



Mohawk Group Terminates At-the-Market (ATM) Equity Distribution Agreement

September 2, 2020

NEW YORK, Sept. 02, 2020 (GLOBE NEWSWIRE) -- Mohawk Group Holdings, Inc. (NASDAQ: MWK) ("Mohawk"), the tech-enabled, ecommerce consumer products company, today announced that on August 24, 2020, Mohawk terminated its Equity Distribution Agreement, dated July 30, 2020 (the "Equity Distribution Agreement"), effective as of August 24, 2020. Pursuant to the Equity Distribution Agreement, Mohawk could offer and sell, from time to time, shares of Mohawk's common stock having an aggregate offering price of up to \$30,000,000.

"It's prudent at this time to discontinue our ATM program given the successful completion of our recent financing and the acceleration of our accretive M&A strategy," said Yaniv Sarig, Co-Founder and CEO of Mohawk. "We are very pleased with the recent acquisition of Truweo and the speed at which we have begun to integrate the brand onto our CPG platform. We believe that our capital needs are not best served through the use of an ATM program at this time."

During the term of the Equity Distribution Agreement, Mohawk did not sell any shares of its common stock thereunder.

About Mohawk Group Holdings, Inc.

Mohawk Group Holdings, Inc. and 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 seven owned and operated brands: hOmeLabs, Vremi, Xtava, RIF6, Holonix Health, Aussie Health Co and Truweo. 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

All statements other than statements of historical facts included in this press release that address activities, events or developments that we expect, believe or anticipate will or may occur in the future are forward-looking statements including, in particular, the statements regarding the acceleration of our M&A strategy and the statements relating to our capital needs in the future. These forward-looking statements are based on management's current expectations and beliefs and are subject to uncertainties and factors, all of which are difficult to predict and many of which are beyond our control and could cause actual results to differ materially and adversely from those described in the forward-looking statements. These risks include, but are not limited to, those related to the acquisition of Truweo and integration thereof; those related to our ability to create operating leverage and efficiency when integrating companies that we acquire, including through the use of our team's expertise, the economies of scale of our supply chain and automation driven by our platform; those related to our ability to grow through the launch of products under our brands and the acquisition of additional brands; those related to the impact of COVID-19 including its impact on consumer demand, our cash flows, financial condition and revenue growth rate; our supply chain including sourcing, manufacturing, warehousing and fulfillment; our ability to manage expenses, working capital and capital expenditures efficiently; our business model and our technology platform; our ability to disrupt the consumer products industry; our ability to grow market share in existing and new product categories, including PPE; our ability to generate profitability and stockholder value; international tariffs and trade measures; inventory management, product liability claims, recalls or other safety and regulatory concerns; reliance on third party online marketplaces; seasonal and quarterly variations in our revenue; acquisitions of other companies and technologies and other factors discussed in the "Risk Factors" section of our most recent periodic reports filed with the Securities and Exchange Commission ("SEC"), all of which you may obtain for free on the SEC's website at www.sec.gov.

Although we believe that the expectations reflected in our forward-looking statements are reasonable, we do not know whether our expectations will prove correct. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof, even if subsequently made available by us on our website or otherwise. We do not undertake any obligation to update, amend or clarify these forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws.

Investor Contact: Ilya Grozovsky, Mohawk Group ilya@mohawkgp.com 917-905-1699