

DPW Holdings Eliminates Debt Totaling Approximately \$2 Million

August 28, 2019

Company Repays or Restructures Debt to Date for 2019 Totaling \$14.8 Million

NEWPORT BEACH, Calif.--(BUSINESS WIRE)--Aug. 28, 2019-- DPW Holdings, Inc. (NYSE American: DPW), a diversified holding company (“**DPW**,” or the “**Company**”), announced that it has eliminated debt totaling approximately \$2 million from two separate exchange agreements with two creditors. As previously announced in early July 2019, the Company restructured debt by issuing new convertible debt in the principal amount of approximately \$2.7 million. During 2019, the principal amount of debt that DPW has either eliminated or restructured exceeds \$14.8 million.

On July 3, 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 March 23, 2018, the Company issued to the investor a convertible promissory note in the principal amount of \$1,492,000 with an interest rate of 12% per annum and a maturity date of January 22, 2020. The new note is convertible into shares of the Company’s common stock at a conversion price equal to \$8.80. To date, the investor has converted an aggregate principal amount of \$860,000 of this note.

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, the Company issued to the investor a 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. The new note is convertible into shares of the Company’s common stock at a conversion price equal to \$8.80 per share, subject to a floor of \$4.00. To date, the investor has converted an aggregate principal amount of \$1,250,000 of this note, though the Company remains indebted to this investor in the approximate amount of \$100,000.

DPW’s CEO and Chairman, Milton “Todd” Ault, III said, “The elimination of this debt is a milestone for the Company as we continue to improve our capital structure to one with a long-term timeline that supports our corporate initiatives and goals. We have worked very hard to reduce the debt we incurred in conjunction with our acquisitions and expansion activities.” Ault added, “With the progress we have made to address our debt issues, the Company can focus on being a holding company that has sales and earnings power.”

The Company 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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