

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): May 16, 2021

SEAPORT GLOBAL ACQUISITION CORP.  
(Exact name of registrant as specified in its charter)

Delaware	001-39741	85-2157010
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

360 Madison Avenue, 20<sup>th</sup> Floor  
New York, NY 10017  
(Address of principal executive offices, including zip code)

Registrant's telephone number, including area code: 212-616-7700

Not Applicable  
(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 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
Units, each consisting of one share of Class A Common Stock and three-quarters of one Redeemable Warrant	SGAMU	The Nasdaq Stock Market LLC
Class A Common Stock, par value \$0.0001 per share	SGAM	The Nasdaq Stock Market LLC
Warrants, each exercisable for one share Class A Common Stock for \$11.50 per share	SGAMW	The Nasdaq Stock Market LLC

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 8.01 Other Events.**

On May 16, 2021, Seaport Global Acquisition Corp. (“SGAC”) entered into an Business Combination Agreement (the “Business Combination Agreement”) by and among SGAC, Seaport Merger Sub, LLC, a wholly owned subsidiary of SGAC (“Merger Sub”), Redwood Holdco, LP (“Parent”), and Redwood Intermediate, LLC (“Redbox” or the “Company”).

Subsequent to the date of the Business Combination Agreement, in June 2021, Redbox learned that certain film studios (the Company’s primary content providers) were delaying releases of certain films, or modifying their original distribution plans with respect to other films, as a result of continued closures of, or capacity restrictions at, movie theaters due to the ongoing COVID-19 pandemic, each of which results in fewer releases on Redbox’s platform than we had previously expected for 2021. As a result, Redbox expects its earnings to be lower throughout the remainder of 2021 than previously expected, leading to a larger year over year growth estimate as the industry is expected to return to a more normalized release schedule going forward. Redbox has not changed its projections for 2022 or 2023.

Neither SGAC nor Redbox or any of their respective affiliates intends to, and, except to the extent required by applicable law, each of them expressly disclaims any obligation to, update, revise or correct the Projections to reflect circumstances existing or arising after the date such Projections were generated or to reflect the occurrence of future events, even in the event that any or all of the assumptions underlying the Projections are shown to be in error or any of the Projections otherwise would not be realized.

Filed as Exhibit 99.1 to this Current Report on Form 8-K is the form of investor presentation including the post-signing updated projections. The post-signing updated projections were disclosed in the preliminary proxy statement filed on the date hereof.

### **IMPORTANT ADDITIONAL INFORMATION AND WHERE TO FIND IT**

In connection with the proposed business combination, SGAC intends to file preliminary and definitive proxy statements with the Securities and Exchange Commission (“SEC”). The preliminary and definitive proxy statements and other relevant documents will be sent or given to the stockholders of SGAC as of the record date established for voting on the proposed business combination and will contain important information about the proposed business combination and related matters. Stockholders of SGAC and other interested persons are advised to read, when available, the preliminary proxy statement and any amendments thereto and, once available, the definitive proxy statement, in connection with SGAC’s solicitation of proxies for the meeting of stockholders to be held to approve, among other things, the proposed business combination because the proxy statement will contain important information about SGAC, the Company and the proposed business combination. When available, the definitive proxy statement will be mailed to Seaport Global Acquisition’s stockholders as of a record date to be established for voting on the proposed business combination. Stockholders will also be able to obtain copies of the proxy statement, without charge, once available, at the SEC’s website at [www.sec.gov/](http://www.sec.gov/) or by directing a request to: Seaport Global Acquisition Corp., 360 Madison Avenue, 20<sup>th</sup> Floor, New York, NY 10017, Attention: Secretary, telephone: (212) 616-7700.

This communication does not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote or approval, nor shall there be any sale of any securities in any state or jurisdiction in which such offer, solicitation, or sale would be unlawful prior to registration or qualification under the securities laws of such other jurisdiction.

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## **FORWARD-LOOKING STATEMENTS**

This Current Report on Form 8-K includes certain statements that are not historical facts but are forward-looking statements for purposes of the safe harbor provisions under the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements generally are accompanied by words such as “believe,” “may,” “will,” “estimate,” “continue,” “anticipate,” “intend,” “expect,” “should,” “would,” “plan,” “predict,” “potential,” “seem,” “seek,” “future,” “outlook,” and similar expressions that predict or indicate future events or trends or that are not statements of historical matters. All statements, other than statements of present or historical fact included in this Current Report on Form 8-K, regarding SGAC’s proposed business combination with the Company, SGAC’s ability to consummate the transaction, the benefits of the transaction and the combined company’s future financial performance, as well as the combined company’s strategy, future operations, estimated financial position, estimated revenues and losses, projected costs, prospects, plans and objectives of management are forward-looking statements. These statements are based on various assumptions, whether or not identified in this Current Report on Form 8-K, and on the current expectations of the respective management of SGAC and the Company and are not predictions of actual performance. These forward-looking statements are provided for illustrative purposes only and are not intended to serve as, and must not be relied on as, a guarantee, an assurance, a prediction or a definitive statement of fact or probability. Actual events and circumstances are difficult or impossible to predict and will differ from assumptions. Many actual events and circumstances are beyond the control of SGAC or the Company. Potential risks and uncertainties that could cause the actual results to differ materially from those expressed or implied by forward-looking statements include, but are not limited to, changes in domestic and foreign business, market, financial, political and legal conditions; the inability of the parties to successfully or timely consummate the business combination, including the risk that any regulatory approvals are not obtained, are delayed or are subject to unanticipated conditions that could adversely affect the combined company or the expected benefits of the business combination or that the approval of the stockholders of SGAC or the Company is not obtained; failure to realize the anticipated benefits of business combination; risk relating to the uncertainty of the projected financial information with respect to the Company; the amount of redemption requests made by SGAC’s stockholders; the overall level of consumer demand for the Company’s products; general economic conditions and other factors affecting consumer confidence, preferences, and behavior; disruption and volatility in the global currency, capital, and credit markets; the financial strength of the Company’s customers; the Company’s ability to implement its business and growth strategy; changes in governmental regulation, the Company’s exposure to litigation claims and other loss contingencies; disruptions and other impacts to the Company’s business, as a result of the COVID-19 pandemic and government actions and restrictive measures implemented in response, and as a result of the proposed transaction; the Company’s ability to retain and expand customer relationships; competitive pressures from many sources, including those using other distribution channels, having more experience, larger or more appealing inventory, better financing, and better relationships with those in the physical and streaming movie and television industries; developments in the home video distribution market as newer technologies and distribution channels compete for market share, and the Company experiences a secular decline in the physical rental market; the impact of decreased quantity and quality of movie content availability for physical and digital distribution due to changes in quantity of new releases by studios, movie content failing to appeal to consumers’ tastes, increased focus on digital sales and rentals, and other general industry-related factors; the termination, non-renewal or renegotiation on materially adverse terms of the Company’s contracts or relationships with one or more of its significant retailers or studios; the Company’s inability to obtain licenses to digital movie or television content for home entertainment viewing; the Company’s reliance upon a number of partners to make its digital service available on their devices; unforeseen costs and potential liability in connection with content the Company acquires, produces, licenses and/or distributes through its service; the impact of the COVID-19 pandemic on the Company’s business, results of operations and financial condition, its suppliers and customers and on the global economy; the impact that global climate change trends may have on the Company and its suppliers and customers; the Company’s ability to protect patents, trademarks and other intellectual property rights; any breaches of, or interruptions in, SGAC’s information systems; fluctuations in the price, availability and quality of electricity and other raw materials and contracted products as well as foreign currency fluctuations; changes in tax laws and liabilities, tariffs, legal, regulatory, political and economic risks. More information on potential factors that could affect SGAC’s or the Company’s financial results is included from time to time in SGAC’s public reports filed with the SEC, including its Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, and Current Reports on Form 8-K as well as the preliminary and the definitive proxy statements that SGAC intends to file with the SEC in connection with SGAC’s solicitation of proxies for the meeting of stockholders to be held to approve, among other things, the proposed business combination. If any of these risks materialize or SGAC’s or the Company’s assumptions prove incorrect, actual results could differ materially from the results implied by these forward-looking statements. There may be additional risks that neither SGAC nor the Company presently know, or that SGAC and the Company currently believe are immaterial, that could also cause actual results to differ from those contained in the forward-looking statements. In addition, forward-looking statements reflect SGAC’s and the Company’s expectations, plans or forecasts of future events and views as of the date of this Current Report on Form 8-K. SGAC and the Company anticipate that subsequent events and developments will cause their assessments to change. However, while SGAC and the Company may elect to update these forward-looking statements at some point in the future, SGAC and the Company specifically disclaim any obligation to do so, except as required by law. These forward-looking statements should not be relied upon as representing SGAC’s or the Company’s assessments as of any date subsequent to the date of this Current Report on Form 8-K. Accordingly, undue reliance should not be placed upon the forward-looking statements.

