Trump Media stock plummets again

Trump Media & Technology Group Corp (TMGT) shares plummeted after the entity filed to the U.S. Securities and Exchange Commission (SEC) to issue 21 million shares.

The parent company of social media platform Truth Social has approached the SEC with a Files S-1 Resale Registration Statement.

Trump shares nosedive after announcement

The shares in the company ended the day on the stock market a further 18% down on initial trading. The SEC filing states:

We are registering the resale by the Selling Securityholders named in this prospectus, or their permitted transferees, an aggregate of 146,108,680 shares of Common Stock, consisting of:

- 1,133,484 Placement Shares;
- Up to 14,316,050 Founder and Anchor Investors Shares;
- 744,020 Conversion Shares;
- 965,125 DWAC Compensation Shares;
- 690,000 TMTG Compensation Shares;
- 6,250,000 Alternative Financing Shares;
- 7,116,251 Private Warrant Shares;
- 143,750 Representative Shares; and
- 114,750,000 President Trump Shares.

This takes the overall fall down to nearly 60% of the launch

price for the former President’s company stock. We reported earlier this month that the initial stock had fallen 20% in the first week of trading on the stock exchange.

Digital World Acquisition Corp merged with Trump Media in late February to a large fanfare. The highest mark for the much-talked-about stock came in at $66.22, so the dip to $26.61 is a catastrophic fall ahead of a potential further share issue.

The $52.77 plummet will be a costly one for the company, but as we reported last week, executives are still taking home sizeable compensation in this turbulent opening.

Leading figures at TMGT have been given promissory notes to the tune of $6.25 million.

This is broken down into $1.15 million for Chief Executive Officer Devin Nunes, $4.9 million for Chief Financial Officer Phillip Juhan, and $200,000 for Chief Operating Officer Andrew Northwall.

It will be an interesting read ahead to see if the SEC agrees on the share issue and one that will certainly impact the future of TMGT.

Image: Ideogram.

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