

1. What did Catalina announce?

- The company has reached an agreement with over 90% of its first lien lenders and over 70% of its second lien lenders on the terms of a restructuring support agreement to effectuate a balance sheet restructuring.
- The agreement will allow Catalina to significantly enhance its financial flexibility and position the company for long-term success.
- To implement the negotiated restructuring transaction, the Company has filed voluntary petitions to restructure under Chapter 11 of the U.S. Bankruptcy Code.
- Through this process, we expect to give Catalina a stronger financial foundation to accelerate investments in technology, advanced analytics, data science and talent.
- Once Catalina emerges from the restructuring process, we expect to have reduced the company's debt by approximately \$1.6 billion, from approximately \$1.9 billion to approximately \$300 million.
- Importantly, Catalina expects all operations – both in the U.S. and overseas – to continue as usual throughout the restructuring process. Catalina's operations outside of the U.S. are not part of the Chapter 11 filing and will not be affected by the Chapter 11 process.

2. What is Chapter 11?

- Chapter 11 is a section of the U.S. Bankruptcy Code that allows companies to implement financial restructurings through a court-supervised process while continuing to operate their businesses in the normal course.
- Chapter 11 allows a company to remove debt from its balance sheet so it can invest in driving the growth of the business instead of using cash to service interest and principle payments.
- Many strong businesses have used Chapter 11 to accomplish a targeted restructuring of their balance sheets.

3. Is Catalina going out of business?

- No. This is a financial restructuring, and we expect Catalina to emerge with a stronger financial foundation to accelerate investments in technology, advanced analytics, data science and talent.
- Operations are continuing as normal as we move through this process without interruption in our ability to serve our customers or any impact on how we work with them.
- Catalina has strong operations, solid cash flow and adequate liquidity, and we remain focused on continuing to solve customer challenges.

4. Will the court-supervised process affect day-to-day operations?

- Our day-to-day operations are continuing as normal as we move through this process, and there will be no interruption in our ability to serve our customers or any impact on how we work with them.
- Catalina has strong operations, solid cash flow and adequate liquidity, and we remain focused on continuing to solve customer challenges.
- We look forward to emerging from this process as an even stronger company, better positioned for the future.

5. How will this process impact Catalina's overall business?

- This announcement represents a significant step forward in transforming our business because it enables us to accelerate investments in technology, advanced analytics, data science and talent to strengthen our core capabilities and enable new data-driven solutions for our customers.
- We look forward to emerging from this process as an even stronger company, better positioned for the future.

6. What are the details of the agreement between Catalina and its lenders?

- The company has reached an agreement with over 90% of the company’s first lien lenders and over 70% of the Company’s second lien lenders on the terms of a restructuring support agreement to effectuate a balance sheet restructuring.
- The agreement will allow Catalina to significantly enhance its financial flexibility and position the company for long-term success.
- To implement the negotiated restructuring transaction, the company has filed voluntary petitions to restructure under Chapter 11 of the U.S. Bankruptcy Code.
- Once Catalina emerges from the restructuring process, we expect to have reduced the company’s debt by approximately \$1.6 billion, from approximately \$1.9 billion to approximately \$300 million.
- In exchange for the cancellation of their prepetition debt, the first lien lenders will receive equity in Catalina upon emergence from the restructuring process.

7. What will happen to Catalina’s credit rating?

- Catalina expects to have its new securities rated once the process is complete. This will require dialogues with various rating agencies.
- We look forward to emerging from this process as an even stronger company, better positioned for the future.

8. How does this impact Catalina’s relationship with Berkshire Partners?

- Berkshire Partners is committed to supporting the company through this process.
- Berkshire’s equity is expected to transition to Catalina’s lenders as a result of the Chapter 11 process.

9. Will digital and print coupons provided by Catalina continue to be honored?

- Yes. Retailers will continue to honor both digital and print coupons provided by Catalina.

10. Does Catalina have enough money to continue operating through this process?

- Yes. Catalina has solid cash flow and sufficient liquidity to continue operating as usual throughout this process.
- The company has received a commitment for \$125 million in new money debtor-in-possession (“DIP”) financing, which will be available to support the company’s operations during the restructuring process.
- In addition, the ad hoc group of first lien lenders have also agreed to provide an additional \$40 million in exit financing to support the Company’s operations upon consummation of the restructuring.

11. Did Catalina receive new financing?

- Catalina has received a commitment for \$125 million in new money debtor-in-possession (“DIP”) financing, which will be available to support the company’s operations during the restructuring process.
- In addition, the ad hoc group of first lien lenders have also agreed to provide an additional \$40 million in exit financing to support the Company’s operations upon consummation of the restructuring.

12. What is DIP financing?

- Debtor-in-possession or “DIP” financing is a specialized type of financing designed to fund the operating needs of companies that are undergoing a court-supervised restructuring process.
- This new financing will be used to support the business through the restructuring process.

13. When do you expect to complete the court-supervised process?

- We intend to move through this court-supervised process as quickly and efficiently as possible and are confident that our work to strengthen the company's balance sheet will make us an even better partner.
- With the support of the majority of its first lien and second lien lenders, the company expects to complete the pre-negotiated, court-supervised process expeditiously.

14. Where can I find additional information?

- You can find additional information on our restructuring page, www.catalinarestructuring.com, as well as by calling our Information Hotline, toll-free at 844-205-4337 or local at 917-460-0912.
- Court documents and additional information related to the court-supervised proceedings can be found at <http://cases.primeclerk.com/Catalina>.