

**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): November 9, 2022

Digital Media Solutions, Inc.
(Exact name of Registrant as specified in its charter)

Delaware
(State of incorporation)

4800 140th Avenue N., Suite 101
Clearwater, Florida
(Address of principal executive offices)

001-38393
(Commission File Number)

98-1399727
(IRS Employer Identification No.)

33762
(Zip Code)

(877) 236-8632
(Registrant's telephone number, including area code)

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))

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A common stock, \$0.0001 par value per share	DMS	New York Stock Exchange
Redeemable warrants to acquire Class A common stock	DMS WS	New York Stock Exchange

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.

Item 7.01. Regulation FD Disclosure.

The executive officers of Digital Media Solutions, Inc. (the "Company") intend to use the material filed herewith, in whole or in part, in one or more meetings with investors and analysts. A copy of the investor presentation is attached hereto as Exhibit 99.1.

The Company does not intend for this Item 7.01 or Exhibit 99.1 to be treated as "filed" for purposes of the Securities Exchange Act of 1934, as amended, or incorporated into its filings under the Securities Act of 1933, as amended.

Item 9.01. Financial Statements and Exhibits.

(d)Exhibits

The following exhibit relating to Item 7.01 shall be deemed to be "furnished" and not "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section:

<u>Exhibit Number</u>	<u>Description</u>
99.1 104	Digital Media Solutions, Inc. Investor Presentation Cover Page Interactive File (the cover page tags are 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.

Date: November 9, 2022

Digital Media Solutions, Inc.

Name:	<u>/s/ Richard Rodick</u>
Title:	Richard Rodick Chief Financial Officer



Digital Media Solutions®

Investor Presentation

November 2022

NYSE: DMS

Safe Harbor

This presentation includes "forward-looking statements" within the meaning of that term in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and are made in reliance upon the "safe harbor" protections provided by such acts for forward-looking statements. These forward-looking statements are often identified by words such as "expect," "estimate," "project," "budget," "forecast," "anticipate," "intend," "plan," "may," "will," "could," "should," "believes," "predicts," "potential," "continue," and similar expressions. These forward-looking statements include, without limitation, DMS's expectations with respect to its future performance and its ability to implement its strategy, and are based on the beliefs and expectations of our management team from the information available at the time such statements are made. These forward-looking statements involve significant risks and uncertainties that could cause the actual results to differ materially from the expected results. Most of these factors are outside DMS's control and are difficult to predict. Factors that may cause such differences include, but are not limited to: (1) the COVID-19 pandemic or other public health crises; (2) changes in client demand for our services and our ability to adapt to such changes; (3) the entry of new competitors in the market; (4) the ability to maintain and attract consumers and advertisers in the face of changing economic or competitive conditions; (5) the ability to maintain, grow and protect the data DMS obtains from consumers and advertisers; (6) the performance of DMS's technology infrastructure; (7) the ability to protect DMS's intellectual property rights; (8) the ability to successfully source and complete acquisitions and to integrate the operations of companies DMS acquires, including Traverse Data, Inc., the assets of Crisp Marketing, LLC and Aimtell, Inc., PushPros, Inc. and Aramis Interactive; (9) the ability to improve and maintain adequate internal controls over financial and management systems, and remediate the identified material weakness; (10) changes in applicable laws or regulations and the ability to maintain compliance; (11) our substantial levels of indebtedness; (12) volatility in the trading price on the NYSE of our common stock and warrants; (13) fluctuations in value of our private placement warrants; and (14) other risks and uncertainties indicated from time to time in DMS's filings with the SEC, including those under "Risk Factors" in DMS's Annual Report on Form 10-K and its subsequent filings with the SEC. There may be additional risks that we consider immaterial or which are unknown, and it is not possible to predict or identify all such risks. DMS cautions that the foregoing list of factors is not exclusive. DMS cautions readers not to place undue reliance upon any forward-looking statements, which speak only as of the date made. DMS does not undertake or accept any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements to reflect any change in its expectations or any change in events, conditions or circumstances on which any such statement is based.

Non-GAAP Financial Measures

In addition to providing financial measurements based on accounting principles generally accepted in the United States of America ("GAAP"), this presentation includes additional financial measures that are not prepared in accordance with GAAP ("non-GAAP"), including adjusted EBITDA, unlevered free cash flow, unlevered free cash flow conversion and Variable Marketing Margin. Definitions of each non-GAAP financial measure can be located in the Appendix.

A reconciliation of non-GAAP financial measures to the most directly comparable GAAP financial measures can be found below. For guidance purposes, the company is not providing a quantitative reconciliation of adjusted EBITDA and Variable Marketing Margin in reliance on the "unreasonable efforts" exception for forward-looking non-GAAP measures set forth in SEC rules because certain financial information, the probable significance of which cannot be determined, is not available and cannot be reasonably estimated without unreasonable effort and expense.