## **NO OFFER OR SOLICITATION**

This Current Report on Form 8-K shall not constitute a solicitation of a proxy, consent or authorization with respect to any securities or in respect of the Business Combination. This Current Report on Form 8-K shall also not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any states or jurisdictions in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offering of securities shall be made except by means of a prospectus meeting the requirements of section 10 of the Securities Act, or an exemption therefrom.

### **Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits:

Exhibit	Description
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99.1	<a href="#">Investor Presentation, dated July 8, 2021.</a>
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**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.

**Seaport Global Acquisition Corp.**

Date: July 8, 2021

By: /s/ Stephen C. Smith

Name: Stephen C. Smith

Title: Chief Executive Officer

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## Investor Presentation

**Seaport Global Acquisition Corp.**

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July 2021

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#### Important Information About the Business Combination and Where to Find It

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#### Participants in the Solicitation

Seaport Global Acquisition, Redbox and their respective directors and executive officers may be deemed participants in the solicitation of proxies from Seaport Global Acquisition's stockholders in connection with the business combination. Seaport Global Acquisition's stockholders and other interested persons may obtain, without charge, more detailed information regarding the directors and officers of Seaport Global Acquisition in Seaport Global Acquisition's final prospectus filed with the SEC on December 1, 2020 in connection with Seaport Global Acquisition's initial public offering. Information regarding the persons who may, under SEC rules, be deemed participants in the solicitation of proxies to Seaport Global Acquisition's stockholders in connection with the proposed business combination will be set forth in the proxy statement for the proposed business combination when available. Additional information regarding the interests of participants in the solicitation of proxies in connection with the proposed business combination will be included in the proxy statement that Seaport Global Acquisition intends to file with the SEC.

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#### Forward-Looking Statements

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All statements, other than statements of present or historical fact included in this communication, regarding Seaport Global Acquisition's proposed business combination with Redbox, Seaport Global Acquisition's ability to consummate the transaction, the benefits of the transaction and the combined company's future financial performance, as well as the combined company's strategy, future operations, estimated financial position, estimated revenues and losses, projected costs, prospects, plans and objectives of management are forward-looking statements. These statements are based on various assumptions, whether or not identified in this communication, and on the current expectations of the respective management of Seaport Global Acquisition and Redbox and are not predictions of actual performance. 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## Today's Presenters

**redbox.**

**Seaport Global  
Acquisition Corp.**



**Galen Smith**  
Chief Executive Officer



**Jason Kwong**  
Chief Strategy &  
Digital Officer



**Kavita Suthar**  
Chief Financial Officer



**Stephen Smith**  
Chairman



**Jay Burnham**  
Director



Morgan Stanley



**NETFLIX**



**U.S. Cellular**



**Amroc Securities**

**Libra Investments**  
(acquired by U.S. Bancorp)

**Jefferies**



**ARMORY  
FUNDS**

**Cypress Management**

**Rocker Management**

# Transaction Overview

## TRANSACTION STRUCTURE

- Redbox and Seaport Global Acquisition Corp. (Nasdaq: SGAM), a publicly listed special purpose acquisition company, to combine
- Apollo Global Management, LLC, along with other existing shareholders, will retain their equity stake in Redbox upon completion of the transaction (~59% ownership)
- Expected to close in the third quarter of 2021, subject to the satisfaction of customary closing conditions

## VALUATION

- Transaction implies a fully diluted pro forma enterprise value of \$693 million<sup>(1)</sup>
- Implied valuation multiples:
  - 3.6x 2022E Adjusted EBITDA of \$193 million
  - 31% Yield on 2022E Free Cash Flow

## CAPITAL STRUCTURE

- \$50 million PIPE commitment from investors led by Ophir Asset Management with support from strategic investors including Lionsgate and Legendary Entertainment
- Transaction expected to result in ~\$209 million total cash at close<sup>(1)</sup>
  - ~\$100 million of cash proceeds will be used to pay down existing debt with remaining proceeds to fund digital expansion, content acquisition and marketing initiatives

1. Assumes no redemptions by SGAM shareholders

## Unique Opportunity to Revolutionize Entertainment

### Redbox Benefits From



**Industry-Leading Reputation**

**Attractive Financial Profile**

**Resilient Business**

**Favorable Industry Outlook**



**Proven and Diverse Management  
Team**

**Loyal Customer Base**



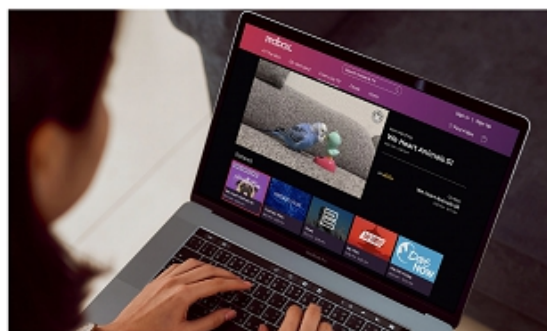
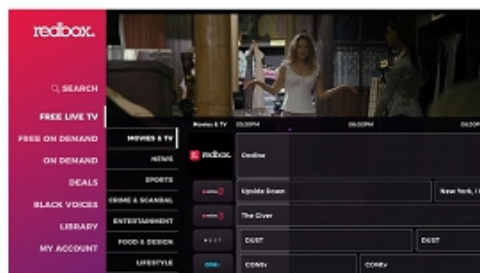
## VISION

Redbox provides **quality home entertainment for everyone**



## MISSION

Redbox makes it **ridiculously cheap and easy** for consumers to get the home entertainment they want most



# Redbox is a Leader in the Entertainment Ecosystem

A Market Leader  
in Home  
Entertainment

Scaled Marketing  
& Loyalty  
Program

Rapid  
Digital  
Transformation

Redbox is  
America's  
destination for  
affordable new  
release movies



**18+**  
Years in  
Entertainment

**40MM**  
Customers

**39MM**  
Loyalty  
Members

**40k**  
Kiosks

**150+**  
Retail Partners

**>6Bn**  
Discs rented  
to date

## Strong Consumer Proposition Provides Exceptional Value

**\$2**

Or Less  
Per Night

**3X**

Cheaper than  
Digital Rental  
Options

**90%**

Americans  
within 5-minute  
drive of a kiosk<sup>(1)</sup>

**NEW  
Releases**

Not Available  
on Netflix<sup>(2)</sup>



**Redbox** provides the **best deal** in entertainment with the lowest priced **new releases** and convenience of 40,000 kiosks with the ability to **rent and return anywhere**

1. Based on Latitude / Longitude analysis of current kiosk placements and estimated population drive times
2. Movies released at Redbox are typically available 80 to 120 days prior to Netflix release, and most titles are released on other streaming services instead of Netflix



## Differentiated and Underserved Customer Base

### Value Conscious

- **71%** of customers identify as "Deal Hunters"<sup>(1)</sup>
- **58%** of customers are heavily engaged in loyalty/rewards programs<sup>(1)</sup>



### Movies Lovers

- Users consume significantly more movies than Average US Broadband Household
  - **72%** more movies in theatres<sup>(2)</sup>
  - **2x** more movie rentals<sup>(2)</sup>
- Users spend more on Cable TV than Average Entertainment Consumer<sup>(3)</sup>

**70% of customers are late adopters of new technology<sup>(1)</sup>**

1. Source: Redbox Customer Panel, 2019 Psychographic Profiling Survey  
2. Source: Interpret's New Media Measure syndicated study Q3'18 (Age 13-65)  
3. Source: MasterCard Data Warehouse; Apr 19-Mar'20 Study

# Redbox Customer and Marketing Power

Redbox has an established entertainment brand with tremendous marketing reach and deep customer data



1. Based on estimated foot traffic at our retail locations. Sources: Retailer Reported Traffic, Placer
2. Based on estimates and partner analytics. Sources: Google, LiveIntent, Vistar, Magnite
3. Total combined followers across Facebook, Instagram, and Twitter

## Redbox Perks Loyalty Program At the Center



**39MM**

Total Members

**13MM**

Active Members

**85%**

of Active Members  
are Marketable

**>50%**

of Total Rents

# Transformation Provides More Choice Than Any Competitor

Redbox is undergoing a

**radical transformation from a legacy DVD rental business to a multi-faceted digital entertainment company**

that spans multiple entertainment windows and business models



# Digital Transformation Investment Thesis

1	Established brand and a <b>market leader</b> in home entertainment	<b>6Bn+</b> Lifetime Rents
2	Large and highly <b>differentiated customer base</b>	<b>40MM</b> Customers
3	<b>Huge marketing reach</b> and scaled loyalty program	<b>46MM</b> E-mail Subscribers
4	<b>Rapid digital transformation</b> proven by business trends	<b>2.25x Digital</b> Growth in 2020
5	Digital plays in both massive and <b>fast-growing AVOD and SVOD</b>	<b>\$44Bn TAM<sup>(1)</sup></b> AVOD & SVOD (2021)
6	<b>Significant free cash flow</b> generation from legacy business	<b>81.5% FCF</b> Conversion <sup>(2)</sup>

