



## Ault Global Holdings Reports Preliminary Q2 2021 Financial Results

July 13, 2021

**Q2 2021 Revenue of Approximately \$62 million, up 1048% From the Prior Year's Quarter**

**Q2 2021 Income Before Taxes of Approximately \$44 Million Compared to a \$1.4 Million Loss in the Prior Year's Quarter**

LAS VEGAS--(BUSINESS WIRE)--Jul. 13, 2021-- [Ault Global Holdings, Inc.](https://www.aultglobal.com) (NYSE American: DPW), a diversified holding company (the "Company"), reports preliminary revenue for its second quarter ended June 30, 2021.

### Q2-2021 revenue highlights

- Revenue of approximately \$62 million, an increase of approximately 1048% from \$5.4 million in the prior second fiscal quarter;
- Revenue from lending and investing activities of approximately \$53 million, due to the allocation of capital to the Company's wholly owned subsidiary, Digital Power Lending, LLC ("**DP Lending**");
- Revenue from lending and investing activities includes an approximate \$40 million gain from the Company's investment in Alzamend Neuro, Inc. (Nasdaq: ALZN) ("**Alzamend**"), a preclinical stage biopharmaceutical company focused on developing novel products for the treatment of neurodegenerative diseases and psychiatric disorders;
- Revenue from cryptocurrency mining of approximately \$300,000 as the Company resumed cryptocurrency mining operations with approximately 1,000 miners during March 2021; and
- Income before taxes of approximately \$44 million for the quarter, which represents the second sequential quarter of profitability.

The Company's Founder and Executive Chairman, Milton "Todd" Ault, III said, "Our preliminary financial results in the second quarter of 2021 reflect strength of our lending and trading activities at DP Lending, our financial services subsidiary. We believe our current lending and investing pipeline is strong and if the market conditions for investing in small cap stocks remains strong, the future prospects for the Company are extremely promising. We see strength across all our subsidiaries and expect to allocate additional capital to our lending and investment platform in the third quarter. Simply stated, we are in the strongest position of our Company's 52-year history. As discussed in the previous quarter, our key initiatives for 2021 include:

- exploring a potential IPO or other transaction to access capital markets for our Gresham Worldwide defense business;
- exploring a potential IPO for our power electronics and electric vehicle charger business;
- completing the initial 30,000 square foot buildout of our Michigan data center;
- ramping up cryptocurrency mining operations at our Michigan data center;
- ramping up fulfilment of the \$50 million MTIX purchase order for MLSE plasma-laser systems;
- expanding our loan and investment portfolio at DP Lending; and
- considering further acquisitions.

With the strongest balance sheet in the Company's history, a capable management team and a talented group of CEOs at the subsidiary level, the future prospects look bright for the Company."

The Company has certain beneficial ownership and rights to further invest in Alzamend as follows:

- The Company beneficially owns approximately 5.3 million shares of Alzamend common stock held by its wholly owned subsidiary, DP Lending.
- The Company has the right to acquire 1.35 million shares of Alzamend common stock upon the exercise of warrants beneficially owned by DP Lending.
- In March 2021, Alzamend entered into a securities purchase agreement with DP Lending pursuant to which Alzamend agreed to sell an aggregate of 6.7 million shares of its common stock for an aggregate of \$10 million, or \$1.50 per share, which sales will be made in tranches. Alzamend further agreed to issue to DP Lending warrants to purchase such number of shares of its common stock equal to 50% of the shares of common stock purchased under the securities purchase agreement at an exercise price of \$3.00 per share. On March 9, 2021, the Company purchased 2.7 million shares of Alzamend common stock (included in the 5.3 million shares of Alzamend common stock held by DP Lending described above) upon closing of the first tranche of \$4 million. Under the terms of the securities purchase agreement, DP Lending may purchase an additional 4.0 million shares.
- Finally, Alzamend agreed that for a period of 18 months following the date of the payment of the final tranche of \$4 million, DP Lending will have the right to invest an additional \$10 million on the same terms, except that no specific milestones have been determined with respect to the additional \$10 million.

Should the Company exercise all warrants and options to invest, it would own approximately 22.6 million shares with an average cost of \$2.27 per share of common stock, representing 22% of Alzamend's issued and outstanding common stock.

For more information on Ault Global Holdings and its subsidiaries, the Company recommends that stockholders, investors and any other interested parties read the Company's public filings with the SEC, available at [www.sec.gov](http://www.sec.gov), and press releases available under the Investor Relations section at [www.AultGlobal.com](http://www.AultGlobal.com).

#### **About Ault Global Holdings, Inc.**

Ault Global 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, automotive, telecommunications, medical/biopharma, and textiles. In addition, the Company extends credit to select entrepreneurial businesses through a licensed lending subsidiary. Ault Global Holdings' headquarters are located at 11411 Southern Highlands Parkway, Suite 240, Las Vegas, NV 89141; [www.AultGlobal.com](http://www.AultGlobal.com).

#### **About Alzamend Neuro**

Alzamend Neuro, Inc. ("Alzamend") ([www.Alzamend.com](http://www.Alzamend.com)) is a Delaware corporation with its corporate headquarters in Tampa, Florida. The mission of Alzamend is to help the Alzheimer's community by supporting the full product development life cycle of treatment and cures of neurodegenerative diseases and psychiatric disorders, including Alzheimer's disease. With Alzamend's two current and future product candidates, Alzamend aims to bring treatments or cures to market at a reasonable cost as quickly as possible. Alzamend's current pipeline consists of two novel therapeutic drug candidates, AL001 - a patented ionic cocrystal technology delivering a therapeutic combination of lithium, proline, and salicylate, and AL002 - a patented method using a mutant-peptide sensitized cell as a cell-based therapeutic vaccine that seeks to restore the ability of a patient's immunological system to combat Alzheimer's disease. Both of Alzamend's product candidates are licensed from the pursuant to royalty-bearing exclusive worldwide licenses from the University of South Florida.

#### **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](http://www.sec.gov) and on the Company's website at [www.AultGlobal.com](http://www.AultGlobal.com).

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