

Risk Factors Comparison 2025-03-06 to 2024-03-18 Form: 10-K

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

Ownership of the common stock and other securities of the Company involves certain risks. You should carefully consider the following material risks and other information in this document, including our historical financial statements and related notes included herein. The material risks and uncertainties described in this document are not the only ones facing us. If any of the risks and uncertainties described in this document actually occur, our business, financial condition and results of operations could be adversely affected in a material way. This could cause the trading price of our common stock to decline, perhaps significantly, and you may lose part or all of your investment. Risks Related to **NCM LLC' s Emergence from Bankruptcy..... and other factors.** Risks Related to Our Business and Industry Significant declines in theater attendance could reduce the attractiveness of cinema advertising and could reduce our revenue. Our business is affected by the level of attendance at the theaters in our advertising network that operate in a highly competitive industry and whose attendance is reliant on the presence of motion pictures that attract audiences. ~~Over the 10 years prior to the outbreak of the novel corona virus or COVID-19 in 2020 (the " COVID 19 Pandemic "), theater attendance has fluctuated from year to year but on average has remained relatively flat.~~ The value of our advertising business could be adversely affected by a decline in theater attendance or even the perception by media buyers that our network is no longer relevant to their marketing plan due to the decreases in attendance and geographic coverage. **The Theater attendance has fluctuated from year to year but on average remained relatively flat over the 10 years prior to the outbreak of the novel corona virus or COVID- 19 in 2020 (the " COVID 19 Pandemic also led to several changes impacting patron attendance at theaters including studios electing to shorten or eliminate the " release window ") between the release of major motion pictures to alternative delivery methods or released motion pictures directly to alternative delivery methods bypassing the theater entirely. Certain patrons also avoided crowds and other public indoor spaces and governments restrictions impacted the ability of theaters to operate at normal capacity.** While consumers have largely returned to pre- COVID- 19 Pandemic behavior, it is unknown how future pandemics or epidemics will influence behavior. **Additionally, film production was significantly impacted by production delays, due to writers' and actors' strikes in 2023, leading to significant impacts on theater attendance throughout 2024. Future strikes or other impacts from incidents on sets, government regulation or other factors could also limit the number of films available and reduce attendance.** Additional factors that could reduce attendance at our network theaters include the following: • if NCM LLC' s network theater circuits cannot compete with other entertainment due to an increase in the use of alternative film delivery methods (and the shortening or elimination of the " release window " of major motion pictures bypassing the theater entirely), including network and online video streaming and downloads; • theater circuits in NCM LLC' s network are expected to continue to renovate auditoriums in certain of their theaters to install new larger, more comfortable seating or adjust seating arrangements, reducing the number of seats and the audience size in a theater auditorium. These renovations have been viewed favorably by patrons and many theater circuits have noted an intent to continue such renovations; • changes in theater operating policies, including the number and length of trailers for films that are played prior to the start of the feature film, which may result in most or all of The Noovie ® Show starting further out from the actual start of the feature film; • any reduction in consumer confidence or disposable income in general that reduces the demand for motion pictures or adversely affects the motion picture production or exhibition industries; • the success of first- run motion pictures, which depends upon the number of films produced for theater exhibition and the production and marketing efforts of the major studios and the attractiveness and value proposition of the movies to consumers compared to other forms of entertainment; • if political events, such as terrorist attacks, or health- related epidemics, such as flu outbreaks, and pandemics, such as the COVID- 19 Pandemic, cause consumers to avoid movie theaters or other places where large crowds are in attendance ; • ~~the film production process may be impacted by production delays, writers' or actors' strikes, such as those that took place in 2023, incidents on sets, government regulation, or other factors that could limit the number of films available and cause films to be delayed ;~~ • government regulations or theater operating policies that require higher levels of social distancing, restriction of capacity or prohibition of operations; • if the theaters in our network fail to maintain and clean their theaters and provide amenities that consumers prefer; • if future theater attendance declines significantly over an extended time period, one or more of NCM LLC' s network theater circuits may face financial difficulties and could be forced to sell or close theaters or reduce the number of screens it builds or upgrades or increase ticket prices; and • NCM LLC' s network theater circuits also may not successfully compete for licenses to exhibit quality films and are not assured a consistent supply of motion pictures. Any of these circumstances could reduce our revenue because our national and regional advertising revenue, and local advertising revenue to a lesser extent, depends on the number of theater patrons who attend movies. Additionally, if attendance underperforms against expectations or declines significantly, the Company will be required to provide additional advertising time (makegoods) to national advertisers to reach agreed- on audience delivery thresholds. Certain of these circumstances can also lead to volatility within our utilization, which typically varies more than 10 % on an annual basis and even more substantially quarter- to- quarter. Pandemics, epidemics or disease outbreaks, such as the COVID- 19 virus, have disrupted and **could materially affect** ~~are continuing to disrupt~~ our business and the business of NCM LLC' s network theaters **in the future**, ~~which has and could continue to materially affect our operations, liquidity and results of operations.~~ Pandemics or disease outbreaks such as the COVID- 19 virus, including variants, have and are continuing to disrupt our business and the business of NCM LLC' s network theaters. There can be no assurance that **impacts from** the COVID- 19 Pandemic ~~and associated impacts~~ will not return in the future, or a future pandemic will not lead to public safety restrictions or **changes in** consumer behavior that will negatively impact our business, advertiser sentiment, or

