



GROUP MOBILE ANNOUNCES PARTNERSHIP WITH DIGITAL ALLY TO PROVIDE CLOUD SOLUTIONS TO ENTERPRISE CLIENTS

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CHANDLER, AZ - October 4, 2016 - [Group Mobile](#), a rapidly expanding and growing premiere provider of innovative, full service mobile technology solutions, and a wholly owned subsidiary of FORM Holdings Corp. (NASDAQ: FH), today announced that it has partnered with Digital Ally Inc. (NASDAQ: DGLY), as the exclusive third party supplier of Digital Ally's Fleet Vu solution.

"We are truly excited to take this step with Digital Ally and continue to showcase Group Mobile's commitment to bringing the most state of the art solutions to our customers in the ever changing enterprise solutions landscape," said Darin White President of Getac. "Group Mobile's commitment to providing digital media, cloud based storage and 'best of breed' hardware technology solutions across all verticals continues to set Group Mobile apart from its competition."

Digital Ally is a leading provider of high quality video recording equipment designed specifically for law enforcement, first responders and commercial fleets. Digital Ally's Fleet Vu cloud solution is a market leading web based tool for video and data management targeted at passenger transit, delivery and utility service vehicles, ambulances and over the road carriers.

Fleet Vu was built with the intention of monitoring driver behavior and has numerous customizable reporting capabilities for fleet managers, which differentiates the solution significantly from competing "crash cams". Fleet Vu provides GPS as well as situational awareness capabilities, configured with multiple video streams that monitor what is in, on, or around the vehicle, providing enhanced safety for field based assets and personnel. Fleet Vu is easy to install, operate and manage and has accounted for more than one million video uploads to the cloud to date.

"We at Group Mobile are thrilled to announce a partnership with Digital Ally. As a trusted mobile video technology partner, Digital Ally brings over 10 years of dedicated mobile video design and manufacturing experience. The appetite and demand for video capabilities in the enterprise fleet market is growing and we are excited to be on the cutting edge of early adoption. Together, we expect to mine our Group Mobile database of commercial and enterprise customers to introduce this state of the art driver and fleet management, video based technology to our current customers," added Criss Cross, Senior Vice President of Public Sector of Group Mobile.

"Digital Ally believes in connected car technology and adding our DVM-250 Video Event Data Recorder to Group Mobile's robust suite of in car solutions is a good fit. Our partnership demonstrates a positive step in which both companies are furthering their commitment to commercial work fleets," said John Ramage, VP Commercial Sales of Digital Ally.

About Digital Ally

Digital Ally is a leading global designer, manufacturer and innovator in the growing field of digital technology. Digital Ally is the only company serving the military, law enforcement, fire, emergency medical services and the commercial fleet industries that is capable of providing the complete end-to-end hardware and software solution. The Company's product lines include in-car audio/video recording equipment, body-worn cameras, cloud and local server software and storage solutions. Digital Ally products are sold by domestic direct sales representatives and international distributors worldwide. Digital Ally is headquartered in Lenexa, Kansas and its shares are traded on The NASDAQ Capital Market under the symbol "DGLY." For news and information please visit www.digitalallyinc.com or follow the company on Twitter @digitalallyinc and Facebook <http://www.facebook.com/DigitalAllyInc>.

About Group Mobile

[Group Mobile](#), a wholly owned subsidiary of Form Holdings Corp. (NASDAQ: FH), headquartered in Phoenix, AZ, serves customers world-wide. Group Mobile is a rapidly expanding and growing and innovative full end-to-end solution provider of rugged mobile hardware, lifecycle services, system integration, hardware service support, pre-and post-deployment, break-fix, warranty repair, customer support helpdesk and more - all constructed to solve pressing problems and ensure our customers are receiving exceptional value, return on investment and a trusted long-lasting partnership. Group Mobile has mastered the true challenges of mobility through understanding the key elements required for a successful mobile deployment - hardware, connectivity, data and customer back-end network infrastructures.

About FORM Holdings Corp.

FORM Holdings Corp. (NASDAQ: FH) is a publicly held diversified holding company that specializes in identifying, investing in and developing companies with superior growth potential. FORM's current holdings include Group Mobile, FLI Charge, Infomedia and intellectual property assets. Group Mobile is a provider of rugged, mobile and field-use computing products, serving customers worldwide. FLI Charge designs, develops, licenses, manufactures and markets wireless conductive power and charging solutions. Infomedia is a leading provider of customer relationship management and monetization technologies to mobile carriers and device manufacturers. FORM Holdings' intellectual property division is engaged in the development and monetization of intellectual property. To learn more about Form Holdings Corp., visit: www.FormHoldings.com.

