

DPW Holdings Provides COVID-19 Business Update

March 30, 2020

NEWPORT BEACH, Calif., March 29, 2020 (GLOBE NEWSWIRE) -- DPW Holdings, Inc. (NYSE American: DPW), a diversified holding company ("DPW," or the "Company"), is providing an update relating to the impact that the coronavirus disease ("COVID-19") is having on its business.

Updates by business unit are as follows:

- DPW Holdings' corporate headquarters, located in Newport Beach, CA, is closed and the headquarters staff is working remotely, based on the occupancy and social distancing orders from the State of California. The headquarters staff has tested the secure remote access systems and technology infrastructure to adjust working arrangements for its employees and believes it has adequate internal communications system and will remain operational with a remote staff.
- Coolisys Technologies Corp. ("Coolisys"), located in Fremont, CA, has temporarily suspended operations as a result of the Alameda County Public Health Department's order to cease all activities at facilities located within the County as well as the occupancy and social distancing orders from the State of California. While the Fremont, CA facility is temporarily closed, Coolisys has been able to fulfill many orders through direct shipments from Coolisys' third-party manufacturing partners. Last week, Coolisys received an increase to an existing order of approximately \$680,000 that can be fulfilled through direct shipments from a manufacturing partner.
- The I.AM Prep Kitchen restaurants, located in San Diego, CA, have temporarily suspended operations to protect the health and safety of their customers, employees and the communities they serve.
- Microphase Corporation, located in Shelton, CT, has developed an emergency plan to ensure that its mission critical manufacturing and logistical functions are up and running. Microphase is part of the defense industry base that is identified as a critical infrastructure sector by the U.S. Department of Homeland Security, and as such, has a special responsibility to maintain its normal work schedule. Microphase has implemented additional steps to ensure a higher level of cleanliness in its facility. Employees at greater risk of major health issues from COVID-19 are not required to work on site. The crisis management team meets regularly to monitor the situation, and modifies and communicates the plan as the need arises.
- Gresham Power Electronics Limited, located in Salisbury, UK, temporarily suspended operations on Thursday, March 19, 2020.
- Enertec Systems 2001 Ltd., located in Karmiel, Israel, has been granted a waiver by the Israeli government to remain open to complete key projects that impact national security. Approximately 50% of the Enertec workforce is working remotely.
- Digital Farms' cryptocurrency mining operations have been suspended indefinitely, primarily due to the sharp decline in the market price for Bitcoin (BTC).

Delay in Filing Annual Report on Form 10-K

As announced on March 26, 2020, the Company will delay the filing of its 2019 Annual Report on Form 10-K, which was originally due on March 30, 2020. The impact of the current outbreak of COVID-19 has presented significant challenges and undue hardship and expense for the Company to file on a timely basis. The Company has elected to rely on the order recently issued by the U.S. Securities and Exchange Commission ("SEC") on March 4, 2020 providing conditional relief to public companies that are unable to timely comply with their filing obligations as a result of COVID-19.

The Company' operations are located in Alameda County, CA, Orange County, CA, Fairfield County, CT, the United Kingdom, Israel and members of our senior management work in Seattle, WA and New York, NY, which is also the location of the offices of the Company's independent auditor. The Company has been following the recommendations of local health authorities to minimize exposure risk for its employees for the past several weeks, including the temporary closures of its offices and having employees work remotely to the extent possible, which has to an extent adversely affected their efficiency. As a result, the Company's books and records were not easily accessible, resulting in delays in preparation and completion of its financial statements. Further, the various governmental mandatory closures of businesses in these locations have precluded the Company's personnel, particularly its senior accounting staff, from obtaining access to its subsidiaries' books and records necessary to prepare the Company's financial statements that, once audited, comprise the essence of the Annual Report. As such, the Company will be relying upon the 45-day grace period provided by the SEC's Order to delay filing of its Annual Report. The Company will file its Annual Report by no later than May 14, 2020, 45 days after the original due date of its Annual Report.

Changes to Special Meeting of Stockholders

As announced on March 27, 2020, due to the emerging public health impact of the coronavirus (COVID-19) pandemic, the location of DPW's special meeting of stockholders that was originally scheduled to be held on Tuesday, March 31, 2020 at 9:00 a.m. PT at the Hyatt Regency Hotel Newport Beach, located at 1107 Jamboree Road, Newport Beach, CA 92660 has been changed and will be held in a virtual meeting format only on April 30, 2020 at 9:00 a.m. PT.

DPW's CEO and Chairman, Milton "Todd" Ault, III said, "The health, safety and well-being of our employees and customers remain our top priority as

the impact of COVID-19 continues to rapidly evolve. We are closely monitoring the situation and following all guidance from the CDC and federal, state and local authorities, and we continue to take measures to ensure our team and customers are safe. We recognize the efforts of our defense teams at Microphase and Enertec that continue to work during these challenging times to provide products that are essential for the national security of both the United States and Israel.”

For more information on DPW Holdings and its subsidiaries, the Company recommends that stockholders, investors and any other interested parties read the Company’s public filings and press releases available under the Investor Relations section at www.DPWHoldings.com 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 and majority-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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Source: DPW Holdings, Inc.