audience attendance. **Due to** ~~In~~ theater advertising revenue and overall theatrical attendance has remained below historical levels since the start of **impacts to our operations, we were required to take drastic measures to ensure our business survived** the COVID- 19 Pandemic even though certain released films achieved attendance that was comparable, **including furloughing and terminating employees, extending payment terms on accounts payable, and reducing or delaying planned operating and capital expenditures. Additionally, many of our network's theaters were also required** to levels prior to **take significant actions during** the COVID- 19 Pandemic . ~~The uncertainty around~~ **and these actions have lead to decreased** attendance and film release plans **caused financial distress, including the Cineworld Proceeding, described further below. Even the perception that our business or the business of network's theaters may be impacted, could lead to** ~~created~~ **decreased** by advertising expenditures and other significant disruption to our business. Future pandemics **could require us to implement measures similar to those implemented in response to** the COVID- 19 pandemic. ~~Pandemic~~ also limited our ability to participate in the annual advertising upfronts impacting our typical mix of upfront and seatter revenue . We believe that the exhibition industry has historically fared well during periods of economic stress, and we remain optimistic, though cannot guarantee, that the theatrical business and attendance figures will continue to rebound. **However Future pandemics** , the ultimate significance **similar to that** of the COVID- 19 Pandemic or other future pandemics, **may have** on our business is still unknown. We are monitoring the rapidly evolving situation and its potential impacts on our financial position, results of operations, liquidity and cash flows . ~~Due to the impacts to our operations, we were required to take drastic measures to ensure our business survived the COVID- 19 Pandemic, including furloughing and terminating employees, extending payment terms on accounts payable, and reducing or delaying planned operating and capital expenditures. The ultimate impact of these actions following NCM LLC's emergence from bankruptcy on our operations in the future remains to be seen, including increased difficulties in accessing lending or capital markets or other sources of liquidity, increased employee turnover or litigation, actual or potential impairment charges, and advertisers perception and willingness to invest with us. Additionally, many of our network's theaters were also required to take significant actions during the COVID- 19 Pandemic and these actions may lead to decreased attendance in the future and may cause financial distress, including the Cineworld Proceeding, described further below. Even the perception that our business or the business of network's theaters may be impacted, could lead to decreased advertising expenditures and other significant disruption to our business. Future pandemics could require us to implement measures similar to those implemented in response to the COVID- 19 Pandemic~~ . Changes in theater patron behavior could result in declines in the viewership of The Noovie ® Show which could reduce the attractiveness of cinema advertising and our revenues. The value of our national and regional on- screen advertising and to a lesser extent our local advertising is based on the number of theater patrons that are in their seats and thus have the opportunity to view The Noovie Show. Trends in patron behavior that could reduce viewership of The Noovie Show include the following: • theater patrons are increasingly purchasing tickets ahead of time via online ticketing mediums and when available reserving a seat in the theater (offered in a significant percentage of our network), which could affect how early patrons arrive to the theater and reduce the number of patrons that are in a theater seat to view most or all of The Noovie ® Show; • during the COVID- 19 Pandemic, certain consumers changed their behavior in order to avoid large groups and other public indoor activities, and these behavior changes could become a long- term trend; • certain theater chains have increased the number of trailers and time devoted to other programming prior to the display of the feature film, and in combination with our Post- Showtime Inventory, may cause patrons to arrive later to theaters and reduce the number of patrons that are in a theater seat to view most or all of The Noovie Show; and • changes in theater patron amenities, including bars and entertainment within exhibitor lobbies causing increased dwell time of patrons. National advertising sales and rates are dependent on the methodology used to measure audience impressions. If a change is made to this methodology that reflects fewer audience impressions available during the show, this could adversely affect the Company's revenue and results of operations. Changes in the ESAs with, or lack of support by, the ESA Parties could adversely affect our revenue, growth and profitability. The ESAs with the ESA Parties are critical to our business. The ESA with AMC has an initial term of 30 years and the ESA with Cinemark (as amended by the 2019 ESA Amendment) has a term of 34 years, each such term beginning February 13, 2007. Each ESA provides NCM LLC with a five- year right of first refusal for the services that it provides to the ESA Parties, which begins one year prior to the end of the term of each respective ESA. The ESA Parties' theaters represent approximately 52. **4 % of the screens and approximately 62. 0 % of the screens and approximately 72. 4 % of the** attendance in our network as of December ~~28-26, 2023-2024~~ . If either ESA were terminated, not renewed at its expiration, rejected in a bankruptcy proceeding, or found to be unenforceable, it could have a material negative impact on our revenue, profitability and financial condition. The ESAs require the continuing cooperation, investment and support of the ESA Parties, the absence of which could adversely affect us. Pursuant to the ESAs, the ESA Parties must make investments to replace network equipment within their theaters and equip newly constructed theaters with digital network equipment. If the ESA Parties do not have adequate financial resources or operational strength, and if they do not replace equipment or equip new theaters to maintain the level of operating functionality that we have today, or if such equipment becomes obsolete, we may have to make additional capital expenditures or our advertising revenue and operating margins may decline. In addition, the ESAs give the ESA Parties the right to object to certain content in The Noovie ® Show, including content that competes with us or the applicable ESA Party. If the ESA Parties do not agree with our decisions on what content, strategic program or partnerships are permitted under the ESAs, we may lose advertising clients and the resulting revenue, which would harm our business. ~~Following NCM LLC's emergence from bankruptcy, neither AMC nor~~ **and** Cinemark ~~holds any membership units in NCM LLC, but~~ are eligible to be issued additional units pursuant to the terms of the Common Unit Adjustment Agreement **and Cinemark may own shares of NCM, Inc. stock** . We are uncertain how the lack of ownership interest in NCM LLC and limited ownership at NCM, Inc. may affect their cooperation with us under the ESAs or otherwise going forward. Additionally, following the approval of the bankruptcy court authorizing NCM LLC's entry into the Regal Advertising Agreement and the Regal Termination Agreement (the " Regal Order ") and approval of the Confirmation Order approving NCM LLC's disclosure

statement on a final basis and confirming NCM LLC's Plan (the "Confirmation Order"), AMC and Cinemark filed notice of appeal of the Confirmation Order and the Regal Order. Subsequently, AMC and Cinemark sought a stay of the Confirmation Order and Regal Order in the Bankruptcy Court, the District Court for the Southern District of Texas, and the Fifth Circuit Court of Appeals, all of which denied the request. **Following AMC and Cinemark's consolidated appeal on the merits, the District Court for the Southern District of Texas confirmed the Confirmation Order and the Regal Order on August 13, 2024.** The consolidated appeals of the **District Court's decision Confirmation Order and the Regal Order** on the merits are pending in the **District Fifth Circuit Court for the Southern District of Texas Appeals**. We are uncertain how this litigation will impact AMC and Cinemark's willingness to cooperate under the ESAs or, how long the litigation may last **NCM LLC's Emergence from Bankruptcy or the full scope of the negative impact if AMC and Cinemark were successful in triggering the most-favored nation clauses in their ESAs.** The ongoing effects of NCM LLC's Chapter 11 Case, including the risks and uncertainties associated with bankruptcy, may harm the Company's business following emergence. NCM LLC recently emerged from bankruptcy on August 7, 2023 (the "Effective Date"). The Company's senior management **has had** been required to spend a significant amount of time and effort attending to the negotiation and execution of the Modified First Amended Plan of Reorganization of National CineMedia, LLC Pursuant to Chapter 11 of the Bankruptcy Code (as amended, modified, or supplemented from time to time, the "Plan") instead of focusing exclusively on the Company's business operations. Risks associated with NCM LLC's emergence from bankruptcy include the following: • Vendors or other contract counterparties could terminate their relationship with us or require financial assurances or other enhanced performance commitments such as upfront payments; • The ability to renew existing contracts and compete for new business may be adversely affected; • It may be more difficult to attract, motivate, and retain key employees and executives; • Employees may have been distracted from the performance of their duties by matters related to the Chapter 11 Case; • Litigation with AMC and Cinemark regarding confirmation of the Plan could impact our relationship with AMC and Cinemark or the terms of the Plan; and • Competitors may take business away from us, and our ability to attract and retain customers may be negatively impacted. We cannot accurately predict or quantify the impacts or adverse effects of the residual risk and uncertainties associated with NCM LLC's emergence, or the occurrence of one or more of these risks could have on our results of operations, financial condition, business, and reputation. ~~The Company's actual financial results following NCM LLC's emergence from~~ If the non-competition provisions of the ESAs or other advertising agreements are deemed unenforceable, the counterparties could compete against us and our business could be adversely affected. With certain limited exceptions, each of the ESAs and other network affiliate agreements prohibits the applicable counterparty from engaging in any of the business activities that we provide in the counterparty's theaters under the ESAs and network affiliate agreements, and the ESAs and certain network affiliate agreements prohibit the counterparty from owning interests in other entities that compete with us. These provisions are intended to prevent the counterparties from harming our business by providing cinema advertising services directly to their theaters or by entering into agreements with other third-party cinema advertising providers. However, under state and federal law, a court may determine that a non-competition covenant is unenforceable, in whole or in part, for reasons including, but not limited to, the court's determination that the covenant: • is not necessary to protect a legitimate business interest of the party seeking enforcement; • unreasonably restrains the party against whom enforcement is sought; or • is contrary to the public interest. Enforceability of a non-competition covenant is determined by a court based on all of the facts and circumstances of the specific case at the time enforcement is sought, including the type of court hearing the matter. For this reason, it is not possible for us to predict whether, or to what extent, a court would enforce the non-competition provisions contained in the ESAs and network affiliate agreements. If a court were to determine that the non-competition provisions are unenforceable, the counterparties could compete directly against us or enter into an agreement with another cinema advertising provider that competes against us. Any inability to enforce the non-competition provisions, in whole or in part, could cause our revenue to decline and could have a material negative impact on our business. If NCM seeks to enforce the non-competition provisions in connection with a counterparty's bankruptcy, the bankruptcy court may be a less favorable venue for adjudicating the implicated provisions and result in a different outcome than would occur outside of bankruptcy. The ESA with an ESA Party that has declared bankruptcy may be rejected, renegotiated or deemed unenforceable. **On September 7, 2022, Cineworld Group plc, the parent company of Regal, and certain of its subsidiaries, including Regal, Regal Cinemas, Inc., formerly a party to an ESA, and Regal CineMedia Holdings, LLC, formerly a party to other agreements with NCM LLC and NCM, Inc., filed petitions for reorganization under Chapter 11 of the United States Bankruptcy Code in the Southern District of Texas (the "Cineworld Proceeding").** In addition, each of the other ESA Parties currently has a significant amount of indebtedness. As a result of the COVID-19 Pandemic, all of the theaters in NCM LLC's network were temporarily closed and were required to seek additional financing through various methods **leading to significant levels of financial distress. On September 7, 2022, Cineworld Group plc, the parent company of Regal, and certain of its subsidiaries, including Regal, Regal Cinemas, Inc., formerly a party to an ESA, and Regal CineMedia Holdings, LLC, formerly a party to other agreements with NCM LLC and NCM, Inc., filed petitions for reorganization under Chapter 11 of the United States Bankruptcy Code in the Southern District of Texas (the "Cineworld Proceeding").** In addition, each of the other ESA Parties currently has a significant amount of **indebtedness with varying maturity dates in the future**. If a bankruptcy case were commenced by or against another ESA Party, it is possible that all or part of the ESA with the applicable ESA Party could be rejected by a trustee in the bankruptcy case pursuant to Section 365 or Section 1123 of the United States Bankruptcy Code, or by the ESA Party, and thus not be enforceable. On October 21, 2022, Regal filed a motion to reject its ESA without specifying an effective date for the rejection and indicated that Regal intended to negotiate with the Company regarding the ESA. NCM LLC filed a complaint against Regal seeking declaratory relief and an injunction prohibiting Regal from breaching certain exclusivity, non-compete, non-negotiate and confidentiality provisions in the ESA by entering into a new agreement with a third-party or bringing any of the services performed by NCM LLC in-house. Following negotiations, NCM LLC and Regal entered into a Network Affiliate Transaction

