered an 11% annualized return to shareholders.
- **Stockholder Perspective with a Clear Understanding of Paragon's Businesses:** As the former CEO of Paragon, Mr. Gad drove the operational and acquisition strategy decisions at Paragon. Was instrumental in the successful reorganization of Paragon's wholly owned subsidiary, SI Systems, beginning in 2016, leading to 7 years of profitability, and implementing Paragon's acquisition and growth strategy.
- **Strong Alignment with Stockholders:** As Paragon's largest stockholder with an overwhelming majority of his shares acquired in the open market, Mr. Gad's interests are aligned with stockholders' interests.

Meet the Slate – Qualified, Aligned, and Committed

David Duquette

Mr. Duquette is currently the CEO of Littoral Power Systems, a company he founded that designs, manufactures, sells, and installs marine energy equipment and energy projects. Mr. Duquette brings extensive experience in corporate finance, corporate law, mergers and acquisitions, asset management and capital allocation.

- **Extensive Experience Managing a Cyclical Business Across All Phases of Growth:** Prior to his current role as CEO, Mr. Duquette served as Executive VP and General Counsel at Semandex Networks, Inc., a software firm that develops semantic database applications for intelligence, defense, and financial sectors that he helped successfully navigate during the financial crisis in 2008.

James Kaufman

Mr. Kaufman is a highly seasoned financial executive that will bring a positive track record of value creation, an independent voice, as well as strategic change.

- **Finance and Capital Markets Expertise:** Mr. Kaufman has over 20 years of experience as Senior Partner at Ernest Young where he was involved in some of the firms most significant projects in Latin America and the U.S, including one of the largest IPO's in U.S history and the largest ever utility IPO in American Water Works. Prior to that, Mr. Kaufman served as Director of Group Audit at Diageo plc.

Elodie Leoni

Ms. Leoni is an inspiring and dynamic leader with significant experience in project management, process optimization, and resource management that will bring a fresh, independent voice to the boardroom.

- **Experience Driving Organizational Change:** Ms. Leoni has nearly a decade of experience managing cross-functional teams, implementing and improving workflow efficiencies and fostering collaboration among global stakeholders.
- **Expertise in Leveraging Consumer Data and Insights to Drive Growth:** Ms. Leoni has a proven track record of analyzing consumer insights to refine client experiences and optimize growth marketing strategies for a worldwide professional organization operating in 186 countries worldwide.

Paragon Uniquely Set for Significant Growth with the Right Leadership

- Strong Balance Sheet with no debt at Paragon or SI Systems.
- Under Gad's leadership as CEO, SI Systems has demonstrated its industry and business value with **8 years of consistent profitability** after decades of inconsistent profit and loss. Now focused on becoming a niche automation systems integrator.
- SED Colombia is an exceptional asset and now widely considered the best technology product distributor in Colombia. **Since Gad acquired SEDC in 2016 and recruited Ronell Rivera, Gad and Rivera have worked together to produce growing profitability every single year they worked together.** Focus on leveraging our competitive advantages to expand back into US via Miami and other major Latin American countries. Paragon's ownership gives SEDC unique competitive advantages that we have leveraged and will continue to leverage.
- Ohana owns exceptional luxury real estate assets that generate quality, cash flows in current interest rate environment while continuing to show good appreciation and no impact from inflation.
- Focus is to grow the Company's existing operations and harvest excess cash flows in order to fund new or complementary business acquisitions. Excess cash will reside in US Treasuries.
- Paragon's investment portfolio represents approximately 7% of Paragon's net equity and is well positioned over the coming years. Over 90% of portfolio invested in quality, durable companies run by shareholder-oriented management team.

Paragon Technologies Strategic Initiative: A Continuation of Gad and Team's Proven Progress

Executive Summary

If elected, the strategic vision for Paragon over the next 3 to 5 years is to **continue** this profit generation and **shareholder value creation** by:

1. Implementing a measured plan for SI System whereby SI aims to leverage its brand to develop capabilities to design and install integrated order fulfillment automation systems, maintaining and growing its recurring, high margin software support revenues, and continuing to support our existing PAS business and its complementary aftermarket parts business.
2. Look to significantly scale Paragon's technology distribution in business, SEDC, by leveraging our strong brand and reputational excellence, to capitalize on the significant tailwinds we see in AI and Cybersecurity in other Latin American markets. Over the past 7 years SEDC has nearly tripled its revenues to over \$120 million. We aim to exceed over \$250 million in revenues in the next 4-5 years.
3. Utilize excess capital for further business acquisitions modeled after our successful acquisition of SEDC – quality durable businesses with leadership that matches our culture of integrity and shareholder alignment.

We believe this growth can be funded internally with current and future generated capital resources.

