



Magnite Announces Pricing and Syndication of New Term Loan B and Revolver

April 5, 2021

LOS ANGELES, April 05, 2021 (GLOBE NEWSWIRE) -- Magnite (Nasdaq: MGNI) today announced that it has reached agreement in principle on pricing and syndication for a 7-year \$360 million senior secured term loan B (the "Term Loan B") and a 5-year \$52.5 million senior secured revolving credit facility (the "Revolver" and together with the Term Loan B, the "Facilities").

The Facilities are subject to execution of definitive documentation for the Facilities and the closing of the previously announced acquisition of SpotX, which remains subject to regulatory approval and other customary closing conditions. Magnite intends to use the net proceeds of the Term Loan B plus the proceeds from its existing \$400 million Convertible Notes due 2026, "Convertible Notes"), issued in March 2021 to: (i) pay the cash purchase price of the SpotX acquisition, (ii) fund related transaction fees and expenses, and (iii) provide excess cash for operations.

Magnite's Chief Financial Officer, David Day, said, "The Term Loan B and Revolver agreement in principle complete our financing for the pending SpotX acquisition announced on February 5th. We were pleased with the strong demand from banks and lenders and receptivity to Magnite as a first time issuer. In addition, the \$400 million we previously raised in Convertible Notes was in part used to reduce the amount of the Term Loan B by \$200 million from the initial Goldman Sachs commitment of \$560 million, which will significantly lower our annual cash interest obligations. Proceeds from the Convertible Notes allow us to further reduce equity dilution from the acquisition of SpotX by 1.6 million shares and the Notes carry an effective conversion premium of 100% due the addition of the capped call. We believe the combination of Convertible Notes, Term Loan B and Revolver, and equity reflect an attractive means of financing the SpotX acquisition and result in a balanced capital structure for Magnite going forward."

Magnite received inaugural corporate ratings of B2 and B from Moody's Investors Service and S&P Global Ratings, respectively, with a stable outlook from both agencies. The new capital structure will result in a blended cash interest rate of 2.9% when combining the Term Loan B and the Convertible Notes. The periodic interest rate of the Term Loan B is expected to be LIBOR (with a LIBOR floor of 0.75%) plus a 5.00% spread.

Goldman Sachs led both the Facilities and the Convertibles Notes financings and acted as M&A advisor in connection with the SpotX transaction.

About Magnite

We're Magnite (NASDAQ: MGNI), the world's largest independent sell-side advertising platform. Publishers use our technology to monetize their content across all screens and formats—including desktop, mobile, audio and CTV. And the world's leading agencies and brands trust our platform to access brand-safe, high-quality ad inventory and execute billions of advertising transactions each month. Anchored in sunny Los Angeles, bustling New York City, historic London, and down under in Sydney, Magnite has offices across North America, EMEA, LATAM and APAC.

Forward Looking Statements

This press release may include, forward-looking statements, including statements based upon or relating to our expectations, assumptions, estimates, and projections. In some cases, you can identify forward-looking statements by terms such as "may," "might," "will," "objective," "intend," "should," "could," "can," "would," "expect," "believe," "design," "anticipate," "estimate," "predict," "potential," "plan" or the negative of these terms, and similar expressions. Forward-looking statements may include, but are not limited to, statements concerning the closing of or terms of the proposed Facilities; the future debt capital structure of the company; the use of proceeds from the Facilities and Convertible Notes the proposed acquisition of SpotX and/or the anticipated benefits thereof; completion of the proposed acquisition of SpotX on anticipated terms and timing and other statements that are not historical facts. These statements are not guarantees of future performance; they reflect our current views with respect to future events and are based on assumptions and estimates and subject to known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from expectations or results projected or implied by forward-looking statements. These risks include, but are not limited to the possibility that the conditions to the Facilities may not be satisfied or waived; our ability to comply with the terms of the Facilities; the impact of restrictions or requirements of the Facilities; the possibility that the closing conditions to the proposed acquisition of SpotX may not be satisfied or waived, including that a governmental entity may not grant a required regulatory approval; delay in closing the proposed Facilities or the acquisition of SpotX or the possibility of non-consummation of the transaction; risks inherent in the achievement of anticipated synergies relating to the SpotX acquisition and the timing thereof; our ability to successfully integrate the SpotX business, and realize the anticipated benefits of the acquisition; and our ability to raise additional capital if needed.

We discuss many of these risks and additional factors that could cause actual results to differ materially from those anticipated by our forward-looking statements under the headings "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations," and elsewhere in filings we have made and will make from time to time with the Securities and Exchange Commission, or SEC, including our Annual Report on Form 10-K for the year ended December 31, 2020. These forward-looking statements represent our estimates and assumptions only as of the date of the report in which they are included. Unless required by federal securities laws, we assume no obligation to update any of these forward-looking statements, or to update the reasons actual results could differ materially from those anticipated, to reflect circumstances or events that occur after the statements are made. Given these uncertainties, investors should not place undue reliance on these forward-looking statements. Investors should read this press release and the documents that we reference in this press release and have filed or will file with the SEC completely and with the understanding that our actual future results may be materially different from what we expect. We qualify all of our forward-looking statements by these cautionary statements.

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