



eID

Transport &  
Smart Cities

Traceability &  
Brand Protection

Payment

Press release – 12<sup>th</sup> december 2018

## Paragon ID confirms its ambitions during its annual shareholders' meeting

During its ordinary and extraordinary shareholders' meetings held today, **Paragon ID (Euronext Paris - FR0011980077 - PID)**, the leading provider of identification solutions for Transport, e-ID, Traceability, Brand Protection and Payment, presented an update on its activity for the 2018/2019 financial year.

Following the shareholders' meeting, the Board of Directors met and decided to separate the functions of Chairman and Chief Executive Officer. The Board of Directors confirmed Mr. John Rogers as Chairman and Mr. Clem Garvey as Chief Executive Officer.

### **John Rogers, Chairman of Paragon ID comments:**

*"During the shareholders' meeting, all the resolutions submitted for approval were adopted, including (i) the reinforcement of the Group's governance with the appointment of Mrs. Alyna Wnukowsky and Mr. Laurent Salmon as administrators, (ii) the renewal of the delegations for financial authorisations and (iii) the renewal of the authorisation of a share buyback program."*

### **Clem Garvey, CEO of Paragon ID comments:**

*"The remarkable work of Paragon ID's teams over this past year was highlighted during our meeting. The company has won new customers, completed its industrial reorganisation, made two strategic acquisitions and has continued to invest to drive organic growth.*

*All of these activities were made possible by the strong support of our main shareholder, the Paragon Group, which has confirmed its confidence in Paragon ID's growth plan."*

### **Activity in line with expectations for the 2<sup>nd</sup> quarter of 2018 / 2019.**

Following on from the publication in November of the activity for the 1<sup>st</sup> quarter, Paragon ID reports to its shareholders that the company's turnover continues to be in line with expectations for the 2<sup>nd</sup> quarter (from October 1<sup>st</sup> to December 31<sup>st</sup>).

For the coming months, Paragon ID's ambition remains unchanged: to deliver sustainable growth in its activity and in its profitability, despite a highly competitive environment for some product lines and a rise in raw material prices.

### **Industrial savings of €3 million confirmed in 2018/19 – New focus: the improvement of the profitability for the diverse product lines.**

During the shareholders' meeting, the directors discussed the industrial reorganisation which took place in 2017 and 2018, resulting in the closure of factories based in Mouans-Sartoux (France), China and Boston (United Kingdom), as well as the optimisation of the industrial base in Argent-sur-Sauldre (France), Hull (United Kingdom) and Bucharest (Romania).

€3 million savings in industrial costs were confirmed and will be fully reflected in the financial statements for the 2018/19 financial year.

This restructuring phase being largely completed, the company has now entered a phase of optimisation with a particular attention on the profitability of all its offerings. The launch of new software and the investment in new resources to reinforce the management of the profitability of each product line is currently underway.

### **Successful integration of AmaTech: positive discussions with large financial organisations and leaders in the payment sector**

Just some months following the acquisition of AmaTech, the integration of the company has been completed and this important source of new technological expertise has already added value to the company's existing offerings.

Paragon ID presented its latest innovation to the payment industry - the world's first metal inlays with a dual interface chip module - at Money 20/20 in the US in October and at Trustech, in France, in November. This technology enables the production of fully integrated metal smart cards, with contactless payment enabled on both sides of the card.

Thanks to this technological breakthrough, Paragon ID has been able to initiate negotiations with some of the world's largest financial institutions and leading payment card manufacturers for the development of new products and for the licensing of AmaTech's technology.

### **First commercial developments in mobile ticketing following the strategic takeover of airweb**

The recent strategic investment in airweb, whose solution is already present in more than twenty cities, has allowed Paragon ID to respond to tenders for the provision of mobile ticketing solutions in two major French cities and one in the USA.

The combination of airweb's technology and platform, with Paragon ID's own offerings has also resulted in the signature of MOUs for cooperation with other leading organisations in the transport and Smart Cities sector.

### **RFID: endless opportunities**

Paragon ID's expertise in the field of RFID tag manufacturing, and its recent investments in the world's most sophisticated equipment, such as the BW Bielomatik TagLiner, a new chip connection concept solution for the production of RFID tags, enable the company to take full advantage of the growing adoption of RFID technology in many large industries.

The latest example is the IATA's (International Air Transport Association) decision to make RFID enabled luggage traceability mandatory by 2020.

The company will continue to support its extended network of customers during their transition towards RFID, as the market for product traceability grows over the coming years.

## Financial diary for 2018/19

First half year turnover 2018/19	<b>30 january 2019</b>
First half year results 2018/19	<b>29 march 2019</b>
Q3 turnover 2018/19	<b>24 april 2019</b>
Turnover for the year 2018/19	<b>31 july 2019</b>
Annual results for the year 2018/19	<b>31 october 2019</b>

These dates are given for information only, they are likely to be modified if necessary. The publications will take place before the opening of the Euronext markets.

## About Paragon ID

Paragon ID is a leader in identification solutions, in particular in the e-ID, Transport & Smart Cities and Traceability & Brand Protection and Payment sectors.

Using the latest technologies such as RFID and NFC, Paragon ID provides smart cards, tickets, labels and tags to worldwide clients in diverse markets including public transport, manufacturing, logistics, gaming and retail.

Paragon ID employs more than 600 staff, with manufacturing sites in three continents (US, Europe and Asia), close to its customers.

Paragon ID is a part of Paragon Group, which is a leading provider of Identification and Customer Communications services, and has a total of €750 million turnover and close to 6,000 employees. Paragon Group combines generations of experience with the latest innovations in technology and smart data to enable responsive and meaningful interactions between organisations and their customers.

For further information about Paragon Group, visit [Paragon-Europe.com](http://Paragon-Europe.com).

Paragon ID is listed on Euronext Paris. Share identification: Paragon ID – ISIN Code: FR0011980077 – Mnemonic code: PID.

More information at [Paragon-id.com](http://Paragon-id.com).

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