SI Systems

Business Summary

- Over the past 6 years, the SI Systems, under the leadership of Gad has undergone a significant transformation in terms of how we sell, market, and design and install our products and services **resulting in \$5.7 million earnings before tax over 8 years versus a LOSS of \$224,000 over the prior 6 years.**
- SI's business primarily continues to rely on automation hardware sales that are part of an overall system as we currently do not have the capability of designing and engineering an entire system. This creates potential lost revenue opportunities and possible long-term viability risk.
- As our legacy associates transitioned out, we began rebuilding our team based on our long-term growth objectives. COVID and the resultant years of recruitment difficulty affected our timeline, but we focused on validating and improving our existing business.
- In 2023 and 2024 we were able to add key positions in operations, and software.
- As an integrated solutions provider, the objective is to have more “shots on goal” with each project, thus mitigating risk of A-Frame only, increasing revenue outlets from each projects, and increasing potential overall size of each project.

SI Systems - Radically Transformed Under Gad

Summary Financials

Before Gad as CEO of SI w/ debt

GAD Becomes CEO of SI (no debt after 2019)

(in thousands \$)

CY 2011 CY 2012 CY 2013 CY 2014 CY 2015 CY 2016 CY 2017 CY 2018 CY 2019 CY 2020 CY 2021 CY 2022 CY 2023 CY2024

	-	-	-	-										
Revenue	8,524	8,854	11,643	6,680	11,582	8,574	8,924	8,127	7,440	10,965	6,816	9,049	7,876	7,047
Cost of Sales	5,901	6,764	8,098	4,886	7,772	6,281	6,064	5,394	4,765	6,542	3,987	4,917	4,554	4,453
Gross Profit	2,623	2,090	3,545	1,794	3,810	2,293	2,860	2,733	2,675	4,423	2,829	4,132	3,322	2,594
%	30.8%	23.6%	30.4%	26.9%	32.9%	26.7%	32.1%	33.6%	35.9%	40.3%	41.5%	45.7%	42.2%	36.8%
Operating Expenses	2,487	2,439	2,644	2,261	2,782	3,765	3,693	2,261	2,361	1,900	1,694	1,937	3,611	2,443
%	29.2%	27.5%	22.7%	33.8%	24.0%	43.9%	41.4%	27.8%	31.7%	17.3%	24.9%	21.4%	45.8%	34.7%
Earnings Before Income Taxes	136	(349)	901	(467)	1,028	(1,473)	(833)	472	313	2,524	1,136	2,195	(289)	152
%	1.6%	-3.9%	7.7%	-7.0%	8.9%	-17.2%	-9.3%	5.8%	4.2%	23.0%	16.7%	24.3%	-3.7%	2.2%

- Prior to Gad becoming CEO of SI in 2017, aggregate earnings before tax for SI was a **loss of \$224,000** over 6 years.
- During Gad's tenure as CEO of SI Systems, aggregate earnings before tax was a **profit of \$5.7 million** over 8 years.

SI Systems – Current Situation Summary

PAS – “Towline” Division

- Legacy product...requires virtually no capital requirement to maintain as is
- Strong installed base of existing clients --- supports recurring aftermarket parts business
- Potential “competitive threats” with new technology such as AGV’s, however, towline has proven to be more durable and resilient than AGV and certain clients prefer this
- We believe SI is 1 of 2/3 remaining towline suppliers with the SI brand considered best in class
- Quality Installed Base: Caterpillar, Kawasaki, BRP, USPS, Volvo
- Potential new opportunities - Toro
- Given the ROI, this division should be maintained – helps stabilize the revenue, recurring aftermarket revenue, with minimal sales cost

OFS – A-Frames

- Despite little technological improvement, the A-Frame still remains useful to order fulfillment centers
- Key markets include pharmaceutical, cosmetics, consumer products – good long-term fundamentals
- E-commerce has created new markets – high volume order fulfillment warehouses
- Without product advancement to the A-Frame, the competition will continue to surpass us and render the product less relevant

Software

- Future development critical to OFS growth
- Existing Installed Base



SI Systems 2.0:

Warehouse Trends Provide Tailwinds to Order Fulfilment Automation Demand

The global warehouse automation market is projected to reach a value of \$27 billion by 2025.

- E-commerce is a major driver of growth in the warehouse industry.
- The average warehouse worker in the US picks around 100-300 items per hour.
SI A-Frame picks over 3,000 items per hour at up to 99% accuracy
- The global cold storage warehouse market is expected to reach \$212 billion by 2025.
Mainly by pharma and food – strong markets for SI where we have a proven record of success
- Nearly 30% of warehouse operations are concerned with inventory management.
Automation improves inventory mgmt., leading to greater efficiency and reduced losses
- The global warehouse management system market is projected to reach \$5.22 billion by 2025.
WMS, WCS, and others are key to successful system integration
- 53% of warehouses in the US plan to expand or renovate their facilities within the next 2 years.
- The average warehouse capacity utilization rate is around 70%.
- Global warehouse robotics market is seen to grow at a CAGR of 12.1% from 2020-2027.

