

DPW Holdings Enters Into Exchange Agreements for Debt Totaling \$1.4M

July 3, 2019

Company Announces Restructured Debt to Date for 2019 Totals \$14.8M

NEWPORT BEACH, Calif.--(BUSINESS WIRE)--Jul. 3, 2019-- DPW Holdings, Inc. (NYSE American: DPW), a diversified holding company ("DPW," or the "Company"), announced that it has entered into two separate exchange agreements with two creditors for debt previously in default in an aggregate amount in excess of \$1.4M. The Company restructured the debt by issuing new convertible debt in the principal amount of \$2,033,031.14. To date, the principal amount of debt that DPW has either eliminated or restructured for the year presently exceeds \$14.8M.

On July 2, 2019, the Company entered into an exchange agreement with an institutional investor pursuant to which, in exchange for the surrender of that certain Term Promissory Note issued by the Company to the investor on September 21, 2018, the Company issued to the investor a new Convertible Promissory Note in the principal amount of \$783,031.14 with an interest rate of 12% per annum and a maturity date of December 31, 2019. Subject to the approval by the NYSE American, the new note shall be convertible into shares of the Company's common stock at a conversion price equal to the greater of \$0.22 per share or 80% of the lowest daily volume-weighted average price for the three trading days prior to the date of conversion.

The Company entered into another exchange agreement on July 2, 2019 with another investor pursuant to which, in exchange for the surrender of certain debt instruments held by this investor and payable by the Company, the Company issued to the investor a new convertible promissory note in the principal amount of \$1,250,000 with an interest rate of 8% per annum and a maturity date of December 31, 2019. Subject to the approval by the NYSE American, the new note shall be convertible into shares of the Company's common stock at a conversion price equal to \$0.22 per share.

From the Company's perspective, the most prominent aspect of these agreements is the exchange of non-convertible debt for convertible debt, thus enabling the respective investors, at their respective election, to reduce the debt owed to each of them by the Company through the conversion of the principal and accrued interest of their debt instruments into shares of the Company's common stock, which would obviate the requirement for the Company to repay such dollar amounts in cash.

DPW's CEO and Chairman, Milton "Todd" Ault, III said, "We are very pleased we continue to be able to work with our lenders to resolve our liabilities and cure any defaults at hand. It is quite significant for DPW that we have resolved or reduced over \$14.8M in short-term debt and look forward in the current quarter to completing the restructuring of our remaining short-term debt, as we previously announced this year. We look forward to the remainder of 2019 as we build on our progress and remain dedicated to increase revenue growth and sources, improve our bottom-line results and attain our stated goals for 2019. We are very pleased our creditors continue to work with us as we strive to improve our capital structure."

The Company recommends that stockholders and other interested parties read the Form 8-K filings filed with the SEC on July 2, 2019 for terms and other details pertaining to each transaction. For more general information on the Company, DPW recommends that stockholders, investors and any other interested parties read the Company's public filings and press releases available on its website at www.DPWHoldings.com under the Investor Relations section or available at www.sec.gov.

About DPW Holdings, Inc.

DPW Holdings, Inc. is a diversified holding company pursuing growth by acquiring undervalued businesses and disruptive technologies with a global impact. Through its wholly owned subsidiaries and strategic investments, the Company provides mission-critical products that support a diverse range of industries, including defense/aerospace, industrial, telecommunications, medical, crypto-mining, and textiles. In addition, the Company owns a select portfolio of commercial hospitality properties and extends credit to select entrepreneurial businesses through a licensed lending subsidiary. DPW's headquarters are located at 201 Shipyard Way, Suite E, Newport Beach, CA 92663; www.DPWHoldings.com.

Forward-Looking Statements

This press release contains "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. These forward-looking statements generally include statements that are predictive in nature and depend upon or refer to future events or conditions, and include words such as "believes," "plans," "anticipates," "projects," "estimates," "expects," "intends," "strategy," "future," "opportunity," "may," "will," "should," "could," "potential," or similar expressions. Statements that are not historical facts are forward-looking statements. Forward-looking statements are based on current beliefs and assumptions that are subject to risks and uncertainties. Forward-looking statements speak only as of the date they are made, and the Company undertakes no obligation to update any of them publicly in light of new information or future events. Actual results could differ materially from those contained in any forward-looking statement as a result of various factors. More information, including potential risk factors, that could affect the Company's business and financial results are included in the Company's filings with the U.S. Securities and Exchange Commission, including, but not limited to, the Company's Forms 10-K, 10-Q and 8-K. All filings are available at www.sec.gov and on the Company's website at www.DPWHoldings.com.

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