Digital Media Solutions, Inc. Reaches Agreement to Transition Ownership to Existing Lenders, Positioning Business for Continued Innovation and Growth

Enters Asset Purchase Agreement with Existing Lenders

Commences Voluntary Chapter 11 Cases to Facilitate Efficient Sale; Expects to Complete Process in the Fourth Quarter of 2024

Secures Commitment of Approximately $122 Million in Debtor-in-Possession Financing

Continues to Serve Customers as Usual with Leading Technology-Enabled Digital Performance Advertising Solutions

CLEARWATER, Fla., September 11, 2024 – Digital Media Solutions, Inc., ("DMS" or the "Company"), a leading provider of technology-enabled digital performance advertising solutions connecting consumers and advertisers, today announced it has entered into an asset purchase agreement (the "APA") with existing lenders (the "Lenders"), including a consortium of leading financial institutions. In addition, the Company has secured an approximately $122 million financing commitment from certain of the Lenders to facilitate voluntary Chapter 11 proceedings and execute a court-supervised sale process designed to maximize value, strengthen the business's financial foundation and position DMS for continued growth.

"DMS has a strong foundation and serves our expansive blue-chip client base across the insurance, e-commerce, education, home services and non-profit sectors through our differentiated performance marketing solutions," said Joe Marinucci, Co-Founder and CEO of DMS. "The steps we are taking are the result of the strategic review that the DMS Board of Directors initiated in April. We are now moving forward with the support of highly sophisticated investors, and we believe their commitments for new financing and the APA underscore their conviction in our business and the future of DMS. We are continuing our growth trajectory and are confident we will be an even stronger partner for our clients and vendors."

Mr. Marinucci continued, "We expect this to be an orderly and efficient process and, as we move through it, we remain committed to connecting advertisers with high-intent consumers. We appreciate the continued support of our customers, vendors and financial stakeholders. We also thank our employees for their continued hard work and dedication to innovating and serving our clients."

To facilitate the sale process, DMS today commenced voluntary Chapter 11 proceedings in the U.S. Bankruptcy Court for the Southern District of Texas. The Company's ClickDealer subsidiaries are not part of the Chapter 11 proceedings, but they are included in the proposed sale to the Lenders. DMS is operating in the ordinary course across its businesses, including its ClickDealer subsidiaries, and continuing to provide innovative solutions, vertical expertise and outstanding support to its clients and vendors.

The Chapter 11 Proceedings

The court-supervised sale process will be conducted pursuant to section 363 of the U.S. Bankruptcy Code. Accordingly, the proposed transaction with the Lenders is subject to higher or otherwise better offers, Court approval and other customary conditions.

In connection with the Chapter 11 proceedings, DMS has received a commitment for approximately $122 million in debtor-in-possession ("DIP") financing from certain of its existing lenders, comprising $30 million in new money commitments and approximately $92 million in a "roll-up" of pre-petition funded debt. Upon approval from the Court, the DIP financing, coupled with cash generated from the Company's ongoing operations, is expected to support the business throughout the court-supervised sale process.

The Company has filed a number of customary motions seeking Court authorization to continue to support its business operations during the court-supervised sale process, including authority to continue payment of employee and contractor wages and benefits. The Company expects to receive Court approval for these requests and, accordingly, anticipates continuing its ordinary course operations. The Company also intends to pay vendors and suppliers in full under normal terms for services contracted for on or after the filing date.

Additional Information

Additional information is available at AdvancingDMS.com. Court filings and other information related to the sale process are available on a separate website administered by the Company's claims agent, Omni Agent Solutions, at https://omniagentsolutions.com/DMS; by calling Omni representatives toll-free at (866) 680-8083, or (818) 574-6886 for calls originating outside of the U.S. or Canada; or by emailing DMSInquiries@OmniAgnt.com.

Advisors

Kirkland & Ellis LLP and Porter Hedges LLP are serving as legal counsel to DMS, Portage Point Partners is serving as restructuring advisor with Zach Rose appointed as DMS's Chief Restructuring Officer, and Houlihan Lokey Capital, Inc. is serving as investment banker.

About DMS

Digital Media Solutions, Inc. (DMS) drives better business results by connecting high-intent consumers with advertisers across our core verticals: Insurance (auto, home, health), Education and Consumer/E-Commerce. Our innovative solutions help consumers shop and save, while helping our advertisers achieve above average return on ad spend. Learn more at https://digitalmediasolutions.com.

Forward-Looking Statements

This press release contains certain forward-looking statements with respect to the financial condition, results of operations and business of the Company and its subsidiaries and certain plans and objectives with respect thereto. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements often use words such as "initiate," "anticipate," "target," "expect," "enable," "estimate," "intend," "plan," "goal," "believe," "hope," "aims," "continue," "will," "may," "should," "would," "could" or other words of similar meaning. These statements are based on assumptions and assessments made by the Company and its perception of historical trends, current conditions, future developments and other factors. By their nature, forward-looking statements involve risk and uncertainty, because they relate to events and depend on circumstances that will occur in the future and the factors described in the context of such forward-looking statements in this press release could cause actual results and developments to differ materially from those expressed in or implied by such forward-looking statements, including related to any sale process and the Chapter 11 process. Although it is believed that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct and you are therefore cautioned not to place undue reliance on these forward-looking statements which speak only as at the date of this press release. The Company does not assume any obligation to update or correct the information contained in this press release (whether as a result of new information, future events or otherwise), except as may be required by applicable law.

There are several factors which could cause actual results to differ materially from those expressed or implied in forward-looking statements. Among the factors that could cause actual results to differ materially from those described in the forward-looking statements are changes in the global, political, economic, business, competitive, market, supply chain and regulatory forces, future exchange and interest rates, changes in tax rates and any future business combinations or dispositions, our ability to negotiate and confirm a sale of substantially all of our assets under Section 363 of the Bankruptcy Code (or any other plan of reorganization), uncertainties and costs related to the completion of any sale process (implemented through the Chapter 11 process) and the Chapter 11 process more generally, including, among others, potential adverse effects of the Chapter 11 process on the Company's liquidity and results of operations, including with respect to its relationships with its customers, vendors and partners, suppliers and other third parties; employee attrition and the Company's ability to retain senior management and other key personnel due to the distractions and uncertainties inherent in the Chapter 11 process; the impact of any cost reduction initiatives; any other legal or regulatory proceedings; the Company's ability to obtain operating capital, including complying with the restrictions imposed by the terms and conditions of any debtor-in-possession financing, such as the financing mentioned herein; the length of time that the Company will operate under Chapter 11 protection; the timing of any emergence from the Chapter 11 process; and the risk that any plan of reorganization resulting therefrom may not be confirmed or implemented at all. Please see the plan of reorganization and related disclosure statement (as may be amended, modified or supplemented) that may be filed with the Court for additional considerations and risk factors associated with the Company's Chapter 11 process.

Nothing in this press release is intended as a profit forecast or estimate for any period and no statement in this press release should be interpreted to mean that the financial performance for the Company, including after the completion of any sale process, for the current or future financial years would necessarily match or exceed its historical results.

Further, this press release is not intended to and does not constitute and should not be construed as, considered a part of, or relied on in connection with any information or offering memorandum, security purchase agreement, or offer, invitation or recommendation to underwrite, buy, subscribe for, otherwise acquire, or sell any securities or other financial instruments or interests or any other transaction.

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