The global automated material handling equipment market for warehouses is expected to reach \$73.2 billion by 2026.

SI Systems SWOT Analysis

Strengths	Weakness	Opportunities	Threats
Small size allows us to move quickly	Uncertain towline market	Partnerships with key companies	Tow-line market disappears
Independent A-Frame Supplier	OFS Limited Offering(AF/MM)	Re-invent SI Brand w/ little market drag	Competition from larger system integrators
Solid A-Frame technology	Talent Procurement	OFS generates exposure to key opportunities	Market volatility
Installed Base – recurring and repeat business		New clients create continued sales from expansion and software support revenue	Competition from “sexier” technology
SI brand value in the market			Competition for talent
Product durability creates growing ROI for clients			

SI Systems 2.0 – Design, Build, Install, Support

PHASE ONE: Define current deficits in company:

- 1) Outdated technology – examples include A6/D8 cards, software suite
- 2) Missing skills to sell/build systems
- 3) Missing skills on variety of automation options - products
- 4) Appropriate systems for WCS and WMS
- 5) Missing staff who can project manage and build systems (expertise electrical, automation, mechanical)

ACTION PLAN: Began in 2024; delayed by entrenchment tactics....Ready to full resume on day one

- 1) Hire experienced system design/application engineer (PARTIALLY COMPLETE)
- 2) Identify and solidify partnerships with conveyor company/supplier or hire someone with experience conveyor systems sales and layout
- 3) Continue to develop our software team to determine how to achieve the goal with our current software suite or seek potential partners/deals (IN PROGRESS)
- 4) Refresh and upgrade our A6/D8 cards (IN PROGRESS)

Year 1 Investment

- Software Development - \$25,000 - \$30,000
- Systems Design Engineer - \$100,000 –
- Potential Software Resource (based on business demand) \$90,000

Year 1 Incremental Revenue – N/A

Our investment rationale is one that is measured, resourceful, and flexible.



SI Systems 2.0 – Design, Build, Install, Support

PHASE TWO: Expand Sales & Marketing Efforts. Develop/Source Software System

ACTION PLAN: 2025 - 2026

- 1) Increase our presence at major and niche trade shows as attendees to identify and develop relationships with automation technology and component suppliers
- 2) Identify a core set of partners for building blocks of system integration (conveyance, packing, sorting, storage, retrieval).
- 3) Invest in updated/refreshed website outlining increased capability with increased SEO optimization.
-online search is the key tool used to seek sales opportunities; focus to get SI on page 1
- 4) Acquisition of PLC Controls/Software Business

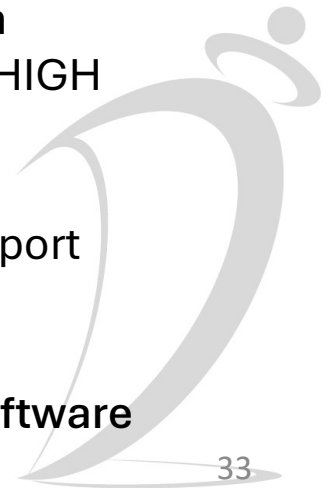
Year 2/3 Investment

- Marketing & Sales Spend- \$25 - \$30,000 per year
- 2 Engineers (Software and Projects) - \$125 - \$150k per person

Year 2 (2026) Incremental Standalone Revenue: \$2 to \$3 million at 35% margin

- Engineering and Design Study Revenue - \$200,000 (4/5 at \$40 to \$50k each) – HIGH MARGIN
- 1-2 Small Systems Projects - \$2 to \$3 million each
- Software Support – 5% of new OFS System (e.g - \$1 million system -- \$50k support agreement—HIGH MARGIN, RECURRING)

Year 3 (2027) - \$3 to \$5 incremental revenue million from same with requisite software support revenue.



SI Systems 2.0

Action Plan – Partnership/Acquisition of PLC Controls/Software Business

- Allows for integration of SI's hardware into more complete systems
- Provides standalone revenue potential outside of OFS hardware products
- Generates additional leads, new business opportunities.
- Leverage our existing customer base with enhanced/robust offerings
- Ideal candidate will be \$3 - \$6 million in revenue, with established clients and software team.
- Acquisition could be funded with no outside debt or dilution – judicious disposal of real estate assets, current cash on hand, securities sale.



SI Systems 2.0

Objective – Beginning to End Automation Work

Demand Drivers Provide Tailwinds

- Over 2/3 of existing warehouses currently have no automation. Most of these warehouses qualify as “small” (under 300,000 sq. feet)
- Order fulfillment centers prefer to utilize one system integrator to design and assemble the system – more efficient and manageable.
- Automation demand drivers set to remain strong for foreseeable future:
 - historically tight labor market and rising labor costs,
 - 24/7 reliability of automation
 - large upfront costs validated by decades of system life and functionally and minimal maintenance expense
 - client increased focus on ROI



SI Systems 2.0

Design, Build, Install, and Support

Multiple Levers of Revenue Growth

- SI WMS/WCS Software and Integration Services
- System Engineering and Design Studies
- Engineering and Project Management
- Installation Services (Mechanical and Electrical)
- Training and Software Support - recurring high margin revenue

Possessing the above capabilities creates revenue opportunities at each stage of the project cycle particularly at the beginning engineering and design phase, a pivotal process in client retention.