1. Source: SNL Kagan November 2020  
2. See appendix for calculation



## Redbox Digital Vision



### Transactional PVOD/ VOD/ EST

*New Release Rental and  
Purchase*

Dec 2017

### Free Live TV

*Ad-Supported Linear Channels*

Q2 2020

### Free On Demand (AVOD)

*Ad-Supported Movies and TV*

Q4 2020

### Premium / SVOD Channels

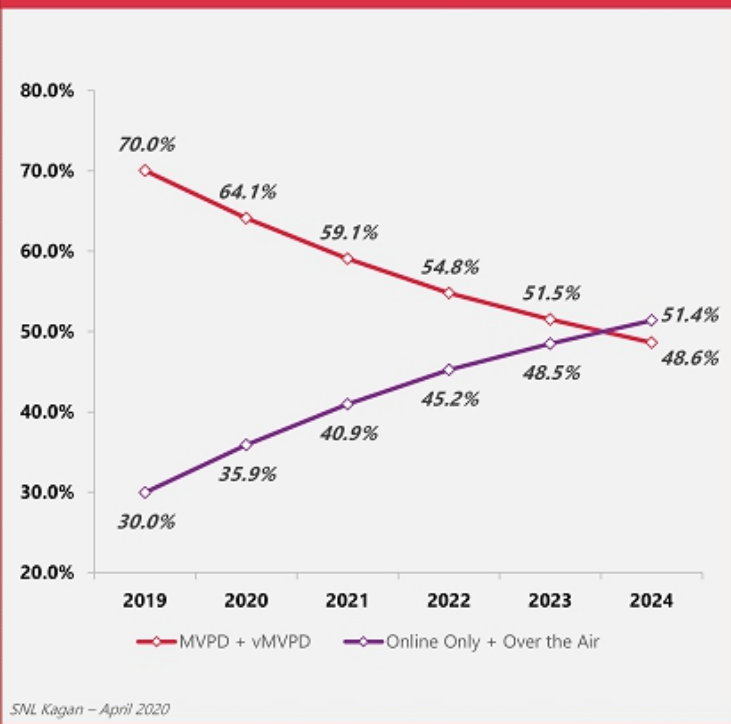
*3rd Party SVOD Channel  
Subscriptions*

In Development

A **multi-product digital service** that captures and retains cord-cutters leaving the traditional MVPD system, providing more consumer choice, greater relevancy, and higher engagement, **differentiated by Redbox's large, unique physical customer base and Redbox Perks**

## Cord Cutting Creates an Opportunity

Household Penetration for Pay TV vs Non-Pay TV



Accelerated Cord Cutting combined with Pay Premium/SVOD services going direct-to-consumer create a

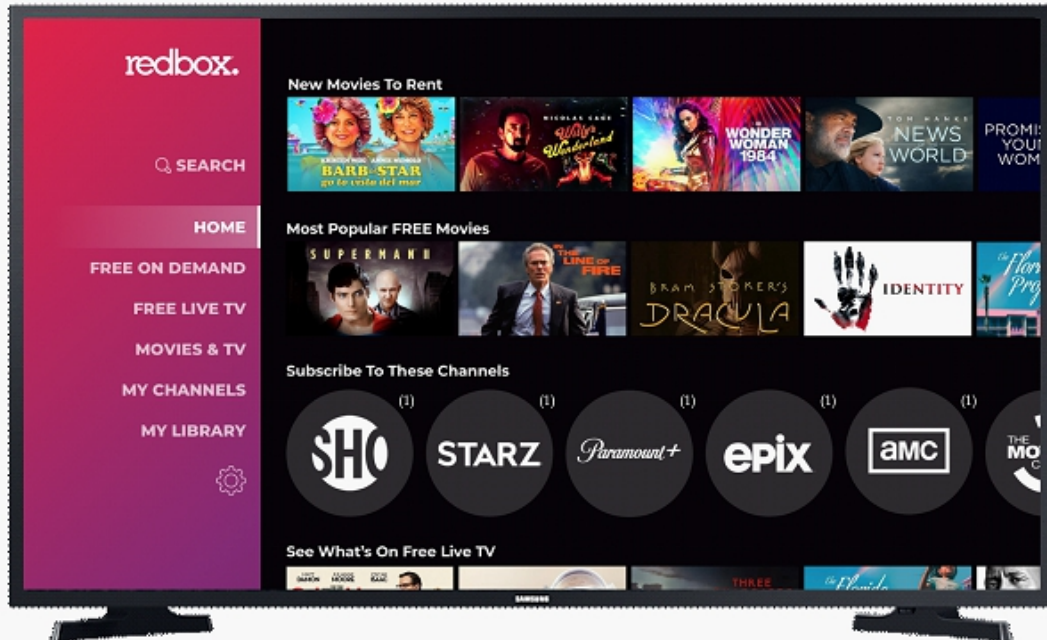
**fragmented billing, content discovery, and consumption experience**

via multiple apps, making aggregated channels more desirable

# Redbox Provides a Single App Experience

## SIMPLIFIED:

- Content Discovery
- Billing
- Navigation
- Playback
- Rewards



SAMSUNG VIZIO Roku LG Android Apple XBOX Apple tv androidtv

1. The display of these trademarks, service marks and trade names is for illustrative purposes only. Redbox does not currently have agreements in place with these companies but intends to pursue them.



