

Triller Still Plans to Go Public

By **Destiny Torres** *Staff Reporter*

Triller Inc., a technology company, has been beset by a number of legal troubles lately. But the Century City-based company remains steadfast in its goal to go public by the end of the year.

In fact, the company recently announced a \$310-million influx from global investment group GEM Global Yield LLC SCS in the form of a share subscription facility following a public listing of Triller's stock.

The technology company has been in the spotlight recently, and not in a good way. It has been scrutinized for recurring complaints about late or missed payments and other issues.

Regardless, Triller filed its registration statement, a document containing financial disclosures that a company releases before going public, with the Securities and Exchange Commission last month. The expectation is that stock trading will commence by the end of the fourth quarter, less than three months from now.

Triller got a boost in popularity in 2020 when then-President Donald Trump announced he would ban TikTok, owned by



Mahi de Silva, who heads Triller, is bullish on his company's future.

Chinese company ByteDance. With over \$300 million in funding and a team of 200 employees, Triller, which competes with TikTok, hasn't looked back since and has grown beyond just its social media platform.

Initially, Triller was primarily a short-form video platform, but the company has delved into the live streaming market.

Over the past year, Triller has been on an acquisition spree, adding nine companies including sports streaming service Fite TV, AI customer-engagement platform Amplify.ai, and rap-battle streaming app Verzuz.

"We started the company with the acquisition of the Triller app, and then we've done nine additional acquisitions on top of that," said Mahi de Silva, chief executive of Triller.

"Most of those acquisitions were done with a smaller amount of cash and a bigger amount of stock. We have ambitions to continue to consolidate the tech platforms that service the creator economy. It really puts us in a great place to serve as creators, not just in the U.S., but all over the world."

Growing pains

Triller has found itself at the center of public allegations regarding copyright infringement and fulfilling contractual obligations.

According to the Los Angeles Times, Universal Music Group last February pulled its music from the video-sharing app after Triller allegedly failed to pay UMG's music artists or agree to its licensing terms.

Sony Music Entertainment took Triller to court in August, alleging copyright infringement. Sony Music and Triller had entered into a content-distribution agreement in September 2016.

The Sony suit reads, "While Triller had historically failed to make payments in a timely manner under the Agreement, its failures recently escalated. Starting in March 2022, Triller failed to make any monthly payments required under the Agreement, totaling millions of dollars... After months of Sony Music requesting that Triller pay its outstanding and overdue fees, and near-total radio silence in response, Sony Music notified Triller on July 22, 2022, that it was in material breach of the Agreement."

As a result, Sony Music claimed to have terminated the agreement on Aug. 8, and that any use of its content would be willful copyright infringement, according to Variety.

A few weeks before Sony

Music filed suit, Swizz Beatz and Timbaland filed a lawsuit against the tech company, alleging Triller owed them \$28 million for acquiring Verzuz, which the duo founded in 2020. The two parties later settled; terms were not been disclosed.

Lloyd Greif, president and chief executive of the downtown-based investment bank Greif & Co., said, "They seem to be a litigation magnet, and that's never a positive." De Silva said the company is not deterred by allegations made against the company.

"There are definitely instances where we have hiccups in the company," de Silva said. "We're a startup. We're setting up financial systems. We're setting up our processes. And we have had some growing pains, but we are true to our mission and creating vastly different economic opportunities."

Going public

The company first announced its intention of going public via a direct listing in June of last year. Then, in December, Trillerverz, the parent company of Triller, announced it would go public via a reverse-merger with SeaChange International Inc., a publicly traded video streaming and advertising technology company. The transaction was expected to close in the first quarter of this year.

In June, the companies announced the termination of the

deal, stating that Triller would move forward with issuing a direct listing. In the company's original statement, Triller said it planned to be listed under the ticker symbol "ILLR" by September, but has since stated it plans to be public before the end of the fourth quarter.

Going public remains the next step in Triller's bigger plans.

"It's an opportunity for us to broaden our investor base, to raise more money, and also just to have a balance sheet that would allow us to go out and do bigger acquisitions," de Silva explained.

Greif said that when a company goes public, it is put under a magnifying glass and will have to disclose much more information than a privately held company. He said there is a lot of litigation surrounding Triller but, on top of that, the number of acquisitions the company has made in the past year puts Triller's business model in question.

"If you look at Triller, a lot of the acquisitions they made in recent years have been live sports and entertainment. So are they really competitive to TikTok? Are they trying to be a competitor of Live Nation or UFC?" Greif asked. "I just think it's a question as to what the business model really is and where they derive their revenues."