

**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:
May 12, 2022

Gaucha Group Holdings, Inc.

(Exact name of registrant as specified in its charter)

Delaware
State of
Incorporation

001-40075
Commission
File Number

52-2158952
IRS Employer
Identification No.

112 NE 41st Street, Suite 106
Miami, FL 33137
Address of principal executive offices

212-739-7700
Telephone number, including
Area code

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 (see General Instruction A.2. below):

- Written communication 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 communication pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communication 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 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

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	VINO	The Nasdaq Stock Market LLC

Item 1.01 Entry into a Material Definitive Agreement

As previously reported on our Current Report on Form 8-K filed on November 8, 2021, Gaucha Group Holdings, Inc. (the “Company,” “we,” “us” or “our”), and the investors (the “Holders”) entered into that Securities Purchase Agreement, dated as of November 3, 2021 (as the same has been amended, restated, amended and restated, supplemented or otherwise modified prior to the date hereof, the “Securities Purchase Agreement”) and the Company issued to the Holders certain senior secured convertible notes (as the same has been amended, restated, amended and restated, supplemented or otherwise modified prior to the date hereof, each, a “Note” and together with the Securities Purchase Agreement, the “Note Documents”).

Also as previously reported on our Current Report on Form 8-K filed March 1, 2022, on February 22, 2022, the Company entered into an exchange agreement (the “Exchange Agreement”) with the Holders in order to amend and waive certain provisions of the Note Documents and exchange \$100 in aggregate principal amount of each of the Notes. All terms not defined in this Current Report are as set forth in the Transactional Documents and the Conversion Agreement described below.

In addition, as previously reported on our Current Report on May 2, 2022, the Company and the Holders entered into a letter agreement (the “Letter Agreement”) pursuant to which the parties agreed to reduce the Conversion Price from \$3.50 to \$1.35 for the period beginning May 2, 2022 through May 13, 2022 (the “Reduced Price Conversion Period”). The Note Documents, Exchange Agreement, and Letter Agreement are referred to herein as the Transaction Documents.

For the full description of the Transaction Documents, please refer to our Current Reports on Forms 8-K and the exhibits attached thereto as filed with the SEC on November 8, 2021, March 1, 2022, and May 2, 2022.

On May 12, 2022, the Company and the Holders entered into a conversion agreement (the “Conversion Agreement”) pursuant to which the parties agreed to reduce the

Conversion Price to \$0.95 and the Holders have committed to converting up to 4.90% of the outstanding shares of common stock of the Company.

The foregoing description of the Conversion Agreement is a summary only, does not purport to be complete and is qualified in its entirety by the full text of the document, a copy of which is attached as Exhibit 10.1, and incorporated herein by reference.

The representations, warranties and covenants contained in the agreements described in Item 1.01 of this Current Report on Form 8-K are not intended to be a source of factual, business or operational information about the Company; were made only for purposes of such agreements and as of specific dates; were solely for the benefit of the parties to such agreements and may be subject to limitations agreed upon by the parties, including being qualified by disclosures for the purpose of allocating contractual risk between the parties instead of establishing matters as facts; and may be subject to standards of materiality applicable to the contracting parties that differ from those applicable to investors or security holders. Accordingly, investors should not rely on the representations, warranties and covenants or any descriptions thereof as characterizations of the actual state of facts or condition of the parties.

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The information set forth in Item 1.01 of this Current Report on Form 8-K with respect to the Conversion Agreement is incorporated by reference into Item 2.03 of this Current Report on Form 8-K.

Item 3.02 Unregistered Sales of Equity Securities.

The information set forth in Item 1.01 of this Current Report on Form 8-K with respect to the Conversion Agreement is incorporated by reference into Item 3.02 of this Current Report on Form 8-K.

The shares of common stock that have been and may be issued under the Transaction Documents and the Conversion Agreement are being offered and sold in a transaction exempt from registration under the Securities Act of 1933, as amended, in reliance on Section 4(a)(2) thereof and/or Rule 506(b) of Regulation D thereunder. The Company filed a Form D with the SEC on or about November 9, 2021.

Subsequently, the Company filed a resale registration statement on Form S-1 to register up to 12,164,213 shares of our common stock for resale by certain institutional investors upon conversion of the Notes. The Form S-1 was declared effective on January 13, 2022.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

10.1 [Conversion Agreement, dated as of May 12, 2022, by and among Gaucho Group Holdings, Inc. and the Holders listed therein.](#)
104 Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, on the ___12th___ day of May 2022.

Gaucho Group Holdings, Inc.

By: /s/Scott L. Mathis
Scott L. Mathis, President & CEO

From the Desk of Scott Mathis



Direct: 212.739.7650

Fax: 212.655.0140

smathis@gauchoholdings.com

May 12, 2022

[Name and address of Holder]

Re: Conversion Price Adjustment Notice

Dear Sirs:

Reference is made to (a) that certain Securities Purchase Agreement dated as of November 3, 2021 (the "**Purchase Agreement**") between the Company and the buyers identified therein, including the addressee listed above (the "**Investor**"), (b) that certain Amendment and Exchange Agreement dated as of February 22, 2022 between the Company and the Investor, (c) that certain Letter Agreement dated May 2, 2022 between the Company and the Investor (d) the senior secured convertible note of the Company issued to the Investor (the "**Note**"), and (e) the other transaction documents, as modified from time to time, referred to collectively, as the "**Transaction Documents**". Capitalized terms used but not defined herein shall have the meanings given to them in the Purchase Agreement, or if not defined therein, in the Note, or if not defined therein, in the applicable Transaction Document, in each case as of the date hereof.

