

Subject Company: B. Riley Principal 150 Merger Corp.
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FaZe Clan stock will trade on the Nasdaq after SPAC deal: Read CEO Lee Trink's memo to staff

In an internal company memo, Trink says FaZe Clan is “evolving from a digital publisher into an intellectual property engine.”

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BY JEFF BEER

FaZe Clan, the gaming and entertainment content platform, has announced its plans to go public through a proposed SPAC deal that gives the company a \$1 billion valuation. The deal is with B. Riley Principal 150 Merger Corp., a special purpose acquisition company backed by B. Riley Financial Inc.

In an internal company memo this morning, FaZe Clan CEO Lee Trink said that the deal—expected to take FaZe Clan public in the first quarter of 2022—would bring the “resources to further accelerate our growth, bringing our biggest ideas to life.” The combined company’s common stock is expected to be listed on the Nasdaq under the new ticker symbol “FAZE.”

“This is a natural next step in the growth of FaZe Clan,” writes Trink. “There is no gaming organization, entertainment company or media brand quite like FaZe Clan. We have a tremendous opportunity ahead of us. FaZe is evolving from a digital publisher into an intellectual property engine, which we believe will unlock new ways to diversify our revenue. We’ll look at new growth opportunities across the creator economy and emerging technologies such as digital goods and the metaverse . . . As a public company, we’ll continue to innovate and disrupt while always staying authentic to our roots. It’s critical that we stay true to who we are, and always remember that everything we do is for the FaZe Clan community and fans. We could never have arrived at this day without them and their support.”

FaZe Clan started in 2010 as a group of friends playing *Call of Duty*, and has since become an e-sports and entertainment powerhouse, balancing a content production studio; talent management, a direct-to-consumer e-commerce business; and a sales team negotiating brand deals.

Its investors include NBA stars Ben Simmons and Jamal Murray, music industry manager and exec Guy Oseary, and musicians like Offset and Pitbull. It also has partnerships with major brands like McDonald’s and Xbox. In September, the brand announced a partnership with DC Comics for a limited-edition Batman comic book featuring superhero versions of FaZe Clan members, and of course a line of merchandise for the collab, like esports jerseys, apparel, and computer accessories.

Back in July, FaZe Clan suspended three members and permanently removed another for their involvement in a cryptocurrency scheme. The company boasts a social media following of more than 350 million, and says 80% of its audience is between the ages of 13 and 34.

Important Information about the Proposed Business Combination and Where to Find It

In connection with the proposed Business Combination, B. Riley plans to file a registration statement on Form S-4 (the “Registration Statement”) with the Securities and Exchange Commission (the “SEC”), which will include a preliminary proxy statement/prospectus relating to the proposed Business Combination (the “Proxy Statement/Prospectus”). After the Registration Statement is declared effective by the SEC, B. Riley will mail the definitive Proxy Statement/Prospectus to holders of B. Riley’s shares of common stock as of a record date to be established in connection with B. Riley’s solicitation of proxies for the vote by B. Riley stockholders with respect to the proposed Business Combination and other matters as described in the Proxy Statement/Prospectus. B. Riley stockholders and other interested persons are urged to read, when available, the preliminary Proxy Statement/Prospectus and the amendments thereto, the definitive Proxy Statement/Prospectus, and documents incorporated by reference therein, as well as other documents filed with the SEC in connection with the proposed Business Combination, as these materials will contain important information about B. Riley, FaZe and the proposed Business Combination. Stockholders will be able to obtain copies of the Proxy Statement/Prospectus and other documents containing important information about B. Riley, FaZe and the proposed Business Combination filed with the SEC, without charge, once such documents are available on the website maintained by the SEC at <http://www.sec.gov>, or by directing a request to: B. Riley Principal 150 Merger Corp, 299 Park Avenue, 21st Floor, New York, New York 10171, Attention: Daniel Shribman, telephone: (212) 457-3300.

No Offer or Solicitation

This communication shall not constitute a solicitation of a proxy, consent or authorization with respect to any securities or in respect of the proposed Business Combination. This communication shall also not constitute an offer to sell or the solicitation of an offer to buy any securities, or a solicitation of any vote or approval, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

Participants in the Solicitation

B. Riley and FaZe and their respective directors and executive officers, under SEC rules, may be deemed to be participants in the solicitation of proxies of B. Riley's stockholders in connection with the proposed Business Combination. Stockholders of B. Riley may obtain more detailed information regarding the names, affiliations and interests of B. Riley's and FaZe's directors and executive officers in B. Riley's Form S-1 filed with the SEC relating to its initial public offering, which was declared effective on February 18, 2021 ("Form S-1") and in the Proxy Statement/Prospectus when available. Information concerning the interests of B. Riley's participants in the solicitation, which may, in some cases, be different than those of B. Riley's stockholders generally, will be set forth in the Proxy Statement/Prospectus when it becomes available.