# Multi-Product Consumers Drive Enterprise Value

Multi-Product  
Customers up to

**5x** Higher  
ARPU

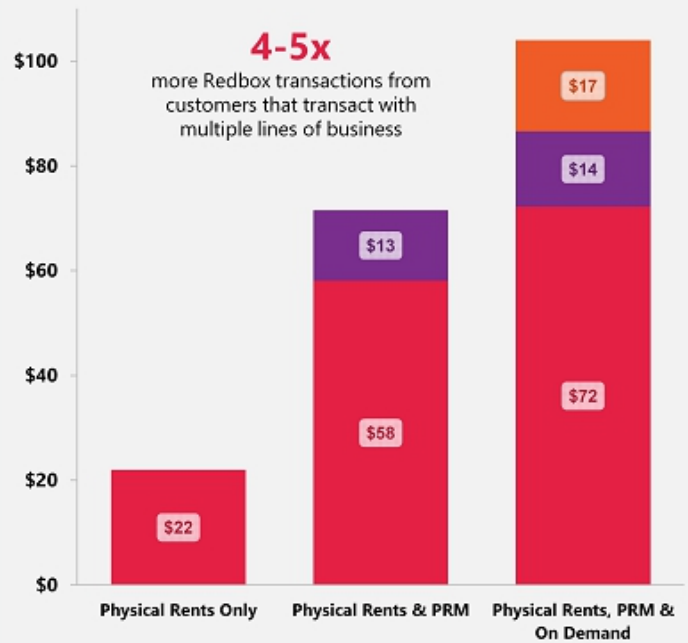
Multi-Product  
Customers see

**>11pp**

Reduction in  
Churn<sup>(1)</sup>

1. Based on April 2019 to May 2020

Redbox Kiosk Only vs Total Enterprise



\*Based on 2019 data

## Already Seeing Rapid TVOD Adoption

**13MM+**

Lifetime  
Transactions

**3MM**

Total  
Customers

**74%**

CAGR

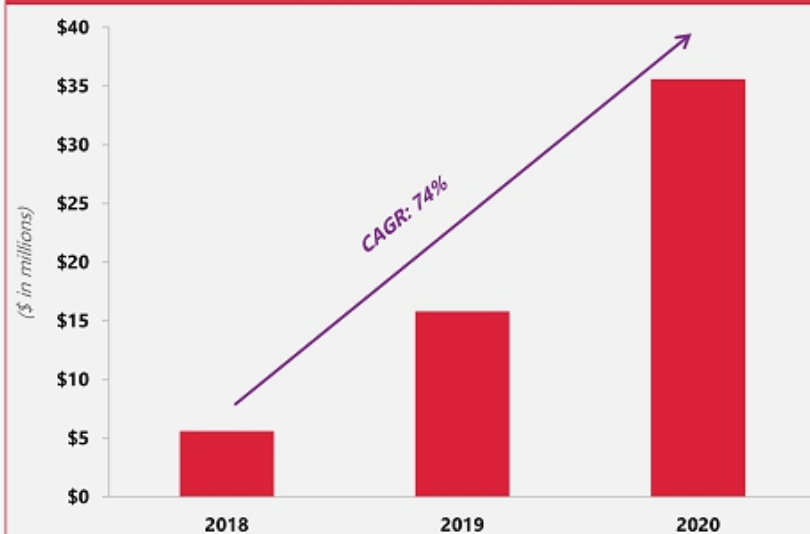
**2x**

Enterprise  
Transactions

**~\$3**

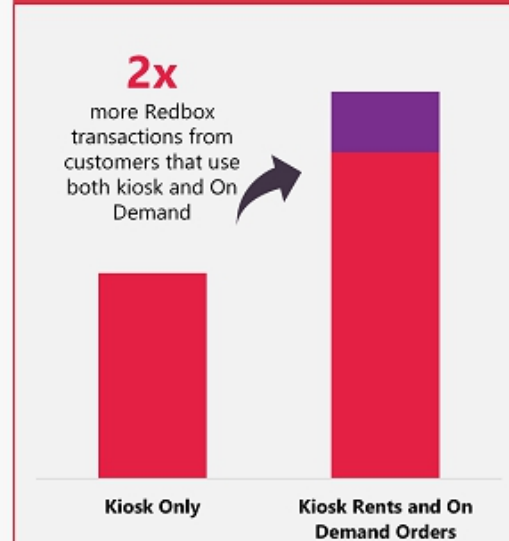
CPA<sup>(1)</sup>

TVOD Annual Revenue

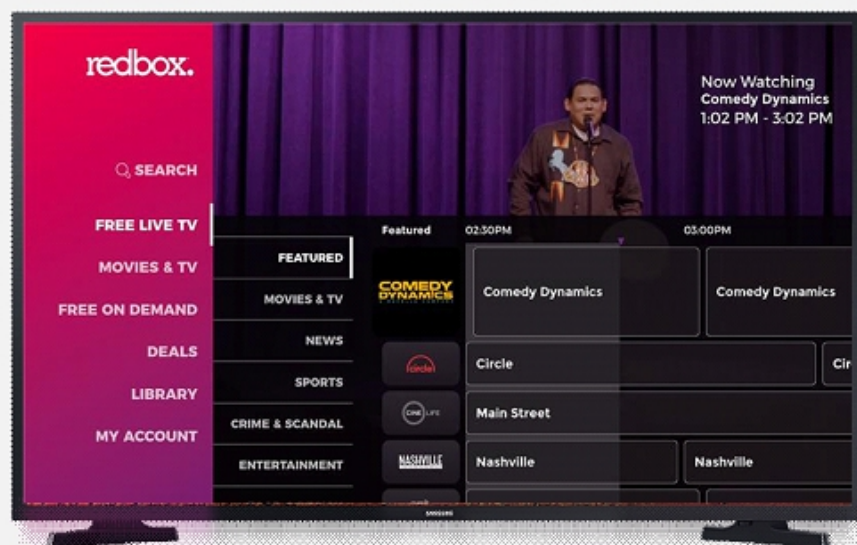


1. Based on Jan 2019 – Dec 2020 total marketing and promotion spend for Redbox On Demand

Total Transactions



# AVOD and FLTV Growing Rapidly



**95**  
Channels  
and Growing

**1K+**  
AVOD Titles and  
Growing

**1**  
Redbox Channel  
Syndicated to  
multiple platforms

**8MM+**  
Unique Devices in  
Last 12 Mos.

**1MM+**  
MAU

**735%**  
Annual Growth in Ad-  
Supported Hours YoY as of  
Mar'21

**19%**  
Compound Monthly Growth  
Rate of Ad-Supported Hours<sup>(1)</sup>

1. April 2020 to March 2021

## SVOD Channels Platform Drives Further Growth

- **Partner with SVOD players** battling over customer acquisition and churn reduction
- Redbox to **sell subscriptions** for 3rd party SVOD channels for subscription revenue share
- **Simplifies consumer experience** with billing and playback in a single app
- Customer acquisition and retention through **Redbox loyalty and promotions**

Market Test

**SHOWTIME**

**+62K**

Bundles Purchased

redbox.

HBOmax

SHOWTIME

STARZ

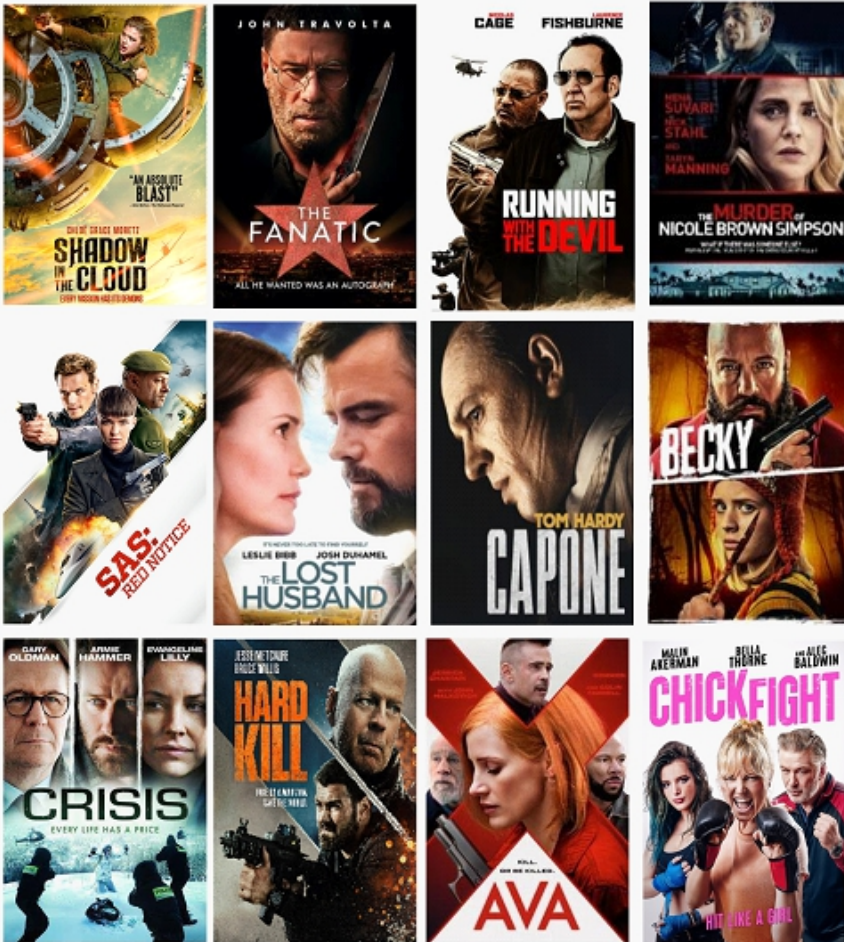


discovery+



Note: The display of these trademarks, service marks and trade names is for illustrative purposes only. Redbox does not currently have agreements in place with these companies but intends to pursue them

## Redbox Entertainment Provides Exclusive and Original Content



**redbox.**  
ENTERTAINMENT

Redbox Entertainment creates a distinct **competitive advantage and incremental margin**

**16**

Titles  
Released to  
Date

**24**

More Titles  
Committed

**36+**

Targeted  
Releases per  
Year

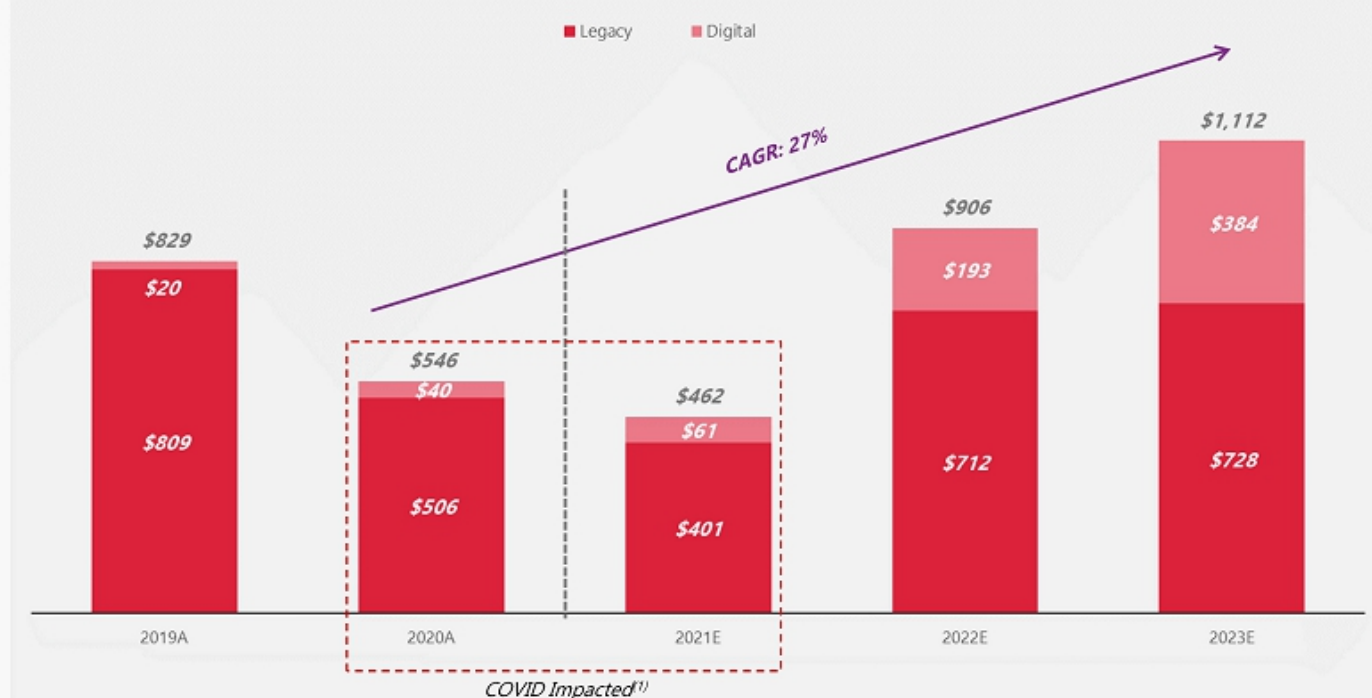
**redbox.**



# Financial Snapshot

## Consolidated Net Revenue

(\$ in millions)



