

August 17, 2020



# VERB Beats SaaS Revenue Forecast and Reports Record Breaking 2020 Second Quarter Financial Results

*Five Consecutive Quarters of SaaS Recurring Revenue Growth;*

*verbLIVE Added to Salesforce App Exchange Partner Program*

*Company well-capitalized with recent \$13.8 million public offering*

NEWPORT BEACH, Calif. and SALT LAKE CITY, Aug. 17, 2020 (GLOBE NEWSWIRE) -- [VERB Technology Company, Inc. \(NASDAQ: VERB\) \("VERB" or the "Company"\)](#), a leader in interactive video-based sales enablement applications, including interactive livestream ecommerce, webinar, CRM, and marketing applications for entrepreneurs and enterprises, held its second quarter 2020 earnings conference call on Friday, August 14 during which VERB CEO Rory J. Cutaia, and CFO Jeff Clayborne shared business and operational insights.

VERB CEO Rory J. Cutaia began the call by discussing his strategies for building the company from a start-up, the challenges they faced along the way to becoming a NASDAQ-listed company and the beginning of what is now five consecutive quarters of impressive revenue growth in their core SaaS business. “As I’ve talked about over the past year, we’ve been focused on setting the table, building and shoring up the foundation upon which we are building - piece, by carefully and strategically built piece, a world class organization with global aspirations,” began Cutaia.

“In an effort to provide the kind of transparency I believe our shareholders deserve, not just our shareholders, who I consider our co-owners, but shareholders in any company, I’ve talked quite a bit about what we’re building, what’s coming, what we’re working on, and our evolving vision for this company. But in the ‘I need it now, immediate gratification, attention deficit-disordered, put up or shut up, social media, mobile screen world that has consumed our entire virtual existence, – talk - and talk alone - doesn’t move the needle. Results move the needle. Measurable results. Execution moves the needle. So today we’re going to talk about execution and measurable results.” [\[click to see video clip here\]](#)

## **Second Quarter 2020 and Recent Operational Highlights Discussed During the Call**

- SaaS revenue of approximately \$1.3M - up almost 21% over Q1 and reflects growth of almost 49% over the same period last year.
- Total Digital revenue of approximately \$1.7M - up almost 16% over Q1.
- Total Non-Digital revenue of approximately \$1M was up almost 9% over Q1.

- Total Combined revenue of approximately \$2.7M was up almost 13% over Q1.
- 20 new client contracts executed in Q2 – almost double the 11 signed in Q1 – and 5 times the number signed in the same period last year.
- The base guaranteed contract value of new contracts is \$983,000 – represents growth of 65% over last quarter and 245% growth over the same period last year.
- 5 consecutive quarters of SAAS revenue growth.
- On a pro forma basis, total SaaS revenue for the first 6 months of 2020 was \$2.3 million, - an increase of almost 42% from \$1.6M reported for the same period last year.
- On a pro forma basis, total Digital revenue for the first 6 months of 2020 was \$3.1 million, - an increase of 25% from \$2.5 million reported for the same period last year.
- Total user downloads of approximately 1.5 million, up from 1.3 million reported in first quarter 2020, and up from 670,000 for the same period last year.
- Completed the integration of new live stream ecommerce application [verbLIVE](#), with the platform of enterprise CRM giant [Salesforce](#).
- verbLIVE added to Salesforce’s AppExchange Partner Program.
- VERB added to the Russell Microcap<sup>®</sup> Index as part of the 2020 Russell indexes annual reconstitution.
- In July, VERB closed an over-subscribed underwritten public offering of common stock for gross proceeds of approximately \$13.8 million, including full exercise of the underwriter's over-allotment option to purchase additional shares.
- In April, VERB began Japan operations, tapping into a multi-billion-dollar market opportunity as part of its international expansion plan.
- 26 new client proposals since June 30 – a 20% increase over same period last quarter [correction].
- 7 new enterprise clients added during first 5 weeks of Q3 [correction].
- 17 existing clients signed during pre-launch for verbLIVE represent a potential market opportunity of more than \$5M of additional annual recurring revenue.
- Letter of Intent executed for potential new acquisition to allow the company to expand more rapidly into a desirable new business vertical for its products and services.

“When we think of underlying business fundamentals, which, in our view, is the source of true market value, this is what we focus on. And this is what we believe value investors focus on. So with growth of our SaaS business of almost 49% over last year and almost 21% over

last quarter alone, I'm proud to report that our value creation initiatives are indeed producing measurable, quantifiable, and accelerating results," concluded Cutaia.

The Company filed its Form 10-Q on August 14, 2020 and filed a transcript of the conference call on Form 8-K. These filings can be viewed in the Investor Relations section of VERB's [website](#).

## **About VERB**

VERB Technology Company, Inc. (Nasdaq: VERB) transforms how businesses attract and engage customers. The Company's Software-as-a-Service, or SaaS, platform is based on its proprietary interactive video technology, and comprises a suite of sales enablement business software products offered on a subscription basis. Its software applications are available in over 60 countries and in more than 48 languages to large enterprise and small business sales teams that need affordable, easy-to-use, and quick-to-get-results sales tools. Available in both mobile and desktop versions, the applications are offered as a fully integrated suite, as well as on a standalone basis, and include verbCRM (Customer Relationship Management application), verbLEARN (Learning Management System application), and verbLIVE (Interactive Livestream eCommerce and Video Webinar application). The Company has offices in California and Utah. For more information, please visit: [www.verb.tech](http://www.verb.tech).

## **FORWARD LOOKING STATEMENTS**

This press release contains forward-looking statements that involve risks and uncertainties, including statements about the closing of the offering of common stock. These forward-looking statements involve risks and uncertainties. If any of these risks or uncertainties materialize, or if any of our assumptions prove incorrect, our actual results could differ materially from the results expressed or implied by these forward-looking statements. These risks and uncertainties include risks associated with: the COVID-19 pandemic and related public health measures on our business, customers, markets and the worldwide economy; our plans to attract new customers, retain existing customers and increase our annual revenue; the development and delivery of new products, including verbLIVE; our plans and expectations regarding software-as-a-service offerings; our ability to execute on, integrate, and realize the benefits of any acquisitions; fluctuations in our quarterly results of operations and other operating measures; increasing competition; general economic, market and business conditions; and the risks described in the filings that we make with the Securities and Exchange Commission ("SEC") from time to time, including the risks described under the headings "Risk Factors" and "Management Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report on Form 10-K, which was filed with the SEC on May 14, 2020, as amended by Amendment No. 1 on Form 10-K/A to our Annual Report on Form 10-K, which was filed with the SEC on June 4, 2020, and which should be read in conjunction with our financial results and forward-looking statements contained therein, and our Quarterly Report on Form 10-Q for the quarter ended June 30, 2020, which was filed with the SEC on August 14, 2020, and which should be read in conjunction with our financial results and forward-looking statements contained therein. All forward-looking statements in this press release are based on information available to us as of the date hereof, and we do not assume any obligation to update the forward-looking statements provided to reflect events that occur or circumstances that exist after the date on

which they were made, except as required by law.

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