

January 13, 2020



## **Inpixon Provides Business Update and Reaffirms Positive Outlook for 2020**

PALO ALTO, Calif. and TORONTO, Jan. 13, 2020 (GLOBE NEWSWIRE) -- Inpixon (Nasdaq: INPX), a leading indoor data company that specializes in delivering indoor intelligence, today provided a business update regarding recent activity in the stock following the reverse split and reaffirmed the Company's positive outlook for 2020.

Nadir Ali, CEO of Inpixon, commented, "On November 15, 2019, our shareholders approved a reverse split in order to allow the Company to regain compliance with Nasdaq's \$1.00 minimum bid price requirement. As communicated during our third quarter earnings call, we determined not to immediately proceed with the reverse split even after obtaining shareholder approval prior to the November 26, 2019 compliance deadline so that we could request that Nasdaq grant us additional time to regain compliance without the need for a reverse split.

On November 27, 2019, we reported that the Nasdaq staff had denied the Company's request for additional time to evidence compliance and that our common stock would be subject to delisting. In order to stay the delisting of our common stock, we requested a hearing to appeal the Nasdaq staff's determination, which is currently scheduled for January 23, 2020. At the hearing, we will be required to demonstrate to the Nasdaq Hearings Panel, a sustainable ability to meet and maintain compliance with Nasdaq's minimum bid price requirement.

On January 6, 2020, we announced plans to conduct the reverse split approved by stockholders, which became effective on January 7, 2020. While we regret the need to conduct the reverse split, especially in light of the strong momentum we had in the market, the decision was one of timing and potential necessity. Following consultation with our advisors, our Board of Directors determined that the implementation of the reverse split at the approved ratio at least 10 trading days before the hearing would allow the Company to not only demonstrate at the hearing that its share price satisfied the minimum bid price requirement for the minimum required period, but also an ability to remain in continuing compliance.

While there was an uptrend in our share price immediately prior to the implementation of the reverse split, there were no assurances that we would have been able to satisfy the minimum bid price organically prior to our Nasdaq hearing in order to demonstrate that the share price could meet the minimum bid price requirement on an ongoing basis. As a result, our Board concluded that implementation of the reverse split provides the greatest opportunity for a successful outcome following the hearing to ensure our continued listing on Nasdaq and avoid the significant challenges for us all that would arise from a delisting.

It is important to note that the reverse split does not alter shareholders' pro-rata ownership percentage, as all shares, including those held by the Board and management, were

reduced by the same amount.

As a publicly traded company, my Board and I are keenly aware that our number one priority is protecting and building shareholder value and we understand that stock price is an important measuring tool of our business performance. Every decision we have made was carefully considered by our Board with our shareholders' investment interests in mind.

We are working diligently to firmly establish our leadership in the multi-billion-dollar indoor intelligence market and to grow our market share. We anticipate all of the acquisitions we made last year to be accretive and they have allowed Inpixon to position itself as one of the only companies currently in the market that can offer end-to-end solutions for indoor intelligence that include intelligent mapping, positioning, analytic services and development tools across a variety of verticals and industries with a multitude of price and entry points.

We believe the growth experienced and milestones achieved in 2019, as well as our prospects for 2020, will enable us to drive shareholder value. We are rapidly growing our commercial and government customer base, and our sales pipeline is more robust than ever. This is best illustrated by the 63% increase in revenue for the third quarter of 2019, compared to the same period in the prior year, which represents our third consecutive quarter of year-over-year growth. We also ended our 2019 fiscal year with an improved cash position and continue to anticipate revenue growth, all of which lead me to strongly believe that the outlook heading into 2020 is brighter than ever.

The purpose for the reverse split is clearly set forth above and it was conducted to give Inpixon the greatest opportunity to regain compliance for the benefit of all of you, our shareholders. The entire Board and I are sharply focused on advancing Inpixon's business and once again, we are brightly optimistic about the Company's future. As I have hopefully explained here, my Board and I believe the reverse split, although unfortunate, was absolutely necessary under the circumstances to protect our Nasdaq listing and forward prospects for our shareholders.

Personally, I want each of our shareholders to know that I value you, every member of our Board is hearing you in all forms of communication, and we are confident in the prospects of Inpixon's business. As I look to our future together, I want to express my sincere appreciation for all of you. I look forward to providing meaningful updates on our operational progress in the days and weeks ahead."

## **About Inpixon**

Inpixon® (Nasdaq: INPX) is an indoor data company that specializes in capturing, interpreting and giving context to indoor data so it can be translated into actionable intelligence. The company's indoor location data platform ingests diverse data from IoT, third-party and proprietary sensors designed to detect and position all active cellular, Wi-Fi and Bluetooth devices, and uses a proprietary process that ensures anonymity. Paired with a high-performance data analytics engine, patented algorithms, and advanced mapping technology, Inpixon's solutions are leveraged by a multitude of industries to do good with indoor data. This multidisciplinary depiction of indoor data enables users to increase revenue, decrease costs, and enhance safety. Inpixon customers can boldly take advantage of location awareness, analytics, sensor fusion and the Internet of Things (IoT) to uncover the untold stories of the indoors. For the latest insights, follow Inpixon on LinkedIn, Twitter,

and visit [inpixon.com](http://inpixon.com).

## **Safe Harbor Statement**

*All statements in this release that are not based on historical fact are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995 and the provisions of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. While management has based any forward-looking statements included in this release on its current expectations, the information on which such expectations were based may change. These forward-looking statements rely on a number of assumptions concerning future events and are subject to a number of risks, uncertainties and other factors, many of which are outside of the control of Inpixon and its subsidiaries, which could cause actual results to materially differ from such statements. Such risks, uncertainties, and other factors include, but are not limited to, the fluctuation of economic conditions, the performance of management and employees, Inpixon’s ability to obtain financing, Inpixon’s ability to maintain its exchange listing, competition, general economic conditions and other factors that are detailed in Inpixon’s periodic and current reports available for review at [sec.gov](http://sec.gov). Furthermore, Inpixon operates in a highly competitive and rapidly changing environment where new and unanticipated risks may arise. Accordingly, investors should not place any reliance on forward-looking statements as a prediction of actual results. Inpixon disclaims any intention to, and undertakes no obligation to, update or revise forward-looking statements.*

## **Inpixon Contacts**

### **Media relations and general inquiries:**

Inpixon

Email: [marketing@inpixon.com](mailto:marketing@inpixon.com)

Web: [inpixon.com/contact](http://inpixon.com/contact)

### **Investor relations:**

Crescendo Communications, LLC

Tel: +1 212-671-1020

Email: [INPX@crescendo-ir.com](mailto:INPX@crescendo-ir.com)



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