**Digital transformation builds on top of our established legacy and original content business (Redbox Entertainment) driving long term revenue growth**

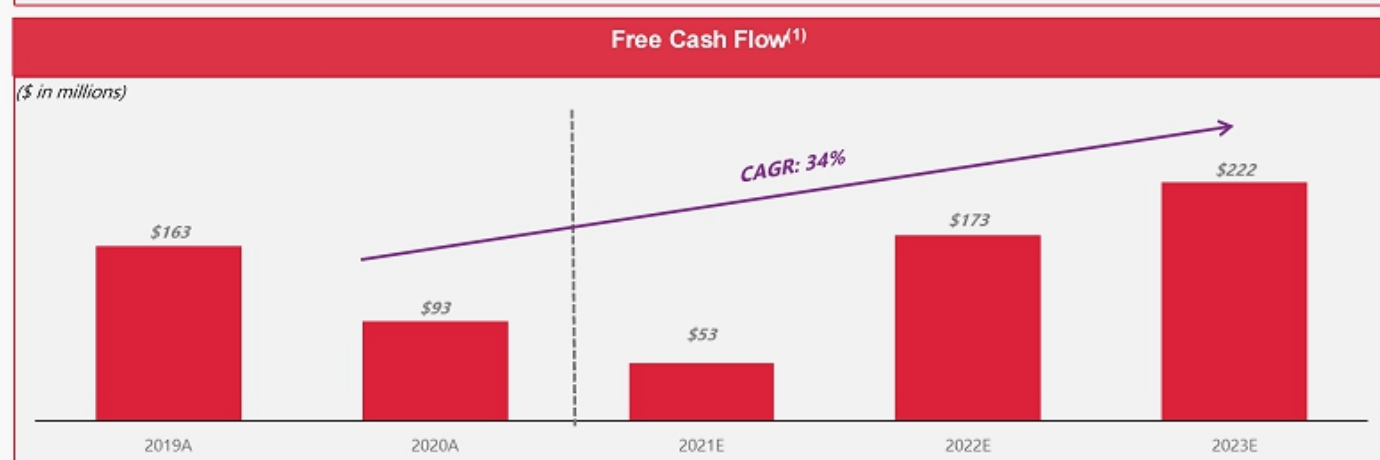
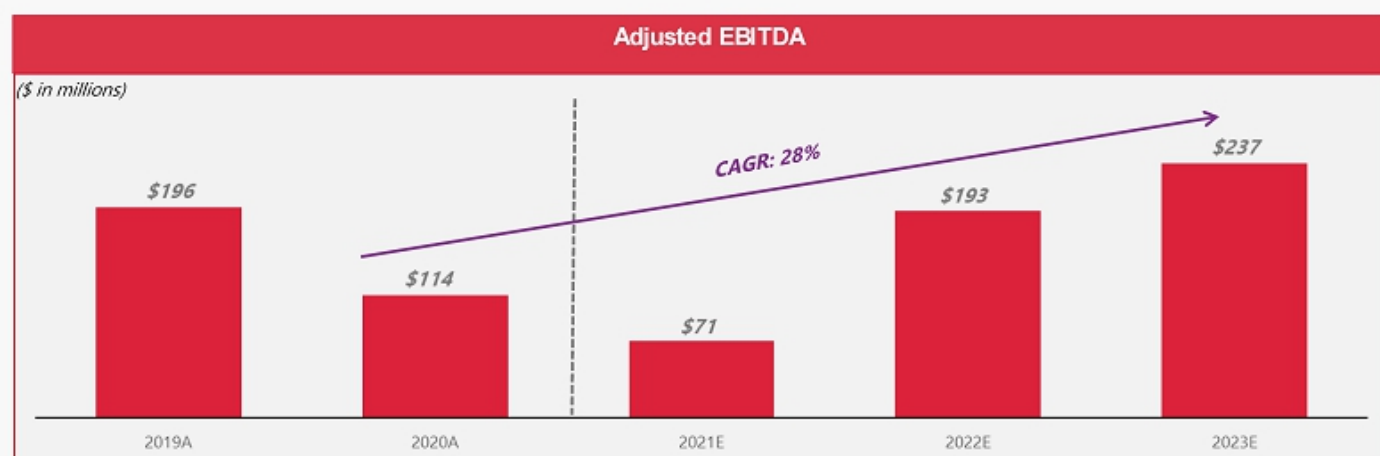
Notes: 2021E updated as of June 2021  
 Legacy Revenue includes revenue from physical rentals, sales of previously rented movies, Redbox Entertainment and revenue generated from the service of other kiosks. Digital Revenue includes transactional, ad-supported, premium channels and media sales  
 Financial projections prepared post-COVID-19 pandemic. Certain figures may not sum due to rounding. Timing of investments will impact benefit realized within years. 2019A excludes discontinued Games business

(1) 2020A and 2021E experienced >50% reduction in theatrical releases compared to 2019A

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redbox.

## Financial Snapshot (cont'd)



Notes: 2021E updated as of June 2021  
 Financial projections prepared post-COVID-19 pandemic. Certain figures may not sum due to rounding. Timing of investments will impact benefit realized within years 2019A  
 excludes discontinued Games business. Financial projections exclude public company expenses  
 (1) Free Cash Flow is defined as Adjusted EBITDA less total capital expenditures

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**redbox.**

## Multiple Drivers of Future Growth

**1** Expansion of Ad Supported Video through Growing Content Library

**2** Launch and scale SVOD Channels business

**3** Drive Product Awareness and Adoption through Increased Marketing

**4** Grow Exclusive Content Library Asset Through Redbox Entertainment





redbox.

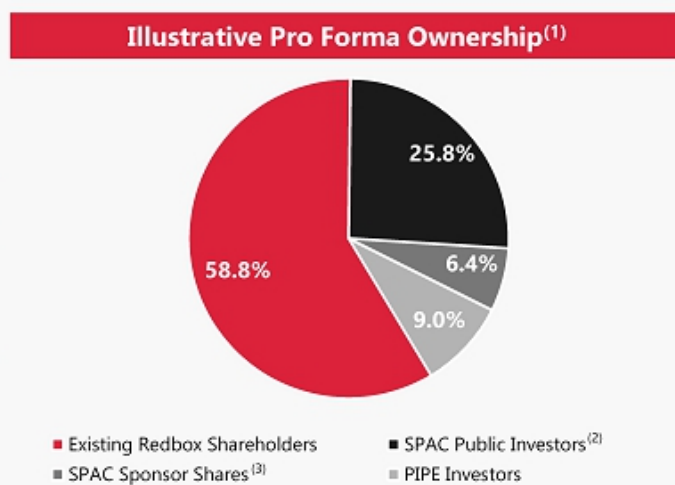


## APPENDIX

# Transaction Summary

Sources			Uses		
(\$ in millions)					
Existing Redbox Shareholders Equity Rollover	\$328	55.3%	Existing Redbox Shareholders Equity Rollover	\$328	55.3%
Sponsor Promote <sup>(3)</sup>	36	6.1%	Sponsor Promote <sup>(3)</sup>	36	6.1%
SPAC Cash in Trust <sup>(2)</sup>	145	24.5%	Cash to Balance Sheet	109	18.4%
Cash at Closing	34	5.7%	Debt Paydown	100	16.9%
PIPE Proceeds	50	8.4%	Estimated Transaction Costs	20	3.4%
<b>Total Sources</b>	<b>\$593</b>	<b>100.0%</b>	<b>Total Uses</b>	<b>\$593</b>	<b>100.0%</b>

