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Q1'24 Earnings

Supplemental Presentation

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Forward-looking Statements

This presentation contains various forward-looking statements that reflect management's current expectations or beliefs regarding future events. 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) level of theater attendance or viewership of the Noovie® show; 2) 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; 3) increased competition for advertising expenditures; 4) inability to implement or achieve new revenue opportunities; 5) changes to the ESAs or network affiliate agreements and the relationships with NCM LLC's ESA Parties and network affiliates; 6) failure to realize the anticipated benefits of the post-showtime inventory in our network; 7) technological changes and innovations; 8) economic conditions, including the level of expenditures on and perception of cinema advertising; 9) our ability to renew or replace expiring advertising and content contracts; 10) the ongoing effects of NCM LLC's recent emergence from bankruptcy; 11) reinvestment in our network and product offerings may require significant funding and resulting reallocation of resources; and 12) fluctuations in and timing of operating costs. 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 Annual Report on Form 10-K for the year ended December 28, 2023 and subsequent Quarterly Reports on Form 10-Q, for further information about these and other risks. Investors are cautioned not to place undue reliance on any such forward-looking statements, which speak 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 presentation contains references to Non-GAAP financial measures including Adjusted OIBDA (Operating Income Before Depreciation and Amortization expense, excluding non-cash share-based payment costs, workforce reorganization costs and fees, expenses related to involvement in the Cineworld Chapter 11 Case, and impairment of long lived-assets. A reconciliation of these measures is available in this press release and on the investor page of the Company's website at www.ncm.com.

Q1'24 Key Highlights

- Q1'24 revenue was \$37.4M, up 7% vs. prior year and exceeded our revenue guidance range of \$34.5M to \$35.5M
- Total advertising revenue increased 14% vs. prior year to \$34.8M primarily driven by higher monetization
- National advertising revenue increased 31% vs. prior year to \$29.5M while advertising revenue per attendee increased 35%
- Utilized impressions per attendee increased 62% vs. prior year driven by a stronger demand in both the Upfront and Scatter markets
- Q1'24 operating loss improved to \$22.7M from operating loss of \$30.6M for Q1'23.
- Q1'24 operating expenses (excluding one-time items, depreciation, amortization and non-cash share-based compensation) was \$43.1M, down 6% vs. prior year driven by a decrease in network attendance fees and lower overhead expenses resulting from cost saving initiatives
- Q1'24 Adj. OIBDA was \$(5.7)M, up 48% vs. prior year and exceeded our guidance range of \$(7.5)M to \$(6.5)M
- Q1'24 network attendance was 75M, down 16% vs. prior year due to a reduced movie slate impacted by the writer and actor strikes in 2023
- Q1'24 net cash provided by operating activities was \$24.1M vs. \$10.4M in the prior year
- Q1'24 free cash flow was \$22.6M vs. \$9.4M in prior year, marking the highest figure in the past 15 quarters

National CineMedia, Inc. Q1 2024 Financial Results

National CineMedia, Inc. Condensed Statements of Income

(dollars in millions)

(unaudited)

	<u>Quarter ended</u>	
	<u>March 28, 2024</u>	
REVENUE	\$	37.4
OPERATING EXPENSES		
Network operating costs		3.6
ESA Parties and network affiliate fees		22.5
Selling and marketing costs		10.0
Administrative and other costs		13.5
Depreciation expense		1.0
Amortization expense		9.5
Total		60.1
OPERATING LOSS	\$	(22.7)

National CineMedia, Inc. Q1 2024 Financial Results

Adjusted OIBDA Reconciliation	<i>Quarter ended</i>
<i>(unaudited)</i>	March 28, 2024
Operating (loss) income	\$ (22.7)
Depreciation expense	1.0
Amortization expense	9.5
Share-based compensation costs ⁽¹⁾	2.6
Fees and expenses related to the Cineworld Proceeding and Chapter 11 Case included within Operating Income ⁽²⁾	2.3
Impairment of long-lived assets ⁽³⁾	0.1
Workforce reorganization costs ⁽⁴⁾	1.5
Adjusted OIBDA	\$ (5.7)
Net cash provided by operating activities	\$ 24.1
Purchases of property and equipment	(1.5)
Levered free cash flow	\$ 22.6

