



Digerati Technologies, Inc. Announces Refinancing, Debt Conversion, and Divestiture of Verve Cloud

San Antonio, TX – June 26, 2025 (GlobeNewswire) – Digerati Technologies, Inc. (“Digerati” or the “Company”) (OTC: DTGI), a holding company with co-location, and related technology infrastructure solutions, today announced the completion of a series of corporate actions aimed at strengthening its balance sheet and redefining its focus.

The Company has successfully completed a refinancing and debt-for-equity exchange involving its former subsidiary, Verve Cloud, Inc. As part of the transaction, more than \$50 million in lender debt was converted into Verve Cloud equity, which resulted in a divestiture of Digerati’s controlling interest in the subsidiary. Digerati exchanged the lender debt for the various assets in Verve Cloud, Inc., that included approximately \$29 million in annual revenue, equipment, customer and vendor contracts and other operating agreements. In addition, Post Road Administrative, LLC. (the “Lender”) agreed to terminate the Credit Agreement, originally dated November 17, 2020. The lender also agreed to cancel for a nominal fee the Warrant issued to Post Road Special Opportunity Fund II LP (the “Warrant”) to purchase initially, twenty-five percent (25%) of the Company’s total shares (the “Warrant”), calculated on a fully diluted basis as of the date of issuance.

In conjunction with restructuring of the debt, the lender agreed to terminate the Tag-along Agreements with the three executives of the Company: Art Smith, Antonio Estrada, and Craig Clement. The lender and Digerati also agreed to terminate the Board Observer Agreement.

In connection with this restructuring, Digerati retained Waiv Cloud, Inc. (“**Waiv Cloud**”), which was Verve Cloud’s nationwide co-location business, which generates approximately \$45,000 in monthly recurring revenue. In addition, Digerati entered into a Transition Service Agreement with Verve Cloud, Inc. for an initial term of 90 days, for the support of the co-location customers.

Digerati’s Board Member, Craig K. Clement, stated, “Today marks a new beginning for Digerati as we have moved on from the Verve Cloud business model. In return we have significantly reduced our debt and repositioned ourselves as Waiv Cloud, a client-focused nationwide provider of co-location services. The co-location business represents predictable recurring monthly revenue that we believe we can expand and build upon. These actions are part of ongoing efforts to streamline operations, reduce debt, and reposition Digerati for the long-term.”

The transactions were approved via written consent by shareholders holding a majority of the Company’s outstanding voting stock, in accordance with Nevada Revised Statutes.

About Digerati Technologies, Inc.:

Digerati Technologies, Inc. is a holding company and through its subsidiary, the Company provides co-location, and related technology infrastructure solutions to business customers across the United States. For more information, please visit: <https://digerati-inc.com> and <https://waivcloud.com>

FORWARD-LOOKING STATEMENTS:

The information in this news release includes certain forward-looking statements that are based upon assumptions that in the future may prove not to have been accurate and are subject to significant risks and uncertainties, including statements related to the future financial performance of the Company such as ‘co-location business represents predictable recurring monthly revenue that we believe we can expand and build upon.’ Although the Company believes the expectations reflected in the forward-looking statements, it can give no assurance that such expectations or any of its forward-looking statements will prove to be correct. Factors that could cause results to differ include,

but not limited to, our inability to source suitable acquisition targets, failure to execute growth strategies, lack of product development and related market acceptance, the impact of competitive services and pricing, general economic conditions, and other risks and uncertainties described in the Company's periodic filings with the OTC Markets.

Investors:

Facebook: [Digerati Technologies, Inc.](#)

X: [@DIGERATI_IR](#)

LinkedIn: [Digerati Technologies, Inc.](#)