



**Qualstar Corporation Announces Plan to Reincorporate in Nevada
Plan also includes 3:1 split of Company's Common Stock**

CAMARILLO, Calif., Dec. 11, 2025 (GLOBE NEWSWIRE) -- **Qualstar Corporation (OTC: QBAK)**, a trusted provider of scalable data storage and high-efficiency power solutions, today announced a plan of conversion under which it will reincorporate from California to Nevada and its common stock will undergo a 3:1 split.

The plan of conversion has been approved by the Company's Board of Directors and by the holders of approximately 77.9% of the outstanding shares of the Company's common stock, which is sufficient to approve the reincorporation under California law. Shareholders of the Company that did not vote in favor of the conversion, and that otherwise comply with certain specified procedures, have the statutory right to dissent from the conversion and receive the appraised fair market value of their shares in cash instead of becoming shareholders of the new Nevada corporation. If holders of more than 1% of the outstanding shares duly exercise their dissenters' rights, the Board of Directors may elect to abandon the reincorporation.

The Company is mailing a Notice to its shareholders on December 12, 2025 describing the plan of conversion in more detail, summarizing certain material differences between the respective corporations laws of California and Nevada, and describing the dissenters' rights provisions of California law.

As described in the Notice, unless the Board of Directors elects to abandon the reincorporation, it will become effective upon filing of the required documentation with the Secretaries of State of California and Nevada, which is expected to occur on or about January 12, 2026.

About Qualstar Corporation

Qualstar Corporation, founded in 1984, manufactures and markets data storage system products and compact, high efficiency power solutions.

Our data storage systems are marketed under the Qualstar™ brand and include highly scalable automated magnetic tape libraries used to store, retrieve and manage electronic data primarily in the network computing environment. Our products, sold through resellers, system integrators and OEMs, range from entry-level to enterprise and are a cost-effective solution for organizations requiring backup, recovery and archival storage of critical electronic information.

The Company's power solutions, marketed under the N2Power™ brand, include standard, semi-custom and custom versions and provide OEM designers with increased functionality while reducing thermal loads and cooling requirements and

lowering operating costs. These products are sold to OEMs in a wide range of markets, including telecom/networking equipment, audio/visual, industrial, gaming and medical.

More information is available at www.qualstar.com and www.n2power.com or by phone at 805-583-7744.

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FOR MORE INFORMATION

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