



Mohawk Group Announces Proposed Public Offering of Common Stock

August 23, 2020

NEW YORK, Aug. 23, 2020 (GLOBE NEWSWIRE) -- Mohawk Group Holdings, Inc. (NASDAQ: MWK) ("Mohawk"), the technology-enabled, consumer products company, today announced that it intends to offer and sell, subject to market and other conditions, shares of its common stock in an underwritten public offering. Mohawk also expects to grant the underwriter of the offering a 30-day option to purchase up to an additional 15% of the shares of common stock offered in the public offering on the same terms and conditions. All of the shares of common stock to be sold in the offering are to be sold by Mohawk. Mohawk currently intends to use the net proceeds from the offering to acquire, invest in or license complimentary products, technologies or businesses, including the acquisition of a consumer products business with which Mohawk has entered into a definitive purchase agreement. The completion of the acquisition is subject to obtaining certain required third party approvals and the satisfaction of customary closing conditions. If Mohawk does not complete the acquisition, Mohawk may use a portion of the net proceeds for general corporate purposes, including working capital, operating expenses and capital expenditures.

The offering is subject to market and other conditions, and there can be no assurance as to whether or when the offering may be completed, or as to the actual size or terms of the offering.

A.G.P./Alliance Global Partners is acting as the sole book-running manager for the offering.

This offering will be made pursuant to a shelf registration statement on Form S-3 (File No. 333-239614) previously filed with the Securities and Exchange Commission (the "SEC") on July 1, 2020 and declared effective by the SEC on July 8, 2020. The offering of the shares of common stock will be made by means of a prospectus, including a prospectus supplement, forming a part of the effective registration statement. A preliminary prospectus supplement and the accompanying prospectus relating to and describing the terms of the offering will be filed with the SEC and will be available on the SEC's website at www.sec.gov or by contacting A.G.P./Alliance Global Partners, 590 Madison Avenue, 28th Floor, New York, NY 10022, or via telephone at 212-624-2006 or email: prospectus@allianceg.com.

This press release does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of any such state or jurisdiction.

About Mohawk Group Holdings, Inc.

Mohawk Group Holdings, Inc. and its subsidiaries ("Mohawk") is a rapidly growing technology-enabled consumer products company that uses machine learning, natural language processing, and data analytics to design, develop, market and sell products. Mohawk predominantly operates through online retail channels such as Amazon and Walmart. Mohawk has six owned and operated brands: hOmeLabs, Vremi, Xtava, RIF6, Holonix Health, and Aussie Health Co. Mohawk sells products in multiple categories, including home and kitchen appliances, kitchenware, environmental appliances (i.e., dehumidifiers and air conditioners), beauty related products and, to a lesser extent, consumer electronics. Mohawk was founded on the premise that if a company selling consumer packaged goods was founded today, it would apply artificial intelligence and machine learning, the synthesis of massive quantities of data and the use of social proof to validate high caliber product offerings as opposed to over-reliance on brand value and other traditional marketing tactics.

Forward-Looking Statements

This press release contains forward-looking statements related to Mohawk and its subsidiaries under the safe harbor provisions of Section 21E of the Private Securities Litigation Reform Act of 1995 and subject to risks and uncertainties that could cause actual results to differ materially from those projected. Forward-looking statements include statements regarding the proposed underwritten public offering, the anticipated use of proceeds, the completion of Mohawk's proposed acquisition of a consumer product business and other matters that are described in Mohawk's most recent periodic reports filed with the SEC, including Mohawk's Annual Report on Form 10-K for the year ended December 31, 2019, subsequent Quarterly Reports on Form 10-Q and the preliminary prospectus supplement related to the proposed offering filed with the SEC on or about the date hereof, including risks and uncertainties associated with general economic and market conditions and the satisfaction of customary closing conditions and the other risk factors set forth in those filings. Investors are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this release and we undertake no obligation to update any forward-looking statement in this press release except as required by law.

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