National CineMedia, Inc. to Acquire Captivate for $275 Million, Creating the Leading Premium Video and Digital Out-of-Home Advertising Platform

August 11, 2026

Complements and Strengthens NCM's Core Expertise in Reaching Highly Sought-After Attentive Audiences

Expands and Diversifies NCM's Advertising Network to 48,000+ Screens Across 185 Designated Market Areas, Unlocking Significant Cross-Selling Advertising Opportunities

Accelerates Revenue Growth and Margin Expansion

CENTENNIAL, Colo.--(BUSINESS WIRE)--Aug. 11, 2026-- National CineMedia, Inc. (NASDAQ: NCMI) ("NCM"), the largest cinema advertising platform in the U.S., today announced that it has entered into a definitive agreement to acquire Captivate Holdings, LLC ("Captivate"), the leading operator of digital video elevator and lobby advertising in North America, for an enterprise value of $275.0 million, subject to customary closing conditions. This transformative acquisition will combine NCM's established leadership in cinema advertising with Captivate's unrivaled office and residential footprint, creating the leading premium video and digital out-of-home advertising platform with more than 48,000 digital screens across theaters, office buildings and residential properties in 185 Designated Market Areas (DMAs), including all of the top 100. NCM is purchasing Captivate from Generation Partners, a growth equity firm which acquired Captivate in 2013.

"This acquisition marks an important milestone in NCM's evolution and represents a key next step in our strategy to build a market-defining premium video and digital out-of-home advertising platform," said Tom Lesinski, Chief Executive Officer of NCM. "Captivate is an excellent platform that strategically complements and expands our core expertise in connecting advertisers with highly sought-after audiences in premium, high-attention video-enabled environments. Captivate's team has built an attractive network over nearly three decades, growing revenue approximately 40% and Adjusted EBITDA by more than 50% over the past two years. We believe the combination will further strengthen NCM's financial profile while creating a unique solution that delivers differentiated reach and value for advertisers. Together, NCM and Captivate are a force multiplier, reaching the audiences advertisers value most where they work, live, and play."

"Captivate has built a uniquely powerful network, bringing together premium locations, highly desirable audiences, and a growing base of advertisers alongside enduring brand and property partnerships," said Leigh Lowery, Chief Revenue Officer of Captivate. "We look forward to working alongside the NCM team to extend that network to a significantly broader set of advertisers and provide brands with greater access to premium audiences across multiple high-attention environments."

Strategic Rationale

Captivate operates over 26,000 digital video screens across more than 11,000 office and residential buildings in more than 170 DMAs in the United States and Canada. Its core business is concentrated in more than 1,600 Class A and Class B office buildings, where its screens reach a sought-after, affluent professional audience during the workday and generate approximately 90% of Captivate's advertising revenue. In 2023, Captivate expanded into residential properties and has grown this network to more than 9,700 locations.

The combination of the NCM and Captivate networks will bring together three complementary premium audiences coveted by advertisers: NCM's young, diverse moviegoing audience and Captivate's affluent professional audience in both Class A office buildings and residential properties. Together, the combined platform will provide advertisers with a single premium media partner capable of reaching consumers and business decision makers in high-attention environments.

Captivate's workplace network also provides incremental access to business-to-business marketing budgets, enhancing the overall platform's appeal to enterprise technology, financial services and professional services advertisers. At the same time, NCM's national cinema network provides Captivate advertisers with greater access to consumer audiences that over-index for attention at scale.

The transaction is expected to strengthen NCM's ability to deliver premium audiences in video-enabled, high-attention environments. By bringing Captivate's purpose-built digital out-of-home technology platform in-house, NCM will be able to operate and scale its existing movie theater lobby network more efficiently. Additionally, the combination of the two networks will create a larger pool of premium digital out-of-home national, local, and programmatic inventory across cinema, office and residential environments accessible through a single platform. The acquisition is also expected to enhance NCM's data, targeting, and measurement capabilities.

Transaction Highlights

- **Creates the leading premium video and digital out-of-home advertising platform** – expands the combined company to more than 48,000 screens across theaters, Class A office buildings, and residential properties in 185 DMAs, including all of the top 100
- **Diversifies NCM's revenue base and strengthens financial profile** – adds a growing, asset-light business with long-term building agreements, deep advertiser relationships, minimal capital requirements, strong free cash flow, and accretive margins
- **Broadens reach across complementary audiences** – unites NCM's young, diverse cinema audience with Captivate's affluent professional audience in Class A office buildings, reaching

both consumers and decision makers through a single partner
- **Expands advertiser appeal and unlocks growth opportunities** – ability to deploy NCM's national and local sales organization across Captivate's network, with new cross-selling offerings across both networks
- **Enhances technology and programmatic capabilities** – opportunity to accelerate NCM's programmatic initiatives by bringing Captivate's proprietary technology platform and established supply-side partner relationships in-house

