

VERB Announces Selected Preliminary Unaudited Operating Results for Third Quarter 2020

Expects to Report Record-Breaking Digital Revenue Performance and Sixth Consecutive Quarter of SaaS Revenue Growth

NEWPORT BEACH, Calif. and SALT LAKE CITY, Nov. 02, 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, today announced selected preliminary unaudited operating results for the three months ended September 30, 2020.

For the three months ended September 30, 2020, the Company reports preliminary Software as a Service (SaaS) recurring subscription revenue of approximately \$1,460,000, up from \$1,274,000 reported in second quarter 2020; total digital revenue of approximately \$1,800,000, up from \$1,680,000 reported in second quarter 2020; total non-digital revenue of approximately \$1,000,000, up from \$972,000 reported in second quarter 2020; and total combined revenue of approximately \$2,800,000, up from \$2,652,000 reported in second quarter 2020. Digital revenue as a percentage of total combined revenue was approximately 64% up from 63% reported in second quarter 2020, and up from 50% for the same period last year. Total user downloads for the quarter was approximately 1,565,000, up from approximately 1,460,000 reported in second quarter 2020, and up from 720,000 for the same period last year.

"I am very pleased to provide record-breaking preliminary third quarter results that reflect strong SaaS and total digital revenue growth, both sequentially and year over year," stated VERB CEO, [Rory J. Cutaia](#). "We believe that our financial performance demonstrates the continued growth in adoption and deployment of the VERB platform, especially in this period of COVID-related remote work and social distancing.

"With remote work and social distancing requirements continuing into the foreseeable future, we are seeing growing demand for our interactive video-based sales tools. VERB's powerful and easy-to-use apps enable sales people to increase client and prospect engagement and drive sales conversion rates remotely, in a friction-free, video-based setting that offers a variety of features and valuable real-time viewer engagement data and interaction analytics."

A table accompanying this announcement is available at <https://www.globenewswire.com/NewsRoom/AttachmentNg/7f16197a-2a96-4caf-984e-886cff1f665d>

All financial information displayed above is unaudited. The first quarter 2019 pro forma financial information displayed above is presented as if the acquisition of Verb Direct, LLC occurred on January 1, 2019.

The preliminary unaudited operating results set forth above are based solely on currently available information, which is subject to change. Readers are cautioned not to place undue reliance on such preliminary unaudited operating results, which constitute forward looking statements.

Management expects to file its full third quarter financial report and host its third quarter earnings conference call on November 16, 2020. The precise date and time, together with call-in details will be published in advance of the conference call date.

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.

FORWARD LOOKING STATEMENTS

This press release contains forward-looking statements that involve risks and uncertainties, including statements regarding: our selected preliminary unaudited financial results for the third quarter 2020; our expectation that we will report new record breaking quarter performance and a sixth consecutive quarter of SaaS Revenue growth; our belief that the third quarter 2020 was another record breaking quarter for Verb; our belief that our sales enablement platform is designed specifically with easy-to-use tools that ensure remote workers continue to communicate with clients and prospects effectively; our belief that our platform enhances productivity for users by enabling them to sell their products and services remotely and generate more revenue, more quickly, by removing friction from the sales process through our unique embedded interactive video technology; and our expectation to file our full third quarter financial report and host our third quarter earnings conference call on November 16, 2020. 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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Select Unaudited Pro Forma Performance Metrics By Quarter

	2019				2020			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Total User Downloads	550,620	668,272	717,066	855,809	1,313,467	1,458,894	1,562,378	
Teach Revenue Rev	\$ 786,000	\$ 858,000	\$ 918,000	\$ 995,000	\$ 1,582,000	\$ 1,057,000	\$ 1,274,000	\$ 1,460,000
Other Digital	279,000	196,000	485,000	344,000	1,488,000	406,000	406,000	840,000
Total Digital Revenue	\$1,065,000	\$1,054,000	\$1,403,000	\$1,339,000	\$3,070,000	\$1,463,000	\$1,680,000	\$2,300,000
Welcome Kits & Fulfillment	\$2,265,000	\$1,784,000	\$1,364,000	\$ 965,000	\$ 6,578,000	\$ 728,000	\$ 713,000	\$ 815,000
Shipping	677,000	495,000	273,000	381,000	1,624,000	368,000	258,000	385,000
Total Non-Digital Revenue	\$2,942,000	\$2,279,000	\$1,637,000	\$1,346,000	\$8,202,000	\$897,000	\$971,000	\$1,200,000
Total Combined Revenue	\$4,007,000	\$3,333,000	\$3,040,000	\$2,685,000	\$11,272,000	\$2,360,000	\$2,651,000	\$3,500,000
Digital Revenue as a % of Total Combined Revenue	26%	31%	46%	50%	27%	62%	63%	64%

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Source: Verb Technology Company, Inc.