

Risk Factors Comparison 2024-03-07 to 2023-03-31 Form: 10-K

Legend: **New Text** ~~Removed Text~~ Unchanged Text **Moved Text** Section

Risks Related to Our Business and Industry Our business depends on our ability to attract new subscribers and to persuade existing subscribers to renew their ~~subscription agreements~~ **subscriptions** with us and to purchase additional products and services from us. If we are unable to attract new subscribers, or continue to engage existing subscribers, our revenue and operating results may be adversely affected. To increase our revenue and maintain profitability, we must attract new subscribers and retain ~~and~~ expand the subscriptions of ~~existing~~ subscribers. Our ability to successfully attract and retain subscribers ~~to our subscription products~~ depends in part on the quality of the content, including the performance of ~~any~~ **the investment ideas research we published** ~~publish~~. To the extent the ~~returns on~~ **performance of** such investments ~~research fail~~ **fails** to meet or exceed the expectations of our subscribers or the performance of relevant benchmarks, our ability to attract new subscribers or retain existing subscribers to such services will be adversely affected. A substantial amount of our revenue is typically generated from existing subscribers ~~through~~ **renewing** their ~~recurring~~ subscriptions. Our subscribers have no obligation to renew their subscriptions for products after the expiration of the subscription period, which is typically one year, and in the normal course of business some subscribers have elected not to renew their subscriptions. In addition, our subscribers may renew for lower subscription amounts or for shorter contract lengths. We may not accurately predict renewal rates for our subscribers, and our renewal rates may decline or fluctuate as a result of a number of factors, including ~~subscribers~~ **subscriber usage engagement and product utilization levels**, ~~pricing~~ **quality of our content, price** changes, expiration of temporary product promotions, number of products or services used by our subscribers, customer satisfaction or dissatisfaction with our products or services, pricing or capabilities of the products and services offered by our competitors, increased competition, reduction in customer spending levels, changes in our renewal policies or practices for subscribers, and deteriorating general economic conditions. **We must continually add more new subscribers than the number of subscribers who do not renew their subscriptions to grow our business beyond our current subscriber base, which may involve significantly higher marketing expenses**. If our subscribers do not renew their subscriptions, buy additional content, or maintain or increase the amount they spend with us, our revenue will decline and our business will suffer. Our success also depends on our ability to sell additional products, more subscriptions, or higher- priced and premium editions of our products and services to our current subscribers, which requires increasingly sophisticated and costly sales efforts. We seek to expand existing subscriptions by deepening customer engagement through new touchpoints and expanding our portfolio of tools and products for purchase. The rate at which our existing subscribers purchase new or enhanced services depends on a number of factors, including the quality of our content, general economic conditions, the level of interest and investment in individual stocks and other self- directed investment vehicles versus index funds, exchange- traded funds and other passive investment vehicles, **number of products or services used by our subscribers, customer satisfaction or dissatisfaction with our products or services, pricing or capabilities of the products and services offered by our competitors, increased competition, reduction in customer spending levels, and our subscribers' receptiveness to higher- priced and premium tools and products**. **Many of our subscribers initially register for subscriptions to our free products and services. We strive to demonstrate the value of our free products to our subscribers, thereby encouraging them to convert to paying subscribers. As of December 31, 2023, we had over 17 million total subscribers, of which approximately 737 thousand were paying subscribers. The actual number of unique subscribers may be lower than we report as one person could count as multiple, active subscribers or paying subscribers. As a result, we may have fewer unique subscribers that we may be able to convert, upsell or cross- sell. Our inability to determine the number of our unique subscribers is a limitation in the data that we measure and may adversely affect our understanding of certain aspects of our business and make it more challenging to manage our business. Most of our active subscribers never convert to a paying subscribers, and if we are unable to convert free subscribers to paying subscribers, our business, results of operations and financial condition could suffer**. If we fail to adequately market our products and services, or to monitor and manage our use of social media platforms as marketing tools, it could have a material adverse effect on our business, results of operations, and financial condition. Our marketing efforts are designed to identify and attract prospective subscribers primarily within our target market and ultimately convert them into long term subscribers. We also employ marketing to promote our content, drive conversation about our content and services, and promote visits by our subscribers. We utilize a broad mix of marketing programs and platforms, including social media sites, to promote our services and content to current and prospective subscribers. In order to successfully reach a larger number of prospective subscribers and attract new subscribers, we must continually assess the manner and platforms on which we are marketing our products and services. Rapid changes in technology and the ways in which people are reached can make this process more difficult. If we are unable to effectively and efficiently market our products and services, our business, results of operations, and financial condition may be adversely affected. For example, historically one of our primary means of communicating with our subscribers and keeping them engaged with our products has been via email communication. Our ability to communicate via email enables us to keep our subscribers updated on new products and present discount and promotional offers, among other things. As consumer habits evolve in the era of web- enabled mobile devices and messaging / social networking apps, ~~usage of email~~ **use**, particularly among the younger demographic, has declined. In addition, deliverability and other restrictions imposed by third- party email providers and / or applicable law ~~could have limited or prevented~~ **limited** our ability to send emails to our current or prospective ~~users~~ **subscribers**. While we continually work to find new means of communicating and connecting with our subscribers, there is no assurance that such alternative means of communication will be ~~as effective as email has been~~. Any

failure to develop or take advantage of new means of communication or limitations on those means of communications imposed by laws, device manufacturers, or other sources could have an adverse effect on our business, financial condition, and results of operations. We may also limit or discontinue use or support of certain marketing sources or activities if advertising ~~rates~~ **costs** increase or if we become concerned by perceptions that certain marketing platforms or practices are intrusive or damaging to our brand. If available marketing channels are restricted, our ability to engage with and attract subscribers may be adversely affected. In addition, companies that promote our services or permit us to use their marketing platforms may decide that their relationship with us negatively impacts their business, or they may make business decisions that negatively impact us. For example, if a company that currently promotes our business decides to compete directly with us, enter a similar business, deny us access to its platform, or exclusively support our competitors, we may no longer have access to their marketing channels. ~~If such companies may also disagree with, or choose to take a public stance against, the editorial content produced by certain of our operating brands, or otherwise decide to publicly cease providing services to us. This may result in, among other things, loss of access to the marketing channels provided by these companies, copycat behavior by other of our vendors, difficulty retaining or attracting employees, or negative media attention. Furthermore, if we are unable to cost- effectively use social media platforms or ad networks as marketing tools, our ability to acquire new subscribers and our financial condition may suffer. Unauthorized or inappropriate use of our social media channels could result in harmful publicity or negative customer experiences, which could have an adverse impact on the effectiveness of our marketing in these channels. In addition, substantial negative commentary by others on social media platforms could have an adverse impact on our ability to successfully connect with consumers. Furthermore, there~~ **There** are extensive and rapidly evolving regulations governing our ability to market to subscribers, whether via post, email, or social media platforms, and our marketing is subject to the rules and regulations of the U. S. Federal Trade Commission (the “ FTC ”) and state consumer protection agencies. **We have received regulatory inquiries from state consumer protection agencies and could be the subject of further regulatory inquiry in the future.** The failure by us, our employees, or third parties acting at our direction to comply with applicable laws and regulations could subject us to regulatory investigations, lawsuits, including class actions, liability, fines, or other penalties and could result in a material adverse effect on our business, results of operations, and financial condition. In addition, an increase in the use of social media platforms for product promotion and marketing may cause an increase in our burden to monitor compliance of such platforms, and increase the risk that such materials could contain problematic product or marketing claims in violation of applicable regulations. To the extent we promote our content inefficiently or ineffectively, we may not be able to obtain expected subscriber acquisition and retention benefits, and our business, results of operations, and financial condition may be adversely affected. Failure to maintain and protect our reputation for trustworthiness and independence may harm our business. In addition, ~~in the event~~ **our business, results of operations, and financial condition could suffer from attacks on** the reputation of any of our current or former directors, officers, key contributors, editors, or editorial staff were harmed for any reason, ~~our business, results of operations, and financial condition could suffer~~. We believe our portfolio of brands are highly regarded because of the integrity of their editorial content. Independence is at the core of our brands and business, and we believe that our reputation and the reputation of our brands is one of our greatest corporate assets. Importantly, we believe that one of our greatest competitive advantages is the loyalty that we have gained from our subscribers as a direct result of our brand, reputation for integrity, and ability to deliver high- quality products and services. To protect our brands, our corporate policies, codes of conduct, and workplace culture demand that all of our content providers, whether employees or outside contributors, adhere to rigorous standards of integrity and independence, including guidelines that are designed to prevent any actual, potential, or perceived conflict of interest, and to comply with all applicable laws, including securities laws. The occurrence of events such as our misreporting a market event, the non- disclosure of a security ownership position by one or more of our content providers, the manipulation of a security by one or more of our content providers, or any other breach of our compliance policies could harm our reputation for trustworthiness and reduce ~~readership~~ **our subscriber base. Our content providers have not always lived up to our rigorous standards of integrity and independence and have breached our compliance policies, which may impact our reputation for trustworthiness and independence, and may have an adverse effect on our business, results or operations, and financial condition. For example, in February 2024, we terminated a content provider for violations of our corporate policies and announced a wind- down of the operations of Legacy Research. See Note 18 – Subsequent Events to our consolidated financial statements included elsewhere in this annual report.** In the event the reputation of any of our current or former directors, officers, key contributors, editors, or staff were harmed for any reason, we could suffer as a result of our association with such individual, including if the quantity or value of future services we received from the individual was diminished. In particular, we and our operating brands depend heavily on the ideas and reputation of their editors and editorial teams, and often name products and operating companies after members of those editorial teams. ~~Our~~ **To the extent that any such editors or and** editorial team members have, in the past, ~~been~~, **and continue to be,** the subject of regulatory actions, accusations, claims, investigations, lawsuits, **and /** or settlements, **which such actions** may have or may continue to have a negative impact on our reputation, ~~readership~~ **subscriber base,** and financial results. **For example, in February 2024, a former employee was charged by the U. S. Attorney’ s Office for the Central District of California with touting securities for undisclosed compensation and conspiracy to tout securities for undisclosed compensation, following 2022 charges brought by the SEC against the same individual.** Furthermore, if, at any point in the future, any editors, contributors, or other personnel associated with our, our products, or brands, or businesses that we may acquire become the subject of regulatory actions, accusations, claims, investigations, lawsuits, or settlements, any such action may have a negative impact on our reputation, ~~readership~~ **subscriber base,** and financial results. These risks apply to **our** editors, contributors, or other personnel of us that are currently part of our organization, as well as any such people that were part of ~~us~~ **our organization** in the past or become part of ~~us~~ **our organization** in the future, whether by acquisition or otherwise. In addition, any failures by us to continue to effectively instill in our employees the expectation of independence and integrity

may devalue our reputation over time. Our reputation may also be harmed by factors beyond our control, such as adverse news reports about our products and services, negative publicity about the investment newsletter industry generally, or negative publicity about key personnel associated with our business. These events could materially adversely affect our business, results of operations, and financial condition. If we fail to effectively manage our growth, our business, results of operations, and financial condition could be harmed. The scope and complexity of our business have increased significantly in recent years. The growth and expansion of our business creates significant challenges for our management, operational, and financial resources. In the event of ~~continued~~ growth of our operations or the number of our third-party relationships, our information technology systems and our internal controls and procedures may not be adequate to support our operations. To effectively manage our growth, we must continue to improve our operational, financial, and management processes and systems and to effectively expand, train, and manage our employee base. ~~As If~~ our organization ~~experiences continues to grow growth and or~~ we are required to implement more complex organizational management structures, we may find it increasingly difficult to maintain the benefits of our corporate culture, including our ability to quickly develop and launch new and innovative products and solutions. This could negatively affect our business performance. ~~If we~~ ~~We continue to~~ experience growth in our ~~headcount and~~ operations, ~~which we~~ will ~~experience~~ continue to place significant demands on our management and our operational and financial infrastructure. ~~We~~ ~~As we continue to grow, we~~ must effectively integrate, develop, and motivate new employees, and we must maintain the beneficial aspects of our corporate culture. **In addition, our growth may make it difficult to evaluate our future prospects. Our ability to forecast our future results of operations is subject to a number of uncertainties, including our ability to effectively plan for and model future growth. We have encountered in the past, and may encounter in the future, risks and uncertainties frequently experienced by growing companies in rapidly changing industries.** If we fail to effectively manage our ~~growth hiring needs and successfully integrate our new hires~~, our efficiency, ability to meet our forecasts, and employee morale, productivity, and retention could suffer, and our business, results of operations, and financial condition could be adversely affected. ~~In addition, our rapid growth may make it difficult to evaluate our future prospects. Our ability to forecast our future results of operations is subject to a number of uncertainties, including our ability to effectively plan for and model future growth. We have encountered in the past, and may encounter in the future, risks and uncertainties frequently experienced by growing companies in rapidly changing industries. If we fail to achieve the necessary level of efficiency in our organization as we grow, or if we are not able to accurately forecast future growth, our business, results of operations, and financial condition could be harmed.~~ Our future success depends on attracting, developing, and retaining capable management, editors, and other key personnel. Our ability to compete in the marketplace depends upon our ability to recruit and retain key employees, including executives to operate our business, technology personnel to run our publishing, commerce, communications, video, and other systems, direct marketers to sell subscriptions, and salespersons to sell our subscriptions. ~~Many of~~, **and financial editors and analysts to fulfill our key editorial products. Several of our employees are bound by agreements containing non-competition provisions. There are rapidly evolving laws governing the effectiveness and usage of** non-competition provisions. There can be no assurances that these arrangements with key employees will provide adequate protections to us or will not result in management changes that would have material adverse impact on us. In addition, we may incur increased costs to continue to compensate our key executives, as well as other employees, through competitive salaries, stock ownership, and bonus plans. Nevertheless, we can make no assurances that these programs will allow us to retain our management or key employees or hire new employees. The loss of one or more of our key employees, or our inability to attract experienced and qualified replacements, could materially adversely affect our business, results of operations, and financial condition. In addition, some of our products, particularly our editorial products, reflect the talents, efforts, personalities, investing skills, portfolio returns, and reputations of their respective editors **and analysts**. As a result, the services of these key editors and analysts form an essential element of our revenue. There is a limited pool of editors and analysts who have the requisite **personality**, skills, training, and education necessary to meet our standard for our editorial products. We compete with many businesses and organizations that are seeking skilled individuals, particularly those with experience in the financial industry and those with degrees in technical fields, who are particularly critical to our editorial products. Competition for such professionals can be intense, as other companies seek to enhance their positions in the markets we serve. If we are unable to retain key editors and analysts, or should we lose the services of one or more of them to death, disability, loss of reputation, or any other reason, or should their popularity diminish or their investing returns and investing ideas fail to meet or exceed benchmarks and investor expectations, we may fail to attract new editors and analysts acceptable to our ~~readers~~ **subscribers**. Therefore, the loss of services of one or more of our key editors and analysts could have a material adverse effect on our business, results of operations, and financial condition. We face significant competition. Many of our competitors and potential competitors have larger customer bases, more established brand recognition, and greater financial, marketing, technological, and personnel resources than we do, which could put us at a competitive disadvantage. Additionally, some of our competitors and potential competitors are better capitalized than we are and **are** able to obtain capital more easily, which could put us at a competitive disadvantage. We experience intense competition across all markets for our products, with competitors ranging in size from smaller, specialized publishers to multimillion-dollar corporations. ~~Some~~ **Many** of our competitors have larger customer bases, more established name recognition, a greater market share, and larger financial, marketing, technological, and personnel resources than we do. **In general, there are few barriers to entry into our industry, and we expect to face additional competition from new entrants into the financial publishing industry.** In particular, our services face intense competition from other providers of business, personal finance, and investing content, including: • free online financial news aggregators and content providers, like Yahoo! Finance and Seeking Alpha; • traditional financial news publishers, like The Wall Street Journal, Investor's Business Daily, and Barron's; • consumer-focused online subscription businesses, such as The Motley Fool; • **social media networks, subscription networks, and content platforms, like X, Reddit and Substack;** and • institutional financial software providers, such as Bloomberg, FactSet, and IHS Markit. Our ability

