



B. Riley Financial Enters Agreement to Purchase Fortress Biotech's Stake in National Holdings

November 19, 2018

*Acquires 24 percent of National Holdings' outstanding shares
Up to an additional 32 percent of shares to be purchased following FINRA approval*

LOS ANGELES, Nov. 19, 2018 (GLOBE NEWSWIRE) -- B. Riley Financial, Inc. (NASDAQ: RILY) today announced its wholly owned subsidiary has entered into an agreement to acquire Fortress Biotech, Inc.'s (NASDAQ: FBIO) majority stake in National Holdings Corporation (NASDAQ: NHLD) for an aggregate purchase price totaling approximately \$22.9 million. B. Riley Financial has purchased 24 percent of National Holdings' outstanding shares at \$3.25 per share. The remaining 32.1 percent of National Holdings' shares owned by Fortress Biotech will be purchased at the same per-share price by B. Riley Financial, or its designee, following FINRA approval.

"This investment represents an exciting opportunity, both from an investment and strategic point of view," said Bryant Riley, Chairman and co-Chief Executive Officer, B. Riley Financial. "We have been impressed with the operational and cultural changes implemented by National Holdings' new management team over the last two years. We believe our shareholders will benefit from this opportunity to strategically invest in a growing, profitable business, below book value and near cash value."

National Holdings provides a range of investment banking and asset management services to corporations, institutions, high net-worth and retail investors through its subsidiaries. The firm offers independent retail brokerage and advisory services, institutional sales and trading, equity research, financial planning, market making, tax preparation and insurance. National Holdings' subsidiaries include National Securities Corporation, National Asset Management, Inc., National Insurance Corporation, Gilman Cioia, Inc. and GC Capital Corporation. As reported by National Holdings in their most recent Quarterly Report on Form 10-Q, National Holdings generated \$166.7 million in revenue and Adjusted EBITDA of \$12.1 million for the nine months ended June 30, 2018.

National Holdings continues to operate independently under the leadership of its Chairman and Chief Executive Officer Michael A. Mullen and its Board of Directors. Pursuant to an agreement with National Holdings, Bryant Riley, Chairman and co-Chief Executive Officer of B. Riley Financial, will be entitled to attend and observe meetings of National Holdings' Board of Directors.

About B. Riley Financial, Inc. (NASDAQ: RILY)

B. Riley Financial provides collaborative financial services and solutions tailored to fit the capital raising and financial advisory needs of public and private companies and high net worth individuals. The company operates through several wholly-owned subsidiaries, including B. Riley FBR, a full-service investment bank and institutional brokerage; Great American Group, a leading provider of asset disposition, appraisal, corporate advisory and valuation services; GlassRatner, a specialty financial advisory services and consulting firm; B. Riley Wealth Management, B. Riley Asset Management and B. Riley Alternatives, which offer investment management to institutional and high

net worth investors; Great American Capital Partners, which originates and underwrites senior secured loans for asset-rich companies; and B. Riley Principal Investments, which invests in or acquires companies and assets with attractive return profiles. For more information, visit www.brileyfin.com.

Forward-Looking Statements

Statements in this press release that are not descriptions of historical facts are forward-looking statements that are based on management's current expectations and assumptions and are subject to risks and uncertainties. If such risks or uncertainties materialize or such assumptions prove incorrect, our business, operating results, financial condition and stock price could be materially negatively affected. In some cases, you can identify forward-looking statements by terminology including "anticipates," "believes," "can," "continue," "could," "estimates," "expects," "intends," "may," "plans," "potential," "predicts," "should," "will," "would" or the negative of these terms or other comparable terminology. You should not place undue reliance on such forward-looking statements, which are based on the information currently available to us and speak only as of the date of this press release. Such forward looking statements include, but are not limited to, statements regarding the positive return on the investment in National Holdings. Because these forward-looking statements involve known and unknown risks and uncertainties, there are important factors that could cause actual results, events or developments to differ materially from those expressed or implied by these forward-looking statements. Factors that could cause actual results to differ include (without limitation) the possibility that FINRA approval is not obtained, a change in National Holding's financial performance and the Company's financial performance; and those risks described from time to time in B. Riley Financial, Inc.'s periodic filings with the SEC, including, without limitation, the risks described in B. Riley Financial, Inc.'s Annual Report on Form 10-K for the year ended December 31, 2017 under the captions "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations." Additional information is also set forth in our Quarterly Report on Form 10-Q for the quarter ended September 30, 2018. These factors should be considered carefully, and readers are cautioned not to place undue reliance on such forward-looking statements. All information is current as of the date this press release is issued, and B. Riley Financial, Inc. undertakes no duty to update this information.

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