Most importantly supporting the entire system cycle creates revenues opportunities across the entire project, mitigating the reliance on project awards but more importantly enabling more revenue generation from each project.

Example: XYZ Warehouse Co. invests in \$3 million system with conveyance, controls, automation equipment, software.

SI Systems 1.0 ---- awarded \$500,000 from hardware at 37% margin

SI Systems 2.0 ---- awarded \$1.5 to \$2 million at 28 - 30% margin with minimal incremental capital cost

Strategic Expansion Plan for SED International de Colombia SAS



Executive Summary

When Paragon acquired SED Colombia (SEDC) in 2016, the strategic vision of Sham Gad and Ronell Rivera was to

- a) reestablish SEDC as the preeminent technology distributor of choice in Colombia. **We have executed succeeded. Not only is SEDC viewed as one of the most reliable and successful technology distributors in the region but also one of the most profitable in relation to our sales.**
- b) Leverage our brand and reputation to expand beyond Colombia to other international markets through the establishment of Miami subsidiary. **We were ready to implement this plan in 2024 prior to unfortunate turmoil that occurred at Paragon.**
- Upon the successful appointment of our nominees to the Board, including Mr. Ronell Rivera, we will be ready to implement this plan on day one without delay.
- Our nominees and executive team is **uniquely** qualified to execute this plan.
- Mr. Rivera founded SEDC, is widely viewed as one of the most knowledgeable and respected operational executives in technology distribution in Latin America.
- Mr. Gad successful professional relationship with Mr. Rivera was instrumental in recruiting Mr. Rivera to rejoin SEDC upon Paragon's acquisition in 2016.
- Since then, Mr. Gad's operational, financial, and logistical experience and Mr. Rivera's deep experience with distribution and Latin America markets have delivered significant value to Paragon shareholders.

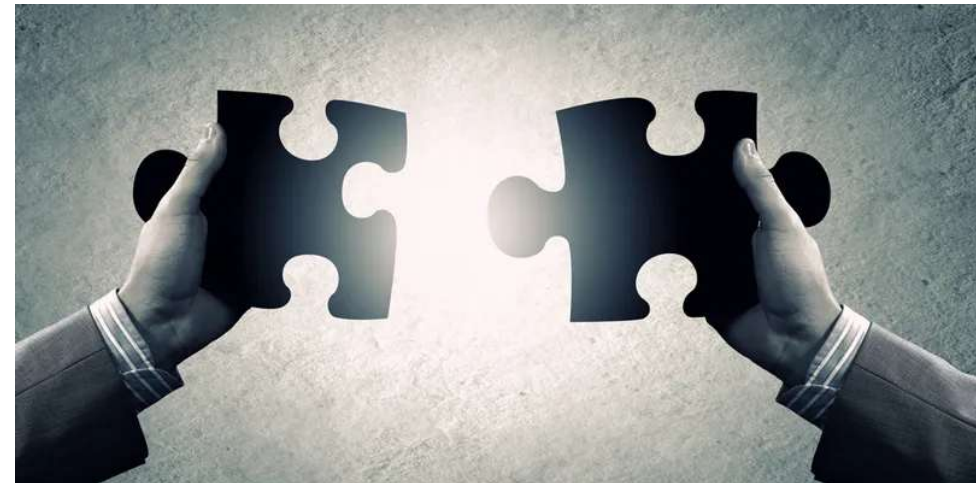


Operational Strategy

Key Leadership Partnership

Since the acquisition of SEDC by Paragon in 2016, Sham Gad and Ronell Rivera, President of SED International de Colombia have had an enormously successful partnership. Rivera and Gad will collaborate to execute the expansion plan.

- **Ronell Rivera:** With over 30 years of experience in the LATAM market, Rivera brings extensive knowledge and strong relationships with vendors and customers in the region.
 - **Sham Gad:** Gad's expertise in finance and logistics complements the expansion effort, providing strategic oversight in operations and financial management.
- ✓ For the past 8 years, Rivera and Gad have led SED International de Colombia to great success, and they are poised to replicate this model across the Latin American market through this expansion.