Agreement (the “ Regal Advertising Agreement ”) and a separate termination agreement, pursuant to which, effective on July 14, 2023, Regal rejected and terminated its ESA ~~and Regal~~ waived all rights and interests in the other agreements Regal and its affiliates were a party to with NCM LLC. In the event another ESA Party declares bankruptcy, NCM LLC may be required to litigate its rights and negotiate with the bankrupt ESA Party **, which would have a negative impact on our business, operations and financial results**. In addition, as a part of the Cineworld Proceeding, Regal announced plans to optimize the number of theaters it operates and announced the closures of certain theaters. Should Regal or another ESA Party liquidate or dispose of theaters or remove theaters from our network through bankruptcy or for other business reasons, **and** if the acquirer, **if applicable**, did not agree to continue to allow us to sell advertising in the acquired theaters the number of theaters in our advertising networks would be reduced which in turn would reduce the number of advertising impressions available to us and thus could reduce our advertising revenue. We may not realize the anticipated benefits of additional Post- Showtime inventory or be successful in increasing the number of theaters in which NCM LLC has the right to display Post- Showtime inventory. Beginning with the 2019 ESA Amendment with affiliates of Cinemark in 2019, NCM LLC is entitled to display up to five minutes of The Noovie ® Show after the scheduled showtime of a feature film and a Platinum Spot that is either 30 or 60 seconds of The Noovie Show in the trailer position directly prior to the “ attached ” trailers preceding the feature film in Cinemark and certain other network affiliates’ theaters. The Regal Advertising Agreement also provides for (i) up to ten minutes immediately after the advertised showtime of a feature film, extending the time available to NCM LLC by five minutes, and (ii) the Platinum Spot that may be exhibited on- screen prior to the last two trailers, which may be either ~~thirty-30~~ or ~~sixty-60~~ seconds in length. Subject to Regal’ s approval, NCM LLC may display two ~~30 thirty-~~second spots in the Platinum Spot and a Gold Spot, a ~~thirty-30~~ second spot displayed immediately prior to the fourth trailer preceding a feature film or digital programming event. We ~~expect~~ **believe** that Post- Showtime Inventory **has resulted and** will ~~ultimately~~ **continue to** result in an increase in **our** average CPM, revenues and Adjusted OIBDA, however we may not realize any or all such benefits. Potential difficulties and uncertainties that may impair the full realization of the anticipated benefits include, among others: • the behavior of theater patrons may change in response to the display of a portion of The Noovie ® Show after the advertised showtime, or in response to the combination of advertising and trailers before the start of the feature film, resulting in a reduction to the number of patrons that are in a theater seat to view most or all of The Noovie Show; • potential advertisers may not view the Post- Showtime Inventory as attractive due to inability to run across our entire network or view it as a premium advertising opportunity and the average CPMs for The Noovie Show may not increase as much as anticipated, or at all; • NCM LLC may not be able to generate sufficient revenue to satisfy any minimum guarantees required to enter into agreements for Post- Showtime inventory or sufficient minimum average CPMs required to display the Platinum Spot in Cinemark’ s theaters; • the extended length of time between the advertised showtime and the beginning of the feature film may decrease the average CPM for that portion of The Noovie Show appearing before the advertised showtime, which may partially or fully offset any increase in average CPM for the Post- Showtime Inventory; or • the increased fees payable in connection with the Post- Showtime Inventory with certain counterparties may exceed the increase, if any, in revenue resulting from the access to the Post- Showtime inventory. There can be no assurance that we will be successful in increasing the number of theaters in which NCM LLC has the right to display Post- Showtime Inventory **.** The anticipated benefits we expect to receive as a result of the Post- Showtime Inventory are subject to factors that we do not and cannot control. Failure to realize the anticipated benefits could result in decreases in revenue and Adjusted OIBDA and diversion of management’ s time and energy, and could adversely affect our business, financial condition and operating results **business relies heavily on technology systems, and any failures or disruptions may materially and adversely** affect our operations. In order to conduct our business, we rely on information technology networks and systems, including those managed and owned by third parties, to process, transmit and store electronic information and manage and support business processes and activities. The temporary or permanent loss of our computer equipment, ~~internet and satellite~~ networks, data or software systems through ransomware, data exfiltration, **and** other cyberattacks and other security threats, termination of a material technology license or contract, operating malfunction, software virus, human error, natural disaster, power loss, terrorist attacks or other catastrophic events could disrupt our operations and cause a material negative impact and the steps that we have taken to mitigate these risks may prove to be ineffective. Although the Company maintains robust procedures, internal policies and technological security measures to safeguard its systems, including disaster recovery systems separate from our operations, robust network security and other measures to help protect our network from unauthorized access and misuse **,** and a cyber- security insurance policy, the Company’ s information technology systems or systems of the ESA Parties, network affiliates or third- party service providers could be penetrated by internal or external parties intent on extracting information, corrupting information, stealing intellectual property or trade secrets **,** or disrupting business processes. For example, some of our software vendors have previously announced that their systems were infected with malicious software, which might have impacted customers, including NCM. While NCM took prompt action to address the potential vulnerability and does not believe that there were any adverse consequences, there is no guarantee that future hacks and attacks on our network, including those through third parties, will be unsuccessful or resolved without damage to us or our customers. ~~If information technology failures or~~ **NCM has also been the target of numerous** cyber ~~attacks were to interrupt our advertising delivery systems, then NCM could be unable to deliver new advertising and would only be able to display advertising that has already been distributed to theaters in the short- term. This would limit NCM’ s ability to generate revenue until NCM is able to manually deliver revised advertising or the systems become available. Manually delivered advertising would also limit NCM’ s ability to optimize the distribution of advertising to maximize impressions and best meet client expectations. In addition to potential vulnerabilities of NCM’ s information technology systems, NCM and its employees are also the target of cyberattacks, including malware, phishing, social engineering and other targeted attacks, that have been, at times, successful in deceiving certain employees. While~~ ~~NCM’ s~~ cyber security teams were able to identify and resolve ~~these attacks~~ **but** future attacks may use methods that our cyber security team is not

able to identify, or our cyber security team may not identify the attacks prior to the compromise of our systems or data. Techniques used by cyber criminals to obtain unauthorized access, disable or degrade services, or sabotage systems evolve frequently and may not immediately be detected, and we may be unable to implement adequate preventative measures. Additionally, we are reliant on third parties for back-up, **disaster recovery, and other preventative systems that have failed in the past, may fail in the future, and we are periodically required to obtain replacement services and migrate data, which may result in temporary lapses of protection and increased risk of disruption or data loss. Depending on the nature and scope of a disruption, if any technology network or systems fail and we are unable to recover in a timely manner, we may be unable to fulfill critical business functions, which could lead to a loss of clients and revenue, harm our reputation or interfere with our ability to comply with financial reporting and other regulatory requirements.** Our plans for developing additional digital or digital out-of-home revenue opportunities may not be implemented and may not be achieved. We have invested significant resources in pursuing potential opportunities for revenue growth, which we describe under “Business — Our Strategy.” We had **824.4 million and 703.3 million and 374.4 million** unique data records as of December **26, 2024 and December 28, 2023 and December 29, 2022**, respectively. These valuable data records consist of both our own NCM first-party data from our owned-and-operated digital products, and a variety of key second- and third-party data addressable consumer records, including location-based data that allows us to track when our audiences go to the movie theater to see The Noovie Show and where they go in the days and weeks afterwards. Our ability to increase our unique data records requires us to invest in third-party relationships, to comply with evolving privacy and data security laws, rules and regulations and to develop innovative digital properties that will increase the number of users of our **digital online and mobile** entertainment and advertising network and mobile apps. Our ability to collect and leverage movie audience data is under increasing competitive and regulatory pressure and may be negatively impacted by changes to advertising technology, platform operator policies and privacy laws and regulation and may not deliver the future benefits that we are expecting. It is important that we maintain a critical mass of audience data to make our digital offering more attractive to advertisers, including national brands who buy both our national and regional advertising inventory. Our digital out-of-home business remains at an early stage and is under significant competitive pressure with the proliferation of available alternatives in the digital out-of-home space and may not deliver the future benefits that we are expecting. If we are unable to develop relationships and advertising that is relevant to the marketplace that can be integrated with our core on-screen advertising products, and if these offerings are not attractive to our advertisers, then the digital out-of-home business may not provide significant revenue or **represent** a method to help expand our cinema advertising business as it matures. As such, there can be no assurance that we will recoup our investments made pursuing this business. If we are unable to execute on products relevant to the marketplace or integrate these digital and digital out-of-home marketing products with our core on-screen and theater lobby products, or if these offerings or other data sources do not continue or are unable to provide relevant data or to grow in importance to advertising clients and agencies, they may not provide a way to help expand our advertising business as it matures and begins to compete with new or improved advertising platforms including online and mobile video services. As such, there can be no assurance that we will recoup our investments made pursuing additional revenue opportunities. The **2025 Credit Facility contains restrictions** and may not provide sufficient capital resources and flexibility for the Company in the future. On **August 7, 2023**, NCM LLC **as borrower**, entered into a Loan and Security and Guarantee Agreement with **the U.S. Bank National Association, as lenders** lender party thereto and CIT Northbridge, **The agreement provides for a \$ 45.0 million senior secured revolving Credit credit LLC facility** (the “Revolving Credit Facility 2023-2025 Credit Facility”) that **The Revolving Credit Facility 2023** matures on **August 7, 2026** **2028**. **In connection with entering into the 2025** contains customary representations, warranties, covenants, events of default, terms and conditions, including limitations on liens, incurrence of debt, mergers and significant asset dispositions, and a maximum revolving credit **Credit line capacity of Facility, NCM LLC repaid in full the \$ 55-10.0 million**. **The revolving credit line availability balance outstanding as of December 26, 2024 and terminated all commitments** under the **its 2023** Revolving Credit Facility. **While the 2025 Credit Facility provides benefits to the Company relative to the Revolving Credit Facility 2023**, is calculated by reference to the total amounts of NCM LLC’s accounts receivable. The restrictions in the **Revolving Credit Facility 2023-2025 Credit Facility** may restrict NCM LLC from taking actions, distributing cash, or entering into agreements to raise additional capital, and the availability of the **Revolving Credit Facility 2023-2025 Credit Facility** may vary and be insufficient for NCM LLC’s needs, particularly in the event of an economic downturn. The Company’s future capital resource and flexibility needs are difficult to predict at this time and will depend on (i) NCM LLC’s ability to comply with the terms and conditions of the **Revolving Credit Facility 2023-2025 Credit Facility**, (ii) ability to generate sufficient cash flow from operations, and (iii) future **strategic initiatives.** The personal information we collect and maintain through our **online data** and **mobile digital** services, as well as from third-party sources, may expose us to liability or cause us to incur greater operating expenses. We collect personal information from users of our websites or apps, including those users who establish accounts, or users who view certain advertising displayed through our **online data** and **mobile digital** services. We receive certain personal information regarding consumers who enter the theaters in our network, including places visited before entering the theater and after leaving the theater, from third parties to supplement or enhance the information we collect and maintain about users of our **online data** and **mobile digital** services or individuals who view advertising or enter theaters. We also collect personal information relating to individuals who are job applicants, employees, stockholders, directors, officers and independent contractors of NCM, as well as emergency contact information they provide. In addition, we collect personal information relating to employees, owners, directors, officers and independent contractors of other organizations within the context of conducting due diligence regarding or providing or receiving a product or service to or from such organization. The collection and use of this information is governed by applicable privacy, information security and consumer protection laws and regulations that continue to evolve and may be inconsistent from one jurisdiction to another. Compliance with all such laws and regulations may increase our operating

costs and adversely impact our ability to offer our clients advertising targeted to moviegoer demographics or to interact with users of our **online data** and **mobile digital** services, and could result in legal liability. For example, the failure, or perceived failure, to comply with applicable privacy information security or consumer protection- related laws or regulations or our posted privacy policies could result in actions against us by governmental entities or others. If an actual or perceived breach of our data occurs, we could incur significant costs notifying affected individuals and providing them with credit monitoring services. The market perception of the effectiveness of our security measures could also be harmed, and we could lose users of these services and the associated benefits from gathering such user data. Changes in laws, regulations or rules relating to privacy, data security, the Internet or other areas of our **online or mobile data and digital** services may result in the need to alter our business practices or incur greater operating expenses. A number of statutes, regulations and rules may impact our business as a result of our **online or mobile data and digital** services and our use of personal information we receive from third parties. For example, privacy laws that have passed or are being contemplated give, or will give, individuals additional rights with regards to the collection, use, access to, correction, deletion, selling, sharing and protection of their personal information and sensitive personal information. The costs of compliance with privacy laws, regulations and rules and other regulations relating to our **online data** and **mobile digital** services or other areas of our business, may be significant. The manner in which these and other regulations may be interpreted or enforced may subject us to potential liability, which in turn could have an adverse effect on our business, results of operations, or financial condition. Changes to these and other regulations may impose additional burdens on us or otherwise adversely affect our business and financial results because of, for example, increased costs relating to legal compliance, defense against claims, adverse rulings or damages, the reduction or elimination of features, functionality or content from our **online data** or **mobile digital** services, or our inability to use unique data records effectively. Likewise, any failure on our part to comply with these and other regulations may subject us to additional liabilities. The markets for advertising are competitive and we may be unable to compete successfully. The market for advertising is very competitive. Cinema advertising is a small component of video advertising in the U. S. and thus, we must compete with established, larger and better known national and local media platforms such as cable, broadcast and satellite television networks, ad supported video- on- demand and other video media platforms. In addition to these video advertising platforms, we compete for advertising directly with additional media platforms, including digital advertising providers, online, digital out- of- home and mobile, radio, various local print media and billboards, and other cinema advertising companies. We expect all of these competitors to devote significant effort to maintaining and growing their business, which may be at our expense. We also expect existing competitors and new entrants to the advertising business, most notably the online, digital out- of- home and mobile advertising companies and ad supported video- on- demand platforms, to constantly revise and improve their business models to meet expectations of advertising clients. **NCM's position in various categories as a premium provider of advertising could deter advertisers from utilizing our services due to the high cost. Certain ad agencies may also deem NCM to be a provider of digital- out- of- home rather than video advertising, which could limit NCM's access to advertising budgets.** In addition, the pricing and volume of advertising may be affected by shifts in spending toward digital platforms from more traditional media, or toward new ways of purchasing advertising, such as through automated purchasing, dynamic advertising insertion, third parties selling local advertising posts and advertising exchanges, some or all of which may not be as advantageous to the Company as current advertising methods. Expenditures by advertisers tend to be cyclical, reflecting overall economic conditions, as well as budgeting and buying patterns. A decline in the economic prospects of advertisers, industries, such as retail or consumer products, or the economy in general could alter current or prospective advertisers' spending priorities, including changes in prospects caused by inflationary pressures, pandemics or other events. If we cannot respond effectively to media marketplace changes, advertising market changes, new entrants or advances by our existing competitors, our business may be adversely affected. Additionally, the number of films and mix of film ratings of the available motion pictures, such as the proportion of G and PG rated films or a shift in the types and numbers of films being shown in theaters, could cause advertisers to reduce their spending with us as the theater patrons for the available films may not represent those advertisers' target markets. Advertising demand also impacts the price (CPM) we are able to charge our clients. Due to increased competition, combined with seasonal marketplace supply and demand characteristics, we have experienced volatility in our pricing (CPMs) over the years, with annual national CPM increases (decreases) ranging from (4. 2 %) to 23. 6 % from 2015 to **2023-2024** (excluding 2020). If we do not continue to upgrade our technology, our business could fail to grow and revenue and operating margins could decline. In early 2021, we implemented a new cinema advertising management system which was developed by a third- party vendor. This system replaced many of our internally developed systems and provides delivery optimization, inventory management and monetization, intelligent dynamic scheduling, increased flexibility, and workflow automation. The system also interfaces with our accounting system thus driving client invoicing and revenue recognition. Given the pervasive impact of this new system on the Company's processes, problems with the system and software could cause operational difficulties, lead to errors within our financial reporting and slow or prevent the growth of our business in the future. As we continue to move our technology to cloud- based SaaS platforms, our operating results may be impacted as operating expenses associated with the SaaS licenses may increase as our annual capital expenditure spending may decrease and this shift in costs may exceed our current estimates. If our cinema advertising management system does not successfully provide all of the services we expect, if we are unable to continue to successfully and cost- effectively implement further upgrades to the system, **which may including include a programmatic advertising sales option currently in progress the integration of other third- party technology products**, or if we lose access to the system through termination of the agreement or otherwise, our ability to offer our clients innovative, unique, integrated and targeted marketing products may be impacted, which could limit our future revenue growth. **The Company has also been improving its technology systems to allow the delivery and sale of advertising through programmatic and self- serve channels, which has increased revenue opportunities. The Company may not be able to keep up with the pace of technology or develop solutions that meet the demands of the Company's current and future**

advertising clients, which would result in the loss of potential advertising opportunities in the future. The failure to upgrade and maintain our technology allowing our advertising to reach a broader audience and allow for more targeted marketing products similar to other products in the **inventory industry** could hurt our ability to compete. Under the ESAs, the ESA Parties are required to provide technology that is consistent with that in place at the signing of the ESA. We may request that the ESA Parties or other theaters in our network upgrade the equipment or software installed in their theaters, but we must negotiate as to the terms of such upgrade, including cost sharing terms, if any. If we are not able to come to an agreement on a future upgrade request, we may elect to pay for the upgrades requested which could result in our incurring significant capital expenditures that could adversely affect our profitability. Economic uncertainty or deterioration in economic conditions may adversely impact our business, operating results or financial condition. The financial markets have experienced extreme disruption and volatility at times. A decline in consumer spending in the U. S. may lead to decreased demand for our services or delay in payments by our advertising clients ~~As a result,~~ **and** our results of operations and financial condition could be adversely affected. These challenging economic conditions also may result in: • increased competition for fewer advertising and entertainment programming dollars; • pricing pressure that may adversely affect revenue and gross margin; • declining attendance and thus a decline in the impressions available for The Noovie Show; • reduced credit availability and / or access to capital markets; • difficulty forecasting, budgeting and planning due to limited visibility into the spending plans of current or prospective clients; • client financial difficulty and increased risk of uncollectible accounts; or • financial difficulty for NCM LLC's network theaters. **We are subject to risks from changes to regulations, government funding, trade policies and tariffs imposed by governments that impact our advertising clients. Changes in regulations, government funding, trade policies and tariffs imposed by the U. S. and other governments could have an impact on our advertising clients. If our advertising clients' operating costs increase due to the changes in policy, and they are unsuccessful in passing these increases along to consumers, then the advertisers will likely seek to reduce costs in other ways, including advertising. Additionally, changes in regulations, government funding, trade policies and tariffs could also have the impact of preventing our advertising clients from deploying new goods and services and reducing the related advertising dollars. The recently announced tariffs by the U. S. government on product imports from certain countries may result in an outsize impact on certain industries that are key advertising categories for us, including automotive and consumer goods. Our local team also sells advertising to government agencies that may be impacted if the level of government funding is reduced or eliminated. The uncertainty regarding the ultimate impact of any changes in regulations, government funding, trade policies or tariffs could also impact our advertisers as they continue to determine changes needed to their businesses.** Our Adjusted OIBDA is derived from high margin advertising revenue. Our contractual costs will grow over time, and the reduction in spending by or loss of a national advertiser or group of local advertisers or failure to grow our advertising revenue in line with these costs could have a meaningful adverse effect on our business. The ESAs and certain of our network affiliate agreements include automatic annual cost or fee increases. The theater access fees under the ESAs are composed of a fixed payment per patron, increasing by 8 % every five years, and a fixed payment per digital screen connected to the DCN, increasing annually by 5 %, and certain of our network affiliate agreements include annual increases in the minimum fee per patron payable. If NCM LLC further amends the ESAs or network affiliate agreements in response to market conditions or in connection with the bankruptcy of a counterparty, the costs could increase. If we are unable to grow our high margin advertising revenue at a rate at least equal to that of our contractual obligations, our margins and results would be negatively affected. We generate all of our operating income and Adjusted OIBDA from our high margin advertising business. Advertisers will not continue to do business with us if they believe our advertising medium is ineffective, unpredictable or overly expensive or lacks sufficient scale. In addition, large advertisers generally have set advertising budgets, of which cinema advertising may only be a small portion. Reductions in the size of advertisers' budgets due to local or national economic trends, epidemics, pandemics, other natural disasters or similar events, a shift in spending to other advertising mediums, perception of uncertainty in advertising mediums, or other factors could result in lower spending on our advertising inventory. Advertisers are spending in the scatter market closer to the start date of their advertising campaign. A substantial portion of our advertising revenue relates to contracts with terms of a month or less, and clients have many video media choices and can adjust where ads are placed up until their airdates without the risk of securing desired impressions. We have previously been successful in securing favorable upfront advertising agreements, but as advertising spending shifts ~~in to~~ **the scatter market closer to the start date of advertising campaigns, our ability to maintain high CPMs in the upfront markets may decrease and it is more difficult for the Company to plan and forecast revenue. Additionally, since most of our advertising contracts are tied to a specified number of impressions over a period of time, if we do not properly forecast the number of impressions available over a period of advertising or if too few impressions are available, it could result in underdelivery requiring us to provide additional time to satisfy advertiser's contracts rather than additional revenue, or if too many impressions are available, it could result in increased fixed fee per patron fees to theaters without a corresponding increase in revenue**. If we are unable to remain competitive and provide value to our advertising clients, they may reduce their advertising purchases or stop placing advertisements with us. Even the loss of a small number of clients on large contracts that we are not able to replace would negatively affect our results. ~~The loss of any major content partner or advertising client could significantly reduce our revenue.~~ We **also** derive a significant portion of our revenue from our contracts with our content partners, courtesy PSAs and the ESA Parties' agreements to purchase on- screen advertising for their beverage concessionaires. We are not direct parties to the agreements between the ESA Parties' and their beverage concessionaires but expect that each ESA Party will have an agreement with a beverage concessionaire to provide advertising for the foreseeable future. **The Company had one agency through which it sourced advertising revenue that accounted for more than 14.7 % of the Company's gross outstanding receivable balance as of December 26, 2024**. The Company had no agencies through which it sourced advertising revenue that accounted for more than 10 % of the Company's gross outstanding receivable balance as of December 28, 2023. ~~As of~~

During the year ended December 29-26, 2022-2024, there was one advertising agency group through which the Company had no customer sources national advertising revenue that accounted for 10-13.0% or more of the Company's revenue outstanding gross receivable balance. During the years- year ended December 28, 2023 and December 29, 2022-, the Company had one customer that accounted for 11.2% and 12.9%, respectively, of the Company's revenue. Because we derive a significant percentage of our total revenue from a relatively small number of large companies, the loss of one or more as a customer could decrease our revenue and adversely affect current and future operating results. Our contracts for theater advertising allow certain counterparties to engage in activities that might compete with certain elements of our business, which could reduce our revenue and growth potential. The ESAs and network affiliate agreements contain certain limited exceptions to our exclusive right to use the counterparties' theaters for our advertising business. Certain counterparties have the right to enter into a limited number of strategic cross- marketing relationships with third- party, unaffiliated businesses for the purpose of generating increased attendance or revenue (other than revenue from the sale of advertising). NCM has limited rights or does not have the right to advertise in certain theater lobbies or agreed to allow the counterparty to sell certain types of inventory on their own behalf. Some of these strategic marketing relationships can include the use of on- screen, LEN and certain types of lobby promotions and can be provided at no cost, but only for the purpose of promoting the products or services of those businesses while at the same time promoting the theater circuit or the movie- going experience and some of these exceptions are broader. The use of LEN or lobby promotions or other inventory by the theater counterparties for these advertisements and programs could result in the theater counterparties creating relationships with advertisers that could adversely affect our advertising revenue and profitability, as well as the potential we have to grow that advertising revenue in the future. In particular, the LEN and lobby promotions represented approximately 0.5% and 0.9% and 0.8% of our total advertising revenue for the year ended December 26, 2024 and December 28, 2023 and December 29, 2022-, respectively. The ESA Parties also have the right to install a network of video monitors in the theater lobbies in excess of those required to be installed for the LEN, and this right has been used to install a significant number of video monitors in theater lobbies. The presence of this additional lobby video network could reduce the effectiveness of our LEN, thereby reducing our current LEN advertising revenue and profitability and adversely affecting future revenue potential associated with that marketing platform. **Other network affiliates also have the right to display advertising in the lobby or other areas of their theaters that could potentially conflict with our on- screen advertising.** We depend upon our senior management and our business may be adversely affected if we cannot retain or replace them. Our success depends in part upon the retention of our experienced senior management with specialized industry, sales and technical knowledge or industry relationships. **In May 2021-2024 and 2020-, the Company replaced its** in 2021 we appointed a new President of Sales, Marketing and Partnerships, Chief Financial Officer, and General Counsel. If we are not able to find qualified internal or external replacements for critical members of our senior management team, the loss of these key employees could have a material negative impact on our ability to effectively pursue our business strategy and our relationships with advertisers, exhibitors, media and content partners. While the Company **was has been** able to retain our senior management during the uncertainty caused by the Chapter 11 Case-, there is no guarantee that the Company will continue to be able to recruit experienced replacements, or that the Company will not be required to institute additional retention or incentive programs in order to retain senior management. We do not have key- man life insurance covering any of our employees. The ESA Parties and our network affiliates are subject to substantial government regulation, which could limit their current business, slow their future growth of locations and screens and in turn impact our business and slow our growth prospects. The ESA Parties and our network affiliates are subject to various federal, state and local laws, regulations and administrative practices affecting their movie theater business, including provisions regulating antitrust, health, safety and sanitation standards (including in connection with the COVID- 19 Pandemic or other public health events), access for those with disabilities, environmental, and licensing. Some of these laws and regulations also apply directly to us and NCM LLC. Changes in existing laws or implementation of new laws, regulations and practices could have a significant impact on the ESA Parties', our network affiliates' and our respective businesses. For example, during a portion of the COVID- 19 Pandemic, health and safety laws restricted the ability of the ESA Parties and network affiliates from opening their theaters and operating at full capacity, which significantly impacted their and our businesses. We may be unable to effectively manage changes to our business strategy to continue the growth of our advertising inventory and network. If we do not effectively implement our strategy, we may not be able to continue our historical growth. To effectively execute on our strategy to expand our digital offerings and continue to grow our inventory, we will need to develop additional products or obtain access to third- party digital inventory. These enhancements and improvements could require an additional allocation of financial and management resources and acquisition of talent. High turnover, loss of specialized talent or insufficient capital could also place significant demands on management, the success of the organization -, and our strategic outlook. Our ability to invest in our existing digital business, our new digital out- of- home business and other ventures has been and will continue to be negatively impacted by the COVID- 19 Pandemic, NCM LLC' s Chapter 11 Case, and the current industry and economic environment, which may decrease the growth of these businesses. The amount of in- theater inventory we have to sell is limited by the length of The Noovie ® Show. In order to maintain in- theater growth we will need to expand the number of theaters and screens in our network. If we lose a significant number of theaters or are unable to expand our network, our revenue and operating results could be adversely impacted. Our **business relies heavily on technology systems,..... reporting and other regulatory requirements.** Our revenue and Adjusted OIBDA fluctuate from quarter to quarter and may be unpredictable, which could increase the volatility of our stock price. A weak advertising market, the shift in spending of a major client from one quarter to another, the performance of films released **or the mix of attendance from the type and rating of films** in a given quarter, a disruption in the release schedule of films or changes in the television scatter market could significantly affect quarter- to- quarter results or even affect annual results. Our revenue and operating results are seasonal in nature, coinciding with the timing of marketing expenditures by our advertising clients and, to a lesser extent, the attendance patterns within the film exhibition

industry, which have historically been higher during the second, third, and fourth fiscal quarters. Because our results may vary from quarter to quarter and may be unpredictable, our financial results for one quarter cannot necessarily be compared to another quarter or the same quarter in prior years and may not be indicative of our financial performance in subsequent quarters. Additionally, the bankruptcy of one of NCM LLC's significant network theater circuits, or negative news regarding the theater industry, cinema advertising generally or us could lead to increased volatility in revenue from quarter to quarter. These variations in our financial results could contribute to volatility in our stock price. Our business, services, or technology may infringe on intellectual property rights owned by others, which may interfere with our ability to provide services or expose us to increased liability or expense, or otherwise may be affected by our efforts to protect our intellectual property or restrictions or obligations in third-party licenses. Our business uses a variety of intellectual property rights, including copyrights, trademarks, trade secrets, domain names and patents or patentable ideas in the provision of our advertising services, the websites we operate at ncm.com and Noovie.com, our digital gaming products including Noovie Trivia and the features and functionality, content and software we make available through those websites and apps. We rely on our own intellectual property rights, as well as intellectual property rights obtained from third parties (including through open-source licenses), to conduct our business and provide our in-theater, **online data**, **mobile digital** and creative services. We may incur expenses, some of which may be significant, in developing, protecting, maintaining, and defending our intellectual property rights or licensing intellectual property from third parties. In some instances, we may not be able to or may choose not to protect, maintain, or defend our intellectual property rights or the laws of certain foreign countries may not protect our intellectual property rights to the same extent as do the laws of the U. S. We may discover that our business or the technology or methods we use to operate our business infringes patent, trademark, copyright, publicity rights, or other intellectual property rights owned by others or is otherwise negatively impacted by restrictions imposed by **or our** obligations under third-party intellectual property licenses. In addition, our competitors or others may claim rights in patents, trademarks, copyrights, publicity rights, or other intellectual property rights that will prevent, limit or interfere with our ability to provide our in-theater, **online data**, or **mobile digital** services either in the U. S. or in international markets. We may incur significant costs in protecting our own intellectual property rights or defending or settling intellectual property infringement claims and may face significant damage awards (including the potential for awards of attorneys' fees) if we are found to be infringing third-party intellectual property rights. Our in-theater, **online data** and **mobile digital** services facilitate the distribution of content, and we create content for others. This content includes advertising-related content, as well as movie, television, music, gaming and other media content, much of which is obtained from third parties. Our apps, websites, and social media channels also include features enabling users to upload or add their own content and modify certain content. As a distributor of content, we face potential liability for negligence, copyright, patent, trademark, or publicity infringement, or other claims based on the content that we distribute or create for others. We or entities that we license or receive content from or distribute content through may not be adequately insured or indemnified to cover claims of these types or liability that may be imposed on us.

Risks Related to Our Corporate Structure We are a holding company with no operations of our own, and we depend on distributions and payments under the NCM LLC operating and management services agreements from NCM LLC to meet our ongoing obligations. We are a holding company with no operations of our own and have no independent ability to generate cash flow other than interest income on cash balances or other securities owned. Consequently, our ability to obtain operating funds primarily depends upon distributions and payments under the NCM LLC operating and management services agreement from NCM LLC. The distribution of cash flows and other transfers of funds by NCM LLC to us are subject to statutory and contractual restrictions based upon NCM LLC's financial performance, including NCM LLC's compliance with the covenants in the **Revolving 2025** Credit Facility **2023** and the NCM LLC Operating Agreement. The **Revolving 2025** Credit Facility **2023** may limit NCM LLC's ability to distribute cash to its members, including us, based upon certain financial tests, with exceptions for, among other things, payment of our income taxes and a management fee to NCM, Inc. pursuant to the terms of the management services agreement. The declaration of future dividends on our common stock will be at the discretion of our Board of Directors and will depend upon many factors, including NCM LLC's results of operations, financial condition, earnings, capital requirements, limitations in the **Revolving 2025** Credit Facility **2023** and legal requirements. In the event NCM LLC fails to comply with these covenants and is unable to distribute cash to us quarterly, NCM, Inc.'s ability to make distributions or pay other expenses outside the ordinary course of business may be limited. Pursuant to the management services agreement between us and NCM LLC, NCM LLC makes payments to us to fund our day-to-day operating expenses, such as payroll. However, if NCM LLC has insufficient cash flow to make the payments pursuant to the management services agreement, we may be unable to cover these expenses. As a member of NCM LLC, we incur income taxes on our proportionate share of any net taxable income of NCM LLC. The **Revolving 2025** Credit Facility **2023** is structured to allow NCM LLC to distribute cash to its members (including us and NCM LLC's other members, if any) in amounts sufficient to cover their tax liabilities and management fees, if any. To the extent that NCM LLC has insufficient cash flow to make such payments, it could have a negative impact on our business, financial condition, results of operations or prospects.

~~reputation~~—The Company's actual financial results following NCM LLC's emergence from bankruptcy may not be comparable to the Company's historical financial information or to NCM LLC's projections filed with the Bankruptcy Court. The Company has historically consolidated NCM LLC's financial statements, but upon the filing of the Chapter 11 Case and in accordance with applicable GAAP, the Company concluded that NCM, Inc. no longer controlled NCM LLC for accounting purposes as of April 11, 2023, the date on which NCM LLC filed its Chapter 11 Case and NCM LLC was deconsolidated from the Company's consolidated financial statements prospectively. On August 7, 2023, and subsequent to NCM LLC's emergence from bankruptcy, NCM, Inc. regained control of NCM LLC. The reconsolidation was treated for accounting purposes as a business combination under ASC 805 — Business Combinations and accordingly, the purchase price was allocated to the assets acquired and liabilities assumed based on their estimated fair values as of the date of acquisition, the Effective Date. Accordingly, the Company's future results of operations, financial condition and business may not be comparable to the

results of operations, financial condition and business reflected in our historical financial statements. In connection with filings made with the Bankruptcy Court and as cleansing materials after negotiations with NCM LLC's creditors, the Company disclosed projected financial information regarding NCM LLC's future prospects. Those projections were prepared solely for the purpose of negotiations and the bankruptcy proceedings and have not been, and will not be, updated on an ongoing basis and should not be relied upon by investors. At the time they were prepared, the projections reflected numerous assumptions concerning our anticipated future performance with respect to prevailing and anticipated market and economic conditions that were and remain beyond our control and that may not materialize. Projections are inherently subject to substantial and numerous uncertainties and to a wide variety of significant business, economic and competitive risks and the assumptions underlying the projections and / or valuation estimates may prove to be wrong in material respects. Actual results may vary significantly from those contemplated by the projections. As a result, investors should not rely on these **projections**. NCM LLC's other equityholders or their affiliates, as well as our largest stockholders, may have interests that differ from those of our public stockholders and they may be able to influence our affairs. As of the Effective Date, NCM Inc. was the only beneficial owner of NCM LLC's membership units, but AMC and Cinemark continue to have rights to receive additional units pursuant to the terms of the Common Unit Adjustment Agreement. As of August 7, 2023, Blantyre Capital **Limited ("Blantyre Capital")**, our largest stockholder, **obtained beneficially -- beneficial owns ownership of** 26,664,349 shares of our common stock. **Their beneficial ownership remains unchanged**, representing 27.5-8% of the Company's shares outstanding as of December 28 **26, 2023-2024 . Additionally**, the Company entered into a Director Designation Agreement (the "Designation Agreement") among the Company, the Consenting Creditor Designation Committee (the "Designation Committee") and Blantyre Capital in accordance with the Plan. The Designation Agreement provides for the designation of up to six directors, three of whom must be independent, by the Designation Committee and Blantyre Capital with up to two of the directors designated by Blantyre Capital. The number of directors designated will vary based on the ownership level of the Consenting Creditors under the Designation Agreement. **In 2024 As a result, the four directors were appointed under by Blantyre and the Designation Committee Agreement.** As a result, **this these stockholder stockholders** could be in a position to influence or control to some degree the outcome of matters requiring stockholder approval, including the adoption of amendments to our certificate of incorporation and the approval of mergers and other significant corporate transactions. Their influence or control of our Company and NCM LLC may have the effect of delaying or promoting a change of control of our Company and may adversely affect the voting and other rights of other stockholders. It is possible that the interests of these stockholders may in some circumstances conflict with our interests and the interests of our other stockholders. For example, **Blantyre Capital is in the business of making investments in companies and may hold, and may from time to time in the future acquire, interests in or provide advice to businesses that directly or indirectly compete with us. As another example, Cinemark may own shares of NCM, Inc. stock and** may have different tax positions from us, especially in light of the TRA that provides for the payment by us to Cinemark of 90% of the amount of any tax benefits that we actually realize, or in some cases are deemed to realize, due to Cinemark's portion of certain tax assets. This could influence Cinemark's decisions regarding whether and when we should dispose of assets, and whether and when we or NCM LLC should incur indebtedness. ~~As another example, Blantyre Capital is in the business of making investments in companies and may hold, and may from time to time in the future acquire, interests in or provide advice to businesses that directly or indirectly compete with us.~~ The agreements between us and the ESA Parties were made in the context of an affiliated relationship and may contain different terms than comparable agreements with unaffiliated third parties. The ESAs and the other contractual agreements that we have with the ESA Parties were originally negotiated in the context of an affiliated relationship in which representatives of the ESA Parties and their affiliates comprised our entire Board of Directors. As a result, the financial provisions and the other terms of these agreements, such as covenants, contractual obligations on our part and on the part of the ESA Parties and termination and default provisions may be less favorable to us than terms that we might have obtained in negotiations with unaffiliated third parties in similar circumstances. Our certificate of incorporation and bylaws contain anti- takeover protections that may discourage or prevent strategic transactions, including a takeover of our Company, even if such a transaction would be beneficial to our stockholders. Provisions contained in our certificate of incorporation and bylaws, the NCM LLC Operating Agreement, and provisions of the Delaware General Corporation Law ("DGCL"), could delay or prevent a third- party from entering into a strategic transaction with us, even if such a transaction would benefit our stockholders. For example, our certificate of incorporation and bylaws: • authorize the issuance of "blank check" preferred stock that could be issued by our Board of Directors to increase the number of outstanding shares, making a takeover more difficult and expensive; • prohibit stockholder action by written consent; and • do not permit cumulative voting in the election of directors, which would otherwise allow less than a majority of stockholders to elect director candidates. These restrictions could keep us from pursuing relationships with strategic partners and from raising additional capital, which could impede our ability to expand our business and strengthen our competitive position. These restrictions could also limit stockholder value by impeding a sale of us or NCM LLC. Further, these restrictions could restrict or limit certain investors from owning our stock. Any future issuance of membership units by NCM LLC and subsequent redemption of such units for common stock could dilute the voting power of our existing common stockholders and adversely affect the market value of our common stock. The Common Unit Adjustment Agreement and the ESAs provide that NCM LLC will issue common membership units to account for changes in attendance associated with the theaters that the ESA Parties operate and which are made part of our advertising network. Historically, each of the ESA Parties has increased the attendance associated with the theaters it operates in most years. If this trend continues, NCM LLC may issue additional common membership units to the ESA Parties to reflect their increases in attendance associated with theaters. Each common membership unit may be redeemed in exchange for, at our option, shares of our common stock on a one- for- one basis or a cash payment equal to the market price of one share of our common stock. Other than the maximum number of authorized shares of common stock in our certificate of incorporation, there is no limit on the number of shares of our common stock that we may issue upon

redemption of an ESA Party's common membership units in NCM LLC. For further information, refer to Note 6 to the Consolidated Financial Statements included elsewhere in this document. Our future issuance of preferred stock could dilute the voting power of our common stockholders and adversely affect the market value of our common stock. In connection with NCM LLC's Plan and the terms of the Restructuring Support Agreement, NCM, Inc. issued 5,000,000 shares of Series A Preferred Stock. The Series A Preferred Stock had no dividends or other economic rights, but voted with the shares of Common Stock with a number of votes per share of Series A Preferred Stock equal to 217.47 shares of common stock. The Series A Preferred Stock was cancelled on August 7, 2023 and no shares remain outstanding. Additionally, on the Effective Date and in connection with the consummation of the transactions contemplated by the Plan, the Company issued 50 shares of Series B Preferred Stock to Mr. Lesinski. The Series B Preferred Stock has no voting rights, but shall be entitled to receive cumulative dividends at a dividend rate of 11.0% on the per share liquidation value of \$1,000 per share. The future issuance of shares of preferred stock with voting rights may adversely affect the voting power of the holders of our other classes of voting stock, either by diluting the voting power of our other classes of voting stock if they vote together as a single class, or by giving the holders of any such preferred stock the right to block an action on which they have a separate class vote even if the action were approved by the holders of our other classes of voting stock. The future issuance of shares of preferred stock with dividend or conversion rights, liquidation preferences or other economic terms favorable to the holders of preferred stock could adversely affect the market price for our common stock by making an investment in the common stock less attractive. For example, investors in the common stock may not wish to purchase common stock at a price above the conversion price of a series of convertible preferred stock because the holders of the preferred stock would effectively be entitled to purchase common stock at the lower conversion price causing economic dilution to the holders of common stock. If we are determined to be an investment company, we would become subject to burdensome regulatory requirements and our business activities could be restricted. We do not believe that we are an "investment company" under the Investment Company Act of 1940, as amended. As sole manager of NCM LLC, we control NCM LLC, and our interest in NCM LLC is not an "investment security" as that term is used in the Investment Company Act of 1940. If we were to stop participating in the management of NCM LLC, our interest in NCM LLC could be deemed an "investment security" for purposes of the Investment Company Act of 1940. Generally, a company is an "investment company" if it owns investment securities having a value exceeding 40% of the value of its total assets (excluding U.S. government securities and cash items). Our sole material asset is our equity interest in NCM LLC, and we and NCM LLC intend to conduct our operations so that we are not deemed an investment company under the Investment Company Act of 1940. However, a determination that we are an investment company would cause us to become subject to registration and other burdensome requirements of the Investment Company Act, which could restrict our business activities, including our ability to issue securities, limitations on our capital structure and our ability to enter into transactions with our affiliates. This may make it impractical for us to continue our business as currently conducted and could have a material negative impact on our financial performance and operations. Our TRA with the ESA Parties is expected to reduce the amount of overall cash flow that would otherwise be available to us and will increase our potential exposure to the financial condition of the ESA Parties. Our initial public offering and related transactions have the effect of reducing the amounts NCM, Inc. would otherwise pay in the future to various tax authorities as a result of an increase in its proportionate share of tax basis in NCM LLC's tangible and intangible assets. We have agreed in our TRA with the ESA Parties to pay to the ESA Parties 90% of the amount by which NCM, Inc.'s tax payments to various tax authorities are reduced as a result of the increase in tax basis associated with the ESA Parties' share of certain tax assets. After paying these reduced amounts to tax authorities, if it is determined as a result of an income tax audit or examination that any amount of NCM, Inc.'s claimed tax benefits should not have been available, NCM, Inc. may be required to pay additional taxes and possibly penalties and interest to one or more tax authorities. If this were to occur and if one or more of the ESA Parties was insolvent or bankrupt or otherwise unable to make payment under its indemnification obligation under the TRA, then NCM, Inc.'s financial condition could be negatively impacted. The substantial number of shares that are eligible for sale could cause the market price for our common stock to decline or make it difficult for us to sell equity securities in the future. We cannot predict the effect, if any, that market sales of shares of common stock by Blantyre Capital, Cinemark, or any of our significant stockholders will have on the market price of our common stock from time to time. Sales of substantial amounts of shares of our common stock in the public market, or the perception that those sales will occur, could cause the market price of our common stock to decline or make future offerings of our equity securities more difficult. If we are unable to sell equity securities at times and prices that we deem appropriate, we may be unable to fund growth. Additionally, once equity awards held by our employees become vested and / or exercisable, as applicable, to the extent that they are not held by one of our affiliates, the shares acquired upon vesting or exercise are freely tradable.

~~Item 1B. Unresolved Staff Comments~~