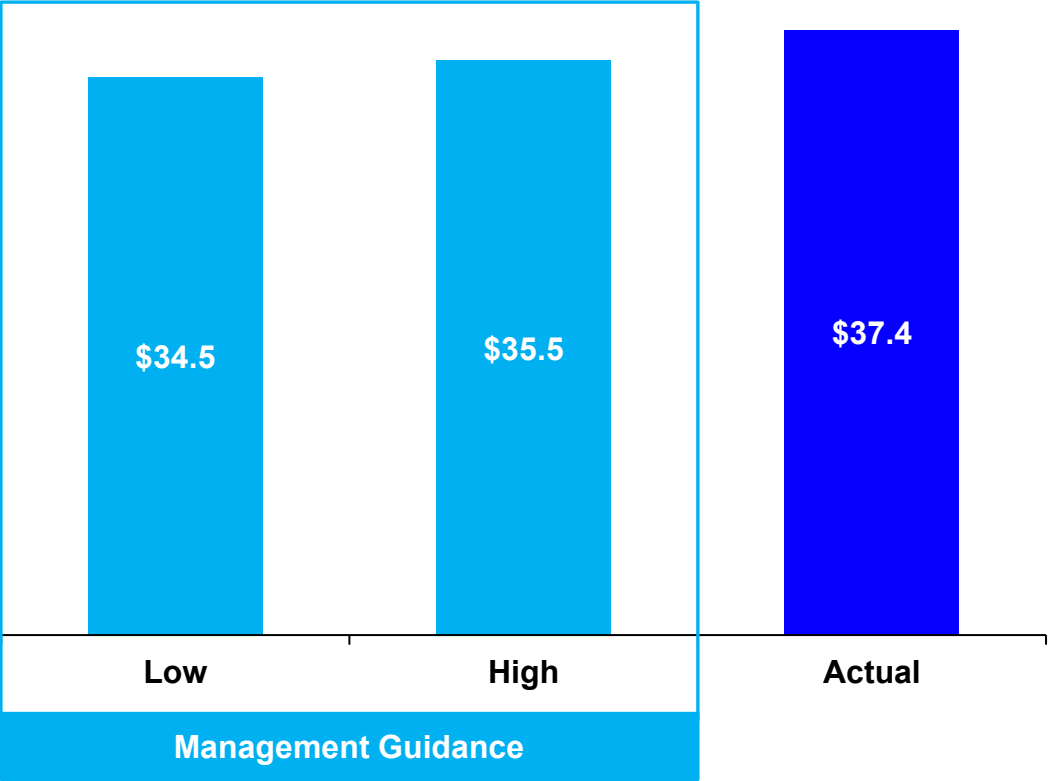
Revenue Results	<i>Quarter ended</i>
<i>(unaudited)</i>	March 28, 2024
National advertising revenue	\$ 29.5
Local and regional advertising revenue	5.3
Total advertising revenue excluding beverage	34.8
ESA advertising revenue from beverage concessionaire agreements	2.6
TOTAL REVENUE	\$ 37.4

Notes:

- 1) Share-based compensation costs are included in network operations, selling and marketing and administrative expense in the accompanying unaudited Condensed Consolidated Financial Statements.
- 2) Advisor and legal fees and expenses incurred in connection with the Company's involvement in the Cineworld Proceeding and Chapter 11 Case during the first quarter of 2024, as well as retention related expenses.
- 3) The impairment of long-lived assets primarily relates to the write down of certain property and equipment no longer in use.
- 4) Workforce reorganization costs represents redundancy costs associated with changes to the Company's workforce primarily implemented during the first quarter of 2024.

Q1'24 Results vs. Guidance

Q1'24 Revenue



Q1'24 Adjusted OIBDA



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