

## **B. Riley Financial Prices \$50 Million Offering of Depositary Shares**

*Depositary Shares Represent an Interest in 6.875% Series A Cumulative Perpetual Preferred Stock*

LOS ANGELES, Oct. 2, 2019 /PRNewswire/ -- B. Riley Financial, Inc. (NASDAQ: RILY) ("B. Riley" or the "Company") today announced the pricing of its underwritten registered public offering of 2,000,000 depositary shares at an initial public offering price of \$25.00 per depositary share, raising gross proceeds of \$50 million before deducting underwriting discounts and other estimated offering expenses. Each depositary share represents a 1/1000<sup>th</sup> fractional interest in a share of the Company's 6.875% Series A Cumulative Perpetual Preferred Stock. Dividends on the Series A Preferred Stock underlying the depositary shares will be paid when declared by the Board at a fixed rate of 6.875% with a liquidation preference equivalent to \$25.00 per depositary share.

In connection with the offering, the Company has granted the underwriters a 30-day option to purchase up to an additional \$7.5 million of depositary shares solely to cover overallocments. The offering is expected to close on or about October 7, 2019, subject to customary closing conditions.

The Company's depositary shares are expected to begin trading on NASDAQ under the symbol "RILYP" within 30 business days of the closing date of this offering, if approved.

Net proceeds of this offering will be used for general corporate purposes, including funding future acquisitions and investments, repaying indebtedness, making capital expenditures and funding working capital.

B. Riley FBR, Incapital, Janney Montgomery Scott and Ladenburg Thalmann are acting as book-running managers for this offering. Wedbush Securities, William Blair and Boenning & Scattergood are acting as co-managers.

The depositary shares will be offered under the Company's shelf registration statement on Form S-3, which was declared effective by the Securities and Exchange Commission ("SEC"). The offering of these depositary shares will be made only by means of a prospectus supplement and accompanying base prospectus, which will be filed with the SEC.

Copies of the prospectus supplement and the accompanying base prospectus may be obtained on the SEC's website at [www.sec.gov](http://www.sec.gov), or from the offices of B. Riley FBR at 1300 North 17th Street, Suite 1400, Arlington, VA 22209 or by calling (703) 312-9580 or by emailing [prospectuses@brileyfbr.com](mailto:prospectuses@brileyfbr.com).

This press release does not constitute an offer to sell or the solicitation of an offer to buy the depositary shares, nor shall there be any sale of the depositary shares in any jurisdiction in which such offer, solicitation or sale would not be permitted.

### **About B. Riley Financial (NASDAQ:RILY)**

B. Riley Financial provides collaborative financial services tailored to fit the capital raising and business advisory needs of public and private companies and high-net-worth individuals. B. Riley operates through several wholly-owned subsidiaries which offer complementary end-to-end capabilities spanning investment banking and institutional brokerage, private wealth and investment management, corporate advisory, restructuring, due diligence, forensic accounting and litigation support, appraisal and valuation, and auction and liquidation services. Certain registered affiliates of B. Riley originate and underwrite senior secured loans for asset-rich companies. The Company also makes proprietary investments in companies and assets with attractive return profiles.

### **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. 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 terms and conditions and timing of the preferred stock offering and the intended use of proceeds. 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 the preferred stock offering will not be consummated at the expected time, on the expected terms, or at all; and the Company's financial performance; and those risks described from time to time in B. Riley Financial's periodic filings with the SEC, including, without limitation, the risks described in B. Riley Financial's Annual Report on Form 10-K for the year ended December 31, 2018 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 June 30, 2019. 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 undertakes no duty to update this information.

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