This conversions agreement (this "**Conversion Agreement**") confirms our recent discussions about, among other matters, certain modifications to the Note.

1. Pursuant to Section 7(g) of the Note, the Company hereby reduces the Conversion Price of the Note to \$0.95. The Investor has agreed to convert the outstanding Principal of Note at the Conversion Price of \$0.95 in an amount equal to 4.90% of the outstanding shares of Common Stock of the Company.
2. The Investor agrees to waive the Amortization Redemption Amount due on the Amortization Date of June 7, 2022 and the associated Amortization Redemption Notice due June 2, 2022. Such Amortization Redemption Amount will be due in full on the next scheduled Amortization Date.
3. In connection with any conversion of the Note in accordance with this Conversion Agreement, the Investor and the Company agree that notwithstanding anything to the contrary in any of the Transaction Documents, including Section 12 of the Note, any conversion of amounts under the Note pursuant to this Conversion Agreement shall be applied first to the Extended Payments and in the following order:
 - a. Any accrued and unpaid Late Charges related to the Principal amount of the May 7 Amortization Redemption Amount converted; then to

gaucho group holdings, Inc. group (nasdaq:vino)

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- b. Any accrued and unpaid Interest (not including any Make-Whole Amount) related to the Principal amount of the May 7 Amortization Redemption Amount converted; then to
- c. The outstanding Principal amount of the May 7 Amortization Redemption Amount converted; then to
- d. Any Make-Whole Amount related to the Principal amount of the May 7 Amortization Redemption Amount converted; then to
- e. Any accrued and unpaid Late Charges related to the Principal amount of the June 7 Amortization Redemption Amount converted; then to
- f. Any accrued and unpaid Interest (not including any Make-Whole Amount) related to the Principal amount of the June 7 Amortization Redemption Amount converted; then to
- g. The outstanding Principal amount of the June 7 Amortization Redemption Amount converted; then to
- h. Any Make-Whole Amount related to the Principal amount of the June 7 Amortization Redemption Amount converted.

This Conversion Agreement is a Transaction Document and is limited as written. As of the date first written above, each reference in the Purchase Agreement or any other applicable Transaction Document to "**this Agreement**," "**hereunder**," "**hereof**," "**herein**," or words of like import, and each reference in the other Transaction Documents to such Purchase Agreement or other Transaction Documents (including, without limitation, by means of words like "**thereunder**," "**thereof**" and words of like import), shall refer to the Purchase Agreement and the other Transaction Documents as modified thereby, and this Conversion Agreement and the Purchase Agreement and/or the other Transaction Documents modified hereby, as applicable, shall be read together and construed as a single agreement. The execution, delivery and effectiveness of this Conversion Agreement shall not, except as expressly provided herein, (A) waive or modify any right, power or remedy under, or any other provision of, any Transaction Document or (B) commit or otherwise obligate any Purchaser to enter into or consider entering into any other amendment, waiver or modification of any Transaction Document.

All communications and notices hereunder shall be given as provided in the Transaction Documents. This Conversion Agreement (a) shall be governed by and construed in accordance with the law of the State of New York, (b) is for the exclusive benefit of the parties hereto and the beneficiaries of the Purchase Agreement set forth in Section 9(h) of the Purchase Agreement and, together with the other Transaction Documents, constitutes the entire agreement of such parties, superseding all prior agreements among them, with respect to the subject matter hereof, (c) may be modified, waived or assigned only in writing and only to the extent such modification, waiver or assignment would be permitted under the Transaction Documents (and any attempt to assign this Conversion Agreement without such writing shall be null and void), (d) is a negotiated document, entered into freely among the parties upon advice of their own counsel, and it should not be construed against any of its drafters and (e) shall survive the satisfaction or discharge of the amounts owing under the Transaction Documents. The fact that any term or provision of this Conversion Agreement is held invalid, illegal or unenforceable as to any person in any situation in any jurisdiction shall not affect the validity, enforceability or legality of the remaining terms or provisions hereof or the validity, enforceability or legality of such offending term or provision in any other situation or jurisdiction or as applied to any person.

This Conversion Agreement is expressly conditioned on the following conditions precedent:

- (1) The Company's Board of Directors shall have approved this Conversion Agreement and all undertakings thereto in all respects and shall provide written evidence of the same to the Investor by Thursday, May 12, 2022; and
- (2) The Company shall have verified and confirmed with its transfer agent that there are no impediments to the issuance of shares as a result of this Conversion Agreement.

Kindly confirm your agreement with the above by signing in the space indicated below and by PDFing an executed copy of this letter to the undersigned, and which may be executed in identical counterparts, each of which shall be deemed an original but all of which shall constitute one and the same agreement.

[Signatures follow on next page]

Very truly yours,

GAUCHO GROUP HOLDINGS, INC.

By: _____
Scott L Mathis
President & Chief Executive Officer

AGREED AND ACCEPTED:

[Investor]

By: _____
Name:
Title:
