**UNITED STATES**
**SECURITIES AND EXCHANGE COMMISSION**
**Washington, D.C. 20549**

# FORM 10-Q

☑ **Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

**For the quarterly period ended June 30, 2024**

**or**

☐ **Transition report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

**For the transition period from to**

**Commission File Number: 1-35106**

# AMC Networks Inc.

**(Exact name of registrant as specified in its charter)**

| | |
|---|---|
| **Delaware** | **27-5403694** |
| **(State or other jurisdiction of incorporation or organization)** | **(I.R.S. Employer Identification No.)** |
| **11 Penn Plaza, New York, NY** | **10001** |
| **(Address of principal executive offices)** | **(Zip Code)** |

**(212) 324-8500**
**(Registrant's telephone number, including area code)**
**Securities registered pursuant to Section 12(b) of the Act:**

| Title of each class | Trading Symbol(s) | Name of each exchange on which registered |
|---|---|---|
| Class A Common Stock, par value $0.01 per share | AMCX | The NASDAQ Stock Market LLC |

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☑ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company (as defined in Exchange Act Rule 12b-2).

| | | | |
|---|---|---|---|
| Large accelerated filer | ☐ | Accelerated filer | ☑ |
| Non-accelerated filer | ☐ | Smaller reporting company | ☐ |
| | | Emerging growth company | ☐ |

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☑

The number of shares of common stock outstanding as of August 2, 2024:

| | |
|---|---|
| Class A Common Stock par value $0.01 per share | 32,613,713 |
| Class B Common Stock par value $0.01 per share | 11,484,408 |

**AMC NETWORKS INC. AND SUBSIDIARIES**

**FORM 10-Q**

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## PART I. FINANCIAL INFORMATION
### Item 1. Financial Statements.

**AMC NETWORKS INC. AND SUBSIDIARIES**
**CONDENSED CONSOLIDATED BALANCE SHEETS**
**(in thousands, except per share amounts)**
**(unaudited)**

| | June 30, 2024 | December 31, 2023 |
|---|---|---|
| **ASSETS** | | |
| Current Assets: | | |
| Cash and cash equivalents | $ 802,553 | $ 570,576 |
| Accounts receivable, trade (less allowance for doubtful accounts of $9,329 and $9,488) | 643,278 | 664,396 |
| Current portion of program rights, net | 7,089 | 7,880 |
| Prepaid expenses and other current assets | 264,848 | 380,518 |
| Total current assets | 1,717,768 | 1,623,370 |
| Property and equipment, net of accumulated depreciation of $434,044 and $403,708 | 141,803 | 159,237 |
| Program rights, net | 1,790,978 | 1,802,653 |
| Intangible assets, net | 233,371 | 268,558 |
| Goodwill | 553,775 | 626,496 |
| Deferred tax assets, net | 12,522 | 11,456 |
| Operating lease right-of-use assets | 63,658 | 71,163 |
| Other assets | 358,845 | 406,854 |
| Total assets | $ 4,872,720 | $ 4,969,787 |
| **LIABILITIES AND STOCKHOLDERS' EQUITY** | | |
| Current Liabilities: | | |
| Accounts payable | $ 109,672 | $ 89,469 |
| Accrued liabilities | 319,112 | 385,838 |
| Current portion of program rights obligations | 257,232 | 301,221 |
| Deferred revenue | 57,768 | 65,736 |
| Current portion of long-term debt | 32,500 | 67,500 |
| Current portion of lease obligations | 31,461 | 33,659 |
| Total current liabilities | 807,745 | 943,423 |
| Program rights obligations | 165,177 | 150,943 |
| Long-term debt, net | 2,351,356 | 2,294,249 |
| Lease obligations | 74,983 | 87,240 |
| Deferred tax liabilities, net | 156,017 | 160,383 |
| Other liabilities | 55,285 | 74,306 |
| Total liabilities | 3,610,563 | 3,710,544 |
| Commitments and contingencies | | |
| Redeemable noncontrolling interests | 180,065 | 185,297 |
| Stockholders' equity: | | |
| Class A Common Stock, $0.01 par value, 360,000 shares authorized, 66,730 and 66,670 shares issued and 32,614 and 32,077 shares outstanding, respectively | 667 | 667 |
| Class B Common Stock, $0.01 par value, 90,000 shares authorized, 11,484 shares issued and outstanding | 115 | 115 |
| Preferred stock, $0.01 par value, 45,000 shares authorized; none issued | — | — |
| Paid-in capital | 374,353 | 378,877 |
| Accumulated earnings | 2,335,526 | 2,321,105 |
| Treasury stock, at cost (34,117 and 34,593 shares Class A Common Stock, respectively) | (1,408,832) | (1,419,882) |
| Accumulated other comprehensive loss | (248,120) | (232,831) |
| Total AMC Networks stockholders' equity | 1,053,709 | 1,048,051 |
| Non-redeemable noncontrolling interests | 28,383 | 25,895 |
| Total stockholders' equity | 1,082,092 | 1,073,946 |
| Total liabilities and stockholders' equity | $ 4,872,720 | $ 4,969,787 |

See accompanying notes to condensed consolidated financial statements.

**AMC NETWORKS INC. AND SUBSIDIARIES**
**CONDENSED CONSOLIDATED STATEMENTS OF INCOME (LOSS)**
**(in thousands, except per share amounts)**
**(unaudited)**

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| Revenues, net | $ 625,934 | $ 678,628 | $ 1,222,395 | $ 1,396,075 |
| Operating expenses: | | | | |
| Technical and operating (excluding depreciation and amortization) | 280,727 | 321,961 | 552,303 | 648,690 |
| Selling, general and administrative | 208,176 | 194,298 | 397,057 | 379,904 |
| Depreciation and amortization | 26,493 | 25,745 | 52,319 | 51,620 |
| Impairment and other charges | 96,819 | 24,882 | 96,819 | 24,882 |
| Restructuring and other related charges | 2,931 | 6,041 | 2,931 | 11,974 |
| Total operating expenses | 615,146 | 572,927 | 1,101,429 | 1,117,070 |
| Operating income | 10,788 | 105,701 | 120,966 | 279,005 |
| Other income (expense): | | | | |
| Interest expense | (43,216) | (38,930) | (76,057) | (76,547) |
| Interest income | 9,292 | 7,342 | 18,177 | 15,258 |
| Gain on extinguishment of debt, net | 247 | — | 247 | — |
| Miscellaneous, net | 1,493 | 10,140 | (3,697) | 14,729 |
| Total other expense | (32,184) | (21,448) | (61,330) | (46,560) |
| Income (loss) from operations before income taxes | (21,396) | 84,253 | 59,636 | 232,445 |
| Income tax expense | (10,893) | (22,155) | (34,542) | (59,054) |
| Net income (loss) including noncontrolling interests | (32,289) | 62,098 | 25,094 | 173,391 |
| Net (income) loss attributable to noncontrolling interests | 3,055 | 8,141 | (8,525) | 458 |
| Net income (loss) attributable to AMC Networks' stockholders | $ (29,234) | $ 70,239 | $ 16,569 | $ 173,849 |
| | | | | |
| Net income (loss) per share attributable to AMC Networks' stockholders: | | | | |
| Basic | $ (0.66) | $ 1.60 | $ 0.37 | $ 3.98 |
| Diluted | $ (0.66) | $ 1.60 | $ 0.37 | $ 3.97 |
| | | | | |
| Weighted average common shares: | | | | |
| Basic | 44,466 | 43,842 | 44,267 | 43,702 |
| Diluted | 44,466 | 43,900 | 45,443 | 43,835 |

See accompanying notes to condensed consolidated financial statements.

**AMC NETWORKS INC. AND SUBSIDIARIES**
**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)**
**(in thousands)**
**(unaudited)**

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|---|---|---|---|---|
| | **2024** | **2023** | **2024** | **2023** |
| Net income (loss) including noncontrolling interests | $ (32,289) | $ 62,098 | $ 25,094 | $ 173,391 |
| Other comprehensive income (loss): | | | | |
| Foreign currency translation adjustment | (2,269) | 9,826 | (15,566) | 21,644 |
| Comprehensive income (loss) | (34,558) | 71,924 | 9,528 | 195,035 |
| Comprehensive (income) loss attributable to noncontrolling interests | 3,007 | 7,509 | (8,248) | (664) |
| Comprehensive income (loss) attributable to AMC Networks' stockholders | $ (31,551) | $ 79,433 | $ 1,280 | $ 194,371 |

See accompanying notes to condensed consolidated financial statements.

## AMC NETWORKS INC. AND SUBSIDIARIES
## CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
**(in thousands)**
**(unaudited)**

| | Class A Common Stock | Class B Common Stock | Paid-in Capital | Accumulated Earnings | Treasury Stock | Accumulated Other Comprehensive Loss | Total AMC Networks Stockholders' Equity | Non-redeemable Noncontrolling Interests | Total Stockholders' Equity |
|---|---|---|---|---|---|---|---|---|---|
| **Balance, March 31, 2024** | $ 667 | $ 115 | $ 369,877 | $ 2,365,524 | $ (1,410,105) | $ (245,803) | $ 1,080,275 | $ 26,630 | $ 1,106,905 |
| Net loss attributable to AMC Networks' stockholders | — | — | — | (29,234) | — | — | (29,234) | — | (29,234) |
| Net income attributable to non-redeemable noncontrolling interests | — | — | — | — | — | — | — | 7,898 | 7,898 |
| Distribution to noncontrolling member | — | — | — | — | — | — | — | (6,193) | (6,193) |
| Redeemable noncontrolling interest adjustment to redemption fair value | — | — | (2,807) | — | — | — | (2,807) | — | (2,807) |
| Other comprehensive income (loss) | — | — | — | — | — | (2,317) | (2,317) | 48 | (2,269) |
| Share-based compensation expenses | — | — | 8,457 | — | — | — | 8,457 | — | 8,457 |
| Common stock issued under employee stock plans | — | — | (509) | (764) | 1,273 | — | — | — | — |
| Tax withholding associated with shares issued under employee stock plans | — | — | (665) | — | — | — | (665) | — | (665) |
| **Balance, June 30, 2024** | $ 667 | $ 115 | $ 374,353 | $ 2,335,526 | $ (1,408,832) | $ (248,120) | $ 1,053,709 | $ 28,383 | $ 1,082,092 |

| | Class A Common Stock | Class B Common Stock | Paid-in Capital | Accumulated Earnings | Treasury Stock | Accumulated Other Comprehensive Loss | Total AMC Networks Stockholders' Equity | Non-redeemable Noncontrolling Interests | Total Stockholders' Equity |
|---|---|---|---|---|---|---|---|---|---|
| **Balance, March 31, 2023** | $ 665 | $ 115 | $ 360,117 | $ 2,209,251 | $ (1,419,882) | $ (228,470) | $ 921,796 | $ 47,246 | $ 969,042 |
| Net income attributable to AMC Networks' stockholders | — | — | — | 70,239 | — | — | 70,239 | — | 70,239 |
| Net loss attributable to non-redeemable noncontrolling interests | — | — | — | — | — | — | — | (14,941) | (14,941) |
| Distributions to noncontrolling member | — | — | — | — | — | — | — | (352) | (352) |
| Other comprehensive income (loss) | — | — | — | — | — | 9,194 | 9,194 | 632 | 9,826 |
| Share-based compensation expenses | — | — | 7,648 | — | — | — | 7,648 | — | 7,648 |
| Tax withholding associated with shares issued under employee stock plans | 1 | — | (1,212) | — | — | — | (1,211) | — | (1,211) |
| **Balance, June 30, 2023** | $ 666 | $ 115 | $ 366,553 | $ 2,279,490 | $ (1,419,882) | $ (219,276) | $ 1,007,666 | $ 32,585 | $ 1,040,251 |

See accompanying notes to condensed consolidated financial statements.

## AMC NETWORKS INC. AND SUBSIDIARIES
## CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
**(in thousands)**
**(unaudited)**

| | Class A Common Stock | Class B Common Stock | Paid-in Capital | Accumulated Earnings | Treasury Stock | Accumulated Other Comprehensive Loss | Total AMC Networks Stockholders' Equity | Non-redeemable Noncontrolling Interests | Total Stockholders' Equity |
|---|---|---|---|---|---|---|---|---|---|
| **Balance, December 31, 2023** | $ 667 | $ 115 | $ 378,877 | $ 2,321,105 | $ (1,419,882) | $ (232,831) | $ 1,048,051 | $ 25,895 | $ 1,073,946 |
| Net income attributable to AMC Networks' stockholders | — | — | — | 16,569 | — | — | 16,569 | — | 16,569 |
| Net income attributable to non-redeemable noncontrolling interests | — | — | — | — | — | — | — | 8,958 | 8,958 |
| Redeemable noncontrolling interest adjustment to redemption fair value | — | — | (5,528) | — | — | — | (5,528) | | (5,528) |
| Distributions to noncontrolling member | — | — | — | — | — | — | — | (6,193) | (6,193) |
| Other comprehensive income (loss) | — | — | — | — | — | (15,289) | (15,289) | (277) | (15,566) |
| Share-based compensation expenses | — | — | 14,532 | — | — | — | 14,532 | — | 14,532 |
| Common stock issued under employee stock plans | — | — | (8,902) | (2,148) | 11,050 | — | — | — | — |
| Tax withholding associated with shares issued under employee stock plans | — | — | (4,626) | — | — | — | (4,626) | — | (4,626) |
| **Balance, June 30, 2024** | $ 667 | $ 115 | $ 374,353 | $ 2,335,526 | $ (1,408,832) | $ (248,120) | $ 1,053,709 | $ 28,383 | $ 1,082,092 |