Financial Summary

- Purchase price represents an enterprise value of $275.0 million, reflecting approximately 10x Captivate's pro forma EBITDA
- The transaction will be funded with $275.0 million of new committed term debt, with available cash used to refinance the company's existing revolving credit facility and fund transaction and financing expenses
- Inclusive of the transaction, incurrence of the new term debt, expected synergies, and savings from NCM's operational transformation initiative, NCM expects net leverage at close to be approximately 3.9x
- Expect to generate more than $3.5 million of annual run-rate cost synergies within year one post-close, with additional commercial upside from cross-selling and applying NCM's local go-to-market capability across the combined platform
- Captivate has grown revenue by approximately 40% and Adjusted EBITDA by more than 50% over the past two years, generating approximately $64 million of revenue and approximately $19 million of Adjusted EBITDA in 2025
- Captivate requires minimal ongoing capital investment, enabling profitable network growth
- Combined company expected to benefit from attractive free cash flow generation and meaningful operating leverage

Timing and Closing Conditions
The transaction is subject to customary closing conditions, including regulatory approvals and satisfaction of customary closing requirements. The transaction is expected to close during the second half of 2026. Until the transaction closes, each of NCM and Captivate will continue to operate independently in the ordinary course, and each company's existing customer, advertiser, exhibitor, and building partner relationships will continue as usual.

Capital Allocation
Following close, NCM's primary use of free cash flow will be debt reduction, supported by the combined company's high gross margins and asset-light model. As a result, NCM is pausing its dividend and share repurchase programs.

Q2 2026 Financial Results
NCM reported its second quarter 2026 financial results in a separate release issued today, which can be found at www.ncm.com under the Investor Relations section. NCM will discuss its second quarter financial results and the agreement to acquire Captivate on its scheduled live conference call and webcast today, August 11, 2026, at 5:00 P.M. Eastern Time.

The call can be accessed by dialing 1-844-826-3033 or, for international participants, 1-412-317-5185. Participants should register at least 15 minutes prior to the commencement of the call. Additionally, a live audio webcast will be available to interested parties at www.ncm.com under the Investor Relations section. Participants should allow at least 15 minutes prior to the commencement of the call to register, download, and install necessary audio software.

The replay of the conference call will be available until midnight Eastern Time, August 25, 2026, by dialing 1-844-512-2921 or, for international participants, 1-412-317-6671 and entering conference ID 10211032.

Advisors
BofA Securities is serving as exclusive financial advisor and Hogan Lovells Cadwalader is serving as legal counsel to National CineMedia.

Solomon Partners is serving as exclusive financial advisor and Gibson, Dunn & Crutcher LLP is serving as legal counsel to Captivate.

About National CineMedia
National CineMedia, Inc. (NCM, NASDAQ:NCMI) is the largest cinema advertising platform in the U.S. With unparalleled reach and scale, NCM connects brands to sought-after young, diverse audiences through the power of movies and pop culture. A premium video, full-funnel marketing solution for advertisers, NCM enhances marketers' ability to measure and drive results. NCM's Noovie® Show is presented exclusively in 44 leading national and regional theater circuits including the only three national chains, AMC Entertainment Inc. (NYSE:AMC), Cinemark Holdings, Inc. (NYSE:CNK) and Regal Entertainment Group (a subsidiary of Cineworld Group PLC). NCM's cinema advertising platform, including Spotlight, consists of approximately 22,000 total theater and lobby screens in over 1,750 theaters in 183 Designated Market Areas® (98 of the top 100). NCM is the managing member and owner of 100% of National CineMedia, LLC (NCM LLC). For more information, visit www.ncm.com.

About Captivate
Captivate is a premium video network that delivers 100% viewable, fraud-free, brand-safe media in impactful locations across North America, reaching high-value audiences where they work and live. From the biggest stories to today's weather, traffic updates to building amenity announcements, we're the daily source of information that sparks conversation, piques curiosity and makes an impact. We reach millions through our curated video network in premier office buildings and luxury residential real estate, fostering powerful connections between brands and decision makers, properties and affluent consumers. With unique access to high-value audiences in captive environments, our advanced targeting, premium video activations, and measurement solutions help brands reach their goals. Influence the Influential with Captivate.

About Generation Partners
Founded in 1995, Generation Partners is a private equity firm which invests in high-growth service businesses and specializes in professionalizing these companies to scale through several hundred million in revenue. We are business builders who employ a structure in our investments which facilitates longer hold periods and appeals to experienced entrepreneurs. Generation targets equity investments of $10 million to $100 million, pursues both majority and minority equity positions, and generates returns through core business growth rather than through financial leverage. Our professionals have decades of experience sharing best-practice business processes to help managers create high-performance teams and build the foundation necessary to produce exceptional growth. Generation Partners has offices in Fairfield, CT; Los Angeles, CA; and Austin, TX. For more information, visit www.generation.com.