We use these financial measures internally to review the performance of our business units without regard to certain accounting treatments and non-recurring items. We believe that presentation of these non-GAAP financial measures provides useful information to investors regarding our results of operations. Because of these limitations, management relies primarily on its GAAP results and uses non-GAAP measures only as a supplement.

Financial Performance Overview

	as reported in the 2021 10-K and 3Q2022 10Q, respectively				
	2021	Subtract: Q3 YTD '21	Q4 '21	Add: Q3 YTD '22	LTM
Net revenue	\$ 427,935	\$ 309,291	\$ 118,654	\$ 290,372	\$ 409,027
Cost of revenue	300,016	218,304	81,712	211,997	293,709
Salaries and related costs	48,014	34,426	13,588	38,612	52,200
General and administrative expenses	43,049	27,051	15,998	32,622	48,621
Acquisition costs	1,967	1,820	147	306	453
Change in fair value of contingent consideration liabilities	1,106	(2,525)	3,631	2,533	6,164
Depreciation and amortization	25,401	19,649	5,752	21,377	27,129
Income (loss) from operations	\$ 8,382	\$ 10,556	\$ (2,174)	\$ (17,075)	\$ (19,249)
Interest expense	14,166	10,635	3,531	12,072	15,604
Change in fair value of warrant liabilities	(18,115)	(13,835)	(4,279)	(2,480)	(6,760)
Change in tax receivable agreement liability	(15,289)	-	(15,289)	(121)	(15,410)
Loss on extinguishment of debt	2,108	2,108	-	-	-
Loss on disposal of assets	8	-	8	-	8
Net income (loss) before income taxes	\$ 25,504	\$ 11,648	\$ 13,856	\$ (26,546)	\$ (12,691)
Income tax expense	19,311	1,527	17,785	819	18,603
Net income (loss)	\$ 6,193	\$ 10,121	\$ (3,929)	\$ (27,365)	\$ (31,294)
Adjustments:					
Interest expense	14,166	10,635	3,531	12,072	15,604
Income tax expense	19,311	1,527	17,785	819	18,603
Depreciation and amortization	25,401	19,649	5,752	21,377	27,129
Change in fair value of warrant liabilities ⁽¹⁾	(18,115)	(13,835)	(4,279)	(2,480)	(6,760)
Change in tax receivable agreement liability	(15,289)	-	(15,289)	(121)	(15,410)
Debt extinguishment	2,108	2,108	-	-	-
Stock-based compensation	6,463	4,046	2,417	5,332	7,749
Restructuring	1,118	133	984	2,166	3,150
Acquisition costs ⁽²⁾	1,967	1,820	147	306	453
Change in fair value of contingent consideration liabilities	1,106	(2,525)	3,631	2,533	6,164
Other expense ⁽³⁾	6,744	4,123	2,621	3,940	6,561
Subtotal before additional adjustments	51,173	37,802	13,371	18,579	31,950
Pro Forma Cost Savings - Reorganization ⁽⁴⁾	31	31	-	-	-
Pro Forma Cost Savings - Acquisitions ⁽⁵⁾	3,330	2,656	674	-	674
Acquisition EBITDA ⁽⁶⁾	2,711	2,711	-	-	-
Accounts reserved	944	-	944	-	944
Adjusted EBITDA	58,189	43,200	14,968	18,579	33,568
Capital Expenditures	9,114	7,875	1,239	5,247	6,486
Unlevered Free Cash Flow	49,075	35,325	13,749	13,332	27,082
Unlevered Free Cash Flow Conversion	84.3%	81.8%	91.7%	71.8%	80.7%
Adjusted EBITDA Margin %	13.6%	14.0%	4.6%	6.4%	8.2%

1. Market-to-market warrant liability adjustments.

2. Balance includes business combination transaction fees and pre-acquisition expenses.

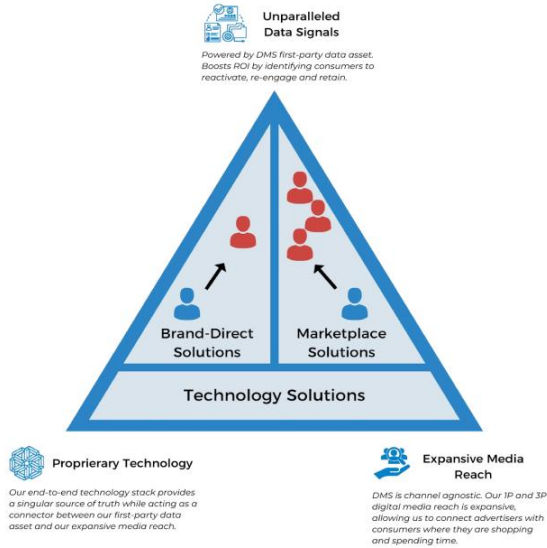
3. Balance includes legal fees associated with acquisitions and other extraordinary matters, costs related to philanthropic initiatives, and private warrant transaction related costs

4. Costs savings as a result of the company reorganization initiated in Q2 2020.

5. Cost synergies expected as a result of the full integration of the acquisitions.

6. Pre-acquisition Adjusted EBITDA results from the AAP and Crisp Results acquisitions during the three and nine months ended September 30, 2021.

