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Wrap Technologies, Inc. Positions for Scale with Manufacturing and Sales Expansion while Reducing Workforce by 30%

TEMPE, Ariz., Feb. 05, 2024 (GLOBE NEWSWIRE) -- Wrap Technologies, Inc. (Nasdaq: WRAP) ("Wrap" or the "Company"), the makers of BolaWrap and the innovative public safety solutions platform powered by artificial intelligence ("AI"), virtual reality and data, today announces an initiative to position the company for growth in 2024 and beyond.

The Company has reduced its labor force by 30%, representing \$2.4M in annual savings, in the past 45 days through outsourcing and headcount reductions. To position for the future, the Company is expanding manufacturing capacity in its Tempe facility and building out a robust enterprise-level sales and marketing team. These measures should enable Wrap to meet the increasing global demand for its solutions while driving shareholder value.

Cost Reduction Initiatives:

Wrap is implementing various cost-saving measures to optimize the corporate structure while investing in near and long-term revenue opportunities. These measures include digitization initiatives, headcount reductions and strategic outsourcing. These steps have enabled Wrap to achieve material cost savings while redirecting investment to higher ROI initiatives.

"Reduction in headcount must always be balanced with a strategic outcome. I am confident that this decision will yield long-term results in efficiency, discipline and focus while driving shareholder value," said Scot Cohen, Wrap CEO.

Expansion in Manufacturing:

Wrap intends to increase its production capacity through the expansion of its manufacturing operations in Tempe, Arizona to meet the growing global demand for the BolaWrap[®] Remote Restraint device. The manufacturing facility will leverage state-of-the-art technology, that should result in improved throughput.

"Our Tempe facility is expected to evolve into a standalone, solely-purposed manufacturing division," said Cohen. "This approach provides a singular outcome by harnessing advanced R&D and innovation under one roof. There will be no distractions in our Tempe facility, ensuring laser-focused solutions towards higher purpose policing efforts."

Investing in Enterprise-Level Sales and Marketing Infrastructure:

Wrap is redirecting investment towards its sales and marketing infrastructure to capitalize on

industry tailwinds. This investment should enable the expansion of Wrap's corporate headquarters in Miami, Florida and the continued recruitment of top-tier enterprise-level talent on its executive and corporate teams.

"Focus, discipline, and execution are our mantras for 2024," said Cohen. "As Tempe serves for our manufacturing and R&D hub, Miami will not only serve as our new corporate headquarters, but our home base for overall thought leadership in higher purpose policing. Our Miami headquarters will function as a courtyard for the best minds coming together and providing solutions for the Company's higher purpose policing platform. Today's announcement also sets the direction for how Wrap will be positioned as lean yet opportunistic, and ready to leverage the forward-thinking brand we've been building since 2016. We are investing in our improved platform which positions the Company to capture recurring revenue and cultivates a high performance culture around elite talent."

About Wrap

Wrap Technologies, Inc. (Nasdaq: WRAP) is a leading global provider of advanced public safety solutions, integrating ultramodern technology, cutting-edge tools, and comprehensive services to address the complex, modern day challenges facing public safety organizations around the world. Guided by a no-harm principle, Wrap is dedicated to developing groundbreaking solutions that empower public safety agencies to safeguard the communities they serve in a manner that fosters stronger relationships. Driving safer outcomes, empowering public safety and communities to move forward together.

Wrap's BolaWrap[®] solution encompasses an innovative and patented hand-held remote restraint device, strategically engineered with Wrap's no-harm guiding principle to proactively deter escalation by deploying a Kevlar[®] tether that safely restrains individuals from a distance, mitigating potential risks and injuries, averting tragic outcomes.

Wrap Reality[™], the Company's advanced virtual reality training system, is a fully immersive training simulator and comprehensive public safety training platform that equips first responders with the discipline and practice to prevent escalation, de-escalate conflicts, and apply appropriate tactical use-of-force measures to better perform in the field.

Wrap Intinsic is a comprehensive, secure and efficient body worn camera and evidence collection and management solution designed with innovative technology to quickly capture, safely handle, securely store, and seamlessly track evidence, all while maintaining full transparency throughout the process.

Together, Wrap's Solutions help foster safer communities globally.

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Trademark Information

Wrap, the Wrap logo, BolaWrap[®], Wrap Reality[™] and Wrap Training Academy are trademarks of Wrap Technologies, Inc., some of which are registered in the U.S. and

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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 United States; 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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