| | Class A Common Stock | Class B Common Stock | Paid-in Capital | Accumulated Earnings | Treasury Stock | Accumulated Other Comprehensive Loss | Total AMC Networks Stockholders' Equity | Non-redeemable Noncontrolling Interests | Total Stockholders' Equity |
|---|---|---|---|---|---|---|---|---|---|
| **Balance, December 31, 2022** | $ 661 | $ 115 | $ 360,251 | $ 2,105,641 | $ (1,419,882) | $ (239,798) | $ 806,988 | $ 46,825 | $ 853,813 |
| Net income attributable to AMC Networks' stockholders | — | — | — | 173,849 | — | — | 173,849 | — | 173,849 |
| Net loss attributable to non-redeemable noncontrolling interests | — | — | — | — | — | — | — | (13,528) | (13,528) |
| Distributions to noncontrolling member | — | — | — | — | — | — | — | (1,834) | (1,834) |
| Other comprehensive income (loss) | — | — | — | — | — | 20,522 | 20,522 | 1,122 | 21,644 |
| Share-based compensation expenses | — | — | 13,530 | — | — | — | 13,530 | — | 13,530 |
| Tax withholding associated with shares issued under employee stock plans | 5 | — | (7,228) | — | — | — | (7,223) | — | (7,223) |
| **Balance, June 30, 2023** | $ 666 | $ 115 | $ 366,553 | $ 2,279,490 | $ (1,419,882) | $ (219,276) | $ 1,007,666 | $ 32,585 | $ 1,040,251 |

See accompanying notes to condensed consolidated financial statements.

**AMC NETWORKS INC. AND SUBSIDIARIES**
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**
**(in thousands) / (unaudited)**

| | Six Months Ended June 30, | |
|---|---|---|
| | **2024** | **2023** |
| Cash flows from operating activities: | | |
| Net income including noncontrolling interests | $ 25,094 | $ 173,391 |
| Adjustments to reconcile net income to net cash from operating activities: | | |
| Depreciation and amortization | 52,319 | 51,620 |
| Non-cash impairment and other charges | 96,819 | 24,882 |
| Share-based compensation expenses related to equity classified awards | 14,532 | 13,293 |
| Amortization and write-off of program rights | 414,716 | 430,386 |
| Amortization of deferred carriage fees | 10,762 | 10,992 |
| Unrealized foreign currency transaction loss | 2,640 | 2,712 |
| Amortization of deferred financing costs and discounts on indebtedness | 3,371 | 3,905 |
| Gain on extinguishment of debt, net | (247) | — |
| Deferred income taxes | (5,705) | (725) |
| Other, net | 1,316 | (1,131) |
| Changes in assets and liabilities: | | |
| Accounts receivable, trade (including amounts due from related parties, net) | 16,489 | 54,221 |
| Prepaid expenses and other assets | 143,856 | 127,342 |
| Program rights and obligations, net | (435,471) | (644,114) |
| Deferred revenue | (8,047) | (59,828) |
| Accounts payable, accrued liabilities and other liabilities | (77,172) | (161,899) |
| Net cash provided by operating activities | 255,272 | 25,047 |
| Cash flows from investing activities: | | |
| Capital expenditures | (15,958) | (21,450) |
| Proceeds from sale of investments | — | 8,565 |
| Other investing activities, net | 3,936 | (103) |
| Net cash used in investing activities | (12,022) | (12,988) |
| Cash flows from financing activities: | | |
| Proceeds from the issuance of 10.25% Senior Secured Notes due 2029, net | 862,969 | — |
| Proceeds from the issuance of 4.25% Convertible Senior Notes due 2029, net | 139,437 | — |
| Tender and redemption of 4.75% Senior Notes due 2025 | (774,729) | — |
| Principal payments on Term Loan A Facility | (190,625) | (16,875) |
| Repurchase of 4.25% Senior Notes due 2029 | (10,129) | — |
| Payments for financing costs | (9,424) | (342) |
| Deemed repurchases of restricted stock units | (4,626) | (7,223) |
| Principal payments on finance lease obligations | (2,275) | (1,946) |
| Distributions to noncontrolling interests | (16,520) | (27,087) |
| Purchase of noncontrolling interests | — | (1,343) |
| Net cash used in financing activities | (5,922) | (54,816) |
| Net increase (decrease) in cash and cash equivalents from operations | 237,328 | (42,757) |
| Effect of exchange rate changes on cash and cash equivalents | (5,351) | 6,125 |
| Cash and cash equivalents at beginning of period | 570,576 | 930,002 |
| Cash and cash equivalents at end of period | $ 802,553 | $ 893,370 |

