



## Digi International Provides Information Regarding Its Exposure to Silicon Valley Bank Being Placed Into Receivership

March 11, 2023

HOPKINS, Minn.--(BUSINESS WIRE)--Mar. 11, 2023-- Digi International Inc. provides the following information on its exposure to Silicon Valley Bank ("SVB") being closed by the California Department of Financial Protection and Innovation ("CDFPI") on March 10, 2023. The CDFPI has appointed the Federal Deposit Insurance Corporation ("FDIC") as receiver of SVB.

Digi has deposits of just over \$2 million at SVB. These deposits represent approximately 5% of Digi's cash and cash equivalents balances as of March 10, 2023. Digi's deposits at SVB are largely uninsured and Digi does not know to what extent it will be able to recover its cash on deposit at SVB.

Digi's remaining cash and cash equivalent balances of over \$35 million are held primarily at BMO Harris Bank N.A. ("BMO") in accordance with the terms of Digi's Second Amended Credit Agreement under which BMO serves as the administrative and collateral agent.

The FDIC has said it will pay uninsured depositors at SVB an advance dividend within the next week. Uninsured depositors will receive a receivership certificate for the remaining amount of their uninsured funds. As the FDIC sells the assets of SVB, future dividend payments may be made to uninsured depositors.

Digi is confident its existing cash and cash equivalents balance not deposited at SVB as well as cash flow from operations will be sufficient to meet its working capital, capital expenditures, and material cash requirements from known contractual obligations for the next twelve months and beyond.

### About Digi International

Digi International (Nasdaq: DGII) is a leading global provider of IoT connectivity products, services and solutions. We help our customers create next-generation connected products and deploy and manage critical communications infrastructures in demanding environments with high levels of security and reliability. Founded in 1985, we've helped our customers connect over 100 million things and growing. For more information, visit Digi's website at [www.digi.com](http://www.digi.com).

### Forward-Looking Statement

*This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These include statements regarding, but not limited to, the Company's cash, cash equivalents and cash flows being sufficient for operations. Forward-looking statements may be identified by the use of words such as "may," "will," "plan," "should," "expect," "anticipate," "estimate," "continue" or comparable terminology. Forward-looking statements involve risks and uncertainties that could cause actual results or developments to differ materially from those indicated due to a number of factors affecting Digi's operations, markets, products and services. Digi identifies the principal risks and uncertainties that impact its performance in its public reports filed with the SEC, including the "Risk Factors" and "Management's Discussion and Analysis of Financial Condition" sections of Digi's most recent Annual Report on Form 10-K, as may be supplemented or amended by Digi's subsequent Quarterly Reports on Form 10-Q. Forward-looking statements speak only as of the date on which they are made, and Digi assumes no obligation to update any forward-looking statements, except as required under applicable law.*

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