SED Colombia Revenue and Net Income History Since Paragon Acquisition

YEAR	2017	2018	2019	2020	2021	2022	2023	2024	TOTALS
SALES	\$64,461,692	\$76,477,814	\$105,042,684	\$101,213,750	\$134,422,399	\$124,541,368	\$116,522,304	\$118,910,426	\$841,592,437
NET INCOME	\$420,120	\$630,285	\$1,338,273	\$1,360,441	\$4,986,979	\$2,907,730	\$2,039,259	\$2,025,100	\$15,708,187

- Since day one of Paragon's acquisition, SED Colombia has delivered **consistent and growing profitability**.
- For 8 consecutive years, SEDC has been profitable every single year and has not exposed Paragon to any meaningful risk.
- SEDC, quite simply, has exposed Paragon to significant growth, increased earnings, and growing shareholder value.
- In 2021 net income benefited tremendously from COVID demand for IT products for home offices and product cycle refreshment.

Continuing our Successful Vision

SED International de Colombia is embarking on a two-phase expansion strategy aimed at capturing and increasing IT wholesale distribution across Central America and the Caribbean, while broadening the product offerings for SED Colombia.

- **Phase 1** focuses on the establishment of a Miami-based subsidiary, leveraging Miami's geographical advantage as a hub for Latin America to drive growth in hyperconvergence, cybersecurity, IT infrastructure, and Device as a Service (DaaS).
- **Phase 2** will involve acquiring in-country distributors across Latin America, expanding SED's reach and influence, contingent on Phase 1's successful implementation and stabilization.

This plan will be funded with internal capital without any external funding from Paragon or outside sources.

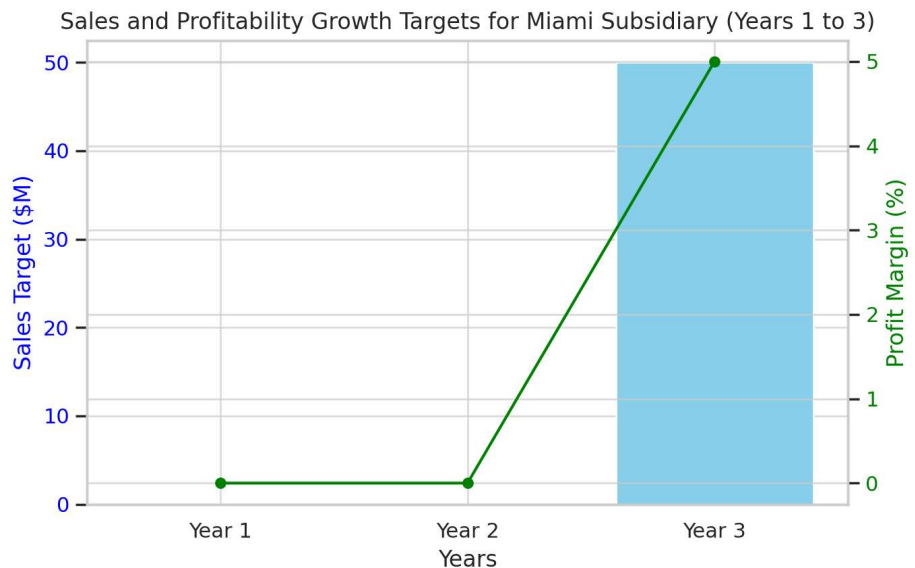




Phase One: Miami Subsidiary Establishment

- **Objectives**

- ✓ **Operational Launch:** Achieve full operational status within 6 months.
- ✓ **Sales Target:** Reach \$50 million in sales by 2027.
- ✓ **Staffing:** Build a team of 14 employees by the end of Year 1.
- ✓ **Vendor Partnerships:** Secure agreements with at least 10 critical vendors in Year 1.
- ✓ **Profitability:** Aim for a 5% gross profit margin by the end of Year 2.



Phase Two: Regional Growth via Acquisitions

- **Objectives**

- ✓ Upon the successful operation of Phase 1, focus shifts to regional growth by acquiring and integrating local in-country distributors throughout Latin America. This step will expand SED's market footprint and integrate successful distribution channels into the SED ecosystem.