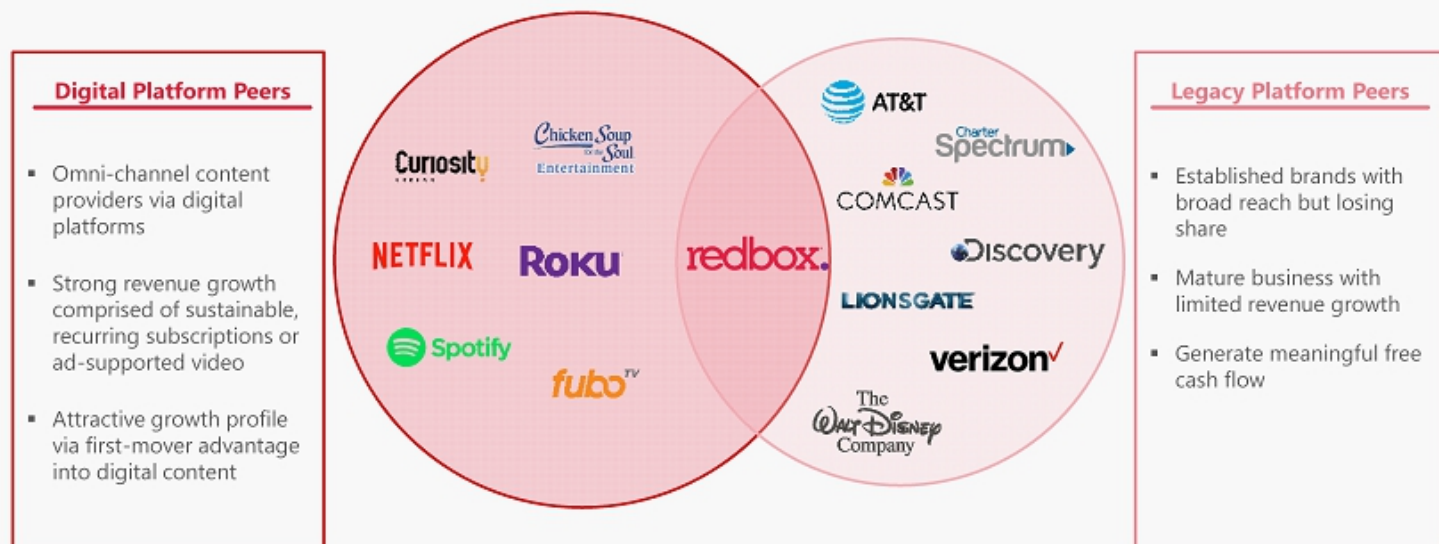
Illustrative Pro Forma Valuation	
(\$ in millions except share price)	
Illustrative Share Price	\$10.00
Pro Forma Shares Outstanding <sup>(1)</sup>	55.7
<b>Implied Equity Value</b>	<b>\$557</b>
Plus: Pre-Transaction Debt	344
Less: Debt Paydown	(100)
Less: Pro Forma Cash to Balance Sheet	(109)
<b>Implied Pro Forma Enterprise Value</b>	<b>\$693</b>
Implied Pro Forma EV / '22E Revenue	0.8x
Implied Pro Forma EV / '22E Adj. EBITDA	3.6x



1. Excludes dilutive impact of 16.8mm warrants from SGAM's public offering. All warrants have a strike price of \$11.50 per share
2. Assumes estimated cash held in trust at closing and no redemption of SGAM public shares
3. SPAC Sponsor Shares include 3.6mm SGAM Founder Shares

## Public Peer Overview

Redbox holds an attractive market position pairing established and profitable legacy kiosk business with expansion into high-growth digital initiatives

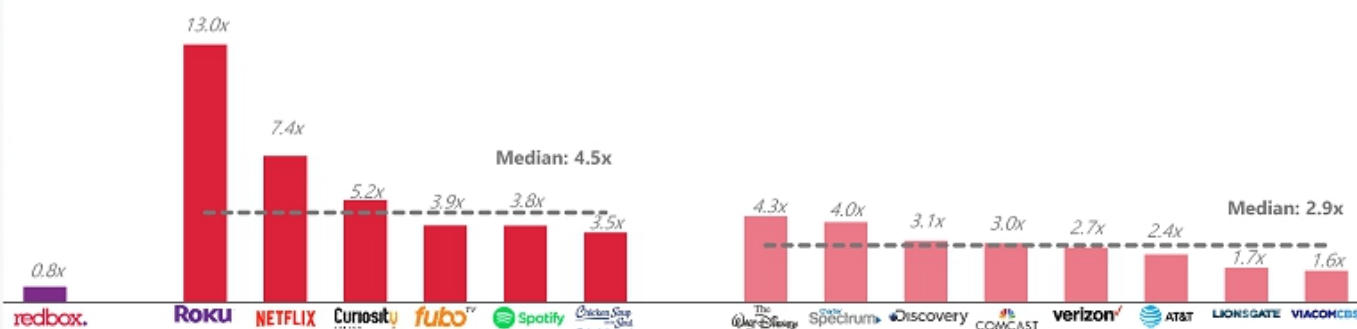


# Valuation Benchmarking

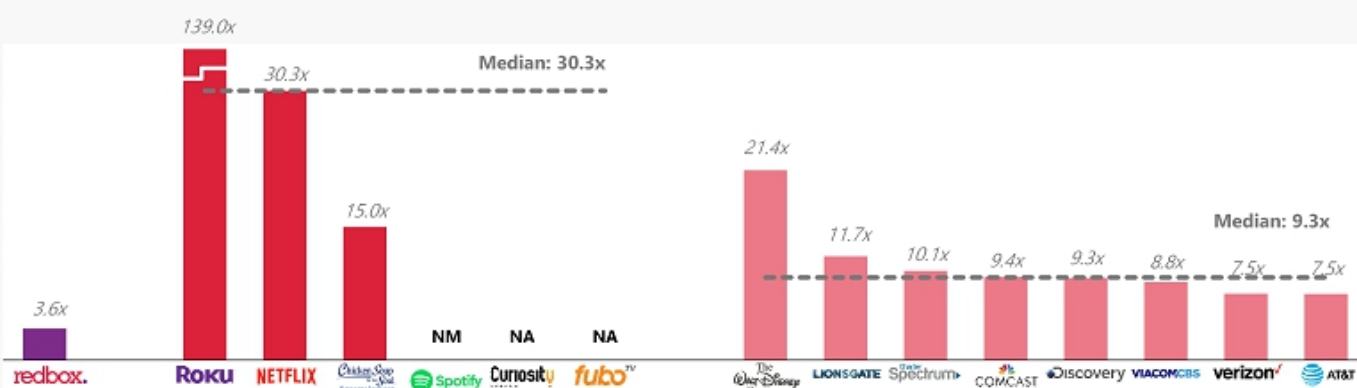
## Digital Platform Peers

## Legacy Platform Peers

EV / 2022E Revenue



EV / 2022E EBITDA



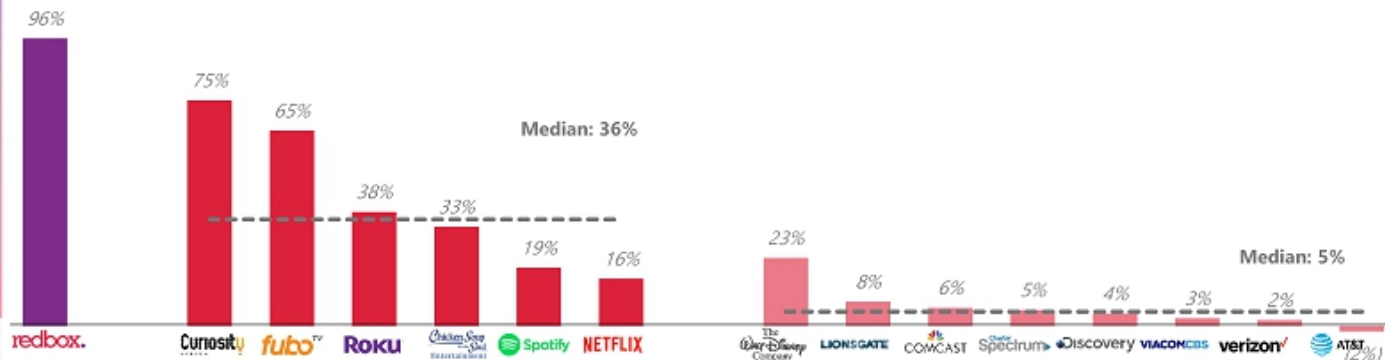
Source: Capital IQ as of 4/19/2021.  
Note: Redbox represents Adjusted EBITDA

# Operational Benchmarking

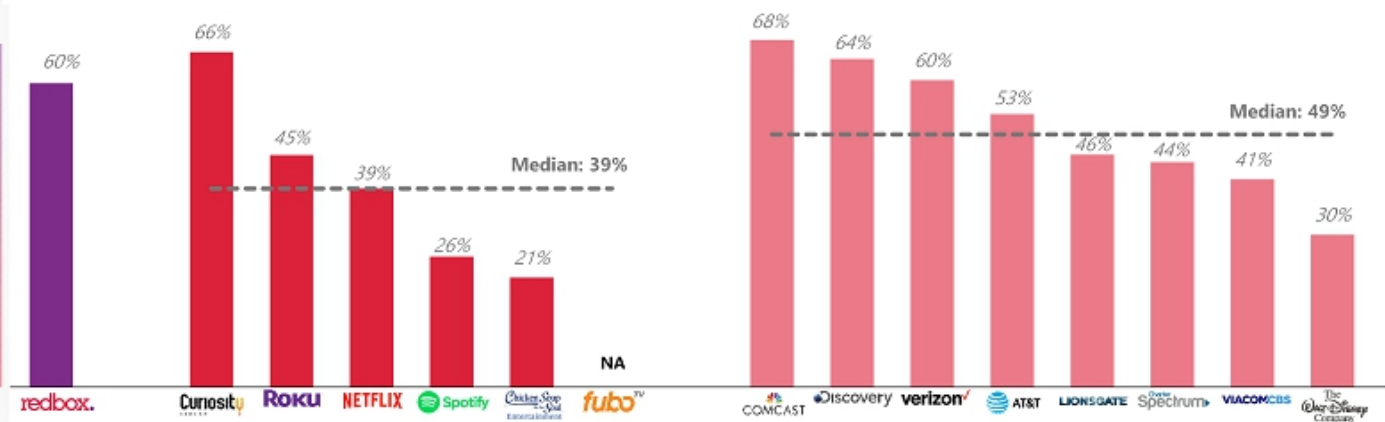
## Digital Platform Peers

## Legacy Platform Peers

2021E – 2022E Revenue Growth



LTM Gross Margins



Source: Capital IQ as of 4/19/2021.



