

December 22, 2022



iMedia Brands Signs Agreement to Sell Three Buildings For \$48 Million

Transaction Expected to Close in January 2023

MINNEAPOLIS, Dec. 22, 2022 (GLOBE NEWSWIRE) -- iMedia Brands, Inc. (the “Company” or “iMedia”) (NASDAQ: IMBI, IMBIL) today announced it executed a Purchase and Sale Agreement with Pontus Net Lease Advisors, LLC, a subsidiary of Pontus Capital, for three of its four buildings. Subject to satisfactory completion of customary buyer diligence, the transaction is expected to close and fund in January 2023.

The Company intends to use the proceeds to pay down existing debt, including the \$28.5 million Green Lake term loan. The transaction includes one of the Company’s two corporate headquarters buildings in Eden Prairie, MN, and both of its distribution center buildings in Bowling Green, KY. The Company has agreed to enter into a leaseback of the properties from Pontus Capital at the closing of the sale.

CEO Commentary – Tim Peterman, CEO

“This accretive transaction strengthens our balance sheet by reducing debt which was one of the top priorities of 2022 that we shared during our Capital Markets Day in February of this year. When complete, we believe we are positioned for a great start to 2023.”

About iMedia Brands, Inc.

iMedia Brands, Inc. (NASDAQ: IMBI, IMBIL) is a global media company capitalizing on the convergence of entertainment, ecommerce, and advertising. The Company owns and operates four television networks, ShopHQ, 1-2-3.tv, ShopBulldogTV and ShopHQHealth. Its flagship television network, ShopHQ, is nationally distributed in the U.S. to over 90 million homes via its affiliation agreements with cable, satellite, and broadcast platforms, and it reaches additional viewers through its social platforms and its OTT Apps available on Roku, Apple TV, Amazon Fire and Samsung Smart-televisions.

iMedia’s common stock is traded on the NASDAQ Global Market stock exchange under the ticker IMBI. iMedia’s 8.5% bonds are also publicly traded on the NASDAQ Global Market under the ticker IMBIL and pay holders 8.5% interest quarterly in arrears on March 31, June 30, September 30, and December 31.

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Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995

This document may contain certain “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Any statements contained herein that are not statements of historical fact, including statements regarding the anticipated closing of the sale-leaseback transaction, the value to be received by the Company in connection with the sale-leaseback transaction, the timing to close on the sale-leaseback transaction and the Company's use of proceeds related thereto, and the Company's expected performance for 2023 are forward-looking. The Company often uses words such as anticipates, believes, estimates, expects, intends, seeks, predicts, hopes, should, plans, will, or the negative of these terms and similar expressions to identify forward-looking statements, although not all forward looking-statements contain these words. These statements are based on management's current expectations and accordingly are subject to uncertainty and changes in circumstances. Actual results may vary materially from the expectations contained herein due to various important factors, including (but not limited to): Pontus Capital's completion of satisfactory due diligence regarding the transaction, the successful negotiation of a leaseback lease between Pontus Capital and iMedia, the successful negotiation of a reciprocal easement and operating agreement for the subdivided property between Pontus Capital and iMedia, the successful subdivision of iMedia's Minnesota property, a material adverse change in iMedia or its business, satisfaction of the closing conditions contained in the purchase and sale agreement with Pontus Capital, variability in consumer preferences, shopping behaviors, spending and debt levels; the general economic and credit environment, including COVID-19; interest rates; seasonal variations in consumer purchasing activities; the ability to achieve the most effective product category mixes to maximize sales and margin objectives; competitive pressures on sales and sales promotions; pricing and gross sales margins; the level of cable and satellite distribution for the Company's programming and the associated fees or estimated cost savings from contract renegotiations; the Company's ability to establish and maintain acceptable commercial terms with third-party vendors and other third parties with whom the Company has contractual relationships, and to successfully manage key vendor and shipping relationships and develop key partnerships and proprietary and exclusive brands; the ability to manage operating expenses successfully and the Company's working capital levels; the ability to remain compliant with the Company's credit facilities covenants; customer acceptance of the Company's branding strategy and its repositioning as a video commerce Company; the ability to respond to changes in consumer shopping patterns and preferences, and changes in technology and consumer viewing patterns; changes to the Company's management and information systems infrastructure; challenges to the Company's data and information security; changes in governmental or regulatory requirements; including without limitation, regulations of the Federal Communications Commission and Federal Trade Commission, and adverse outcomes from regulatory proceedings; litigation or governmental

proceedings affecting the Company's operations; significant events (including disasters, weather events or events attracting significant television coverage) that either cause an interruption of television coverage or that divert viewership from its programming; disruptions in the Company's distribution of its network broadcast to customers; the Company's ability to protect its intellectual property rights; the Company's ability to obtain and retain key executives and employees; the Company's ability to attract new customers and retain existing customers; changes in shipping costs; expenses related to the actions of activist or hostile shareholders; the Company's ability to offer new or innovative products and customer acceptance of the same; changes in customer viewing habits of television programming; logistics costs including the price of gasoline and transportation; and the risks described from time to time in the Company's reports filed with the SEC, including, but not limited to, the Company's most recent annual report on Form 10-K, quarterly reports on Form 10-Q, and current reports on Form 8-K. Investors are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date of this announcement. The Company is under no obligation (and expressly disclaims any such obligation) to update or alter its forward-looking statements whether as a result of new information, future events or otherwise.



Source: iMedia Brands, Inc.