Initial Steps for Phase 1

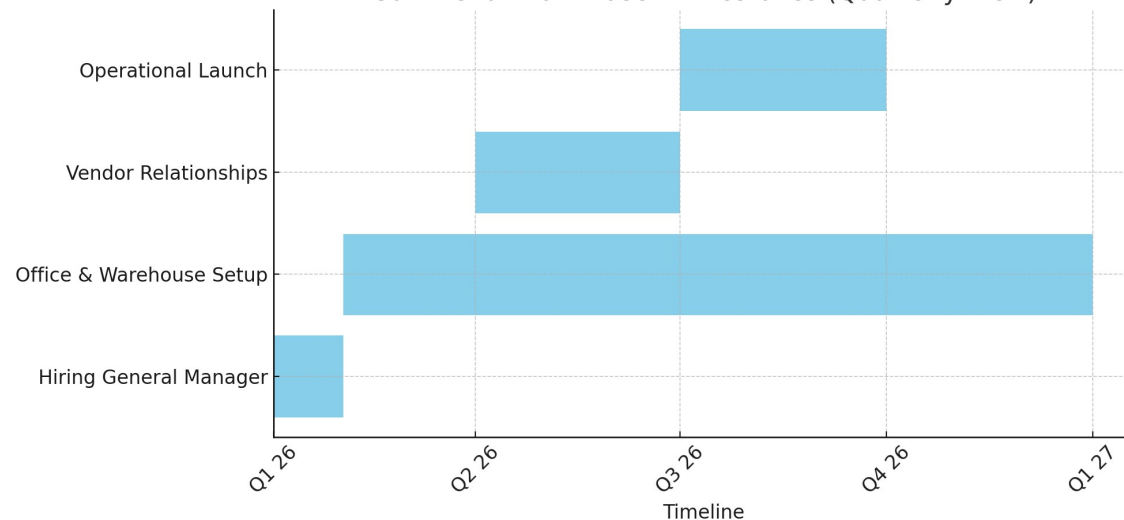
- **Hiring a General Manager**

- **Timeline:** Month 1
- **Responsibilities:**
 - Drive the Miami subsidiary's establishment and strategic planning.
 - Oversee recruitment, training, and day-to-day operations.
 - Forge vendor relationships and pinpoint market opportunities.

- **Office and Warehouse Setup**

- **Location:** Secure a 10,000 sq ft facility
- **Estimated Cost:** \$17 per sq ft per year, totaling \$170,000 annually.
- **Duration:** Initial setup expected within 12 months, with room for expansion aligned with vendor commitments.

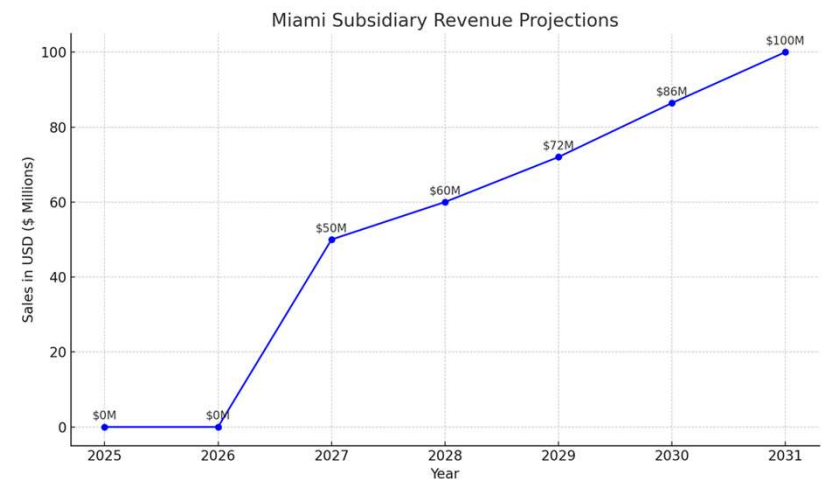
Gantt Chart for Phase 1 Milestones (Quarterly View)





Incremental Revenue Projections

- **Year 2026:** Minimal revenue, focused on onboarding and setting up operations.
- **Year 2027:** Expected \$50 million in sales as vendor partnerships mature.





Projected SEDC Revenues to more than double in 3 years and further growth beyond.

- This slide presents a consolidated sales projection combining current operations in Colombia with the newly established Miami subsidiary. The projections assume a conservative 10% annual growth for SED Colombia, based on its 2024 revenue of \$120 million. For the Miami operation, we anticipate limited revenue during the initial setup phase, with sales ramping up to \$50 million by Year 2 (2027), followed by 20% annual growth.

- These forecasts are intended to illustrate the potential scale of impact from our strategic expansion. While we have based these projections on current market data and conservative growth assumptions, actual results may vary depending on execution, market conditions, vendor alignment, and broader economic factors. We believe this growth plan demonstrates a strong trajectory and a compelling case for long-term value creation.

YEAR	SED COLOMBIA SALES (\$M)	MIAMI SALES (\$M)	COMBINED SALES (\$)
2025	\$132	\$0	\$132
2026	\$145	\$0	\$145
2027	\$160	\$50	\$210
2028	\$176	\$60	\$236
2029	\$193	\$72	\$265
2030	\$212	\$86	\$298
2031	\$233	\$103	\$336



Market Analysis

The projected **IT hardware market growth in Central America and the Caribbean** is based on a **2023 baseline value of \$4 billion** and is expected to grow at a **compound annual growth rate (CAGR) of 4% to 6%** through 2027.