See accompanying notes to condensed consolidated financial statements.

**Note 1. Description of Business and Basis of Presentation**

**Description of Business**

AMC Networks Inc. ("AMC Networks") and its subsidiaries (collectively referred to as the "Company," "we," "us," or "our") own and operate entertainment businesses and assets. The Company is comprised of two operating segments:

- *Domestic Operations:* Includes our five national programming networks, our streaming services, our AMC Studios operation and our film distribution business. Our programming networks are AMC, WE tv, BBC AMERICA ("BBCA"), IFC, and SundanceTV. Our streaming services consist of AMC+ and our targeted subscription streaming services (Acorn TV, Shudder, Sundance Now, ALLBLK, and HIDIVE). Our AMC Studios operation produces original programming for our programming services and third parties and also licenses programming worldwide. Our film distribution business includes IFC Films, RLJ Entertainment Films and Shudder. The operating segment also includes AMC Networks Broadcasting & Technology, our technical services business, which primarily services the programming networks.
- *International*: AMC Networks International ("AMCNI"), our international programming businesses consisting of a portfolio of channels distributed around the world.

  In 2024, the Company updated the name of its previously titled "International and Other" operating segment to "International" due to the divestiture of the 25/7 Media business on December 29, 2023, which was the sole component of the operating segment that comprised “Other.” This update does not constitute a change in segment reporting, but rather an update in name only. Prior period segment information contained in this report includes the results of the 25/7 Media business through the date of divestiture.

*Principles of Consolidation*

The consolidated financial statements include the accounts of AMC Networks and its subsidiaries in which a controlling financial interest is maintained or variable interest entities ("VIEs") in which the Company has determined it is the primary beneficiary. All intercompany transactions and balances have been eliminated in consolidation.

Investments in business entities in which the Company lacks control but does have the ability to exercise significant influence over operating and financial policies are accounted for using the equity method of accounting.

*Unaudited Interim Financial Statements*

These condensed consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles ("GAAP") for interim financial information and Article 10 of Regulation S-X of the Securities and Exchange Commission ("SEC"), and should be read in conjunction with the Company's consolidated financial statements and notes thereto for the year ended December 31, 2023 contained in the Company's Annual Report on Form 10-K (our "2023 Form 10-K") filed with the SEC. The condensed consolidated financial statements presented in this Quarterly Report on Form 10-Q are unaudited; however, in the opinion of management, such financial statements reflect all adjustments, consisting solely of normal recurring adjustments, necessary for a fair presentation of the results for the interim periods presented.

The results of operations for interim periods are not necessarily indicative of the results that might be expected for future interim periods or for the full year ending December 31, 2024.

*Use of Estimates*

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements; and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates. Significant estimates and judgments inherent in the preparation of the consolidated financial statements include the useful lives and methodologies used to amortize and assess recoverability of program rights, the estimated useful lives of intangible assets and the valuation and recoverability of goodwill and intangible assets.

*Reclassifications*

Certain reclassifications were made to the prior period amounts to conform to the current period presentation.

**Recently Issued Accounting Pronouncements**

In December 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures. ASU 2023-09 is intended to enhance the transparency and decision usefulness of income tax information through improvements to income tax disclosures primarily related to the rate reconciliation and income taxes paid information. The Company will incorporate the required disclosure updates for the 2025 annual financial statements.