Forward Looking Statements and Non-GAAP Metrics
This press release contains various forward-looking statements that reflect management's current expectations or beliefs regarding future events, including statements regarding the Company's anticipated future financial performance and any projections or expectations regarding the Company's proposed acquisition of Captivate described herein. Forward-looking statements often use words such as "anticipates," "targets," "expects," "hopes," "estimates," "projects," "forecasts," "intends," "plans," "goals," "believes," "continue" and other similar expressions or future or conditional verbs such as "will," "may," "might," "should," "would" and "could." Investors are cautioned that reliance on these forward-looking statements involves risks and uncertainties. Although the Company believes that the assumptions used in the forward-looking statements are reasonable, any of these assumptions could prove to be inaccurate and, as a result, actual results could differ materially from those expressed or implied in the forward-looking statements. The factors that could cause actual results to differ materially from those expressed or implied in the forward-looking statements are, among others, (1) the risk that the cost savings, any revenue synergies and other anticipated benefits of the proposed acquisition may not be realized or may take longer than anticipated to be realized, (2) disruption to the Company's or Captivate's businesses as a result of the announcement and pendency of the proposed acquisition and diversion of management's attention from ongoing business operations and opportunities, (3) the occurrence of any event that could give rise to the right of one or both of the parties to terminate the definitive purchase agreement, (4) the failure to obtain required regulatory approvals or a delay in obtaining such approvals (and the risk that such approvals may result in the imposition of conditions that could adversely affect the Company or the expected benefits of the proposed acquisition), (5) the failure of any of the closing conditions in the definitive purchase agreement to be satisfied on a timely basis or at all, including the failure of the Company to obtain the committed financing under the debt commitment letters, (6) any other delays in closing the proposed acquisition, (7) the possibility that the proposed acquisition, including the integration of Captivate, may be more costly or difficult to complete than anticipated, (8) the impacts from the increased debt load incurred in connection with the proposed transaction, (9) level of theater attendance or viewership of the Noovie® show; (10) the availability and predictability of major motion pictures displayed in theaters, including as a result of strikes or other production delays in the entertainment industry; (11) increased competition for advertising expenditures; (12) changes to the ESAs or network affiliate agreements and the relationships with NCM LLC's ESA Parties and network affiliates and NCM LLC's ability to enforce provisions contained in the ESA or network affiliate agreements; (13) economic conditions, including the level of expenditures on and perception of cinema advertising; (14) our ability to implement or achieve new revenue opportunities; (15) any failure to realize the anticipated benefits of the post-showtime inventory in our network or the development of additional digital or digital out of home revenue opportunities; (16) technological changes and innovations or the failure to adequately protect our systems, data or property from technology failures or cyberattacks; (17) our ability to renew or replace expiring advertising contracts; (18) the ongoing effects of NCM LLC's emergence from bankruptcy or a lack of support from the ESA Parties; (19) reinvestment in our network and product offerings may require significant funding and resulting reallocation of resources; (20) fluctuations in and timing of operating costs; (21) our ability to retain or replace our senior management; (22) any failure to grow advertising revenue in line with the growth of contractual costs; (23) macroeconomic uncertainty which alters the spending priorities of current or prospective advertisers; and (24) changes in government regulations, funding, trade policies or tariffs. In addition, the outlook provided does not include the impact of any future unusual or infrequent transactions; sales and acquisitions of operating assets and investments; any future non-cash impairments of intangible and fixed assets; amounts related to litigation or the related impact of taxes that may occur from time to time due to management decisions and changing business circumstances. The Company is currently unable to forecast precisely the timing and/or magnitude of any such amounts or events. Please refer to the Company's Securities and Exchange Commission filings, including the "Risk Factor" section of the Company's Quarterly Report on Form 10-Q for the three months ended April 2, 2026 and in the Annual Report on Form 10-K for the year ended January 1, 2026, for further information about these and other risks. Investors are cautioned not to place undue reliance on any such forward-looking statements, which speak to the information only as of the date they are made. The Company undertakes no obligation to update any forward-looking statement, whether as a result, of new information, future events or otherwise, except as required by law.

This press release contains references to Non-GAAP financial measures including (A) the Company's Adjusted OIBDA (Operating Income Before Depreciation and Amortization expense, adjusted to exclude non-cash share-based compensation costs, workforce and system transformation costs, satellite transition costs, Spotlight acquisition and integration costs and advisor fees related to involvement in the Cineworld Proceeding and the Chapter 11 Case), and (B) Captivate's Adjusted EBITDA (Earnings Before Depreciation and Amortization expense, adjusted to exclude stock based compensation and other non-cash items, foreign exchange translation adjustment, and one-time expenses, including employee one-time costs, and incorporates proforma adjustments to present Captivate as if it was owned by NCM during the period). A reconciliation of the Company's Adjusted OIBDA is available on the investor page of the Company's website at www.ncm.com. A reconciliation of Captivate's Adjusted EBITDA is available in this press release.

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Source: National CineMedia, Inc.