Market Size Projections:

Year	4% CAGR Estimate	6% CAGR Estimate
2023	\$4.0B	\$4.0B
2024	\$4.2B	\$4.2B
2025	\$4.3B	\$4.5B
2026	\$4.5B	\$4.8B
2027	\$4.7B	\$5.0B

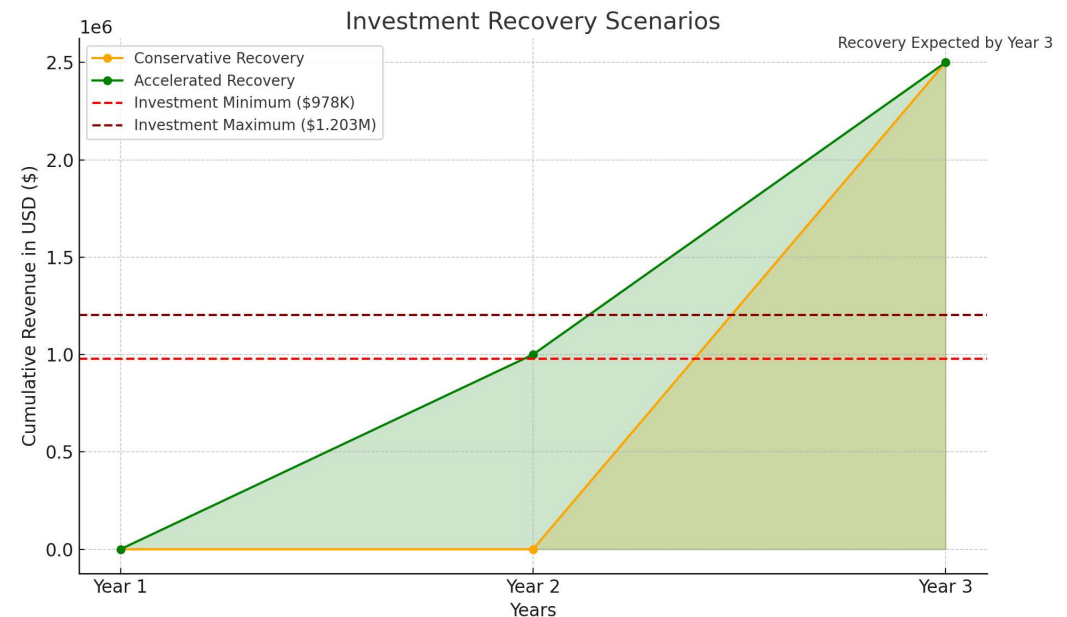
Growth Drivers Include:

- Accelerated **digital transformation**
- Increased **cloud computing adoption**
- Expansion of **remote work and hybrid infrastructures**
- Growing **public and private sector IT investment**



Investment Recovery Forecast

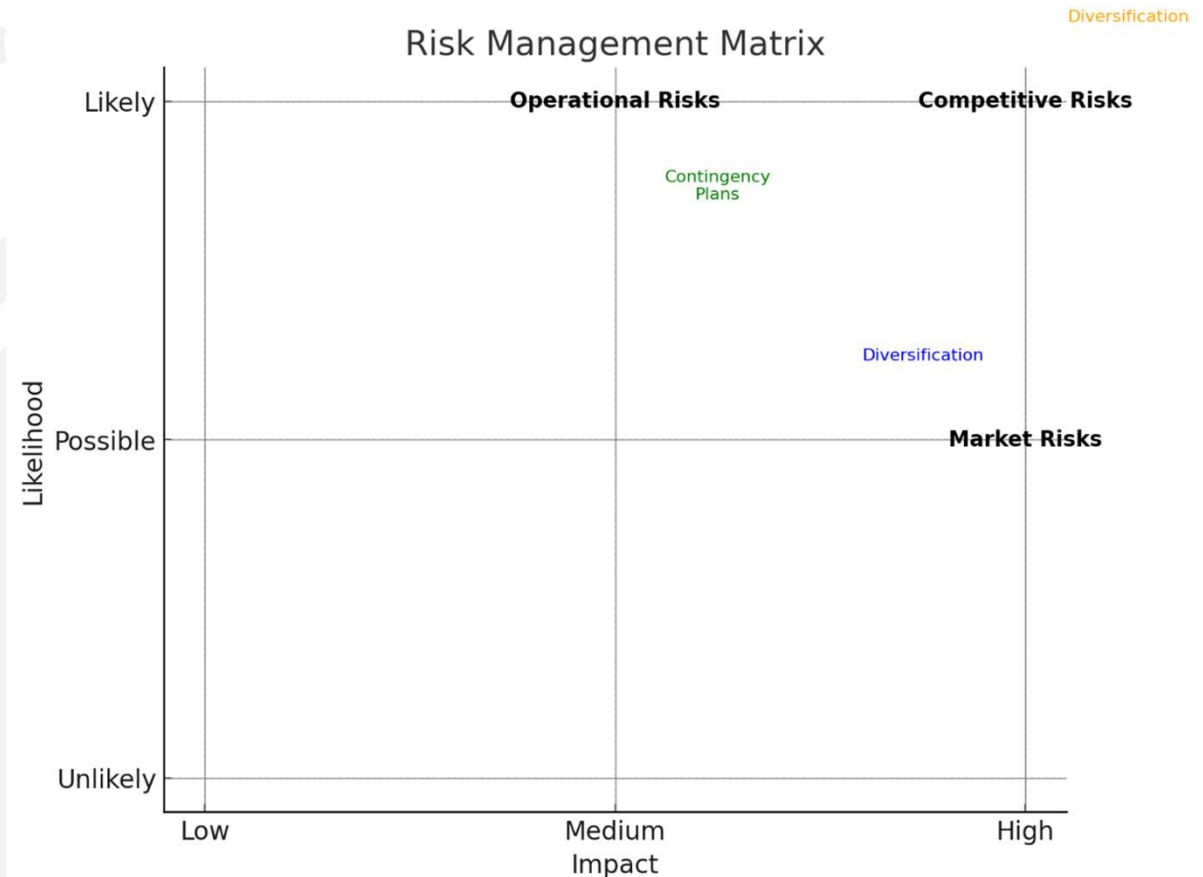
- **Conservative Recovery** (orange): Based on \$50M cumulative sales by Year 3 at a 5% profit margin, reaching \$2.5M in gross profit by the end of Year 3.
- **Accelerated Recovery** (green): Assumes earlier revenue generation (e.g., due to vendor support or higher margins), potentially recovering the investment as early as Year 2.