## Redbox Meets all of the Criteria of an Ideal Target for SGAM

Criteria	Key Consideration
Financial Health	The Company generated \$114 million of Adjusted EBITDA (21% margins) in 2020, with a lack of content and lockdowns stemming from the COVID-19 pandemic, and expects to grow its Adjusted EBITDA at a compound annual growth rate of 28% through 2023
Transformational Circumstance	Proven success metrics for Redbox digital and Redbox owned content business meets public equity partnership to accelerate growth
Leading Industry Position	The Redbox model enjoys significant barriers to entry and is well positioned to convert its powerful and loyal customer base into its digital offering
Free Cash Flow	Redbox, on average, converts 80%+ of its Adjusted EBITDA directly into free cash flow, which is expected to grow 34% annually through 2023
Strong and Diverse Management	Current management has extensive industry and operational expertise and leverages a diverse and sophisticated team
Potential for Acquisitions	Redbox digital platform provides multiple opportunities to consolidate platform content, both horizontally and vertically
Benefit from Public Company	Access to public equity capital markets will help Redbox more effectively reach its operational goals as well as drive shareholder value
Extenuating Circumstances	COVID had a larger impact on Redbox's legacy business from shelter in place orders and exhibition closures impacting the release of new movies. Markets are reopening and new theatrical movies are now being released
Favorable Industry Outlook	The AVOD and SVOD markets are expected to be a \$44 billion market opportunity in 2021 alone and continue to grow in the years to come

## Extraordinary Management Team Driving Innovation



**Galen Smith**  
CEO

Morgan Stanley  
Outerwall



**Kavita Suthar**  
CFO

Grant Thornton  
Outerwall  
U.S. Cellular



**Mike Chamberlain**  
COO

coinstar  
PACCAR



**Mike Feldner**  
CMO

Walgreens  
UO  
Mitsubishi



**Stephen Lavin**  
CTO

Outerwall  
RedSky  
Abbott



**Jason Kwong**  
Strategy

NETFLIX  
WARNER BROS.  
POLLACK



**Lori Flynn**  
Content

BLACKBERRY



**Sam Banayan**  
General Counsel

Outerwall  
ADELMAN & GETTLEMAN LTD.

## Digital Market is Growing

SVOD Market

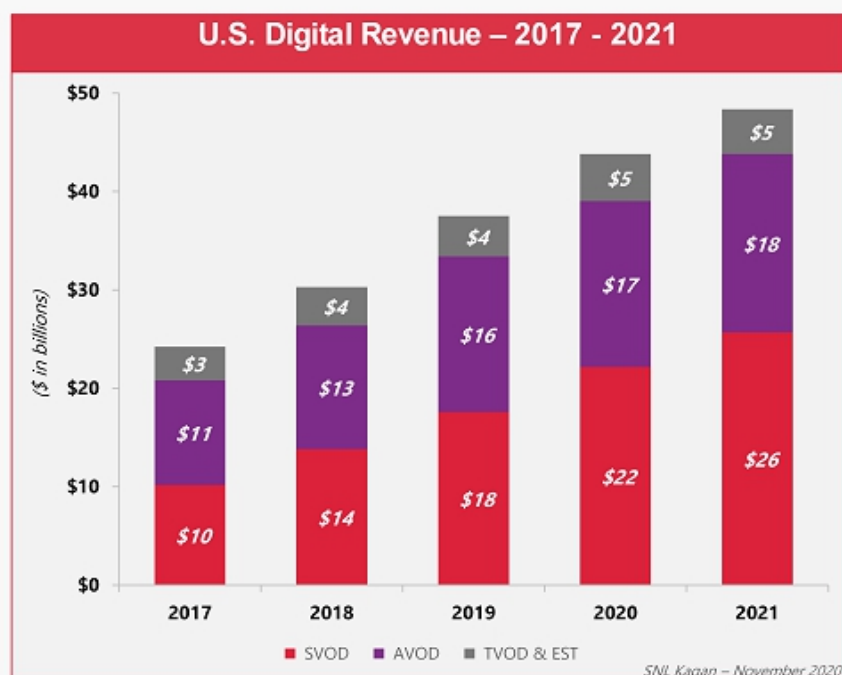
**~\$26 Billion**

By 2021

AVOD Market

**~\$18 Billion**

By 2021

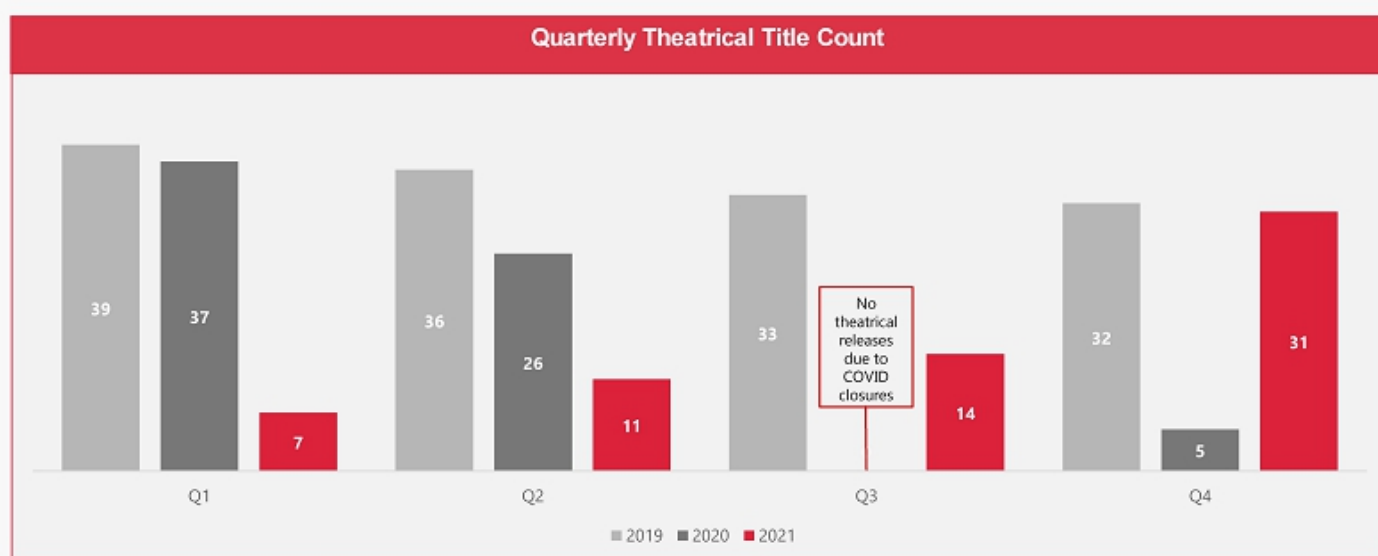




## Lack of Content Impacts Q2 2020 to Q2 2021 Results

**COVID's major impact on the Hollywood ecosystem resulted in substantially fewer theatrical titles in FY 2020 relative to FY 2018 and FY 2019 which continues to impact 2021**

- 2020 title count of was materially lower than we typically see (>50%); in 2019 we released 140 titles and in 2018 we released 160 titles
- Although 2021 titles build throughout the year, studios continue to change the slate
  - 13 fewer titles are now expected in H2 2021 than previously planned
    - Seven of those titles are now expected to release in 2022 while the other six titles were sold to SVOD services
  - In addition, to allow more theaters to fully open worldwide, a number of titles releasing in 2021 have been delayed to later in the year
    - Timing of release is a large factor of title performance in the year; as titles are released later in the year, more rentals are pushed into 2022



Notes: Slate as of 6/24/2021. Theatrical titles are defined as titles earning \$5MM or more in box office dollars. Changes to theatrical title counts for Q1/Q2 2021 were definitional for titles that did or did not trip \$5MM at the box office