Performance-Based Digital Advertising Solutions



Through our marketplaces and brand-direct campaigns, DMS increases consumer access to branded products, services, promotions and savings opportunities.

As a result, DMS provides superior customer acquisition solutions to our broad-based digital advertiser clients.

- Competitive advantage from first-party data asset that provides real-time, actionable consumer insights and data signals proven effective at driving growth and protecting margins
- Proven value proposition supports consumer optionality and advertiser need to de-risk media spend while scaling results
- Industry-agnostic solutions serve growing portfolio of loyal blue-chip advertiser clients across fast-growing verticals, including insurance, ecommerce and consumer finance
- Dynamic diversification within insurance and other verticals allows us to pivot in parallel with consumer and advertiser demand to maintain growth momentum
- Attractive financial profile, through long-term achievement of EBITDA profitability and FCF generation, plus demonstrated track record of accretive M&A further accelerating growth

DMS Q3 2022 LTM¹ Financial Summary

\$409MM

Net Revenue

(\$31MM)

Net Income (loss)

\$34MM

Adj. EBITDA²

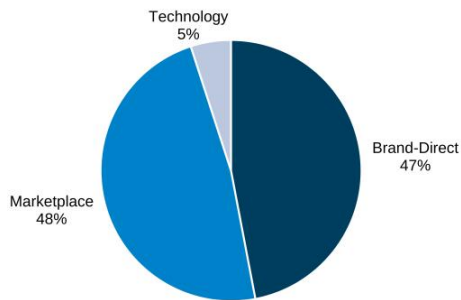
8%

% EBITDA Margin²

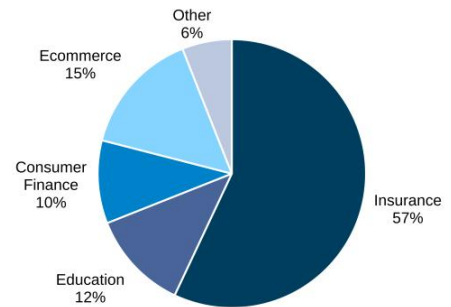
81%

% Unlevered FCF Conversion²

LTM¹ Gross Revenue by Segment



LTM¹ Gross Revenue by Vertical



1. LTM is defined as the twelve months ending September 30, 2022.
2. This is a non-GAAP financial measure. Refer to appendix for additional detail.

Significant Reach Of The DMS Platform

Enterprise Level Clients	SMB Clients	FTEs
~2,000	~7,000	~500
Unique Consumer Profiles	Quarterly Consumer Impressions	Engagement Events In Q3
300MM	7BN	8BN



Accelerated Agent Growth

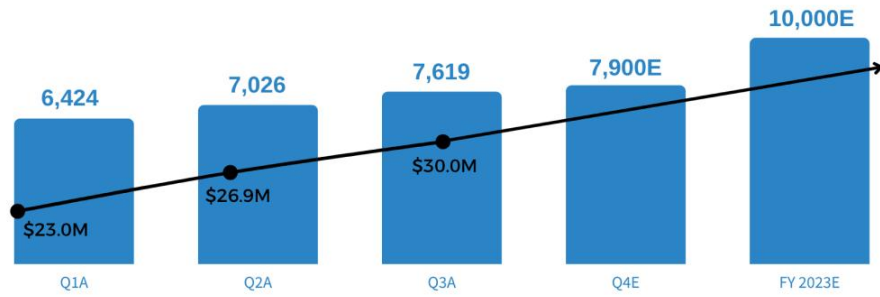


10K+

TOTAL CAPTIVE AGENTS
Expected by FY 2023

\$30-40M

INCREMENTAL ANNUALIZED REVENUE
Expected by FY 2023



*Agent growth will slow in Q4 due to seasonality issues and will resume at an accelerated rate in Q1 2023