to compete successfully depends on many factors, including the quality, originality, timeliness, insightfulness, and trustworthiness of our content and that of our competitors, the popularity and performance of our contributors, the success of our recommendations and research, our ability to introduce products and services that keep pace with new investing trends, our ability to adopt and deploy new technologies for running our business, the ease of use of services developed by us or our competitors, and the effectiveness of our sales and marketing efforts. Future competitive pressure may result in price reductions, lower sales volumes, reduced margins, or loss of market share, any of which could materially adversely affect our business, results of operations, and financial condition. Accordingly, we cannot guarantee that we will be able to compete effectively with our current or future competitors or that this competition will not significantly harm our business. Additionally, advances in technology have reduced the cost of production and online distribution of print, audio, and video content, including content like podcasts, which has **lowered the bar** **reduced and / or removed barriers** for market entry to providers of both free and paid content. While **most of our platform** **platforms does do** not rely on ad-sponsored content, many of our competitors offer ad-sponsored content that enables them to deliver content for low, or no, subscription costs. We compete with these other publications and services for customers, employees, and contributors. In addition, media technologies and platforms are rapidly evolving, and the technologies and platforms through which data is consumed can shift quickly. Certain of our competitors may be better situated to quickly take advantage of consumer preference for new technologies and platforms, and the economics of distributing content through the use of new technologies and platforms may be materially different from the economics of distributing content through our current platforms. If we fail to offer our content in the manner or on the platforms in which our audience desires to consume it, or if we do not have offerings that are as compelling and / or cost effective as those of our competitors, our business, results of operations, and financial condition may be materially adversely affected. Adverse or weakened conditions in the financial sector, global financial markets, and global economy may impact our results. Our business results are partly driven by factors outside of our control, including general economic and financial market trends. Any unfavorable changes in the environment in which we operate could cause a corresponding negative effect on our business results, as they may cause customers to become particularly cautious about capital and data content expenditures. As a result, we may experience lower revenue, cash flow, and other financial results in the event of a market downturn. In addition, global macroeconomic conditions and U. S. financial markets remain vulnerable to potential risks posed by exogenous shocks, which could include, among other things, political and financial uncertainty in the United States and Europe, concerns about China's economy, complications involving terrorism, armed conflicts, civil unrest around the world, or other challenges to global trade or travel, such as the effect on the global economy posed by the COVID- 19 pandemic. Furthermore, our average customers are people at or approaching retirement age who may be particularly vulnerable during economic downturns. Therefore, a prolonged period of contraction in the global economy could adversely affect our business, results of operation, and financial condition. Our success depends on our ability to respond to and adapt to changes in technology and consumer behavior. We believe the technology landscape has been changing at an accelerating rate over the past several years. Advances in technology have led to an increasing number of methods for delivery of content and have resulted in a wide variety of consumer demands and expectations, which are also rapidly evolving. The increasing number of digital media options available on the Internet, through social networking tools and through mobile and other devices distributing content, is expanding consumer choice significantly. In addition, there has been an increasing focus on technology not merely supplying additional tools for users, but also offering solutions to specific customer problems. Given a multitude of media choices and a dramatic increase in accessible information, consumers may place greater value on when, where, how, and at what price they consume digital content. If we are unable to exploit new and existing technologies to distinguish our products and services from those of our competitors or adapt to new distribution methods that provide optimal user experiences, our business, results of operations, and financial condition may be adversely affected. In addition, our reputation could suffer if we are perceived as not moving quickly enough to meet the changing needs of investors. Our future success will continue to depend upon our ability to identify and develop new products and enhancements that address the future needs of our target markets and respond to their changing standards and practices. We may not be successful in developing, introducing, marketing, licensing, and implementing new products and enhancements on a timely and cost- effective basis or without impacting the performance, stability, security, or efficiency of existing products and customer systems. Further, any new products and enhancements may not adequately meet the needs of our target markets. Our failure or inability to anticipate and respond to changes in the marketplace, including competitor and supplier developments, may also adversely affect our business, operations, and growth. ~~Furthermore, the success of our software products depends on frequently rolling out new features so that we can quickly incorporate user feedback, and we cannot guarantee that we will successfully adapt our software to meet such evolving customer needs. Our competitive position and business results may suffer if we fail to meet client demands, if our execution speed is too slow, or if we adopt a technology strategy that does not align with changes in the market.~~ As technology continues to evolve, the expenditures necessary to integrate new technology into our products and services could be substantial, and we may incur additional operating expenses if such integration projects take longer than anticipated. Other companies employing new technologies before we are able to do so could aggressively compete with our business. If we are not successful in responding to changes in technology and consumer behavior, we may lose new business opportunities or potential renewals or upgrades from existing subscribers and our business, financial condition, and prospects may be adversely affected. If we are unable to successfully integrate acquisitions, identify and integrate future acquisitions, or dispose of assets and businesses, our results of operations could be adversely affected. As a part of our strategic plan, we have acquired businesses and we intend to continue to pursue selective acquisitions to support our business strategy. These acquisitions ~~can~~ involve a number of risks and challenges, **some of which have caused, and** any of which could cause , significant operating inefficiencies and adversely affect our growth and profitability. Such risks and challenges include: • underperformance relative to our expectations and the price paid for the acquisition; • unanticipated demands on our management and operational resources; • failure to improve scalability; • difficulty in integrating personnel, operations, and

systems; • retention of customers of the combined businesses; • inability to maintain relationships with key customers, suppliers, and partners of an acquired business; • assumption of contingent liabilities; and • acquisition- related earnings charges. The benefits of an acquisition or an investment may take considerable time to develop, and certain acquisitions ~~may have not advanced~~ **advanced** our business strategy and ~~may have fall~~ **fallen** short of expected return on investment targets. ~~If We have recorded impairment charges because~~ our acquisitions ~~are were~~ not successful ~~and , we may record future~~ **impairment charges related to unsuccessful acquisitions**. Our ability to continue to make acquisitions will depend upon our success at identifying suitable targets at acceptable prices, which requires substantial judgment in assessing their values, strengths, weaknesses, liabilities, and potential profitability, as well as the availability of capital. We expect to continue making acquisitions and establishing investments and joint ventures as part of our long- term business strategy. Acquisitions, investments, and joint ventures involve a number of risks. They ~~are can be~~ time- consuming and may divert management' s attention from day- to- day operations, particularly if numerous acquisitions or joint ventures are in process at the same time. Financing an acquisition could result in dilution from issuing equity securities, reduce our financial flexibility because of reductions in our cash balance, or result in a weaker balance sheet from incurring additional debt . ~~The effect of the COVID-19 pandemic on our business is currently unknown, but a worsening or prolonging of its effects may adversely affect our business, financial condition, and results of operations. The novel coronavirus (" COVID-19 ") has had, and continues to have, a significant impact on the global supply chain, financial markets, trading activities, and consumer behavior, and the expected duration of these impacts remains uncertain. The COVID-19 pandemic has at times significantly curtailed global economic activity and caused significant volatility and disruption in global financial markets. While the COVID-19 pandemic has not adversely affected our business and results of operations so far, it remains uncertain how the pandemic will impact our business in the future. As the effect of COVID-19 has declined, we have seen a decline in consumer engagement as compared to the peak COVID-19 period. The extent to which the COVID-19 outbreak impacts our financial condition will depend on future developments that are highly uncertain and cannot be predicted, including new government actions or restrictions, new information that may emerge concerning the severity of COVID-19, the longevity of COVID-19, and the impact of COVID-19 on economic activity. We are actively monitoring our business and operations to take appropriate actions with the intention to mitigate risks arising from the COVID-19 pandemic, but there can be no guarantee that the actions we take will be successful. Should the situation worsen and not improve, or our steps for risk mitigation fail, our business, financial condition, results of operations, and prospects may be materially and adversely affected. To the extent the COVID-19 pandemic adversely affects our business and financial results, it may also have the effect of heightening many of the other risks described in this " Risk Factors " section.~~ Because we recognize revenue from subscriptions for our services over the term of the subscription, downturns or upturns in new business may not be immediately reflected in our operating results. We generally recognize revenue from subscribers ratably over the terms of their subscription agreements, which are typically one year, although we also offer our services for a term of one month, and multiple years. As a result, most of the revenue we report in each period is the result of subscription agreements entered into during prior periods. Consequently, a decline in new or renewed subscriptions in any one period may not be reflected in our revenue results for that period. However, any such decline will negatively affect our revenue in future periods. Accordingly, the effect of significant downturns in sales, our failure to achieve internal sales targets, a decline in the market acceptance of our services, or potential decreases in our retention rate may not be fully reflected in our operating results until future periods. Our subscription model also makes it difficult for us to rapidly increase our revenue through additional sales in any period, as revenue from additional sales must be recognized over the applicable subscription term. By contrast, a significant portion of our operating costs are expensed as incurred, which occurs as soon as a subscriber purchases a product. As a result, an increase in subscribers could result in recognition of more costs than revenue in the earlier portion of the subscription term. We may not attain sufficient revenue to maintain positive cash flow from operations or achieve profitability in any given period. Our business, products, and facilities are at risk of a number of material disruptive events that our operational risk management and business continuity programs may not be adequate to address. Our business and products are dependent on our ability to provide investment research, software applications, and other products and services on a current and time- sensitive basis. We rely extensively on our computer systems and other network infrastructure, which are located across multiple facilities in the United States. Problems in our network systems may lead to cascading effects involving downtime, overloading of third- party data centers, and other issues that may affect our subscribers. We and our vendors are at risk of disruptions from numerous factors, including major weather events, fires, droughts, floods, earthquakes, volcanic activity, diseases, epidemics, pandemics, violent incidents, terrorist attacks, natural disasters, power loss, telecommunications, Internet, and other critical infrastructure failures, governmental actions, strikes and labor disturbances, riots, civil unrest, terrorism, war, abrupt political change, viruses, ~~cybersecurity attacks and breaches,~~ responses by various governments and the international community to any such acts, and other events beyond our control. Such events could cause delays in initiating or completing sales, impede our subscribers' access to our products and services, disrupt or shut down critical client- facing and business processes, impede the travel of our personnel, dislocate our critical internal functions and personnel, and in general harm our ability to conduct normal business operations, any of which could negatively impact our financial condition and operating results. ~~We Our database and network facilities,~~ and ~~those of~~ our third- party service providers, ~~may also be vulnerable to attempted..... do not own or control.~~ We may modify, enhance, upgrade, and implement new systems, procedures, and controls to reflect changes in our business, technological advancements, and industry trends. These upgrades can create risks associated with implementing new systems and integrating them with existing ones, such as the disruption of our electronic delivery systems, data management, and sales and service processes. If we , ~~or our third- party service providers~~ do not successfully implement, maintain or expand these systems as planned, our operations may be disrupted, our ability to accurately and timely report our financial results could be impaired, and **additional** deficiencies may arise in our internal control over financial reporting, which may impact our ability to certify our financial results. Moreover, our proprietary information,

intellectual property or personal information that we hold **has been, and** could be **in the future**, compromised or misappropriated and our reputation may be adversely affected. These risks may affect our ability to provide our comprehensive suite of research and software solutions, including our financial software and analytical tools, adequately protect our intellectual property or achieve and maintain compliance with, or realize available benefits under, applicable laws, regulations and contracts. We may also incur additional costs in relation to any new systems, procedures, and controls, and additional management attention could be required in order to ensure an efficient integration, placing burdens on our internal resources. Most of our products and services depend heavily on our electronic delivery systems and the Internet. Our ability to deliver information using the Internet may be impaired because of infrastructure failures or outages in our systems or those of our third-party service providers or Internet providers, malicious attacks, or other factors. If disruptions, outages, failures, or slowdowns of our electronic delivery systems or the Internet occur, our ability to distribute our products and services effectively and to serve our subscribers may be impaired. We are also subject to potential shortcomings in our own business resilience practices, such as failures to fully understand dependencies between different business processes across the locations at which they are performed, inadequate vendor risk assessment and management processes and critical vendor dependencies, concentration of certain critical activities in areas of geopolitical risk or with “single point of failure” employees or employee groups, and possibly ineffective location recovery strategies in the event of a location disruption. Disruptions to our third-party technology providers and management systems could harm our business and lead to loss of subscribers. We depend on third-party technology providers and management systems to distribute our content and process transactions. We exercise no control over our third-party vendors or the infrastructure or networks under which they operate, which makes us vulnerable to any errors, interruptions, or delays in their operations. Any disruption in the services provided by these vendors, or an inability to keep up with our growing demands for capacity, could have significant adverse impacts on our business reputation, customer relations, and operating results. Upon expiration or termination of any of our agreements with third-party vendors, we may not be able to replace the services provided to us in a timely manner or **at all, or** on terms and conditions, including service levels and cost, that are favorable to us, and a transition from one vendor to another vendor could subject us to operational delays and inefficiencies until the transition is complete. Moreover, our third-party technology providers may disagree with, or choose to take a public stance against, the editorial content produced by certain of our operating brands, or otherwise decide to ~~publicly~~ cease providing services to us. This may result in, among other things, disruption in our operations, copycat behavior by other of our vendors, difficulty retaining or attracting employees, or negative media attention. We may require additional capital to support business growth, and such capital might not be available on acceptable terms, if at all. We intend to continue to make investments to support our business growth and may require additional funds to respond to business challenges, including the need to develop new features and products or enhance our existing services, improve our operating infrastructure, or acquire complementary businesses and products. Accordingly, we may need to engage in equity or debt financings to secure additional funds. If we raise additional funds through future issuances of equity or convertible debt securities, our existing stockholders could suffer significant dilution, and any new equity securities we issue could have rights, preferences, and privileges superior to those of holders of Class A common stock. Any debt financing we may pursue in the future could involve restrictive covenants relating to our capital raising activities and other financial and operational matters, which may make it more difficult for us to obtain additional capital and to pursue business opportunities, including potential acquisitions. We may not be able to obtain additional financing on terms favorable to us, if at all. If we are unable to obtain adequate financing or financing on terms satisfactory to us when we require it, our ability to continue to support our business growth and to respond to business challenges could be significantly impaired, and our business may be harmed. Furthermore, our Credit Facility provides for the ability to borrow up to \$ 150 million, and includes an uncommitted incremental facility feature that permits us to incur up to an additional \$ 65 million of total borrowings, subject to obtaining the consent of each lender providing the additional commitments and other conditions as set forth in the credit agreement governing our Credit Facility. Borrowings under our Credit Facility are secured by substantially all the properties, rights, and assets of our direct subsidiary, MarketWise, LLC, as well as certain of its direct and indirect material U. S. subsidiaries. Additionally, the credit agreement governing our Credit Facility contains certain customary restrictive covenants that limit our ability to incur additional indebtedness and liens, merge with other companies or consummate certain changes of control, acquire other companies, engage in new lines of business, make certain investments, pay dividends, and transfer or dispose of assets, as well as financial covenants that require us to maintain specified leverages. These covenants could limit our ability to seek capital through the incurrence of new indebtedness or, if we are unable to meet our financial covenants, require us to repay any outstanding amounts with sources of capital we may otherwise use to fund our business, operations, and strategy. **When our Credit Facility expires, we may not be able to obtain additional financing on similar terms, if at all. If we are unable to renew or replace our Credit Facility on terms satisfactory to us, our ability to continue to support our business growth and to respond to business challenges could be significantly impaired, and our business may be harmed.** We are subject to payment processing risk. Our subscribers pay for our services using a variety of different payment methods, including credit and debit cards, prepaid gift cards, and direct debit. We rely on internal systems, as well as those of third parties, to process payments. Acceptance and processing of these payment methods are subject to certain rules and regulations, including additional authentication requirements for certain payment methods, and require payment of interchange and other fees, **which may increase over time and raise our operating costs and lower our profit margins. For example, we have in the past experienced higher transaction fees from our third-party processors as a result of chargebacks on credit card transactions.** Frequently changing credit card company terms and conditions may result in the way we accept payments being deemed non-compliant and potentially cause us to be suspended or terminated by our payment processors. To the extent there are increases in payment processing fees or the cash reserves required by third party payment processors, material changes in the payment ecosystem, such as large re-issuances of payment cards, changes in public perception and confidence in the payment systems we are utilizing, delays in receiving payments from payment processors,

changes to rules or regulations concerning payments, loss of payment partners, and / or disruptions or failures in our payment processing systems, partner systems, or payment products, including products we use to update payment information, our revenue, operating expenses, and results of operations could be adversely impacted. In addition, from time to time, we encounter fraudulent use of payment methods, which could impact our results of operations and, if not adequately controlled and managed, could create negative consumer perceptions of our products and services. If we are unable to maintain our fraud and chargeback rate at acceptable levels, card networks may impose fines **and / or reserves**, our card approval rate may be impacted, and we may be subject to additional card authentication requirements. The termination of our ability to process payments on any major payment method would significantly impair our ability to operate our business.

Risks Related to Legal and Regulatory Matters

Failure to comply with laws and regulations or other regulatory action or investigations, including with respect to the federal and state securities laws, could adversely affect our business. Various aspects of our business and services are subject to federal, state, and local regulation, as well as regulation outside the United States. We rely upon the “publisher’s exclusion” from the definition of “investment adviser” under Section 202 (a) (11) (D) of the Investment Advisers Act of 1940, as amended (the “Advisers Act”), and corresponding state securities laws for our investment newsletter business. In order to maintain our qualification for this exclusion, our newsletter publications must be: (1) of a general and impersonal nature, in that the advice provided is not adapted to any specific portfolio or any client’s particular needs; (2) “bona fide” or genuine, in that it contains disinterested commentary and analysis as opposed to promotional material; and (3) of general and regular circulation, in that it is not timed to specific market activity or to events affecting, or having the ability to affect, the securities industry. The United States Supreme Court in *Lowe v. Securities and Exchange Commission*, 472 U. S. 181 (1985), held that a publisher of advice concerning securities, even where that advice consisted of specific recommendations to buy, sell, or hold particular securities, is entitled to rely on the publisher’s exclusion where the publisher does not offer individualized advice tailored to any specific portfolio or to any client’s particular needs. As long as communications between the publisher and its subscribers remain entirely impersonal and do not develop into the kind of fiduciary relationships that are characteristic of investment adviser-client relationships, the *Lowe* court held that such products and publications presumptively fall within the exclusion and thus the publisher is not subject to registration under the Advisers Act. We believe our provision of financial research products meets the requirements of the publisher’s exclusion. The financial research products we offer to our clients are of a general and impersonal nature and are not individualized or tailored to any client’s particular needs. We do not collect any investor suitability information, nor do we perform any suitability analysis. The products are marketed to the general public and do not reflect any fiduciary or person-to-person relationships that are characteristic of investment adviser-client relationships. Our financial research offerings are genuine publications, providing disinterested and impersonal commentary and analysis to our subscribers. We are not compensated by the sponsors or distributors of any investment products highlighted in our publications. We publish our research reports on a routine or periodic basis, and publication is not timed to specific market activity or to events affecting or having the ability to affect the securities industry. The publication frequency of our newsletters varies **based on the subject product**, though newsletters are generally published on a monthly basis. If we change our business practices in such a way as to not satisfy the publisher’s exclusion, or otherwise fails to comply with the regulatory requirements concerning this exclusion, we may face sanctions as an unregistered investment adviser or other results that could have a negative effect on our business. **In recent years, if we meet the definition of “investment adviser” in the Advisers Act, consumer protection and do not meet the requirements for reliance on the “publisher’s exclusion” from the definition of “investment adviser” or another exclusion, exemption, or exception from the registration requirements under the Advisers Act, we will have to register as an investment adviser with the SEC pursuant to the Advisers Act and potentially with one or more states under similar state laws. Registration requirements for investment advisers are significant. If we are deemed to be an investment adviser and are required to register with the SEC and potentially one or more states as an investment adviser, we will become subject to the requirements of the Advisers Act and the corresponding state laws. The Advisers Act requires: (i) fiduciary duties to clients; (ii) substantive prohibitions and requirements; (iii) contractual requirements; (iv) record-keeping requirements; and (v) administrative oversight by the SEC, primarily by inspection. Requirements and obligations imposed on investment advisers can be burdensome and costly. If it is deemed that we are out of compliance with such rules and regulations, particularly in connection with marketing on the Internet and consumer privacy, have become more aggressive, and we expect that new laws and regulations will..... addition, we have been, and may be also in the future continue to be, the subject of requests from or investigations by state and federal regulatory bodies, and may be subject to civil and / or criminal penalties. Applicable state laws may have similar or additional requirements. If we are required to register under these laws, we may no longer be able to ~~continued~~ **continue to offer** or our investment research services, which may increased regulatory scrutiny in the future. Any of the foregoing could have a material significant adverse effect impact on our business, and results of operations, and financial condition.** We could face liability for the information and data we collect and distribute or the reports and other documents produced by our software products. We may be subject to claims for securities law violations, defamation (including libel and slander), negligence, or other claims relating to the information we publish, including our research. For example, investors may take legal action against us if they rely on published information that contains an error, or a company may claim that we have made a defamatory statement about it or its employees. We rely on a variety of outside parties as the original sources for the information we use in our published data. These sources include securities exchanges and other data providers. We also incorporate data from a variety of third-party sources. Accordingly, in addition to possible exposure for publishing incorrect information that results directly from our own errors, we could face liability based on inaccurate data provided to us by others. We could be subject to claims by providers of publicly available data and information we compile from websites and other sources that we have improperly obtained that data in violation of the source’s copyrights or terms of use or based on the provisions of legislation that limit the bases on which businesses can collect personal information from and about individuals. We could also be subject to claims from third

parties, such as securities exchanges, from which we license and redistribute data and information that we have used or redistributed the data or information in ways not permitted by our license rights, or that we have inadequately permitted our subscribers to use such data. The agreements with such exchanges and other data providers give them extensive data use audit rights, and such audits can be expensive and time consuming and potentially result in substantial fines. Defending claims based on the information we publish could be expensive and time- consuming and could adversely impact our business, operating results, and financial condition. We may not adequately protect or enforce our own intellectual property and may incur costs to defend against, or face liability for, intellectual property infringement claims (or related claims) of others. To protect our intellectual property, we rely on a combination of trademarks, copyrights, confidentiality agreements, and various other contractual arrangements with our employees, affiliates, customers, strategic partners, and others. We own several trademark registrations and copyright registrations, and have pending trademark applications, including in the United States and Canada. We may seek additional trademark, patent, and other intellectual property filings, which could be expensive and time-consuming. These trademarks, patents, and other registered intellectual property rights may not be granted and, even if they are, it could be expensive to maintain these rights and the costs of defending our rights could be substantial. Moreover, ~~our failure~~ **we may fail to develop and properly manage new intellectual property data and information providers, such as securities exchanges, from which we license and redistribute data and information. We may use or redistribute the data or information from providers in ways not permitted by our license rights, or that we have inadequately permitted our subscribers to use such data. The agreements with such exchanges and other data providers give them extensive data use audit rights, and such audits can be expensive and time consuming and potentially result in substantial fines. Defending claims based on the information we publish could be expensive** ~~hurt our market position and~~ **time- consuming and could adversely impact our** ~~business opportunities,~~ **operating results, and financial condition**. Our code of conduct, employee handbook, and other internal policies seek to protect our intellectual property against misappropriation, infringement, and unfair competition. We also utilize various tools to police the Internet to monitor piracy and unauthorized use of our content. In addition, whether we grant access to our intellectual property via contract or license third- party content and / or technology, we incorporate contractual provisions to protect our intellectual property and seek indemnification for any third- party infringement claims. However, we cannot provide any guarantee that the foregoing provisions will be honored by or enforceable against the counterparties to such arrangements, or adequate to protect us from third- party claims, suits, government investigations, and other proceedings involving alleged infringement, misappropriation, dilution, or violation of, or conflict with, third- party intellectual property rights or other related matters, or that these provisions will prevent the theft of our intellectual property, as we may be unable to detect the unauthorized use of, or take appropriate steps to enforce, our intellectual property rights. Our intellectual property rights may not survive a legal challenge to their validity or provide significant protection for us. In addition, our ability to enforce and protect our intellectual property rights may be limited in certain countries outside the United States because of the differences in foreign laws concerning ~~proprietary~~ **intellectual property** rights, which could make it easier for competitors to capture a market position in such countries by utilizing technologies and products that are similar to those developed or owned by or licensed to us. Failure to adequately protect our intellectual property could harm our brand, devalue our proprietary content, and affect our ability to compete effectively. Further, any infringement claims, even if not meritorious, could result in the expenditure of significant financial and managerial resources on our part, which could materially adversely affect our business, results of operations, and financial condition. In addition, the various agreements, policies, procedures, and contractual provisions that we rely on to protect our proprietary rights do not prevent our competitors from independently developing technologies that are substantially equivalent or superior to those contained in our products and services. Although we have generally taken measures to protect our proprietary rights, there can be no assurance that others will not offer products or concepts that are substantially similar to ours and compete with our business. The software and Internet industries are characterized by the existence of a large number of patents, trademarks, and copyrights and by frequent litigation based on allegations of infringement, misappropriation, dilution, conflict with, or other violations of intellectual property rights. In addition, various “ non- practicing entities ” that own patents and other intellectual property rights often attempt to aggressively assert their rights in order to extract value from providers of software products or services. From time to time we may introduce or acquire new products, including in areas where we historically have not competed, which could increase our exposure to patent and other intellectual property claims from competitors and non- practicing entities. We have from time to time been subject to claims by third parties alleging infringement, misappropriation, dilution, or violation of, or conflict with, their intellectual property rights and other related claims. Such claims can also be alleged against clients, customers, or distributors of our products or services whom we have agreed to indemnify against third- party claims of infringement. The defense of such claims can be costly and consume valuable management time and attention. We may be faced with an adverse determination in respect of such claims, or we may be forced to settle such claims on unfavorable terms, which in each case can include the payment of damages, the entry into royalty or licensing arrangements on commercially unfavorable terms, or the suspension or cessation of our ability to offer affected products or services, or the requirement that we redesign such affected products or services. ~~If litigation were to arise from any such claim, there~~ **There** ~~can be no certainty we would prevail.~~ **-If in litigation that arises from any such claims. Such claims and litigation** ~~of these risks were to materialize, we~~ could have a material adverse effect on our business, financial condition, or results of operations. In addition, depending on the nature and timing of any such dispute, an unfavorable resolution of a legal matter could materially affect our current or future results of operations or cash flows in a particular quarter. ~~Any~~ **Our database and network facilities, and those of our third- party service providers, could fail, become unavailable, or otherwise inadequate, and are subject to cybersecurity risks.** ~~failure~~ **Failures** of our internal security measures or breach of our privacy protections could cause us to lose subscribers and subject us to liability. ~~Our database and network facilities,~~ **may also be** ~~and those of our third- party service providers are~~ vulnerable to attempted cybersecurity attacks that may take a variety of forms, including, infrastructure, botnets, malicious file attacks, cross- site

scripting, credential abuse, ransomware, bugs, viruses, worms, malicious software programs, and denial of service attacks that could lead to misappropriation of our data, corruption of our databases, or limitation of access to our information systems. To defend against these threats, we implement a series of controls focusing on both prevention and detection, including firewalls, intrusion detection systems, automated scanning and testing, server hardening, antivirus software, training, and patch management. **We make significant investments in servers, storage, and other network infrastructure to prevent incidents of network failure and downtime**, but we cannot guarantee that these efforts will work as planned. **These risks may be increased with respect to operations housed at facilities outside of our direct control, and currently all of the communications, networks, and computer hardware used to operate the cloud for our platforms are located at facilities maintained by third parties that we do not own or control.** We make significant investments in servers, storage, and other network infrastructure to prevent incidents of network failure and downtime, but we cannot guarantee that these efforts will work as planned. These cybersecurity incidents or other significant disruptions could be caused by persons inside our organization, persons outside our organization with authorized access to systems inside our organization, or. Our business requires that we securely collect, process, store, transmit, and dispose of confidential information relating to our operations, subscribers, employees, and other third parties. In particular, Paid Subscribers are required to furnish certain information (including name, mailing address, phone number, email address, and credit card information) (collectively “personal information”), which we use to administer our services. We also require Free Subscribers (as defined below) to provide us with some personal information, **such as email addresses**, during the membership registration process. Additionally, we rely on security and authentication technology licensed from third parties to perform real-time credit card authorization and verification, and at times rely on third parties, including technology consulting firms, to help protect our infrastructure from security threats. **As the breadth and complexity of this infrastructure continues to grow, including as a result of the use of mobile technologies, social media and cloud-based services, the risk of security breaches and cyberattacks increases.** We strive to invest in systems, processes, controls, and other security measures to guard against the risk of improper access to or release of such information. However, despite our investments, these measures do not guarantee absolute security, and improper access to or release of confidential information **has may still occur occurred** through ~~employee error or malfeasance, system error, other inadvertent release, failure to properly purge and protect data, or cyberattack~~. Any security incident, including those resulting from a cyberattack, phishing attack, or any unauthorized access, unauthorized usage, virus, or similar incident or disruption, could result in the loss or destruction of, inaccessibility or unauthorized access to, or use, alteration, disclosure, or acquisition of, data, damage to our reputation, litigation, regulatory investigations, or other liabilities. These attacks may come from individual hackers, criminal groups, and **/or** state-sponsored organizations. We have suffered in the past, and may in the future suffer, malicious attacks by individuals or groups (including **criminal groups and** those sponsored by nation-states, terrorist organizations, or global corporations seeking to illicitly obtain technology or other intellectual property) seeking to attack our products and services or penetrate our network infrastructure to gain access to confidential information, including personal information, or to launch or coordinate distributed denial of service attacks. While we have dedicated resources intended to maintain appropriate levels of cybersecurity and implemented systems and processes intended to help identify cyberattacks and protect our network infrastructure, these attacks have become increasingly frequent, sophisticated, and difficult to detect, and often are not detected until after they have been launched against a target. We may be unable to anticipate these attacks or implement sufficient preventative measures, and we therefore cannot assure you that our preventative measures will be successful in preventing compromise and / or disruption of our information technology systems and related data. We furthermore cannot be certain that our remedial measures will fully mitigate the adverse financial consequences of any cyber-attack or incident. Recent well-publicized security breaches at other companies have led to **further** enhanced government and regulatory scrutiny of the measures taken by companies to protect against cyberattacks and may in the future result in heightened cybersecurity requirements, including **the implementation of more robust internal measures and** additional regulatory expectations for oversight of customers, vendors, and service providers. Our information technology systems interact with those of customers, vendors, and service providers. Our contracts with those parties typically require them to implement and maintain adequate security controls, but we may not have the ability to effectively monitor the security measures of all our customers, vendors, and service providers and otherwise meet such additional regulatory expectations. Additionally, we engage third-party vendors and service providers to store and otherwise process some of our customers’ personal information, and they may be the targets of cyberattacks, malicious software, phishing schemes, and fraud. Our ability to monitor our vendors’ and service providers’ data security is limited, and, in any event, third parties may be able to circumvent those security measures, resulting in the unauthorized access to, misuse, acquisition, disclosure, loss, alteration, or destruction of our and our customers’ data, including confidential, sensitive, and other information about individuals. If our security measures are breached as a result of third-party action, employee error, a defect or bug in our products or those of our third-party service providers, malfeasance, or otherwise and, as a result, someone obtains unauthorized access to our data, including our confidential, sensitive, or other information about individuals or the confidential, sensitive, or other information about individuals of our customers, or other persons, or any of these types of information is lost, destroyed, or used, altered, disclosed, or acquired without authorization, our reputation may be damaged, our business may suffer, and we could incur significant liability. Even the perception of inadequate security may damage our reputation and negatively impact our ability to win new customers and retain and receive timely payments from existing customers. Laws in all 50 U. S. states and outside the U. S., including Europe and the United Kingdom also require notifications of certain incident to a number of third parties, such as customers, regulators, credit reporting agencies or others when certain sensitive information has been compromised as a result of a security breach. **Furthermore In addition, we could be subject to private litigation and actions from government regulators, which could entail significant monetary expenditures and / or penalties and result in significant reputational damage. Finally**, we could be required to expend significant capital and other resources to address any data security incident or breach, which may not be covered or fully covered by our insurance and which may involve payments for investigations,

forensic analyses, legal advice, public relations advice, system repair or replacement, or other services. We are subject to laws, regulations, and industry standards related to data privacy, data protection, and information security, including industry requirements such as the Payment Card Industry Data Security Standard. Our actual or perceived failure to comply with such obligations could harm our business. Our products and websites routinely collect, store, process, and transmit personal information about an individual, including personally identifiable information and personal financial information such as credit card information. We are subject to various laws and related regulations relating to data privacy, data protection, and information security. Such laws and regulations restrict **and set standards for** how personal information is collected, processed, stored, used, and disclosed, and **mandate certain set standards for our security requirements**, implement notice requirements regarding privacy practices, and provide individuals with certain rights regarding the **maintenance**, use, disclosure, and sale of their protected personal information. If we are found to have breached any such laws, regulations, or industry standards, we may be subject to enforcement actions that require us to change our business practices in a manner that may negatively impact our revenue, as well as expose us to litigation, fines, regulatory enforcement, injunctive orders to cease or change our data processing activities, civil and / or criminal penalties, and adverse publicity that could cause our customers to lose trust in us, negatively impacting our reputation and business in a manner that harms our financial position. In the United States, both federal and various state governments have adopted or are considering, laws, guidelines, or rules for the collection, distribution, use, and storage of information collected from or about consumers or their devices. For example, California enacted the California Consumer Privacy Act of 2018 (the “CCPA”), which came into force in 2020. The CCPA creates **a broad range of** individual privacy rights for California residents and increases the privacy and security obligations of businesses handling personal information. The CCPA is enforceable by the California Attorney General and the California Privacy Protection Agency (as described below), and there is also a private right of action relating to certain data security incidents that may increase security breach litigation. Furthermore, California voters approved the California Privacy Rights Act (the “CPRA”) on November 3, 2020, which further amends and expands the CCPA, and became effective on January 1, 2023. The CPRA’s amendments to the CCPA impose additional data protection obligations on covered companies, including certain consumer rights processes, the right to correct personal information, and opt- outs for certain uses of sensitive personal information and the sharing of personal information for targeted advertising purposes; such requirements look back to January 2022. The CPRA’s amendments also created a new enforcement bureau, the California Privacy Protection Agency. In addition, starting January 1, 2023, personal information collected about California’s residents acting in a personnel / employee or business- to- business context came fully within scope of the CCPA. The CCPA has also encouraged **similar “copycat”** laws in other states across the country. For example, Virginia enacted the Virginia Consumer Data Protection Act (the “VCDPA”), another comprehensive state privacy law, which also became effective January 1, 2023. Also in 2021, Colorado enacted the Colorado Privacy Act (the “CPA”) and Connecticut enacted the Connecticut Data Privacy Rights Act (the “CTDPA”), both of which go into effect July 1, 2023, and Utah enacted the Utah Consumer Privacy Act (the “UCPA”), which **goes went** into effect December 31, 2023. ~~The Colorado Attorney General released draft rules to accompany the CPA, which impose additional obligations on covered companies. Further, similar laws in and other others states are being continuing to considered-- consider the adoption of similar laws by legislatures, including in Indiana, Iowa, Massachusetts, New York, New Jersey, Oregon and Tennessee.~~ **Additional states are continuing to adopt** obligations on covered companies. A number of other proposals exist for new federal and state privacy legislation that, if passed, could increase our potential liability, increase our compliance costs, modify our data processing practices and materially and adversely affect our business, prospects, financial condition and operating results. Our compliance with these changing and increasingly burdensome, and sometimes conflicting regulations and requirements, may cause us to incur substantial costs or require us to change our business practices, which may impact financial results. If we fail to comply with these regulations or requirements, we may be exposed to litigation expenses and possible significant liability, fees, or fines. We cannot fully predict the impact of the CCPA, VCDPA, CPA, CTDPA and UCPA, or subsequent guidance, regulations or rules on our business or operations, including those that are still in draft form, but it may increase our compliance costs and potential liability, particularly in the event of a data breach, and could have a material adverse effect on our business, including how we use personal information, our financial condition, and the results of our operations or prospects. We are also subject to payment card association operating rules, certification requirements, and rules governing electronic funds transfers, including the Payment Card Industry Data Security Standard (the “PCI DSS”), a security standard applicable to companies that collect, store, or transmit certain data regarding credit and debit cards, holders, and transactions. Under the PCI DSS and our contracts with our card processors, if there is a breach of payment card information that we store, we could be liable to the banks that issue the payment cards for their related expenses and penalties. In addition, if we fail to follow payment card industry data security standards, even if there is no compromise of customer information, we could incur significant fines, **have significant reserves imposed on our accounts**, or lose our ability to give our customers the option of using payment cards. If we were unable to accept payment cards, our business would be materially harmed. In addition, laws in countries outside of the United States create significant compliance obligations and liability. For example, to the extent our operations are subject to the EU General Data Protection Regulation (Regulation 2016 / 679 and applicable national supplementing laws and the UK data protection regime consisting primarily of the UK General Data Protection Regulation and the UK Data Protection Act 2018 (together referred to as the “GDPR”), this will create an ongoing compliance commitment and substantial costs, in relation to our collection, processing, sharing, disclosure, transfer and other use of personal data. Ensuring compliance with the GDPR could involve substantial costs, and it is possible that, despite our efforts, **governmental competent** authorities or third parties will assert that our business practices fail to comply. If our operations are found to be in violation of the GDPR, we may be required to change our business practices and / or be subject to significant civil penalties, regulatory enforcement, business disruption, and reputational harm, any of which could have a material adverse effect on our business. In particular, if we or our vendors fail to comply with the GDPR and the applicable national data protection laws of the EU or European Economic Area

member states, or if regulators assert we have failed to comply with these laws, it may lead to regulatory enforcement actions, which can result in significant monetary penalties and other administrative penalties. We are also subject to evolving EU and UK privacy laws on cookies, tracking technologies and e-marketing **practices**. ~~In the EU and the UK under national laws derived from the ePrivacy Directive, informed consent is required for the placement of a cookie or similar technologies on a user's device and for direct electronic marketing. The GDPR also imposes conditions on obtaining valid consent for cookies, such as a prohibition on pre-checked consents and a requirement to ensure separate consents are sought for each type of cookie or similar technology. The current national laws that implement the ePrivacy Directive are highly likely to be replaced across the EU (but not directly in the UK) by an EU regulation known as the ePrivacy Regulation which will significantly increase fines for non-compliance. While the text of the ePrivacy Regulation is still under development, recent~~ **Recent** European court decisions, and regulators' recent **decisions and** guidance are driving increased attention to cookies and tracking technologies, **and e-marketing practices**. If the trend of increasing enforcement by regulators of the **strict approach in recent guidance and decisions** continues, this could **increase our liability exposure and** lead to substantial costs. **It could also** require significant systems changes, limit the effectiveness of our marketing activities, divert the attention of our technology personnel, adversely affect our margins, increase costs and subject us to additional liabilities. **It** Regulation of cookies and similar technologies, **and any decline of cookies or similar online tracking technologies as a means to identify and potentially target users**, may lead to broader restrictions and impairments on our marketing and personalization activities and may negatively impact our efforts to understand users. As we continue to expand into other foreign countries and jurisdictions, we may also be subject to additional laws and regulations that may affect how we conduct business. For example, Brazil enacted the General Data Protection Law, New Zealand enacted the New Zealand Privacy Act, China enacted its Personal Information Protection Law, and Canada introduced the Digital Charter Implementation Act. We make disclosures and statements regarding our use of personal information through our privacy policies and statements through our products and websites as required by privacy or data protection regulations. Failure (or perceived failure) to comply with our public statements or to adequately disclose our privacy or data protection practices could result in costly investigations by governmental authorities, litigation, and fines, as well as reputational damage and customer loss, which could have material impacts on our revenue and operations. **This includes, but is not limited to, lawsuits and enforcement actions brought under the federal FTC Act, state unfair competition laws, state wiretap statutes, and similar laws and regulations.** We also from time to time acquire other companies that collect and process personal information. While we perform ~~extensive~~ due diligence on the technology systems of these companies, there can be no assurance that such companies have not suffered data breaches or system intrusions prior to, or continuing after, our acquisition for which we may be liable. While we maintain insurance coverage that is intended to address certain aspects of cybersecurity and data protection risks, such coverage may not be sufficient to cover all or the majority of the costs, losses, or types of claims. Our insurance covers reimbursement for lost net profits or increased net loss of profits resulting from adverse publicity concerning an actual or alleged network impairment or privacy event. While it does not cover the costs for improvements to our systems, it does cover costs to restore our system operations. **expect** that new laws and regulations will continue to be enacted at the local, state, national, and international levels. In addition, there is extensive regulatory scrutiny of financial publishers and investment newsletters because of concerns over schemes involving touting, front running, "pumping and dumping," scalping, undisclosed conflicts of interest, deceptive marketing, and false performance claims **and testimonials**. Any new legislation and enhanced scrutiny, alone or combined with increasingly aggressive enforcement of existing laws, could make our ability to comply with applicable laws and regulations more difficult and expensive. In addition, we have been, **and** Adverse litigation judgments or settlements resulting from legal proceedings relating to our business operations could materially adversely affect our business, results of operations, and financial condition. From time to time, we are subject to allegations, **and have been and may be become** party to legal claims and regulatory proceedings, relating to our business operations. Such claims may include defamation, libel, intellectual property infringement, securities law violations, misappropriation, dilution, violation, fraud or negligence, or other theories of liability, in each case relating to the articles, commentary, investment recommendations, or other information we provide through our services. Such allegations, claims, and proceedings may be brought by third parties, including customers, partners, employees, governmental or regulatory bodies, or competitors, and may include class actions. Defending against such claims and proceedings is costly and time consuming and may divert management's attention and personnel resources from our normal business operations. The outcome of many of these claims and proceedings cannot be predicted, and any claims asserted against us regardless of merit or eventual outcome, may harm our reputation. Our insurance or indemnities may not cover all claims that may be asserted against us. If any of these claims or proceedings were to be determined adversely to us, a judgment, fine, or settlement involving a payment of a material sum of money were to occur, or injunctive relief were issued against us, our business, results of operations, and financial condition could be materially adversely affected. Our failure to comply with the anti-corruption, trade compliance, and economic sanctions laws and regulations of the United States and applicable international jurisdictions could materially adversely affect our reputation and results of operations. We must comply with anti-corruption laws and regulations imposed by governments around the world with jurisdiction over our operations, which may include the U. S. Foreign Corrupt Practices Act of 1977 (the "FCPA") and the U. K. Bribery Act 2010 (the "Bribery Act"), as well as the laws of the countries where we do business. These laws and regulations apply to companies, individual directors, officers, employees, and agents, and may restrict our operations, trade practices, investment decisions, and partnering activities. Where they apply, the FCPA and the Bribery Act prohibit us and our officers, directors, employees, and business partners acting on our behalf, including joint venture partners and agents, from corruptly offering, promising, authorizing, or providing anything of value to public officials for the purposes of influencing official decisions or obtaining or retaining business or otherwise obtaining favorable treatment. The Bribery Act also prohibits non-governmental "commercial" bribery and accepting bribes. As part of our business, we may deal with governments and state-owned business enterprises, the employees and representatives of which may be considered public officials for purposes of the FCPA and the Bribery Act. We

are also subject to the jurisdiction of various governments and regulatory agencies around the world, which may bring our personnel and agents into contact with public officials responsible for issuing or renewing permits, licenses, or approvals or for enforcing other governmental regulations. In addition, some of the international locations in which we operate lack a developed legal system and have elevated levels of corruption. Our business also must be conducted in compliance with applicable economic sanctions laws and regulations, such as laws administered by the U. S. Department of the Treasury's Office of Foreign Assets Control, the U. S. Department of State, the U. S. Department of Commerce, the United Nations Security Council, and other relevant sanctions authorities. Our operations expose us to the risk of violating, or being accused of violating, anti-corruption, trade compliance, and economic sanctions laws and regulations, and those risks may be heightened as we continue to expand globally. Our failure to successfully comply with these laws and regulations may expose us to reputational harm, significant sanctions, including criminal fines, imprisonment, civil penalties, disgorgement of profits, injunctions, and debarment from government contracts, and other remedial measures. Investigations of alleged violations can be expensive and disruptive. Despite our compliance efforts and activities, we cannot assure compliance by our employees or representatives for which we may be held responsible, and any such violation could materially adversely affect our reputation, business, financial condition, and results of operations. Changes in our provision for income taxes or adverse outcomes resulting from examination of our income or other tax returns or changes in tax legislation could adversely affect our business, financial condition, and results of operations. Our provision for income taxes is subject to volatility and could be adversely affected by a number of factors, including earnings differing materially from our projections, changes in the valuation of our deferred tax assets and liabilities, expected timing and amount of the release of any tax valuation allowances, tax effects of share-based compensation, outcomes as a result of tax examinations, or by changes in tax laws, regulations, accounting principles, including accounting for uncertain tax positions, or interpretations thereof. To the extent that our provision for income taxes is subject to volatility or adverse outcomes as a result of tax examinations, our operating results could be harmed. Significant judgment is required to determine the recognition and measurement attribute prescribed in GAAP relating to accounting for income taxes. In addition, we are subject to examinations of our income tax returns by the U. S. Internal Revenue Service (the "IRS") and other tax authorities. We assess the likelihood of adverse outcomes resulting from these examinations to determine the adequacy of our provision for income taxes. There may be exposure that the outcomes from these examinations will have an adverse effect on our business, financial condition, and results of operations. Risks Related to Our Organizational Structure MarketWise, Inc.'s sole material asset is its interest in MarketWise, LLC, and, accordingly, it will depend on distributions from MarketWise, LLC to pay its taxes and expenses, including payments under the Tax Receivable Agreement. MarketWise, LLC's ability to make such distributions may be subject to various limitations and restrictions. **In certain circumstances, tax distributions payable to MarketWise, Inc. may be substantial and in excess of its tax liabilities and obligations under the Tax Receivable Agreement. To the extent that MarketWise, Inc. does not distribute such excess cash, MarketWise Members would benefit from any value attributable to such cash balances as a result of their ownership of Class A common stock following an exchange of their LLC Units.** MarketWise, Inc. is a holding company and has no material assets other than its ownership ~~equity interest~~ in MarketWise, LLC. As such, MarketWise, Inc. has no independent means of generating revenue or cash flow, and its ability to pay taxes and operating expenses or declare and pay dividends in the future, if any, will be dependent upon the financial results and cash flows of MarketWise, LLC and its subsidiaries, and distributions MarketWise, Inc. receives from MarketWise, LLC. There can be no assurance that MarketWise, LLC and its subsidiaries will generate sufficient cash flow to distribute funds to MarketWise, Inc., or that applicable state law and contractual restrictions, including negative covenants in any debt agreements of MarketWise, LLC or its subsidiaries, will permit such distributions. ~~Although~~ **Moreover,** MarketWise, **Inc. also incurs expenses related to its operations, including payments under the Tax Receivables Agreement, which could be substantial. Because MarketWise, Inc. has no independent means of generating revenue, MarketWise, Inc.'s ability to make tax payments and payments under the Tax Receivable Agreement is dependent on the ability of MarketWise, LLC** is not currently subject to any debt agreement or other agreements that would restrict its ability to make distributions to MarketWise, Inc. ~~in an amount sufficient to cover~~ **the terms of future debt instruments or other agreements may restrict the ability of MarketWise, LLC to make distributions to MarketWise, Inc. or of MarketWise, LLC's subsidiaries to make distributions to MarketWise, LLC tax obligations and obligations under the Tax Receivables Agreement.** MarketWise, LLC is treated as a partnership for U. S. federal income tax purposes and, as such, generally will not be subject to any entity-level U. S. federal income tax. Instead, taxable income will be allocated to ~~holders of MarketWise Units~~ **its equityholders**, including MarketWise, Inc. Accordingly, MarketWise, Inc. will incur income taxes on its allocable share of any net taxable income of MarketWise, LLC. Under the terms of the **Third Amended and Restated Limited Liability Company Operating Agreement of MarketWise, LLC (the "MarketWise Operating Agreement")**, MarketWise, LLC is obligated, subject to various limitations and restrictions, including with respect to any debt agreements, to make tax distributions to ~~holders~~ **owners** of **the common units issued by MarketWise, LLC ("LLC Units")**, including MarketWise, Inc. ~~In addition to tax expenses, MarketWise, Inc. intends will also incur expenses related to its operations, as including payments under the Tax Receivable Agreement, which could be substantial.~~ ~~MarketWise, LLC's Inc. intends, as its sole manager, to cause MarketWise, LLC to make cash distributions to the owners of MarketWise LLC Units in an amount sufficient to (i) fund all or part of such owners' tax obligations in respect of taxable income allocated to such owners and (ii) cover MarketWise, Inc.'s operating expenses, including payments under the Tax Receivable Agreement. However, MarketWise, LLC's ability to make such distributions may be subject to various limitations and restrictions, such as restrictions on distributions under contracts or agreements to which MarketWise, LLC is then a party, including debt agreements, or any applicable law, or that would have the effect of rendering MarketWise, LLC insolvent. If we do~~ **MarketWise, Inc. does** not have sufficient funds to pay tax or other liabilities or to fund our operations, ~~we it~~ may have to borrow funds, which could materially adversely affect ~~our its~~ liquidity and financial condition and subject us to various restrictions imposed by any such lenders. **To the extent that MarketWise,**

Inc..... taxable income of MarketWise, LLC. As a result of (i) potential differences in the amount of net taxable income allocable to ~~the MarketWise Members, Inc. and to MarketWise, LLC's other equityholders~~, (ii) the lower tax rates currently applicable to corporations as opposed to individuals, and (iii) the favorable tax benefits that MarketWise, Inc. anticipates from any redemptions or exchanges of ~~MarketWise LLC Units for our~~ its Class A common stock or cash pursuant to the MarketWise Operating Agreement in the future, tax distributions payable to MarketWise, Inc. may be in amounts that exceed its actual tax liabilities **and obligations to make payments under the Tax Receivable Agreement** with respect to the relevant taxable year ~~including its obligations under the Tax Receivable Agreement~~. MarketWise, Inc.' s board of directors (**" Board of Directors "**) will determine the appropriate uses for any excess cash so accumulated, which may include, among other uses, the payment of other expenses or dividends on MarketWise, Inc.' s stock, although MarketWise, Inc. will have no obligation to distribute such cash (or other available cash) to its stockholders. Except as otherwise determined by MarketWise, Inc. as the sole manager of MarketWise, LLC, no adjustments to the exchange ratio for ~~MarketWise LLC Units~~ and corresponding shares of our Class A common stock will be made as a result of any cash distribution by MarketWise, Inc. or any retention of cash by MarketWise, Inc. To the extent MarketWise, Inc. does not distribute such excess cash as dividends on its ~~our~~ Class A common stock, it may take other actions with respect to such excess cash — for example, holding such excess cash or lending it (or a portion thereof) to MarketWise, LLC, which may result in shares of our Class A common stock increasing in value relative to the value of ~~the LLC Units. The MarketWise Members Units. The holders of MarketWise Units~~ **the LLC Units. The MarketWise Members Units.** may benefit from any value attributable to such cash balances if they acquire shares of our Class A common stock in exchange for their ~~MarketWise LLC Units~~, notwithstanding that such holders may previously have participated as holders of ~~MarketWise the LLC Units~~ in distributions by MarketWise, LLC that resulted in such excess cash balances. The Tax Receivable Agreement requires MarketWise, Inc. to make cash payments to the MarketWise Members in respect of certain tax benefits to which MarketWise, Inc. may become entitled, and no such payments will be made to any holders of our Class A common stock unless such holders are also MarketWise Members. The payments MarketWise, Inc. will be required to make under the Tax Receivable Agreement may be substantial. MarketWise, Inc. is **a party to the Tax Receivable Agreement with the MarketWise Members and MarketWise, LLC.** Under the Tax Receivable Agreement, MarketWise, Inc. generally is required to make cash payments to the MarketWise Members equal to 85 % of the tax benefits, if any, that MarketWise, Inc. actually realizes, or in certain circumstances is deemed to realize, as a result of (1) the increases in the tax basis of assets of MarketWise, LLC resulting from any redemptions or exchanges of ~~MarketWise LLC Units for our~~ Class A common stock or cash by the MarketWise Members pursuant to the MarketWise Operating Agreement, or certain distributions (or deemed distributions) by MarketWise, LLC and (2) certain other tax benefits arising from payments under the Tax Receivable Agreement. No such payments will be made to any holders of our Class A common stock unless such holders are also MarketWise Members. **The payment obligations under the Tax Receivable Agreement are MarketWise, Inc.' s obligations and not the obligations of MarketWise, LLC, and the amount of the cash payments that MarketWise, Inc. will be required to make under the Tax Receivable Agreement may be substantial.** Any payments made by MarketWise, Inc. to the MarketWise Members under the Tax Receivable Agreement will not be available for reinvestment in the business and will generally reduce the amount of cash that might have otherwise been available to MarketWise, Inc. and its subsidiaries. To the extent MarketWise, Inc. is unable to make timely payments under the Tax Receivable Agreement for any reason, the unpaid amounts will be deferred and will accrue interest until paid. Furthermore, MarketWise, Inc.' s future obligations to make payments under the Tax Receivable Agreement could make MarketWise, Inc. and its subsidiaries a less attractive target for an acquisition, particularly in the case of an acquirer that cannot use some or all of the tax benefits that are the subject of the Tax Receivable Agreement. Payments under the Tax Receivable Agreement are not conditioned on the MarketWise Members' continued ownership of ~~MarketWise LLC Units or our~~ Class A common stock or our Class B common stock. **The actual amount and timing of MarketWise, Inc.' s failure to make any payments— payment required under the Tax Receivable Agreement (including any accrued and unpaid interest) within 90 calendar days of the date on which the payment is required to be made will vary— s failure to make any payment required under the Tax Receivable Agreement (including any accrued and unpaid interest) within 90 calendar days of the date on which the payment is required to be made will constitute a material breach of a material obligation under the Tax Receivable Agreement, which will terminate the Tax Receivable Agreement and accelerate future payments thereunder, unless the applicable payment is not made because (i) MarketWise, LLC Inc. is prohibited from making such payment under the terms of the Tax Receivable Agreement or the terms governing certain of its indebtedness or (ii) MarketWise, LLC Inc. does not have, and despite using commercially reasonable efforts cannot obtain, sufficient funds to make such payment. In addition, if Estimating the amount and timing of MarketWise, LLC does not have sufficient funds Inc.' s realization of tax benefits subject to make distributions— the Tax Receivable Agreement is by its nature imprecise. The actual increases in tax basis, its as well as the amount and timing of MarketWise, Inc.' s ability to use any deductions (declare and pay cash dividends will also be restricted or impaired. Under the MarketWise Operating Agreement decreases in gain or increases in loss) arising from such increases in tax basis, as depending dependent upon significant future events a number of factors—, including the timing of redemptions or exchanges by the MarketWise Members ~~;~~ the price of shares of our MarketWise, Inc. Class A common stock at the time of any exchange ~~;~~ the extent to which such exchanges are taxable ~~;~~ the depreciation and amortization periods that apply to the increase in tax basis; the amount of gain recognized by the MarketWise Members ~~;~~ the amount, character and timing of the taxable income MarketWise, LLC Inc. generates in the future ~~;~~ the timing and amount of any earlier payments that MarketWise, Inc. may have made under the Tax Receivable Agreement; the tax rates and laws then applicable ~~;~~ and the portion of MarketWise, Inc.' s payments under the Tax Receivable Agreement that constitute imputed interest or give rise to depreciable or amortizable tax basis. Accordingly, estimating the amount and timing of payments that may become due under the Tax Receivable Agreement is also by its nature imprecise and dependent upon significant future events, including those noted above in respect of estimating the amount and timing of MarketWise, Inc.' s realization of tax**

benefits. In certain cases, future payments under the Tax Receivable Agreement to the MarketWise Members may be accelerated or significantly exceed the actual benefits MarketWise, Inc. realizes in respect of the tax attributes subject to the Tax Receivable Agreement. The Tax Receivable Agreement provides that if (i) MarketWise, Inc. materially breaches any of its material obligations under the Tax Receivable Agreement, (ii) certain mergers, asset sales, other forms of business combinations, or other changes of control were to occur, or (iii) MarketWise, Inc. elects an early termination of the Tax Receivable Agreement, then MarketWise, Inc.'s future obligations, or its successor's future obligations, under the Tax Receivable Agreement to make payments thereunder would accelerate and become due and payable, based on certain assumptions, including an assumption that MarketWise, Inc. would have sufficient taxable income to fully utilize all potential future tax benefits that are subject to the Tax Receivable Agreement, and an assumption that, as of the effective date of the acceleration, any MarketWise Member that has MarketWise-LLC Units not yet exchanged shall be deemed to have exchanged such MarketWise-LLC Units on such date, even if MarketWise, Inc. does not receive the corresponding tax benefits until a later date when the MarketWise-LLC Units are actually exchanged. As a result of the foregoing, MarketWise, Inc. would be required to make an immediate cash payment equal to the estimated present value of the anticipated future tax benefits that are the subject of the Tax Receivable Agreement, based on certain assumptions, which payment may be made significantly in advance of the actual realization, if any, of those future tax benefits and, therefore, MarketWise, Inc. could be required to make payments under the Tax Receivable Agreement that are greater than the specified percentage of the actual tax benefits it ultimately realizes. ~~In addition, to the extent that MarketWise, Inc. is unable to make payments under the Tax Receivable Agreement for any reason, the unpaid amounts will be deferred and will accrue interest until paid. MarketWise, Inc.'s failure to make any payment required under the Tax Receivable Agreement (including any accrued and unpaid interest) within 90 calendar days of the date on which the payment is required to be made will constitute a material breach of a material obligation under the Tax Receivable Agreement, which will terminate the Tax Receivable Agreement and accelerate future payments thereunder, unless the applicable payment is not made because (i) MarketWise, LLC is prohibited from making such payment under the terms of the Tax Receivable Agreement or the terms governing certain of its indebtedness or (ii) MarketWise, LLC does not have, and despite using commercially reasonable efforts cannot obtain, sufficient funds to make such payment.~~ In these situations, MarketWise, Inc.'s obligations under the Tax Receivable Agreement could have a substantial negative impact on MarketWise, Inc.'s liquidity and could have the effect of delaying, deferring, or preventing certain mergers, asset sales, other forms of business combinations, or other changes of control. **In addition, to the extent that MarketWise, Inc. is unable to make payments under the Tax Receivable Agreement for any reason, the unpaid amounts will be deferred and will accrue interest until paid.** There can be no assurance that MarketWise, LLC Inc. will be able to fund or finance its MarketWise, Inc.'s obligations under the Tax Receivable Agreement. MarketWise, Inc. will not be reimbursed for any payments made to the MarketWise Members under the Tax Receivable Agreement in the event that any tax benefits are disallowed. Payments under the Tax Receivable Agreement will be based on the tax reporting positions that MarketWise, Inc. determines, and the U.S. Internal Revenue Service (the "IRS") or another tax authority may challenge all or part of the tax basis increases or other tax benefits MarketWise, Inc. claims, as well as other related tax positions it takes, and a court could sustain any such challenge. MarketWise, Inc.'s ability to settle or to forgo contesting such challenges may be restricted by the rights of the MarketWise Members pursuant to the Tax Receivable Agreement, and such restrictions apply for as long as the Tax Receivable Agreement remains in effect. In addition, MarketWise, Inc. will not be reimbursed for any cash payments previously made to the MarketWise Members under the Tax Receivable Agreement in the event that any tax benefits initially claimed by MarketWise, Inc. and for which payment has been made to the MarketWise Members are subsequently challenged by a taxing authority and are ultimately disallowed. Instead, any excess cash payments made by MarketWise, Inc. to the MarketWise Members will be netted against any future cash payments that MarketWise, Inc. might otherwise be required to make to the MarketWise Members under the terms of the Tax Receivable Agreement. However, MarketWise, Inc. might not determine that it has effectively made an excess cash payment to the MarketWise Members for a number of years following the initial time of such payment, and, if any of its tax reporting positions are challenged by a taxing authority, MarketWise, Inc. will not be permitted to reduce any future cash payments under the Tax Receivable Agreement until any such challenge is finally settled or determined. Moreover, the excess cash payments MarketWise, Inc. previously made under the Tax Receivable Agreement could be greater than the amount of future cash payments against which MarketWise, Inc. would otherwise be permitted to net such excess. The applicable U. S. federal income tax rules for determining applicable tax benefits MarketWise, Inc. claims are complex and factual in nature, and there can be no assurance that the U.S. Internal Revenue Service (the "IRS") or a court will not disagree with MarketWise, Inc.'s tax reporting positions. As a result, payments could be made under the Tax Receivable Agreement in excess of the tax savings that MarketWise, Inc. actually realizes in respect of the tax attributes with respect to the MarketWise Members that are the subject of the Tax Receivable Agreement. If MarketWise, Inc. were **to become a publicly traded partnership taxable as a corporation for U. S. federal income tax purposes, MarketWise, Inc. and MarketWise, LLC might be subject to potentially significant tax inefficiencies, and MarketWise, Inc. would not be able to recover payments previously made by it under the Tax Receivable Agreement even if the corresponding tax benefits were subsequently determined to have been unavailable due to such status. We intend to operate such that MarketWise, LLC does not become a publicly traded partnership taxable as a corporation for U. S. federal income tax purposes. A "publicly traded partnership" is a partnership the interests of which are traded on an established securities market or are readily tradable on a secondary market or the substantial equivalent thereof. Under certain circumstances, redemptions, exchanges or other transfers of the LLC Units could cause MarketWise, LLC to be treated as a publicly traded partnership. Applicable U. S. Treasury regulations provide for certain safe harbors from treatment as a publicly traded partnership, and we intend to operate such that transfers of LLC Units qualify for one or more such safe harbors. For example, we intend to limit the number of unitholders of MarketWise, LLC, and the MarketWise Operating Agreement**

provides for limitations on the ability of holders of LLC Units to redeem, exchange, or otherwise transfer their LLC Units and provides MarketWise, Inc., as the sole manager of MarketWise, LLC, with the right to impose restrictions (in addition to those already in place) on the ability of holders of LLC Units to redeem, exchange, or otherwise transfer their LLC Units to the extent MarketWise, Inc. believes it is necessary to ensure that MarketWise, LLC will continue to be treated as a partnership for U. S. federal income tax purposes. If MarketWise, LLC were to become a publicly traded partnership taxable as a corporation for U. S. federal income tax purposes, significant tax inefficiencies might result for MarketWise, Inc. and for MarketWise, LLC. In addition, MarketWise, Inc. may not be able to realize tax benefits covered under the Tax Receivable Agreement, and MarketWise, Inc. would not be able to recover any payments previously made by it under the Tax Receivable Agreement, even if the corresponding tax benefits (including any claimed increase in the tax basis of MarketWise, LLC's assets) were subsequently determined to have been unavailable. If MarketWise, Inc. were deemed to be an investment company under the Investment Company Act of 1940 as a result of its ownership of MarketWise, LLC, applicable restrictions could make it impractical for us to continue our business as contemplated and could have a material adverse effect on our business. Under Sections 3 (a) (1) (A) and (C) of the U. S. Investment Company Act of 1940, as amended (the "Investment Company Act"), a company generally will be deemed to be an "investment company" for purposes of the Investment Company Act if (1) it is, or holds itself out as being, engaged primarily, or proposes to engage primarily, in the business of investing, reinvesting, or trading in securities or (2) it engages, or proposes to engage, in the business of investing, reinvesting, owning, holding, or trading in securities and it owns or proposes to acquire investment securities having a value exceeding 40 % of the value of its total assets (exclusive of U. S. government securities and cash items) on an unconsolidated basis. MarketWise, Inc. does not believe that it is an "investment company" as such term is defined in either of those sections of the Investment Company Act. As the sole managing member of MarketWise, LLC, MarketWise, Inc. will control MarketWise, LLC. On that basis, MarketWise, Inc. believes that its interest in MarketWise, LLC is not an "investment security" as that term is used in the Investment Company Act. However, if MarketWise, Inc. were to cease participation in the management of MarketWise, LLC, its interest in MarketWise, LLC could be deemed an "investment security" for purposes of the Investment Company Act. MarketWise, Inc. and MarketWise, LLC intend to conduct their respective operations so that MarketWise, Inc. will not be deemed an investment company. However, if MarketWise, Inc. were to be deemed an investment company, restrictions imposed by the Investment Company Act, including limitations on MarketWise's capital structure and its ability to transact with affiliates, could make it impractical for us to continue our business as contemplated and could have a material adverse effect on our business.

Risks Related to Ownership of Our Class A common stock We qualify as an "emerging growth company" and a smaller reporting company, and the reduced disclosure requirements applicable to emerging growth companies and smaller growth companies may make its securities less attractive to investors. We qualify as an "emerging growth company," as defined in Section 2 (a) (19) of the U. S. Securities Act of 1933, as amended (the "Securities Act"). For as long as we continue to be an emerging growth company, we may choose to take advantage of certain exemptions and relief from various reporting requirements that are applicable to other public companies, including, but not limited to: (i) not being required to comply with the auditor attestation requirements of Section 404 of the **Sarbanes-Oxley Act of 2002, as amended ("SOX" ("Section 404"))**; (ii) reduced disclosure obligations regarding executive compensation in its periodic reports and proxy statements; and (iii) exemptions from the requirements of holding nonbinding advisory votes on executive compensation and stockholder approval of any golden parachute payments not previously approved. We will remain an emerging growth company until December 31, 2025 (the last day of the fiscal year ending after the fifth anniversary of ADAC's initial public offering), though we may cease to be an emerging growth company earlier if (1) we have more than \$ 1. 07 billion in annual gross revenue, (2) we qualify as a "large accelerated filer" as defined in Rule 12b- 2 under the **Securities Exchange Act of 1934, as amended (the "Exchange Act")**, or (3) we issue, in any three- year period, more than \$ 1. 0 billion in non- convertible debt securities held by non- affiliates. We currently intend to take advantage of each of the reduced reporting requirements and exemptions described above. As a result, our securityholders may not have access to certain information they may deem important. Further, the **Jumpstart Our Business Startups Act of 2012, as amended, (the "JOBS Act")** exempts emerging growth companies from being required to comply with new or revised financial accounting standards until private companies are required to comply with the new or revised financial accounting standards. The JOBS Act provides that a company can elect to opt out of the extended transition period and comply with the requirements that apply to non-emerging growth companies but any such election to opt out is irrevocable. We have elected not to opt out of such extended transition period, which means that when a standard is issued or revised and it has different application dates for public or private companies, we, as an emerging growth company, can adopt the new or revised standard at the time private companies adopt the new or revised standard. This may make comparison of our financial statements with another public company, which is neither an emerging growth company nor a company that has opted out of using the extended transition period, difficult because of the potential differences in accounting standards used. Additionally, we qualify as a "smaller reporting company" as defined in Item 10 (f) (1) of Regulation S- K under the Securities Act. Smaller reporting companies may take advantage of certain reduced disclosure obligations, including, among other things, providing only two years of audited financial statements in its periodic reports. ~~We will remain a smaller reporting company until the last day of the fiscal year in which we fail to meet the following criteria: (i) the market value of our common stock held by non- affiliates does not exceed \$ 250 million as of the end of that fiscal year's second fiscal quarter; or (ii) our annual revenues do not exceed \$ 100 million during such completed fiscal year and the market value of our common stock held by non- affiliates does not exceed \$ 700 million as of the end of that fiscal year's second fiscal quarter.~~ To the extent we take advantage of such reduced disclosure obligations, it may also make comparison of our financial statements with other public companies difficult or impossible. It is difficult to predict whether investors will find our securities less attractive as a result of ~~its~~ **our** taking advantage of these exemptions and relief granted to emerging growth companies and smaller reporting companies. If some investors find our securities less attractive as a result, the

trading prices of our securities may be lower than they otherwise would be, there may be a less active trading market for our securities and the market price of our securities may be more volatile. Once we lose our “ emerging growth company ” and / or “ smaller reporting company ” status, we will no longer be able to take advantage of certain exemptions from reporting, and we will also be required to comply with the auditor attestation requirements of Section 404 **of SOX**. We will incur additional expenses in connection with such compliance and our management will need to devote additional time and effort to implement and comply with such requirements. The dual class structure of our common stock may adversely affect the trading price or liquidity of our Class A common stock. **We cannot** ~~Although our Class A common stock and Class B common stock have identical voting rights, it is difficult to predict whether our dual- class structure~~, **combined with the concentrated control of our founder, Chief Executive Officer (“ CEO ”) and Chairman of our Board of Directors, F. Porter Stansberry,** will result in a lower or more volatile market price of our Class A common stock or in adverse publicity or other adverse consequences. For example, certain index providers have announced restrictions on including companies with multiple –class share structures in certain of their ~~indices~~ **indexes**. ~~In~~ **For example, in** July 2017, FTSE Russell and ~~S~~ **Standard** & ~~P~~ **Dow Jones** ~~Poor’ s~~ announced that they would cease to allow most newly public companies utilizing dual or multi- class capital structures to be included in their indices. ~~Affected indices include the Russell 2000 and the S & P 500, S & P MidCap 400, and S & P SmallCap 600, which together make up the S & P Composite 1500. Beginning in 2017, MSCI, a leading stock index provider, opened public consultations on their treatment of no- vote and multi- class structures and temporarily barred new multi- class listings from certain of its indices; however, in October 2018, MSCI announced its decision to include equity securities “ with unequal voting structures ” in its indices and to launch a new index that specifically includes voting rights in its eligibility criteria. Under the announced policies, our dual –class capital structure would make us ineligible for inclusion in certain indices, and as a result, mutual funds, exchange- traded funds, and other investment vehicles that attempt to passively track those indices will not be investing in our stock. These policies are still fairly new and it is as of yet unclear what effect, if any , they will have on the valuations of publicly traded companies excluded from the indices, but it is possible that they may depress these valuations compared to those of other similar companies that are included. Because of our dual- class structure, we will likely be excluded from certain of these indices and there can be no assurance that other stock indices will not take similar actions.~~ Given the sustained flow of investment ~~funds~~ into passive strategies that seek to track certain ~~indices~~ **indexes**, exclusion from stock ~~indices~~ **indexes** would likely preclude investment by many of these funds and could make shares of our Class A common stock less attractive to other investors. As a result, the market price ~~of shares~~ of our Class A common stock could be adversely affected. ~~In addition, several shareholder advisory firms have announced their opposition to the use of multiple class structures, and our dual- class structure may cause shareholder advisory firms to publish negative commentary about its corporate governance practices or otherwise seek to cause us to change our capital structure. Any actions or publications by shareholder advisory firms critical of our corporate governance practices or capital structure could also adversely affect the value of our Class A common stock.~~ The MarketWise Members have significant influence over us, including control over decisions that require the approval of MarketWise, Inc. stockholders. The MarketWise Members control in the aggregate, based on the information available to us, at least ~~89-87~~ % of the voting power represented by all of our outstanding classes of stock. Of the MarketWise Members, Monument & Cathedral, LLC controls in the aggregate, based on the information available to us, at least 42 % of the voting power represented by all of our outstanding classes of stock , **and our CEO and Chairman controls in the aggregate, based on information available to us, at least 18 % of the voting power represented by all of our outstanding classes of stock** . As a result, the MarketWise Members (and Monument & Cathedral, LLC **and F. Porter Stansberry,** in particular) may exercise significant influence over all matters requiring stockholder approval, including the election and removal of directors and the size of our ~~board~~ **Board of Directors** , appointment and removal of officers, any amendment of our Charter or MarketWise, Inc.’ s bylaws (our “ Bylaws ”), and any approval of significant corporate transactions (including a sale of substantially all of MarketWise, LLC’ s assets), and will continue to have significant control over our management and policies, including policies around financing, compensation, and declaration of dividends. Certain MarketWise Members or affiliates of MarketWise Members are members of our ~~board~~ **Board** of ~~directors~~ **Directors , including our CEO and Chairman** . These ~~board~~ **members of our Board of Directors** can take actions that have the effect of delaying or preventing a change of control of MarketWise, LLC or discouraging others from making tender offers for our shares, which could prevent stockholders from receiving a premium for their shares. These actions may be taken even if other stockholders oppose them. The concentration of voting power with the MarketWise Members may have an adverse effect on the price of our securities. The interests of the MarketWise Members may not be consistent with your interests as a securityholder. **Our Chairman and CEO has other professional responsibilities which could conflict with the interests of our shareholders. Our Chairman of the Board of Directors and Chief Executive Officer, F. Porter Stansberry, is also the owner and managing- member of Porter & Company, LLC (“ Porter & Co. ”), a boutique investment research firm. As a result, Mr. Stansberry does not devote his full time and attention to the affairs of MarketWise, Inc. Mr. Stansberry may have actual or apparent conflicts of interest with respect to matters involving or affecting each company. For example, conflicts may arise if there are issues or disputes under the informal commercial arrangements that exist between Porter & Co. and us. A conflict of interest between our business and Porter & Co. could lead to decisions being made that are not in our best interests and actions being taken that harm our reputation for trustworthiness, which could reduce our subscriber base and have an adverse effect on our business, results of operations and financial condition.** The MarketWise Members have the right to have their ~~MarketWise LLC~~ Units redeemed or exchanged into shares of Class A common stock, which, if exercised, will dilute your economic interest in MarketWise, Inc. We have an aggregate of approximately ~~915-908~~ , ~~909-564~~ , ~~345-019~~ shares of our Class A common stock authorized but unissued, including ~~291-288~~ , 092, 303 shares of our Class A common stock issuable upon redemption or exchange of ~~MarketWise LLC~~ Units that are held by the MarketWise Members. Under the terms of the MarketWise Operating Agreement, and subject to certain restrictions set

forth therein, the MarketWise Members are entitled to have their MarketWise-LLC Units redeemed or exchanged for shares of our Class A common stock or, at our option, cash. Shares of our Class B common stock held by any such redeeming or exchanging MarketWise Member will be canceled for no additional consideration on a one-for-one basis with the redeemed or exchanged MarketWise-LLC Units whenever the MarketWise Members' MarketWise-LLC Units are so redeemed or exchanged. While any redemption or exchange of MarketWise-LLC Units and corresponding cancellation of our Class B common stock will reduce the MarketWise Members' economic interest in MarketWise and its voting interest in MarketWise, Inc., the related issuance of our Class A common stock will dilute your economic interest in us. **During the year ended December 31, 2023, pursuant to the terms of the MarketWise Operating Agreement, MarketWise Members exchanged an aggregate of 3,000,000 LLC Units, together with an equal number of shares of Class B common stock for 3,000,000 newly-issued shares of our Class A common stock.** The timing or size of any future issuances of our Class A common stock resulting from the redemption or exchange of MarketWise-LLC Units cannot be predicted. **A significant portion of Under certain circumstances, the total outstanding Sponsor and certain members of our management team will be entitled to the Sponsor Earnout Shares and the Management Member Earnout Shares, as applicable, which will increase the number of shares eligible of our Class A common stock (or for shares of our Class A common stock that may be issued in the future pursuant to the exchange or redemption of MarketWise Units) are restricted from immediate resale in but may be sold into the public market in the near future.** This could cause the market price of our securities to drop significantly, even if our business is doing well. Pursuant to the Registration Rights Agreement, subject to certain exceptions, the Sponsor and **result in dilution to the MarketWise Members are contractually restricted from selling or our transferring, (a) with respect to stockholders. If at any time prior to the Sponsor July 21, 2025 the shares of our common stock held by the Sponsor on the closing date of the Transactions or received by the Sponsor in connection with the Transactions and (b) with respect to the MarketWise Members, (i) the shares of our Class A common stock received by the MarketWise Members on the closing date of the Transactions and (ii) any shares of Class A common stock received by any MarketWise Member thereafter pursuant to a direct exchange or redemption of MarketWise Units held as of the closing date of the Transactions under the MarketWise Operating Agreement.** Such restrictions end (i) with respect to the Sponsor and any MarketWise Member that is a member of our management, on the earlier of (x) July 21, 2022 and (y) the date on which the last reported sale price of our Class A common stock equals or exceeds \$ 12.00 per share for any 20 trading days within any 30- trading day period **or commencing December 18, 2021 and (ii) we consummate a transaction with respect to any MarketWise Member that results in is not a member of our stockholders having the right to exchange management, January 17, 2022.** Following the **their** expiration of the applicable lock-up period, neither the MarketWise Members nor the Sponsor will be restricted from selling shares of Class A common stock held by **for cash, securities, or other property having a value equal to or exceeding \$ 12.00 per share, Ascendant Sponsor L. P., a Cayman Islands exempted limited partnership and related parties (them- the or that may " Sponsor ") will be received by entitled to them- the release in exchange for MarketWise Units, other than by applicable securities laws.** Additionally, the PIPE Investors are not restricted from **escrow** selling any of their **1,525,500** shares of **our** Class A common stock ; **(representing 50 % of other-- the 3 than by applicable securities laws. As such, 051,000** sales of a substantial number of shares **subject** of Class A common stock in the public market could occur at any time. These sales, or the perception in the market that the holders of a large number of shares intend to sell shares, could reduce the market price of our securities. As restrictions on resale end and registration statements for the sale of shares of Class A common stock by the parties to the Registration Rights Agreement are available for use, the sale or possibility of sale of these **-- the earn- out escrow)** shares of Class A common stock could have the effect of increasing the volatility in the market price of Class A common stock, or decreasing the market price itself. Under certain circumstances, the Sponsor and certain members of our management team will be entitled to the Sponsor Earnout Shares and **an aggregate the Management Member Earnout Shares, as applicable, which will increase the number of 1,000,000 newly issued shares of Class A common stock eligible for future resale in the public market and result in dilution to our stockholders- If Furthermore, if at any time prior to July 21, 2025 (i) the last reported sale price of Class A common stock equals or exceeds \$ 12-14 .00 per share for any 20 trading days within any 30- trading day period or (ii) we consummate a transaction that results in our stockholders having the right to exchange their shares of Class A common stock for cash, securities, or other property having a value equal to or exceeding \$ 12-14 .00 per share, the Sponsor will be entitled to the release from escrow of an additional 1,525,500 shares of our Class A common stock (representing the remaining 50 % of the 3,051,000 shares subject to the earn- out escrow) (together with the initial 1,525,00 shares of Class A common stock subject to earn- out escrow, the " Sponsor Earnout Shares ") and certain members of our management team will be entitled to an additional aggregate of 1,000,000 newly issued shares of Class A common stock in the aggregate . Furthermore, if at any time prior to July 21, 2025- (i) together with the last reported sale price- initial 1,000,000 shares of Class A common stock equals or exceeds \$ 14.00 per share for any 20 trading days within any 30- trading day period or (ii) we consummate a transaction that results in our stockholders having the right to exchange their -- the shares of Class A common stock for cash, securities, or other property having a value equal to or exceeding \$ 14.00 per share, the Sponsor will be entitled to the release from escrow of an additional 1,525,500 shares of our Class A common stock (representing the remaining 50 % of the 3,051,000 shares subject to the earn- out escrow) and certain members of our management team will be entitled to an additional 1,000,000 newly issued the " Managing Member Earnout shares Shares ") of Class A common stock in the aggregate . To the extent the Management Member Earnout Shares are issued, there will be dilution to the holders of Class A common stock and an increase the number of shares eligible for resale in the public market. Sales of substantial numbers of such shares in the public market or the fact that the Management Member Earnout Shares may be issued could adversely affect the market price of our securities. We may issue shares of preferred stock in the future, which could make it difficult for another company to acquire us or could otherwise adversely affect our securityholders, which could depress the price of our securities. Our Charter authorizes us to issue one or more series of preferred stock. Our board **Board** of directors **Directors** will have the**

authority to determine the relative rights, limitations, preferences, privileges, restrictions, and other terms of the shares of preferred stock and to fix the number of shares constituting any series and the designation of such series, without any further vote or action by stockholders. Our preferred stock could be issued with voting, liquidation, dividend, and other rights superior to the rights of Class A common stock. The potential issuance of preferred stock may delay or prevent a change in control of us, discourage bids for our securities at a premium to the market price, and materially and adversely affect the market price and the voting and other rights of the holders of our securities. As a result of our business combination with a special purpose acquisition company, regulatory obligations may impact us differently than other publicly traded companies. On July 21, 2021, we consummated the Transactions with **ADAC Ascendant Digital Acquisition Corp.**, a special purpose acquisition company ("**ADAC**"), pursuant to which we became a publicly traded company. As a result of this transaction, regulatory obligations have, and may continue, to impact us differently than other publicly traded companies. For instance, the SEC and other regulatory agencies may issue additional guidance or apply further regulatory scrutiny to companies like us that have completed a business combination with a special purpose acquisition company. Managing this regulatory environment, which has and may continue to evolve, could divert management's attention from the operation of our business, negatively impact our ability to raise additional capital when needed, or have an adverse effect on the price of our securities. The requirements of being a public company require significant resources and management attention and affect our ability to attract and retain executive management and qualified ~~board~~ **members to our Board of Directors**. As a ~~newly~~ public company, we **have, and will continue to** incur legal, regulatory, finance, accounting, investor relations, and other expenses that we did not previously incur as a private company, including costs associated with public company reporting requirements and costs of recruiting and retaining non-executive directors. We are now subject to the Exchange Act, including the reporting requirements thereunder, SOX, the Dodd-Frank Wall Street Reform and Consumer Protection Act, the Nasdaq rules and other applicable securities rules and regulations. Compliance with these rules and regulations will increase our legal and financial compliance costs, make some activities more difficult, time-consuming, or costly (although these costs currently unable to be estimated with any degree of certainty), and increase demand on our systems and resources, particularly after we are no longer an "emerging growth company" or a "smaller reporting company." The expenses incurred by public companies generally for reporting and corporate governance purposes have been increasing. Our management will need to devote a substantial amount of time to ensure that we comply with all of these requirements, diverting the attention of management away from revenue-producing activities. Further, these rules and regulations may make it more difficult and more expensive for us to obtain certain types of insurance, including directors' and officers' liability insurance, which could make it more difficult for us to attract and retain qualified members of our ~~board~~ **Board of Directors**. We may be forced to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. In addition, enhanced legal and regulatory regimes and heightened standards relating to corporate governance and disclosure for public companies result in increased legal and financial compliance costs and make some activities more time consuming. Pursuant to Section 404 **of SOX**, once we are no longer an emerging growth company or a smaller reporting company, we may be required to furnish an attestation report on internal control over financial reporting issued by our independent registered public accounting firm. When our independent registered public accounting firm is required to undertake an assessment of our internal control over financial reporting, the cost of complying with Section 404 **of SOX** will significantly increase, and management's attention may be further diverted from other business concerns, which could adversely affect our business and results of operations. We may need to hire more employees in the future or engage outside consultants to comply with the requirements of Section 404 **of SOX**, which will further increase cost and expense. If we are unable to satisfy its obligations as a public company, we could be subject to delisting of our Class A common stock, fines, sanctions, and other regulatory actions and potentially civil litigation. We have **previously** identified material weaknesses in our internal control over financial reporting and may identify additional material weaknesses in the future that may cause us to fail to meet our reporting obligations or result in material misstatements of its financial statements. If we fail to remediate any material weaknesses or if we fail to establish and maintain effective control over financial reporting, our ability to accurately and timely report financial results could be adversely affected. Our management is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with U.S. generally accepted accounting principles. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of annual or interim financial statements will not be prevented or detected on a timely basis. Prior to the completion of the Transactions, we had been a private company with limited accounting personnel and other resources to address its internal control over financial reporting. During the course of preparing for the Transactions, our management and independent registered public accounting firm determined that we had material weaknesses in internal controls related to (i) the lack of contemporaneous documentation and account reconciliation and (ii) the lack of a formal or documented risk assessment process. We ~~have~~ **are currently implementing implemented** a number of steps to enhance our internal control over financial reporting and ~~address~~ **addressed** the material weaknesses, including enhancing our internal review procedures related to the financial reporting process and the implementation of new software tools. Our ~~failure~~ **efforts** to remediate the material weaknesses identified above ~~or the~~ **identification were successful as of December 31, 2023. Our failure to remediate** additional material weaknesses in the future, could adversely affect our ability to report financial information, including filing of quarterly or annual reports with the SEC on a timely and accurate basis. Moreover, our ~~failure to remediate the material weaknesses identified above or the~~ **identification of** additional material weaknesses could prohibit us from producing timely and accurate financial statements, which may adversely affect the market price of shares of our Class A common stock and we may be unable to maintain compliance with listing requirements. If we fail to maintain effective internal control over financial reporting and disclosure controls and procedures, we may suffer harm to our reputation and investor confidence levels. The process of designing and implementing effective internal

controls is a continuous effort that requires us to anticipate and react to changes in our business and the economic and regulatory environments and to expend significant resources to maintain a system of internal controls that is adequate to satisfy its reporting obligations as a public company. If we are unable to maintain appropriate internal financial reporting controls and procedures, it could cause us to fail to meet our reporting obligations on a timely basis, result in material misstatements in our consolidated financial statements, and harm our operating results. In connection with the implementation of the necessary procedures and practices related to internal control over financial reporting, we may identify **additional** deficiencies that we may not be able to remediate in time to meet the deadline imposed by SOX for compliance with the requirements of Section 404 **of SOX**. If we fail to implement the requirements of Section 404 **of SOX** in the required timeframe once we are no longer an emerging growth company or a smaller reporting company, we may be subject to sanctions or investigations by regulatory authorities, including the SEC and the Nasdaq. Furthermore, if we are unable to conclude that our internal controls over financial reporting is effective, we could lose investor confidence in the accuracy and completeness of our financial reports, the market price of our securities could decline, and we could be subject to sanctions or investigations by regulatory authorities. Failure to implement or maintain effective internal control over financial reporting and disclosure controls and procedures required of public companies could also restrict our future access to the capital markets. An active, liquid trading market for our securities may not develop or be sustained. There can be no assurance that an active trading market for our Class A common stock will develop or, if such a market develops, that we will be able to maintain an active trading market for those securities on the Nasdaq or any other exchange in the future. If an active market for our securities does not develop or is not maintained, or if MarketWise, Inc. fails to satisfy the continued listing standards of the Nasdaq for any reason and its securities are delisted, it may be difficult for our securityholders to sell their securities without depressing the market price for the securities or at all. An inactive trading market may also impair our ability to both raise capital by selling shares of capital stock, attract and motivate employees through equity incentive awards and acquire other companies, products, or technologies by using shares of capital stock as consideration. The market price and trading volume of our securities ~~may be~~ **has been** volatile ~~and~~, could decline significantly, **and you could lose all or part of your investment**. Securities markets worldwide experience significant price and volume fluctuations. This market volatility, as well as general economic, market, or political conditions, could reduce the market price of our Class A common stock in spite of our operating performance, which may limit or prevent investors from readily selling their Class A common stock and may otherwise negatively affect the liquidity of our Class A common stock. There can be no assurance that the market price of Class A common stock will not **continue to** fluctuate widely or decline significantly in the future, **or that you will lose all or part of your investment**, in response to a number of factors, including, among others, the following: • actual or anticipated fluctuations in our annual or quarterly financial condition and operating results; • actual or anticipated changes in our growth rate relative to our competitors; • failure to meet or exceed financial estimates and projections of the investment community ~~or that we provide to the public~~; • speculation in the press or investment community about our business or industry; • issuance of new or updated research or reports by securities analysts, or the failure of securities analysts to provide adequate coverage of our Class A common stock in the future; • fluctuations in the valuation of companies perceived by investors to be comparable to us; • Class A common stock and volume fluctuations attributable to inconsistent trading volume levels of our Class A common stock; • additions or departures of key personnel; • disputes or other developments related to proprietary rights; • additional or unexpected changes or proposed changes in laws or regulations or differing interpretations thereof affecting our business or enforcement of these laws and regulations, or announcements relating to these matters; • announcement or expectation of additional equity or debt financing efforts; • equity sales by us, the MarketWise Members, our insiders, or our other stockholders; • general economic and market conditions, including any impacts associated with ~~the COVID-19 pandemic~~ **inflation and increased interest rates**; and • other factors described in this “Risk Factors” section and elsewhere in this report. **In addition, broad market and industry factors may negatively affect the market price of our Class A common stock, regardless of our actual operating performance, and factors beyond our control may cause our stock price to decline rapidly and unexpectedly. In addition, in the past, companies that have experienced volatility in the market price of their stock have been subject to securities class action litigation. We may be the target of this type of litigation in the future. Litigation of this type could result in substantial costs and diversion of management’s attention and resources, which could harm our business, financial condition, results of operations or prospects. Any adverse determination in litigation could also subject us to significant liabilities**. If securities or industry analysts do not publish research or publish inaccurate or unfavorable research about our business, the price and trading volume of our securities could decline. The trading market for our securities depends in part on the research and reports that securities or industry analysts publish about us or our business. We will not control these analysts, and the analysts who publish information about us may have relatively little experience with us or our industry, which could affect their ability to accurately forecast our results and could make it more likely that we fail to meet their estimates. If few or no securities or industry analysts cover us, the trading price for our securities would be negatively impacted. If one or more of the analysts who covers us downgrades our securities, publishes incorrect or unfavorable research about us, ceases coverage of us, or fails to publish reports on us regularly, demand for and visibility of our securities could decrease, which could cause the price or trading volumes of our securities to decline. We may be subject to securities class action, which may harm our business and operating results. Companies that have experienced volatility in the market price of their stock have been subject to securities class action litigation. We may be the target of this type of litigation in the future. Securities litigation against us could result in substantial costs and damages, and divert management’s attention from other business concerns, which could seriously harm our business, results of operations, financial condition, or cash flows. We may also be called on to defend ourselves against lawsuits relating to our business operations. Some of these claims may seek significant damages amounts. Due to the inherent uncertainties of litigation, the ultimate outcome of any such proceedings cannot be accurately predicted. A future unfavorable outcome in a legal proceeding could have an adverse impact on our business, financial condition, and results of operations. In addition, current and future

litigation, regardless of its merits, could result in substantial legal fees, settlements, or judgment costs and a diversion of management's attention and resources that are needed to successfully run our business. ~~We do not currently pay cash dividends. We currently intend to retain our future earnings, if any, to finance the further development and expansion of our business and our share repurchase program, and we may not pay cash dividends for the foreseeable future. Any future determination to pay dividends will be at the discretion of our board of directors and will depend on our financial condition, results of operations, capital requirements, restrictions contained-~~ **Continued payment** in future agreements and financing instruments, business prospects, and such other factors as our board of directors deems relevant. Therefore, you may not receive any dividends on your ~~our~~ **Class A common stock are subject to the continued discretion of our Board of Directors and, consequently, shareholders' ability to achieve a return on their investment could become limited to appreciation in the price of our common stock. In 2023, we commenced paying quarterly dividends on shares of our Class A common stock. Our continued declaration and payment of dividends and institution of any other distributions of capital to shareholders will nonetheless be at the discretion of our Board of Directors and will depend on many factors, including our earnings, financial condition and results of operations, capital requirements, level of indebtedness, covenants contained within agreements governing our indebtedness, contractual restrictions with respect to payment of dividends, ability to obtain cash for-** ~~or the other foreseeable~~ **assets from our subsidiaries, restrictions imposed by applicable law, general business conditions and other factors that our Board of Directors may deem relevant. There can be no assurance that we will continue to pay dividends in the future. Therefore, and the success of an investment in shares of our Class A common stock may in the future depend only upon any future appreciation in their value. There is no guarantee that shares of our** ~~Class A common stock will depend upon~~ **appreciate or even maintain their value. Investments in equity securities are subject to loss in value. The Company may allocate a portion of its cash on hand to investments meeting pre-determined guidelines, including U. S.- listed equity securities, with the objective to provide an acceptable rate of return while complying with established risk tolerances and liquidity parameters. See Item 7 " Management's Discussion & Analysis of Financial Condition and Results of Operations – Liquidity and Capital Resources " for more information. The Company's holdings may be concentrated in a relatively small number of issuers. A significant decline in the market value of our investments, which are exposed to market volatility, may negatively affect the Company's financial condition and results of operations. Additionally, we are required under accounting principles to include changes in unrealized gains and losses on equity securities in the Company's reported net income (loss), even though the Company has not actually realized any future appreciation gain or loss by selling such securities. Accordingly, changes in its value the market prices of such securities can have a significant impact on the Company's reported results for the period, even though those changes do not bear on the performance of the Company's operating business.** Delaware law and our Charter and Bylaws contain certain provisions, including anti- takeover provisions, that limit the ability of stockholders to take certain actions and could delay or discourage takeover attempts that stockholders may consider favorable. Our Charter and Bylaws and the General Corporation Law of the State of Delaware (the " DGCL "), contain provisions that could have the effect of rendering more difficult, delaying, or preventing an acquisition that stockholders may consider favorable, including transactions in which stockholders might otherwise receive a premium for their shares. These provisions could also limit the price that investors might be willing to pay in the future for shares of our common stock, and therefore depress the trading price of our Class A common stock. These provisions could also make it difficult for stockholders to take certain actions, including electing directors who are not nominated by the current members of our ~~board~~ **Board of directors-Directors** or taking other corporate actions, including effecting changes in our management. Among other things, Charter and Bylaws include the following provisions: • a classified ~~board~~ **Board of directors-Directors** with staggered, three- year terms; • the ability of our ~~board~~ **Board of directors-Directors** to issue shares of preferred stock, including " blank check " preferred stock, and to determine the price and other terms of those shares, including preferences and voting rights, without stockholder approval, which could be used to significantly dilute the ownership of a hostile acquirer; • prohibition on cumulative voting in the election of directors, which limits the ability of minority stockholders to elect director candidates; • the limitation of the liability of, and the indemnification of, our directors and officers; • the ability of our ~~board~~ **Board of directors-Directors** to amend the Bylaws, which may allow our ~~board~~ **Board of directors-Directors** to take additional actions to prevent an unsolicited takeover and inhibit the ability of an acquirer to amend the Bylaws to facilitate an unsolicited takeover attempt; and • advance notice procedures with which stockholders must comply to nominate candidates to our ~~board~~ **Board of directors-Directors** or to propose matters to be acted upon at a stockholders' meeting, which could preclude stockholders from bringing matters before annual or special meetings of stockholders and delay changes in our ~~board~~ **Board of directors-Directors** and also may discourage or deter a potential acquirer from conducting a solicitation of proxies to elect the acquirer's own slate of directors or otherwise attempting to obtain control of us. These provisions, alone or together, could delay or prevent hostile takeovers and changes in control or changes in our ~~board~~ **Board of directors-Directors** or management. The provisions of our Charter requiring exclusive forum in the Court of Chancery of the State of Delaware and the federal district courts of the United States for certain types of lawsuits may have the effect of discouraging lawsuits against our directors and officers. Our Charter provides that, to the fullest extent permitted by law, and unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware (or, in the event that the Chancery Court does not have jurisdiction, the federal district court for the District of Delaware) will be the sole and exclusive forum for (i) any derivative action, suit or proceeding brought on our behalf, (ii) any action asserting a claim of breach of a fiduciary duty owed by any of our current or former directors, officers, other employees, or stockholders to us or our stockholders, (iii) any action asserting a claim arising pursuant to any provision of the DGCL or our Bylaws or Charter (as each may be amended from time to time) or as to which the DGCL confers exclusive jurisdiction on the Court of Chancery of the State of Delaware, or (iv) any action asserting a claim governed by the internal affairs doctrine. Our Charter also provides that, unless we consent in writing to the selection of an alternative

forum, to the fullest extent permitted by law, the federal district courts of the United States of America shall be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act. However, there is uncertainty as to whether a court would enforce such provision, and investors cannot waive compliance with federal securities laws and the rules and regulations thereunder. Section 27 of the Exchange Act creates exclusive federal jurisdiction over all suits brought to enforce any duty or liability created by the Exchange Act or the rules and regulations thereunder and our Charter provides that the exclusive forum provision will not apply to claims seeking to enforce any liability or duty created by the Exchange Act. These provisions may have the effect of discouraging lawsuits against our directors and officers. The enforceability of similar choice of forum provisions in other companies' certificates of incorporation has been challenged in legal proceedings, and it is possible that, in connection with any applicable action brought against us, a court could find the choice of forum provisions contained in our Charter to be inapplicable or unenforceable in such action. ~~41~~