Forward-Looking Statements

This press release includes forward-looking statements, which may be identified by words such as "believes," "expects," "anticipates," "estimates," "projects," "intends," "should," "seeks," "future," "continue," or the negative of such terms, or other comparable terminology. Forward-looking statements are statements that are not historical facts. Such forward-looking statements are subject to risks and uncertainties, which could cause actual results to differ materially from the forward-looking statements contained herein. Statements in this press release regarding the proposed merger between FORM and XpresSpa; the expected timetable for completing the transaction; the potential value created by the proposed merger for

FORM's stockholders and XpresSpa's equity holders; the potential of FORM's business after completion of the merger; XpresSpa's projected revenue, the ability to raise capital to fund operations and business plan; the continued listing of FORM's securities on the Nasdaq Capital Market; market acceptance of FORM products; the collective ability to protect intellectual property rights; competition from other providers and products; FORM's management and board of directors after completion of the Merger; and any other statements about FORM's or XpresSpa's management teams' future expectations, beliefs, goals, plans or prospects constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. There are a number of important factors that could cause actual results or events to differ materially from those indicated by such forward-looking statements, including, but not limited to: the risk that FORM and XpresSpa may not be able to complete the proposed transaction; the inability to realize the potential value created by the proposed merger for FORM's stockholders; FORM's inability to maintain the listing of its securities on the Nasdaq Capital Market after completion of the merger; the potential lack of market acceptance of FORM's products; FORM's inability to monetize and recoup FORM's investment with respect to assets and other businesses that that were acquired or will be acquired in the future; general economic conditions and level of information technology and consumer electronics spending; unexpected trends in the mobile phone and telecom computing industries; the potential loss of one or more of FORM's significant Original Equipment Manufacturer ("OEM") suppliers, the potential lack of market acceptance of FORM's products; market acceptance, quality, pricing, availability and useful life of FORM's products and services, as well as the mix of FORM's products and services sold; potential competition from other providers and products; FORM's inability to license and monetize FORM's patents, including the outcome of litigation; FORM's inability to develop and introduce new products and/or develop new intellectual property; FORM's inability to protect FORM's intellectual property rights; new legislation, regulations or court rulings related to enforcing patents, that could harm FORM's business and operating results; FORM's inability to retain key members of its management team; and other risks and uncertainties and other factors discussed from time to time in our filings with the Securities and Exchange Commission ("SEC"), including FORM's Annual Report on Form 10-K for the year ended December 31, 2015 filed with the SEC on March 10, 2016. Investors and stockholders are also urged to read the risk factors set forth in the proxy statement/prospectus carefully when they are available. FORM expressly disclaims any obligation to publicly update any forward-looking statements contained herein, whether as a result of new information, future events or otherwise, except as required by law.

Important Additional Information Filed with the SEC

This communication does not constitute an offer to sell or the solicitation of an offer to buy any securities of FORM, or XpresSpa or the solicitation of any vote or approval. In connection with the proposed transaction, FORM filed with the SEC a Registration Statement on Form S-4 containing a proxy statement/prospectus. The proxy statement/prospectus contains important information about FORM, XpresSpa, the transaction and related matters. FORM will mail or otherwise deliver the proxy statement/prospectus to its stockholders when it will be declared effective by the SEC. Investors and security holders of FORM and XpresSpa are urged to read carefully the proxy statement/prospectus relating to the proposed merger (including any amendments or supplements thereto) in its entirety because it contains important information about the proposed transaction.

Investors and security holders of FORM will be able to obtain free copies of the proxy statement/prospectus for the proposed merger and other documents filed with the SEC by FORM through the website maintained by the SEC at www.sec.gov.

FORM and XpresSpa, and their respective directors and certain of their executive officers, may be deemed to be participants in the solicitation of proxies in respect of the transactions contemplated by the merger agreement between FORM and XpresSpa. Information regarding FORM's directors and executive officers is contained in FORM's Annual Report on Form 10-K for the fiscal year ended December 31, 2015, which was filed with the SEC on March 10, 2016. Information regarding XpresSpa's directors and officers and a more complete description of the interests of XpresSpa's directors and officers in the proposed transaction is available in the proxy statement/prospectus that was filed by FORM with the SEC in connection with the proposed transaction.

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