Data Flywheel

Part Of Industry-Leading
Toolset



Scaled Spend

Reliable ROI Drives
Growth Of Client Spend



Dynamic Diversification

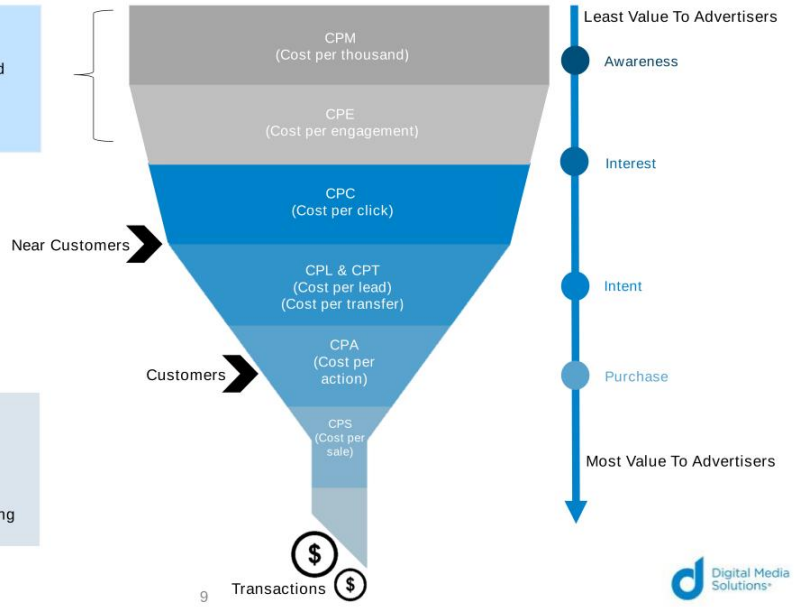
Vertical-Agnostic &
Channel-Agnostic

DMS De-Risks Advertising Spend

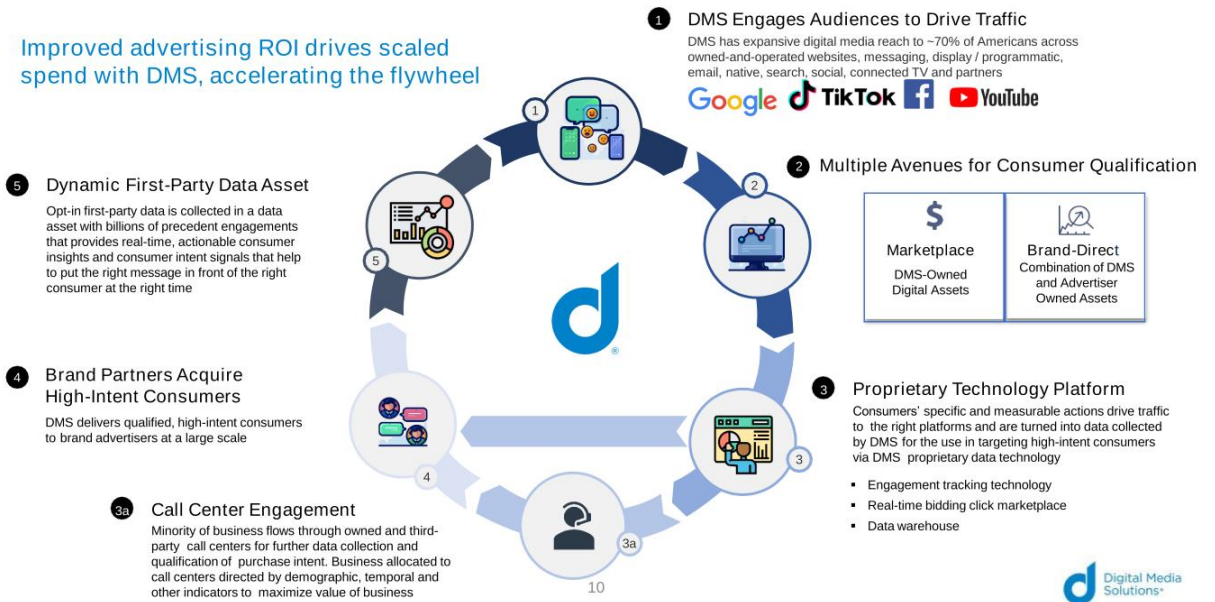
- Branding**
- ✓ Unregistered
 - ✓ Unqualified
 - ✓ View/Click
 - ✓ Browsing

Unlike traditional advertising, digital performance advertising enables advertisers to pay only for qualified intent and outcomes.

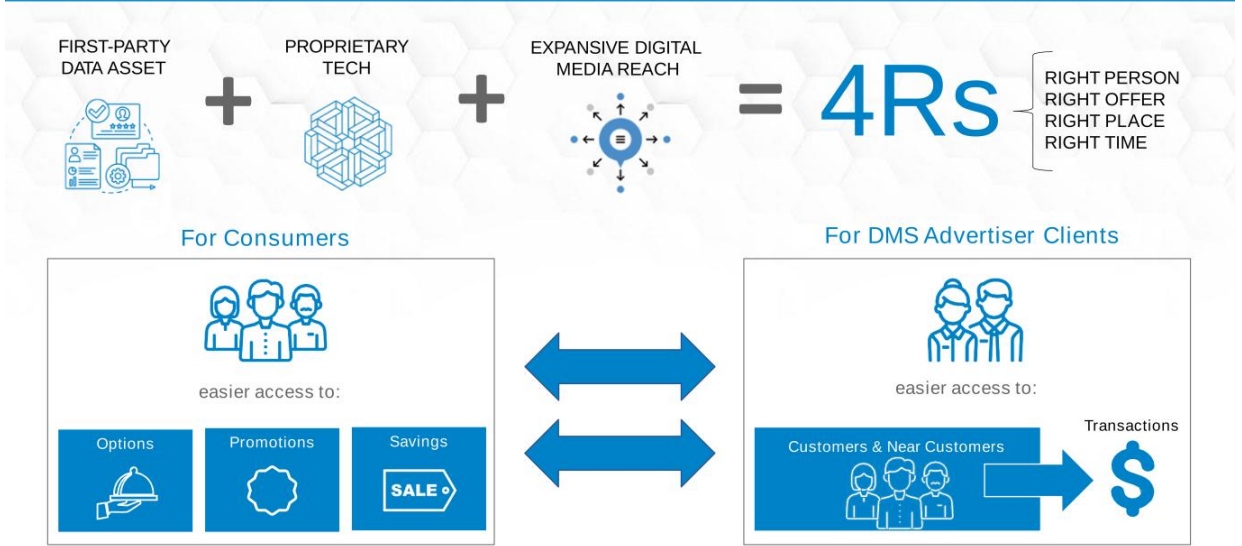
- Performance Advertising**
- ✓ Registered
 - ✓ Qualified
 - ✓ Lead/Purchase
 - ✓ Researching