# Summary Financials 2019-2023

(\$ in millions)	2019A	2020A	2021E	2022E	2023E	'20-'23 CAGR
<b>Net Revenue:</b>						
Redbox Legacy	\$809	\$506	\$401	\$712	\$728	12.8%
Redbox Digital	\$20	\$40	\$61	\$193	\$384	113.0%
<b>Total Net Revenue</b>	<b>\$829</b>	<b>\$546</b>	<b>\$462</b>	<b>\$906</b>	<b>\$1,112</b>	<b>26.7%</b>
% Growth	(20.7%)	(34.1%)	(15.5%)	96.2%	22.8%	
<b>Gross Profit</b>	<b>\$498</b>	<b>\$325</b>	<b>\$278</b>	<b>\$506</b>	<b>\$565</b>	<b>20.2%</b>
% Margin	60.1%	59.5%	60.3%	55.9%	50.8%	
<b>Total Operating Costs</b>	<b>\$323</b>	<b>\$251</b>	<b>\$224</b>	<b>\$321</b>	<b>\$332</b>	<b>9.8%</b>
One-time Addbacks	\$21	\$39	\$16	\$7	\$3	(57.3%)
<b>Adj. EBITDA</b>	<b>\$196</b>	<b>\$114</b>	<b>\$71</b>	<b>\$193</b>	<b>\$237</b>	<b>27.6%</b>
% Margin	23.6%	20.8%	15.4%	21.3%	21.3%	
Capital Expenditures	\$33	\$21	\$18	\$20	\$15	(11.5%)
<b>Free Cash Flow</b>	<b>\$163</b>	<b>\$93</b>	<b>\$53</b>	<b>\$173</b>	<b>\$222</b>	<b>33.8%</b>
% Conversion	83.2%	81.5%	75.2%	89.8%	93.8%	

Notes: 2021E updated as of June 2021. Timing of investments will impact benefit realized within years. Net income excludes public company costs  
Free Cash Flow is defined as Adjusted EBITDA less total capital expenditures

# Non-GAAP Reconciliations

## Redbox Non-GAAP Reconciliation

\$ in MM	2019A	2020A	2021E	2022E	2023E
Net Income / (Loss)	\$ (26)	\$ (90)	\$ (144)	\$ 23	\$ 107
Depreciation and other	67	65	65	25	13
Amortization of goodwill and other intangible assets	93	93	93	93	68
Interest and other expense, net	42	33	40	19	7
Income tax expense / (benefit)	(7)	(26)	1	26	39
Non-core and non-recurring expenses	21	39	16	7	3
Discontinued Operations - Games	6	-	-	-	-
<b>Adjusted EBITDA</b>	<b>\$ 196</b>	<b>\$ 114</b>	<b>\$ 71</b>	<b>\$ 193</b>	<b>\$ 237</b>

Notes: 2021E updated as of June 2021. Net income excludes public company costs. 2019A excludes discontinued Games business. Projections use Redbox management estimates. With respect to projections, see "Use of Projections" under "Disclaimer"

# Capitalization and Leverage

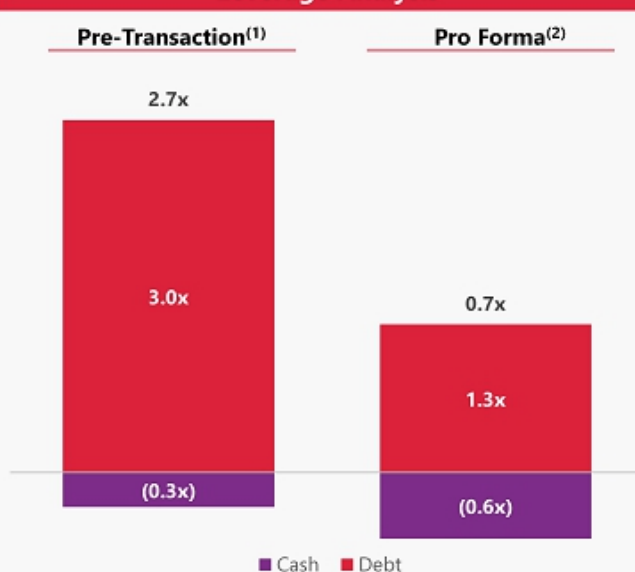
## Summary Capitalization

(\$ in millions)

	Pre-Transaction	Pro Forma
Total Debt	\$344	\$244
Total Cash	(34)	(109)
<b>Net Debt</b>	<b>\$310</b>	<b>\$135</b>

**Net Debt** expected to decline by **~74%** from 2.7x to 0.7x as result of the transaction

## Leverage Analysis



1. Pre-Transaction multiples calculated using 2020A Adjusted EBITDA of ~\$114 million
2. Pro Forma multiples calculated using 2022E Adjusted EBITDA of ~\$193 million

## Risk Factors

- Redbox faces competitive pressures from many other sources, including those using other distribution channels, having more experience, larger or more appealing inventory, better financing, and better relationships with those in the physical and streaming movie and television industries.
- The home video distribution market is rapidly evolving as newer technologies and distribution channels compete for market share, and we have experienced a secular decline in the physical rental market.
- Decreased quantity and quality of movie content availability for physical and digital distribution due to changes in quantity of new releases by studios, movie content failing to appeal to consumers' tastes, increased focus on digital sales and rentals, and other general industry-related factors, including financial disruptions, and labor conflicts may impact our revenue.
- The termination, non-renewal or renegotiation on materially adverse terms of our contracts or relationships with one or more of our significant retailers or studios could seriously harm our business, financial condition and results of operations.
- Our inability to obtain licenses to digital movie or television content for home entertainment viewing could adversely affect our business.
- We rely upon a number of partners to make our digital service available on their devices. Their performance may, including any outages, could negatively impact our results.
- We face risks, such as unforeseen costs and potential liability in connection with content we acquire, produce, license and/or distribute through our service.
- If the technology we use in operating our business fails, is unavailable, or does not operate to expectations, our business and results of operation could be adversely impacted.
- Demand for our products and services may be sensitive to pricing changes.
- As our business expands to provide new products and services, and as we continue our efforts to enhance the Redbox customer experience, we are increasing the amount of consumer data that we collect, transfer, retain and use as part of our business. These activities are subject to laws and regulations, as well as industry standards, in the jurisdictions in which our products and services are or may be made available.
- Our future operating results will depend significantly on our ability to continue to drive new and repeat use of our Redbox kiosks, continued development of digital offerings, our ability to develop and commercialize new products and services, such as third-party kiosk servicing line of business, and the costs incurred to do so.
- Failure to adequately comply with privacy notices, information security policies, standards or legal requirements or to adequately safeguard against breaches of such policies, standards or requirements could adversely affect our operations and could damage our business, reputation, financial position and results of operations.
- Any significant disruption in or unauthorized access to our computer systems or those of third parties that we utilize in our operations, including those relating to cybersecurity or arising from cyber-attacks, could result in a loss or degradation of service, unauthorized disclosure of data, including member and corporate information, or theft of intellectual property, including digital content assets, which could adversely impact our business.
- The application of existing laws and regulations, changes in laws or enactment of new laws and regulations, that apply, or may in the future apply, to our current or future products or services, changes in governmental authorities' interpretation of the application of various government regulations to our business, or the failure or inability to gain and retain required permits and approvals could materially and adversely affect our business.
- Events outside of our control, including the economic environment, or business interruption created by natural disasters or global pandemics, have negatively affected, and could continue to negatively affect, consumers' use of our products and services.
- The loss of key personnel or the inability of replacements to quickly and successfully perform in their new roles could adversely affect our business.
- Our ability to obtain additional funding in the future, if and as needed, through equity issuances or loans, or otherwise meet our current obligations to third parties, could be adversely affected if the economic environment continues to be difficult.
- We have debt outstanding and may incur additional debt in the future, which may adversely affect our financial condition and future financial results.
- If we are unable to meet our debt obligations, we could be forced to restructure or refinance such obligations, seek additional equity financing or sell assets, which we may not be able to do on satisfactory terms or at all.

## Acronym Definitions

- **ARPU** – Average Revenue per User
- **AVOD** – Advertising Video On Demand
- **CPA** – Cost Per Acquisition
- **CRM** – Customer Relationship Management
- **EST** – Electronic Sell Through
- **FLTV** – Free Live TV
- **LOB** – Line of Business
- **LTD** – Life-to-Date
- **MAU** – Monthly Active Users
- **MVPD** – Multichannel Video Programming Distributor
- **vMVPD** – Virtual Multichannel Video Programming Distributor
- **PIPE** – Private Investment in Public Equity
- **PRM** – Previously Rented Movie
- **PVOD** – Premium Video on Demand
- **SVOD** – Subscription Video on Demand
- **TAM** – Total Addressable Market
- **TVOD** – Transactional Video On Demand
- **VOD** – Video on Demand



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