

April 25, 2022



Wrap Technologies Announces Inducement Grant Under Nasdaq Listing Rule 5635(c)(4)

TEMPE, Ariz., April 25, 2022 (GLOBE NEWSWIRE) -- **Wrap Technologies, Inc. (Nasdaq: WRAP)** ("**Wrap**" or the "**Company**"), a global leader in innovative public safety technologies and services, today announced that its Board of Directors (the "Board") has, effective as of April 19, 2022, granted Kevin Mullins an equity award as an inducement to enter into his employment as Wrap's President, in accordance with NASDAQ Listing Rule 5635(c)(4).

TJ Kennedy, Chief Executive Officer and Director, commented:

"We are very excited to reestablish the President role and have Kevin step into that important position. Kevin has a strong vision for taking Wrap's go-to-market and sales capabilities to the next level in order to drive long-term growth globally for Wrap. He has the right background and experience to build out a sales team, integrate marketing and, ultimately, help us scale to enable everyone in public safety to leverage BolaWrap. Kevin's experience with M & A will be invaluable as we grow. It is also important that Kevin is receiving a significant portion of his compensation in equity, meaning his interests are very well aligned with shareholders and the Company's future performance."

The material terms of the inducement award are as follows:

- restricted stock units settleable into a maximum of 175,173 shares of Wrap's common stock, which will vest in substantially equal installments on each of the first through third anniversaries of the effective date of Mr. Mullins' employment, subject to Mr. Mullins' continued employment through each of the vesting dates;
- a nonqualified option to purchase up to 356,747 shares of Wrap's common stock, at an exercise price equal to \$2.89, which will vest in substantially equal installments on each of the first through third anniversaries of the effective date of Mr. Mullins' employment, subject to Mr. Mullins' continued employment through each of the vesting dates; and
- a nonqualified option to purchase up to 692,398 shares of Wrap's common stock, at an exercise price equal to \$2.89, which will vest, subject to Mr. Mullins's continued employment with the Company through each vesting date, as follows: (a) 1/3rd on the date on which the Company's market capitalization meets or exceeds \$250 million for each trading day during three consecutive months, (b) 1/3rd on the date on which the Company's market capitalization meets or exceeds \$500 million for each trading day during three consecutive months, and (c) the remaining 1/3rd on the date on which the Company's market capitalization meets or exceeds \$1 billion for each trading day

during three consecutive months.

About WRAP

WRAP Technologies (Nasdaq: WRAP) is a global leader in innovative public safety technologies and services. WRAP develops creative solutions to complex issues and empowers public safety officials to protect and serve their communities through its portfolio of advanced technology and training solutions.

WRAP's BolaWrap[®] Remote Restraint device is a patented, hand-held pre-escalation and apprehension tool that discharges a Kevlar[®] tether to temporarily restrain uncooperative suspects and persons in crisis from a distance. Through its many field uses and growing adoption by agencies across the globe, BolaWrap is proving to be an effective tool to help law enforcement safely detain persons without injury or the need to use higher levels of force.

WRAP Reality, the Company's virtual reality training system, is a fully immersive training simulator and comprehensive public safety training platform providing first responders with the discipline and practice in methods of de-escalation, conflict resolution, and use-of-force to better perform in the field.

WRAP's headquarters are in Tempe, Arizona. For more information, please visit wrap.com.

Trademark Information

BolaWrap, Wrap and Wrap Reality are trademarks of Wrap Technologies, Inc. All other trade names used herein are either trademarks or registered trademarks of the respective holders.

Cautionary Note on Forward-Looking Statements - Safe Harbor Statement

This press release contains "forward-looking statements" within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, including but not limited to: statements regarding the Company's overall business; total addressable market; and, expectations regarding future sales and expenses. Words such as "expect," "anticipate," "should," "believe," "target," "project," "goals," "estimate," "potential," "predict," "may," "will," "could," "intend," and variations of these terms or the negative of these terms and similar expressions are intended to identify these forward-looking statements. Moreover, forward-looking statements are subject to a number of risks and uncertainties, many of which involve factors or circumstances that are beyond the Company's control. The Company's actual results could differ materially from those stated or implied in forward-looking statements due to a number of factors, including but not limited to: the Company's ability to successfully implement training programs for the use of its products; the Company's ability to manufacture and produce product for its customers; the Company's ability to develop sales for its new product solution; the acceptance of existing and future products; the availability of funding to continue to finance operations; the complexity, expense and time associated with sales to law enforcement and government entities; the lengthy evaluation and sales cycle for the Company's product solution; product defects; litigation risks from alleged product-related injuries; risks of government regulations; the business impact of health crises or outbreaks of disease, such as epidemics or pandemics; the impact resulting from geopolitical conflicts and any resulting sanctions; the ability to obtain export licenses for countries outside of the US; the ability to obtain patents and defend IP against

competitors; the impact of competitive products and solutions; and the Company's ability to maintain and enhance its brand, as well as other risk factors mentioned in the Company's most recent annual report on Form 10-K, quarterly report on Form 10-Q, and other SEC filings. These forward-looking statements are made as of the date of this press release and were based on current expectations, estimates, forecasts, and projections as well as the beliefs and assumptions of management. Except as required by law, the Company undertakes no duty or obligation to update any forward-looking statements contained in this release as a result of new information, future events or changes in its expectations.

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Source: Wrap Technologies, Inc.