Improved advertising ROI drives scaled spend with DMS, accelerating the flywheel



DMS Provides Value To Consumers & Advertisers



DMS Delivers Reliable Advertising ROI

The Flywheel Creates
Growth & Consistency
Among Top 20 Advertisers



Significant And Growing Brand Name
Roster Of Blue-Chip Clients Across



INSURANCE:
10 of the largest U.S. insurance firms across auto, home, life & health



ECOMMERCE:
Leading top consumer brands across ecommerce, DTC, food, retail and more



CONSUMER FINANCE:
Top 3 mortgage lenders + top 3 consumer reporting companies



CAREER & EDUCATION:
Top-tier large universities + large learning software providers

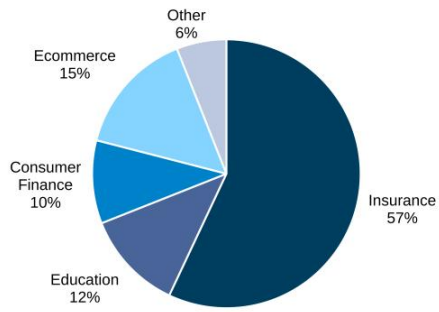


HOME SERVICES:
2 of the leading home security companies in the U.S.

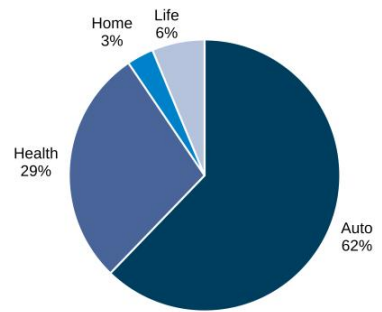


Dynamic Diversification – Advertiser Demand

LTM¹ Gross Revenue By Vertical



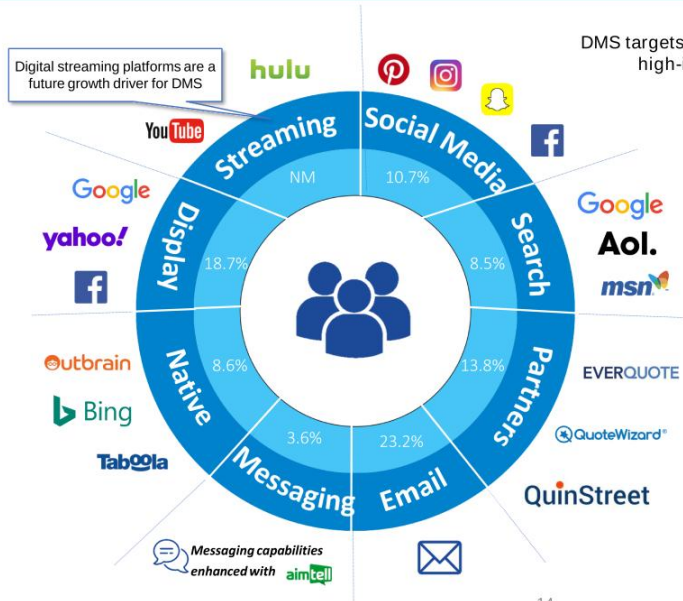
LTM¹ Insurance Gross Revenue By Insurance Vertical



1. LTM is defined as the twelve months ending September 30, 2022.



Dynamic Diversification – Traffic & Media

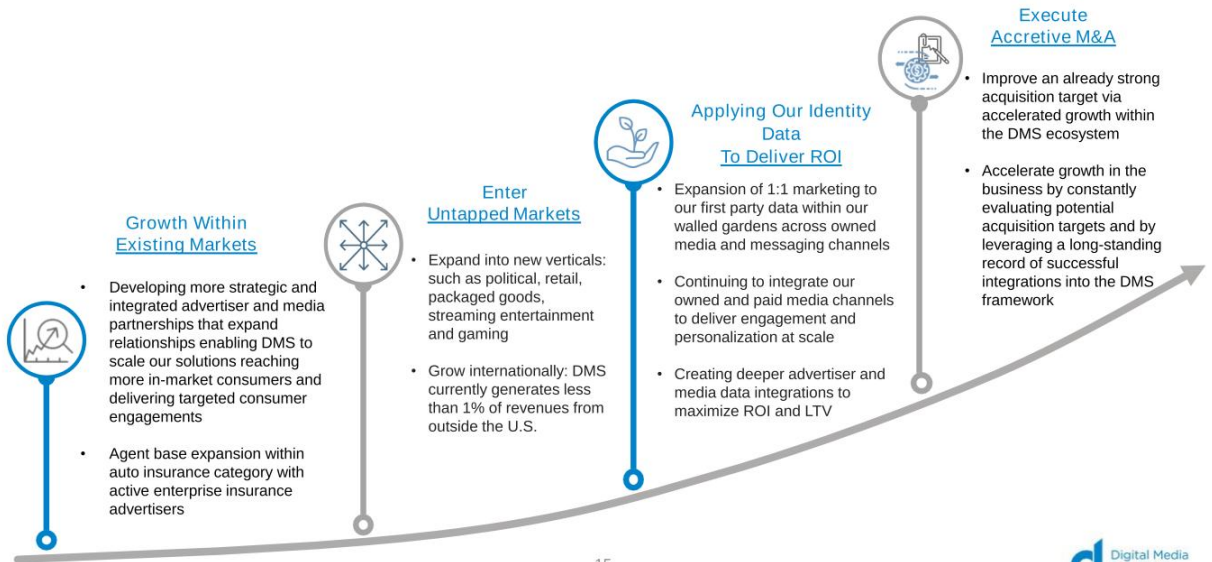


DMS targets audiences where they spend their time and engages high-intent consumers when they are ready to take action.

Commentary
<ul style="list-style-type: none"> Nearly 100% digital channels Deep digital media buying experience Media distribution to every American consumer segment; reaching ~70% of U.S. adults SaaS offering includes online real-time management of advertising activities and KPIs, such as channel performance and attribution Aimtell / PushPros added powerful, AI-powered SaaS push technology to enhance consumer engagement with hyper-targeted messaging, leveraging advanced machine learning and customization features, to boost conversion rates and advertiser client ROI As legacy methods of targeting are retired (e.g. Google third-party cookies), advertisers will place increasing value on first-party data and DMS solutions No SEO exposure to algorithm risk

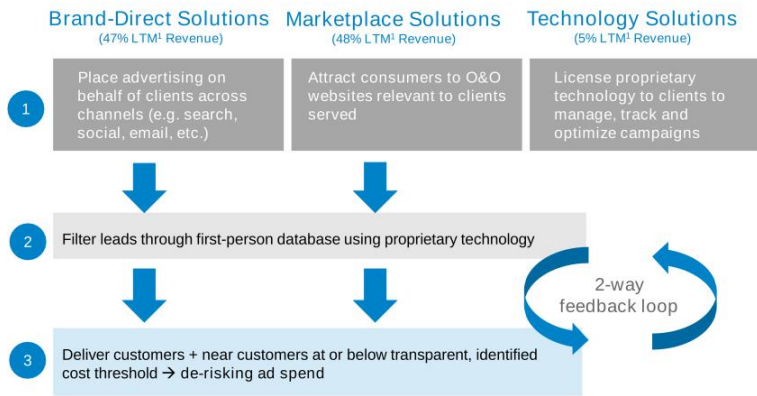
Note: Other channels represent 12.9% of media spend.

Key DMS Growth Drivers



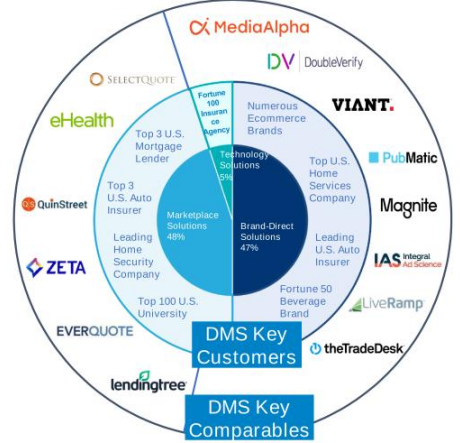
DMS Business Model & Mix

End-To-End Platform Optimizes Customer Acquisition At Attractive ROI



1. LTM is defined as the twelve months ending September 30, 2022.

DMS Business Mix (% Of Revenue)

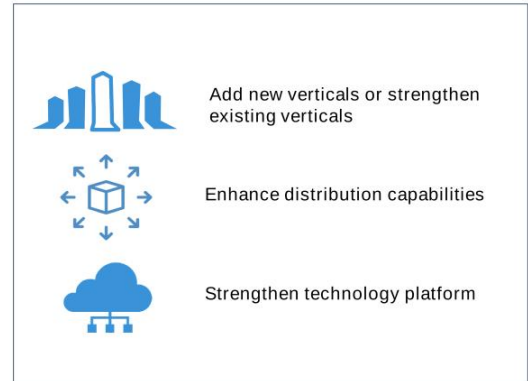


14 Successful Acquisitions

DMS Playbook

1	Management collaborated with third-party consultancy to streamline professionalized approach to M&A
2	Dedicated and experienced team manages M&A process
3	Maintain and evaluate pipeline of opportunities
4	Form internal SteerCo (key management plus associates with relevant expertise) to drive deal diligence, execution and integration
5	Post-closing, the target is integrated and fully harmonized into DMS within ~12 months <ul style="list-style-type: none">• HR onboarding for new FTEs• Integration of IT systems, product management and sales

Core M&A Criteria





Digital Media
Solutions®

4Q'22 & FY'22 FINANCIAL OUTLOOK

NYSE: DMS

Q4 + 2022 Full Year Guidance

	4Q'22 (\$ in millions)	FY'22 (\$ in millions)
GAAP Revenue	\$97 - \$102	\$385 - \$390
Adjusted EBITDA ¹	\$7 - \$10	\$26 - \$29
Gross Margin ¹	25% - 30%	25% - 30%
Variable Marketing Margin ¹	30% - 35%	30% - 35%

1. This is a non-GAAP financial measure. Refer to appendix for additional detail.



Digital Media
Solutions®

Investment Highlights

NYSE: DMS

Investment Highlights

1. A leading provider of diversified performance advertising solutions



2. Unique first-party data asset and proprietary technology platform optimize ROI and increase client retention



3. Serves a diverse range of strong, growing end markets



4. Strong retention rates with increasing spend from blue-chip customer base



5. Diverse and stable customer and supplier mix



6. Positioned for ongoing shift toward digital customer acquisition and increasing advertiser ROI focus



7. History of accretive M&A with significant pipeline of opportunities



8. Founder-led management team with strong track record and significant ownership



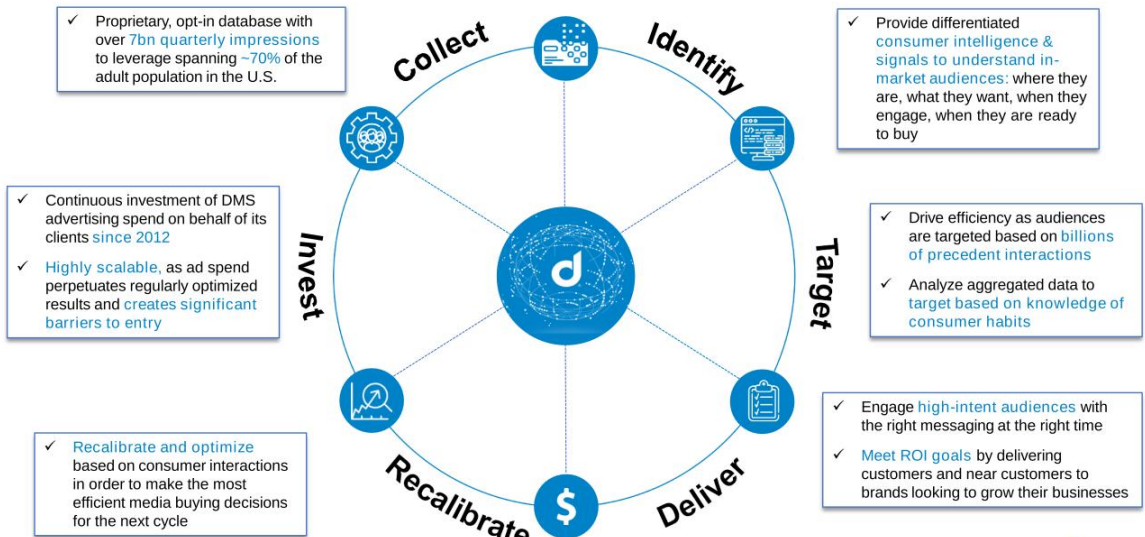
9. Strong organic growth with in-flight initiatives to drive continued success



10. Highly profitable with significant cash flow generation



Large & Powerful Data Asset



DMS Provides Solutions

The DMS Difference



Financial Profile Underpinned By Momentum



Founder-Led Management With Proven Track Record

Joe Marinucci
Chief Executive Officer



Co-Founder

- EY 2019 Entrepreneur of the Year
- Prior President and Co-Founder of Interactive Marketing Solutions
- Served as a Board Member of LeadsCouncil

Fernando Borghese
Chief Operations Officer



Co-Founder

- Successful track record of building high-performing teams that deliver measurable impact
- Previously Executive Vice President at DMI Partners, focused on developing performance-based solutions for clients
- Current Board Member of Professional Association of Customer Engagement (PACE)

Richard Rodick
Chief Financial Officer



- Nearly two decades of CFO and executive-level expertise from his time with multimillion and billion-dollar companies across a number of verticals
- Expertise includes financial reporting, financial planning and analysis, investor relations and acquisition valuation





Digital Media
Solutions®

Appendix

NYSE: DMS

Non-GAAP Financial Measures

Variable Marketing Margin

Variable Marketing Margin is a measure of the efficiency of the Company's revenue generation efforts, measuring revenue after subtracting the variable marketing and direct media costs that are directly associated with revenue generation. Variable Marketing Margin and Variable Marketing Margin % of revenue are key reporting metrics by which the Company measures the efficacy of its marketing and media acquisition efforts.