Forward-Looking Statements

The information in this communication includes "forward-looking statements" pursuant to the "safe harbor" provisions of the United States Private Securities Litigation Reform Act of 1995. All statements, other than statements of present or historical fact included in this communication, regarding the proposed Business Combination, the ability of the parties to consummate the proposed Business Combination, the benefits and timing of the proposed Business Combination, as well as the combined company's strategy, future operations and financial performance, estimated financial position, estimated revenues and losses, projections of market opportunity and market share, projected costs, prospects, plans and objectives of management are forward-looking statements. These forward-looking statements generally are identified by the words "budget," "could," "forecast," "future," "might," "outlook," "plan," "possible," "potential," "predict," "project," "seem," "seek," "strive," "would," "should," "may," "believe," "intend," "expects," "will," "projected," "continue," "increase," and/or similar expressions that concern B. Riley's or FaZe's strategy, plans or intentions, but the absence of these words does not mean that a statement is not forward-looking. Such statements are made pursuant to the Safe Harbor provisions of the Private Securities Litigation Reform Act of 1995 and are based on the management of B. Riley's and FaZe's belief or interpretation of information currently available.

These forward-looking statements are based on various assumptions, whether or not identified herein, and on the current expectations of B. Riley's and FaZe's management and are not predictions of actual performance. Because forward-looking statements are predictions, projections and other statements about future events that are based on current expectations and assumptions, whether or not identified in this communication, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. Many factors could cause actual results and condition (financial or otherwise) to differ materially from those indicated in the forward-looking statements, including but not limited to: (1) the occurrence of any event, change or other circumstances that could give rise to the termination of negotiations and any subsequent definitive agreements with respect to the proposed Business Combination; (2) the outcome of any legal proceedings or other disputes that may be instituted against B. Riley, FaZe, the combined company or others; (3) the inability to complete the proposed Business Combination due to the failure to obtain approval of the stockholders of B. Riley, to satisfy the minimum cash condition following redemptions by B. Riley's public stockholders, to obtain certain governmental and regulatory approvals or to satisfy other conditions to closing; (4) changes to the proposed structure of the proposed Business Combination that may be required or appropriate as a result of applicable laws or regulations, including the risk that any regulatory approvals are not obtained, are delayed or are subject to unanticipated conditions that could adversely affect the combined company or the expected benefits of the proposed Business Combination; (5) the ability to meet stock exchange listing standards following the consummation of the proposed Business Combination; (6) the risk that the proposed Business Combination disrupts current plans and operations of B. Riley or FaZe as a result of the announcement and consummation of the proposed Business Combination; (7) the ability to recognize the anticipated benefits of the proposed Business Combination, which may be affected by, among other things, competition, the ability of the combined company to grow and manage growth profitably, maintain relationships with customers and suppliers and retain its management, key employees and talents; (8) costs related to the proposed Business Combination; (9) changes in applicable laws or regulations, including changes in domestic and foreign business, market, financial, political, and legal conditions; (10) the possibility that B. Riley, FaZe or the combined company may be adversely affected by other economic, business, and/or competitive factors; (11) the impact of COVID 19 on B. Riley's or FaZe's business and/or the ability of the parties to complete the proposed Business Combination; (12) the inability to complete the PIPE investments in connection with the proposed Business Combination; and (13) other risks and uncertainties set forth in B. Riley's Form S-1 and in subsequent filings with the SEC, including the Proxy Statement/Prospectus relating to the proposed Business Combination. These forward-looking statements are provided for illustrative purposes only and are not intended to serve as, and must not be relied on by any investor as, a guarantee, an assurance, a prediction or a definitive statement of fact or probability. Actual events and circumstances are difficult or impossible to predict and will differ from assumptions. Many actual events and circumstances are beyond the control of B. Riley and FaZe. Forward-looking statements speak only as of the date they are made. While FaZe and B. Riley may elect to update these forward-looking statements at some point in the future, FaZe and B. Riley specifically disclaim any obligation to do so. These forward-looking statements should not be relied upon as representing FaZe's and B. Riley's assessments as of any date subsequent to the date of this communication. Accordingly, undue reliance should not be placed upon the forward-looking statements.
