Remark's KanKan AI and Hanvon Technology Joint Partnership Wins Contract to Transform 17,000 Telecom Corporate Retail Stores owned by China's Largest Telecom Operator into Smart Stores

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LAS VEGAS, Aug. 19, 2019 /PRNewswire/ -- Remark Holdings, Inc. (NASDAQ: MARK), a diversified global technology company with leading artificial intelligence ("AI") solutions and digital media properties, today announced that it has expanded its collaboration partnership with Hanvon Technology, a publicly listed Chinese systems integrator to win the Master Retail Contract for the Transformation of the top global telecom provider in China's 17,000 corporate stores into smart retail stores.

Valued at $50,000,000 over the course of three years, KanKan and Hanvon Technology worked with the telecom customer to plan the objectives, framework, item list, and deployment of the upgrade and transformation to smart retail stores.

"Hanvon is excited to partner with KanKan AI, after interviewing many AI companies to select the right strategic partner," said Li Bing, Vice President of Hanvon Technology. "We are attracted by the core AI technology owned by KanKan AI, and its previous successful track record in other major retail projects. We are fortunate that the largest telecom operator in China saw that our collaborative AI smart store solution drives an immediate return on investment, resulting in a 3 year plan to roll out among its 17,000 corporate stores and a total investment of over $50 million dollars. The success of this project with the largest telecom operator will drive further business with its competitors, including the 2nd largest telecom operator, who desires the same benefits and return on investment."

"We are very excited for this expanded collaboration with Hanvon and the win of this important contract," said Kai-Shing Tao, Chairman and Chief Executive Officer of Remark Holdings. "It is a further validation of the high quality of KanKan AI's technology and experience in the retail field to provide value-enhancing solutions. We are encouraged by this contract win and plan to use the future monetization of our Sharecare holdings, whose recent strategic investment by Quest Diagnostics, validates the value that has been created, to further invest in the development and deployment of our artificial Intelligence technology among our blue chip customers' global footprint."

The first phase of the three-year project has already been launched in eight provinces in China, with plans to roll out to more than 17,000 stores in the rest of the country over the life of the project. The first phase includes the following four applications: (a) online queue system where users can check the current queuing information at the retail stores in real-time, and obtain electronic ticket information online by making appointments and receiving a digital number in the queue to replace traditional paper receipts, thereby greatly improving the efficiency of the business transaction at the retail store; (b) value-added target marketing for VIP customers where upon entering the store, VIP customers are instantly recognized and identified by the high definition cameras installed in the front of the store, allowing sales people to receive insights on the customer purchase history, while providing personalized marketing and service recommendations to improve sales conversion and the user experience; (c) in-store customer management system where customers are quickly identified and their traffic information via heat maps is provided, along with detailed analytics and demand predictions to increase sales conversions; and (d) cost reduction through KanKan AI's self-service smart terminals through functions previously provided by employees, like the replacement of cards, recharge payments, electronic invoices, etc, automating all the core business functionality in the retail store, including 13 of the top 20 largest volume business transactions, which covers 70% of the store's typical transaction volumes.

The features described above enable the smart retail store manager to analyze customer flow in stores while optimizing the display and layout of the store to enhance the customer flow through the implementation of targeted customer group management; execute business marketing plans, while improving the customer conversion rate, analyzing user consumption behaviors while providing personalized product recommendation, and upselling and enhancing the value of customer orders; and establish a detailed customer relationship management system to solicit and improve customer repurchase rates.

About Remark Holdings, Inc.

Remark Holdings, Inc. (NASDAQ: MARK) delivers an integrated suite of AI solutions that enable businesses and organizations to solve problems, reduce risk and deliver positive outcomes. The company's easy-to-install AI products are being rolled out in a wide range of applications within the retail, financial, public safety and workplace arenas. The company also owns and operates digital media properties that deliver relevant, dynamic content and ecommerce solutions. The company is headquartered in Las Vegas, Nevada, with additional operations in Los Angeles, California and in Beijing, Shanghai, Chengdu and Hangzhou, China. For more information, please visit the company's website at www.remarkholdings.com.

Forward-Looking Statements

This press release may contain forward-looking statements, including information relating to future events, future financial performance, strategies, expectations, competitive environment and regulation. Words such as "may," "should," "could," "would," "predicts," "potential," "continue," "expects," "anticipates," "future," "intends," "plans," "believes," "estimates," and similar expressions, as well as statements in future tense, identify forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors, including those discussed in Part I, Item 1A. Risk Factors in Remark Holdings' Annual Report on Form 10-K and Remark Holdings' other filings with the SEC. Any forward-looking statements reflect Remark Holdings' current views with respect to future events, are based on assumptions and are subject to risks and uncertainties. Given such uncertainties, you should not place undue reliance on any forward-looking statements, which represent Remark Holdings' estimates and assumptions only as of the date hereof. Except as required by law, Remark Holdings undertakes no obligation to update or revise publicly any forward-looking statements after the date hereof, whether as a result of new information, future events or otherwise.

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