

January 5, 2024



VERB Closes \$3 Million Non-Convertible Preferred Stock Financing

Non-Dilutive Financing Will Fuel The Company's MARKET.live Business

LOS ALAMITOS, Calif. and LAS VEGAS, Jan. 05, 2024 (GLOBE NEWSWIRE) -- [Verb Technology Company, Inc.](#) (Nasdaq: **VERB**) ("VERB" or the "Company"), the company behind [MARKET.live](#), the innovative multi-vendor, multi-presenter livestream social shopping platform, announces that the Company closed a \$3 million preferred stock financing. The preferred stock is non-convertible into the Company's common shares and as such is non-dilutive to current stockholders.

"I am pleased to announce that we have successfully closed a \$3 million financing, uniquely structured and extremely advantageous to the Company and its shareholders," states Rory J. Cutaia, VERB CEO. "This financing positions the Company extremely well to execute our growth strategies as we begin 2024 and represents a meaningful enhancement to shareholder equity as will be reflected on our year-end balance sheet."

On December 29, 2023, the Company entered into a securities purchase agreement (the "Securities Purchase Agreement") with an existing family office investor pursuant to which the Company sold and the investor purchased 3,000 shares of the Company's newly designated non-convertible Series C Preferred Stock (the "Preferred Shares") for a total purchase price of \$3,000,000. The Preferred Shares have a 10% stated annual dividend, no voting rights, and a face value of \$1,300 per share. The sale of the Preferred Shares was consummated on December 29, 2023.

The Company intends to use the proceeds to drive its MARKET.live, livestream social shopping platform and for general corporate purposes. The Securities Purchase Agreement contains customary representations and warranties from the Company and the investor.

The sale of the Series C Preferred Stock pursuant to the Securities Purchase Agreement has not been registered under the Securities Act of 1933, as amended (the "Securities Act"), in reliance on the exemption from registration provided by Section 4(a)(2) of the Securities Act and certain rules and regulations promulgated thereunder. This description of the Securities Purchase Agreement is only a summary and is qualified in its entirety by reference to the full text of the Securities Purchase Agreement attached as Exhibit 10.1 to the Company's Form 8-K filed on January 4, 2024.

In connection with the transaction, on December 28, 2023, the Company filed a certificate of designation of preferences and rights (the "Certificate of Designation") of Series C Preferred Stock with the Secretary of State of Nevada, designating 5,000 shares of preferred stock, par value \$0.0001 of the Company, as Series C Preferred Stock. Each share of Series C Preferred Stock shall have a stated face value of \$1,300.00 ("Stated Value").

The Series C Preferred Stock is not convertible into common shares of capital stock of the Company and as such is non-dilutive to current stockholders.

Each share of Series C Preferred Stock shall accrue a rate of return on the Stated Value at the rate of 10% per year, compounded annually to the extent not paid as set forth in the Certificate of Designation, and to be determined pro rata for any fractional year periods (the "Preferred Return"). The Preferred Return shall accrue on each share of Series C Preferred Stock from the date of its issuance, and may be paid in additional shares of Series C Preferred Stock, based on the Stated Value, or in cash, as determined by the Company, as set forth in the Certificate of Designation.

Subject to the terms and conditions set forth in the Certificate of Designation, at any time the Company may elect, in the sole discretion of the Board of Directors, to redeem all, but not less than all, of the Series C Preferred Stock then issued and outstanding from all of the Series C Preferred Stock Holders (a "Corporation Optional Redemption") by paying to the applicable Series C Preferred Stock Holders an amount in cash equal to the Series C Preferred Liquidation Amount (as defined in the Certificate of Designation) then applicable to such shares of Series C Preferred Stock being redeemed in the Corporation Optional Conversion (the "Redemption Price").

The Series C Preferred Stock confers no voting rights on holders, except with respect to matters that materially and adversely affect the voting powers, rights or preferences of the Series C Preferred Stock or as otherwise required by applicable law.

This description of the Certificate of Designation is only a summary and is qualified in its entirety by reference to the full text of the form of the Certificate of Designation attached as Exhibit 3.1 to the Company's Form 8-K filed on January 4, 2024.

About VERB

Verb Technology Company, Inc. (Nasdaq: VERB), is a market leader in interactive video-based sales applications. The Company's [MARKET.live](#) platform is a multi-vendor, multi-presenter, livestream social shopping destination at the forefront of the convergence of ecommerce and entertainment, where hundreds of retailers, brands, creators and influencers can monetize their base of fans and followers across social media channels. The Company is headquartered in Las Vegas, NV and operates creator studios in Los Alamitos, California and Philadelphia, PA.

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FORWARD-LOOKING STATEMENTS

This communication contains "forward-looking statements" as that term is defined in the

Private Securities Litigation Reform Act of 1995. Forward-looking statements involve risks and uncertainties and include, without limitation, any statement that may predict, forecast, indicate or imply future results, performance or achievements, and may contain words such as "anticipate," "expect," "project," "plan," or words or phrases with similar meaning.

Forward-looking statements are based on current expectations, forecasts and assumptions that 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. Investors are referred to our filings with the Securities and Exchange Commission, including our Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q, for additional information regarding the risks and uncertainties that may cause actual results to differ materially from those expressed in any forward-looking statement. 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.

Investor Relations:

investors@verb.tech

Media Contact:

info@verb.tech



Source: Verb Technology Company, Inc.