

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (date of earliest event reported): February 7, 2023

CREATIVE REALITIES, INC.

(Exact name of registrant as specified in its charter)

Minnesota

(State or other jurisdiction of
incorporation)

001-33169

(Commission File Number)

41-1967918

(IRS Employer
Identification No.)

13100 Magisterial Drive, Suite 100, Louisville, KY

(Address of principal executive offices)

40223

(Zip Code)

(502) 791-8800

(Registrant's telephone number, including area code)

Not applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.001 per share	CREX	The Nasdaq Stock Market LLC
Warrants to purchase Common Stock	CREXW	The Nasdaq Stock Market LLC

Item 8.01 Other Events.

On February 7, 2023, Creative Realities, Inc. (the “Company”) issued a press release announcing that Pegasus Capital Advisors, L.P. (“Pegasus”) made a non-binding proposal to acquire all of the outstanding shares of common stock of the Company not owned by Pegasus (the “Proposal”). Pegasus currently beneficially owns approximately 10.8 million shares of the Company’s common stock, or approximately 37.82% of the outstanding shares. Pegasus also currently beneficially owns approximately \$19.2 million of the Company’s outstanding debt. A copy of the press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

The Company’s Board of Directors has formed a special committee (the “Special Committee”) of its non-executive, independent directors which, in consultation with its financial and legal advisors, will carefully review and consider the Proposal and pursue the course of action that it believes is in the best interests of the Company’s shareholders.

Mayer Brown LLP is serving as legal counsel to the Special Committee and Maslon LLP is serving as legal counsel to the Company.

There can be no assurance that a definitive offer relating to the Proposal will be made or recommended by the Special Committee, that a definitive agreement relating to the Proposal or any other transaction will be entered into by the Company, or that any transaction will be consummated.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release dated February 7, 2023
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

CREATIVE REALITIES, INC.
(Registrant)

Date: February 13, 2023

By: /s/ Will Logan
WILL LOGAN
CHIEF FINANCIAL OFFICER

Creative Realities Confirms Receipt of Unsolicited Proposal from Pegasus Capital Advisors, L.P.**Board Establishes Special Committee to Evaluate Proposal****Stockholders Advised to Take No Action at This Time**

LOUISVILLE, Ky., Feb. 07, 2023 (GLOBE NEWSWIRE) -- Creative Realities, Inc. (“Creative Realities,” “CRI,” or the “Company”) (NASDAQ: CREX, CREXW), a leading provider of digital signage solutions, today confirmed that on Friday, February 3, 2023, the Company’s Board of Directors (the “Board”) received an unsolicited proposal (the “Proposal”) from Pegasus Capital Advisors, L.P. (“PCA LP”) for PCA LP, on behalf of itself and certain of its affiliates (collectively, “Pegasus”), delivered to the Board a letter setting forth a proposal (the “Proposal”) for Pegasus to acquire all of the outstanding shares of Common Stock that are not owned by the Reporting Persons for a purchase price of \$0.83 per share in cash.

The Board has formed a special committee (the “Special Committee”) of its non-executive, independent directors which, in consultation with its financial and legal advisors, will carefully review and consider the Proposal and pursue the course of action that it believes is in the best interests of the Company’s stockholders.

The Company’s stockholders do not need to take any action at this time.

Mayer Brown LLP is serving as legal counsel to the Special Committee and Maslon LLP is serving as legal counsel to Creative Realities.

There can be no assurance that a definitive offer relating to the Proposal will be made, that a definitive agreement relating to the Proposal or any other transaction will be entered into by the Company, or that any transaction will be consummated.

About Creative Realities, Inc.

Creative Realities helps clients use the latest omnichannel technologies to inspire better customer experiences. CRI designs, develops and deploys consumer experiences for high-end enterprise-level networks, and is actively providing recurring SaaS and support services across diverse vertical markets, including but not limited to automotive, advertising networks, apparel & accessories, convenience stores, food service/QSR, gaming, theater, and stadium venues. The company has operations across North America with active installations in more than 10 countries.

Cautionary Note on Forward-Looking Statements

This press release contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, Section 21E of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995, and includes, among other things, discussions of our business strategies, product releases, future operations and capital resources. Words such as “estimates,” “projected,” “expects,” “anticipates,” “forecasts,” “plans,” “intends,” “believes,” “seeks,” “may,” “will,” “should,” “future,” “propose” and variations of these words or similar expressions (or the negative versions of such words or expressions) are intended to identify forward-looking statements. Forward-looking statements are not guarantees of future performance, conditions or results. They are based on the opinions, estimates and beliefs of management as of the date such statements are made, and they are subject to known and unknown risks, uncertainties, assumptions and other factors, many of which are outside of our control, that may cause the actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking statements. Some of these risks are discussed in the “Risk Factors” section contained in Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2021 and the Company’s subsequent filings with the U.S. Securities and Exchange Commission. Important factors, among others, that may affect actual results or outcomes include: our ability to effectively integrate Reflect’s business operations, our strategy for customer retention, growth, product development, market position, financial results and reserves, our ability to execute on our business plan, our ability to retain key personnel, potential litigation, supply chain shortages, and general economic and market conditions impacting demand for our products and services, including those as a result of the COVID-19 pandemic. Readers should not place undue reliance upon any forward-looking statements. We assume no obligation to update or revise the forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

Contacts**Media Inquiries**

Christina Davies
cdavies@ideagrove.com

Investor Relations:
ir@cri.com
<https://investors.cri.com/>