



Remark Holdings Comments on the Recent Coronavirus Outbreak

February 4, 2020

LAS VEGAS, Feb. 4, 2020 /PRNewswire/ -- Remark Holdings, Inc. (NASDAQ: [MARK](#)), a diversified global technology company with leading artificial intelligence ("AI") solutions and digital media properties, today released the following statement from Kai-Shing Tao, Chairman and Chief Executive Officer of Remark Holdings, regarding its operations during the current health crisis.

The recent tragic outbreak of the coronavirus in China has minimally impacted our Chinese operations to date. Celebrations related to the Chinese New Year, which occurred in late January and saw most retail stores and business operations closed for ten days, helped to minimize the virus's impact.

We are taking active precautions with employees in China as they work from home to continue the rollout of the China Mobile smart retail store conversions and other previously-announced contract wins. We have already implemented our system in more than 100 China Mobile stores and will continue to ramp up as fast as possible given the current conditions. While many unanswered questions remain, we are optimistic that this crisis presents us with an opportunity.

Facial recognition has proven itself a safer way to authenticate identify versus other forms of biometric identification methods, such as fingerprint authentication, since it removes the chances of disease being spread through human-to-surface contact.

The coronavirus refocused attention on the importance of sanitary regulations, leading to increased interest in our food and safety products which help enforce government health and safety regulations. In the past, enforcement of government-mandated food safety protocols was minimal; however, the current coronavirus crisis has made such enforcement a priority for restaurants to maintain public confidence and safety.

Our partnership with Tonyue Technologies, which is deploying smart robots that automate the detection of health anomalies in kindergarten students, has also received increased interest as people again realize the importance of detecting sickness before it spreads rapidly among the population.

While China is currently our primary market, we are optimistic regarding our progress in securing several large-scale clients in the United States, Japan, and the Middle East. We have been testing with several potential customers and partners in the real estate, retail, and food industries over the last six months and are now beginning to finalize contracts. McDonald's \$300 million acquisition of an AI-based data analytics company has caught the attention of McDonald's competitors and forced them to consider what it takes to compete for customer dollars and run their business more efficiently and effectively.

We continue to work to reduce the time between conducting proof of concept ("POC") trials and executing a contract, and between contract execution and live implementation. We have now reduced the average time from POC to contract execution from between nine to 12 months to between six to nine months.

Our continued technology advantage and our innovation have allowed us to beat our better-financed competitors in winning the Lotus CP Group contracts, which subsequently allowed us to win the contract with China Mobile, a mobile telecom provider that is three times the size of AT&T Wireless and Verizon Wireless combined. The validation from China Mobile has led to strong interest from, and to POC trials with, other Asian mobile telecom service providers.

Our recent investment in building a U.S. deployment team has led to POC trials and inquiries from leading U.S.-based retailers, shopping centers, and cannabis dispensaries. We will provide more details regarding such opportunities upon execution of contracts and full roll outs.

We believe that positive developments and the recent investment in Sharecare by Arizona's Blue Cross and Blue Shield, Inc. further increases the value of our investment in Sharecare equity. With the expected upcoming monetization of our Sharecare investment, we will capitalize upon the pipeline of opportunities we have been privileged to receive globally, including the expected opportunities in the U.S., Japan, and the Middle East, and we will continue to work diligently to quickly build upon our success in attracting new business.



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

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