In November 2023, the FASB issued ASU 2023-07, Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures, which expands disclosures about a public entity's reportable segments and requires more enhanced information about a reportable segment's expenses, interim segment profit or loss, and how a public entity's chief operating decision maker uses reported segment profit or loss information in assessing segment performance and allocating resources. The Company will incorporate the required disclosure updates for the 2024 annual financial statements.

## Note 2. Revenue Recognition

**Transaction Price Allocated to Future Performance Obligations**

As of June 30, 2024, other than contracts for which the Company has applied the practical expedients, the aggregate amount of transaction price allocated to future performance obligations was not material to our consolidated revenues.

**Contract Balances from Contracts with Customers**

The following table provides information about receivables, contract assets, and contract liabilities from contracts with customers.

| (In thousands) | June 30, 2024 | December 31, 2023 |
|---|---|---|
| **Balances from contracts with customers:** | | |
| Accounts receivable (including long-term receivables within Other assets) | $ 722,715 | $ 750,390 |
| Contract assets, short-term (included in Prepaid expenses and other current assets) | — | 2,364 |
| Contract liabilities, short-term (Deferred revenue) | 57,768 | 65,736 |

Revenue recognized for the six months ended June 30, 2024 and 2023 relating to the contract liabilities at December 31, 2023 and 2022 was $38.8 million and $97.4 million, respectively.

For the three and six months ended June 30, 2024, we recognized revenues of $13.4 million for a one-time retroactive adjustment reported and paid by a third party, for which our performance obligation was satisfied in a prior period.

In October 2023, the Company entered into an agreement enabling it to sell certain customer receivables to a financial institution on a recurring basis for cash. The transferred receivables will be fully guaranteed by a bankruptcy-remote entity and the financial institution that purchases the receivables will have no recourse to the Company's other assets in the event of non-payment by the customers. The Company can sell an indefinite amount of customer receivables under the agreement on a revolving basis, but the outstanding balance of unpaid customer receivables to the financial institution cannot exceed the initial program limit of $125.0 million at any given time. As of June 30, 2024, the Company had not yet sold any customer receivables under this agreement.

**Note 3. Net Income per Share**

Net income (loss) per basic share is based upon net income (loss) attributable to AMC Networks' stockholders divided by the weighted average number of shares of Class A and Class B Common Stock outstanding during the period. Net income (loss) per diluted share reflects the dilutive effects of AMC Networks' outstanding equity-based awards and the assumed conversion of the 4.25% Convertible Senior Notes due 2029 (the "Convertible Notes") issued in June 2024.

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|---|---|---|---|---|
| **(In thousands)** | **2024** | **2023** | **2024** | **2023** |
| Net income (loss) attributable to AMC Networks' stockholders used for basic net income (loss) per share | $ (29,234) | $ 70,239 | $ 16,569 | $ 173,849 |
| Add: Convertible Notes interest expense, net of tax | — | — | 116 | — |
| Net income (loss) attributable to AMC Networks' stockholders used for diluted net income (loss) per share | $ (29,234) | $ 70,239 | $ 16,685 | $ 173,849 |
| | | | | |
| Basic weighted average common shares outstanding | 44,466 | 43,842 | 44,267 | 43,702 |
| Effect of dilution: | | | | |
| Restricted stock units | — | 58 | 556 | 133 |
| Convertible Notes | — | — | 620 | — |
| Diluted weighted average common shares outstanding | 44,466 | 43,900 | 45,443 | 43,835 |
| | | | | |
| Net income (loss) per share attributable to AMC Networks' stockholders: | | | | |
| Basic | $ (0.66) | $ 1.60 | $ 0.37 | $ 3.98 |
| Diluted | $ (0.66) | $ 1.60 | $ 0.37 | $ 3.97 |

For the three months ended June 30, 2024, all 3.4 million of our restricted stock units and the weighted average impact of 11.3 million common shares related to the assumed conversion of the Company's Convertible Notes were excluded from the calculation of diluted net income (loss) per share because their inclusion would have been antidilutive since we reported a net loss.

For the six months ended June 30, 2024, 0.2 million of restricted stock units have been excluded from the diluted weighted average common shares outstanding, as their impact would have been antidilutive.

For the three and six months ended June 30, 2023, 2.1 million of restricted stock units have been excluded from diluted weighted average common shares outstanding, as their impact would have been antidilutive.