Variable Marketing Margin is defined as revenue less variable marketing expense. Variable marketing expense is defined as the expense attributable to variable costs paid for direct marketing and media acquisition costs, and includes only the portion of cost of revenue attributable to costs paid for this direct marketing activity and advertising acquired for resale to the Company's customers, and excludes overhead, fixed costs and personnel-related expenses. The majority of these variable advertising costs are expressly intended to drive traffic to our websites and to our customers' websites, and these variable advertising costs are included in cost of revenue on the company's consolidated statements of operations.

Adjusted EBITDA, Adjusted EBITDA Margin, Unlevered Free Cash Flow and Unlevered Free Cash Flow Conversion

We use the non-GAAP measures of adjusted EBITDA and unlevered free cash flow to assess operating performance. Management believes that these measures provide useful information to investors regarding DMS's operating performance and its capacity to incur and service debt and fund capital expenditures. DMS believes that these measures are used by many investors, analysts and rating agencies as a measure of performance. By reporting these measures, DMS provides a basis for comparison of our business operations between current, past and future periods by excluding items that DMS does not believe are indicative of our core operating performance. Financial measures that are non-GAAP should not be considered as alternatives to operating income, cash flows from operating activities or any other performance measures derived in accordance with GAAP as measures of operating performance, or cash flows as measures of liquidity. These measures have limitations as analytical tools, and you should not consider them in isolation or as a substitute for analysis of our results as reported under GAAP. Because of these limitations, DMS relies primarily on its GAAP results and uses adjusted EBITDA and unlevered free cash flow only as a supplement.

Adjusted EBITDA is defined as net income (loss), excluding (a) interest expense, (b) income tax expense, (c) depreciation and amortization, (d) change in fair value of warrant liabilities, (e) debt extinguishment, (f) stock-based compensation, (g) change in tax receivable agreement liability, (h) restructuring costs, (i) acquisition costs and, (j) other expense. Adjusted EBITDA Margin is defined as adjusted EBITDA divided by Net Revenue.

In addition, we adjust to take into account estimated cost synergies related to our acquisitions. These adjustments are estimated based on cost-savings that are expected to be realized within our acquisitions over time as these acquisitions are fully integrated into DMS. These cost-savings result from the removal of cost and or service redundancies that already exist within DMS, technology synergies as systems are consolidated and centralized, headcount reductions based on redundancies, right-sized cost structure of media and service costs utilizing the most beneficial contracts within DMS and the acquired companies with external media and service providers. We believe that these non-synergized costs tend to overstate our expenses during the periods in which such synergies are still being realized.

Furthermore, in order to review the performance of the combined business over periods that extend prior to our ownership of the acquired businesses, we include the pre-acquisition performance of the businesses acquired. Management believes that doing so helps to understand the combined operating performance and potential of the business as a whole and makes it easier to compare performance of the combined business over different periods. Unlevered free cash flow is defined as adjusted EBITDA, less capital expenditures, and unlevered free cash flow conversion is defined as unlevered free cash flow divided by adjusted EBITDA.

Reconciliation Of Variable Marketing Margin – 12 Months Ended

The following table provides a reconciliation of Variable Marketing Margin ("VMM"), from Net income (loss), the most directly comparable GAAP measure (in thousands):

	2021	Subtract: Q3 YTD '21	Q4 '21	Add: Q3 YTD '22	LTM
Net income (loss)	\$ 6,193	\$ 10,121	\$ (3,929)	\$ (27,365)	\$ (31,294)
Adjustments to reconcile to variable marketing margin:					
Cost of revenue adjustment ⁽¹⁾	23,578	18,793	7,270	18,591	25,861
Salaries and related costs	48,014	34,426	13,588	38,612	52,200
General and administrative expenses	43,049	27,051	15,998	32,622	48,621
Acquisition costs	1,967	1,820	147	306	453
Change in fair value of contingent consideration liabilities	1,106	(2,525)	3,631	2,533	6,164
Depreciation and amortization	25,401	19,649	5,752	21,377	27,129
Interest expense	14,166	10,635	3,531	12,072	15,604
Change in fair value of warrant liabilities	(18,115)	(13,835)	(4,279)	(2,480)	(6,760)
Change in tax receivable agreement liability	(15,289)	-	(15,289)	(121)	(15,410)
Loss on extinguishment of debt	2,108	2,108	-	-	-
Loss on disposal of assets	8	-	8	-	8
Income tax expense	19,311	1,527	17,785	819	18,603
Total adjustments	145,304	99,648	48,142	124,331	172,473
Variable marketing margin	151,497	109,769	44,213	96,966	141,179

1. Represents amounts reported as cost of revenue that are not direct media costs associated with lead sales, which were added back for the purpose of the Variable Marketing Margin ("VMM").