Risk Management

- **Market Risks:** Potential economic fluctuations in LATAM.
- **Operational Risks:** Vendor onboarding and staffing delays.
- **Competitive Risks:** Aggressive competition in the IT distribution sector.
- **Mitigation Strategies:**
 - **Diversification:** Build a diverse vendor portfolio to spread risk and reduce dependency on any single product line.
 - **Contingency Plans:** Develop alternative strategies for staffing and vendor negotiations to ensure flexibility.



Why This Slate?

Our Board of Directors is the Only Group Uniquely Qualified to Continue Creating Value for Stockholders

- **Aligned With Stockholders:**
 - Sham Gad – 28% stockholder and delivered 11% annualized return during CEO tenure
 - Ronell Rivera – 20% owner of SEDC and key to the growth plan of SEDC
 - Elodie Leoni- director candidate proposed by Kevin Ting, 11% shareholder
- **Independent:** Majority of Board will be independent, including a nominee referred by another large stockholder
- Proven Experience With Value Creation for Paragon Stockholders
- **Uniquely Qualified with a Strong Understanding of Paragon's Businesses:**
 - our slate is best positioned to execute the SEDC growth plan
 - Gad has executed a profitable turnaround of SI Systems and has deep knowledge of the market, customers, partners
 - Nominees possess significant expertise in industrial operations, public company audit, IPO's, scaling businesses, artificial intelligence
- **NO Affiliation with Entrenchment and Current Board Legacy Issues**

The Oppositions Record

Since Joining the Board in December 2024, the Incumbents Have Achieved the Following for Shareholders

- **Incumbent Board Actions**

- Allowed Weiser to remain as CEO despite learning of his fabrication of corporate board minutes to pay himself more than was authorized
- Passed a poison pill in March, that as part of the litigation settlement merely weeks later, made Paragon legally liable for a Court mandated corporate benefit
- Have not provided any credible plan for alternative value creation
- Responsible for Paragon's worst quarterly loss in over 8 years
- Announced that expected legal cost from their entrenchment measures will cost the Company at least \$3 million, or approximately 20% of Paragon's current market capitalization.
- Nominated two of Gad's nominees on their slate without their consent

- **Focused on Protecting Their Positions, Not Your Returns**

- **Nominees have no proven track record of scaling or operating a multi-faceted business organization**
- **Incumbent Directors Do Not Have the Support of Paragon's Key Leadership**
 - Creates significant risk for Paragon's subsidiaries

Our Track Record Has Been Tested and Proven - The Numbers Do Not Lie



- During Sham Gad's 10-year tenure as CEO of Paragon, Paragon delivered an annualized return of 11% to stockholders
- When Gad assumed full operational responsibility for SI Systems and executed the acquisition of SED – both of which occurred in 2017 – Paragon delivered an annualized return of over 30%
- Under Mr. Gad's 8 years of leadership of SI Systems, SI earned \$5.7 million in earnings before tax versus a loss of a loss of \$224,000 the prior 6 years under “industry experts”. Mr. Gad also retired ALL of SI's debt
- Since Paragon acquired SEDC for \$4.3 million in 2017, SEDC has generated more than \$15 million in net income, \$12 million accruing to Paragon (Paragon owns 80% of SEDC)
- Paragon has been transformed from a dying business generating \$8 million in annual revenues to a dynamic, diversified business generating over \$100 million in sales with a track record of long-term profitability and significant shareholder returns.
- During Mr. Gad's entire tenure shareholder dilution has been minimal and Paragon became a resilient company focused first and foremost on protecting downside risk



Questions?

- We invite shareholders to reach us with any questions
- Campaign Contact
 - Sham Gad – hmgad78@gmail.com
 - John Ferguson, Saratoga Proxy Consulting LLC
 - jferguson@saratogaproxy.com
 - (212) 257-1311
 - www.saratogaproxy.com/PGNT