*Stock Repurchase Program*

The Company's Board of Directors previously authorized a program to repurchase up to $1.5 billion of its outstanding shares of common stock (the "Stock Repurchase Program"). The Stock Repurchase Program has no pre-established closing date and may be suspended or discontinued at any time. For the three and six months ended June 30, 2024 and 2023, the Company did not repurchase any shares of its Class A Common Stock. As of June 30, 2024, the Company had $135.3 million of authorization remaining for repurchase under the Stock Repurchase Program.

**Note 4. Restructuring and Other Related Charges**

Restructuring and other related charges were $2.9 million for the three and six months ended June 30, 2024, consisting primarily of content impairments in connection with WE tv shifting to a reduced originals strategy, and severance costs.

Restructuring and other related charges were $6.0 million and $12.0 million for the three and six months ended June 30, 2023, respectively, consisting primarily of severance and other personnel costs related to a restructuring plan (the "Plan") that commenced on November 28, 2022. The Plan was designed to achieve significant cost reductions in light of “cord cutting” and the related impacts being felt across the media industry as well as the broader economic outlook. The Plan encompassed initiatives that included, among other things, strategic programming assessments and organizational restructuring costs. The Plan was intended to improve the organizational design of the Company through the elimination of certain roles and centralization of certain functional areas of the Company. The programming assessments pertained to a broad mix of owned and licensed content, including legacy television series and films that will no longer be in active rotation on the Company's linear or streaming platforms.

The following table summarizes the restructuring and other related charges recognized by operating segment:

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|---|---|---|---|---|
| **(In thousands)** | **2024** | **2023** | **2024** | **2023** |
| Domestic Operations | $ 2,931 | $ 3,905 | $ 2,931 | $ 4,723 |
| International | — | 261 | — | 1,646 |
| Corporate / Inter-segment eliminations | — | 1,875 | — | 5,605 |
| Total restructuring and other related charges | $ 2,931 | $ 6,041 | $ 2,931 | $ 11,974 |

The following table summarizes the accrued restructuring and other related costs:

| **(In thousands)** | **Severance and Employee-Related Costs** | **Content Impairments and Other Exit Costs** | **Total** |
|---|---|---|---|
| Balance at December 31, 2023 | $ 8,726 | $ 5,008 | $ 13,734 |
| Charges | 1,317 | 1,614 | 2,931 |
| Cash payments | (5,880) | (2,223) | (8,103) |
| Non-cash adjustments | — | (2,199) | (2,199) |
| Other | (902) | (102) | (1,004) |
| Balance at June 30, 2024 | $ 3,261 | $ 2,098 | $ 5,359 |

Accrued restructuring and other related costs of $5.4 million are included in Accrued liabilities in the condensed consolidated balance sheet at June 30, 2024. Accrued restructuring and other related costs of $12.1 million and $1.6 million are included in Accrued liabilities and Other liabilities, respectively, in the condensed consolidated balance sheet at December 31, 2023.

**Note 5. Program Rights**

Total capitalized produced and licensed content by predominant monetization strategy is as follows:

| | June 30, 2024 | | |
|---|---|---|---|
| **(In thousands)** | Predominantly Monetized Individually | Predominantly Monetized as a Group | Total |
| Owned original program rights, net: | | | |
| Completed | $ 97,148 | $ 624,518 | $ 721,666 |
| In-production and in-development | — | 252,746 | 252,746 |
| Total owned original program rights, net | $ 97,148 | $ 877,264 | $ 974,412 |
| | | | |
| Licensed program rights, net: | | | |
| Licensed film and acquired series | $ 532 | $ 594,298 | $ 594,830 |
| Licensed originals | — | 143,918 | 143,918 |
| Advances and other production costs | — | 84,907 | 84,907 |
| Total licensed program rights, net | 532 | 823,123 | 823,655 |
| Program rights, net | $ 97,680 | $ 1,700,387 | $ 1,798,067 |
| | | | |
| Current portion of program rights, net | | | $ 7,089 |
| Program rights, net (long-term) | | | 1,790,978 |
| | | | $ 1,798,067 |

| | December 31, 2023 | | |
|---|---|---|---|
| **(In thousands)** | Predominantly Monetized Individually | Predominantly Monetized as a Group | Total |
| Owned original program rights, net: | | | |
| Completed | $ 139,363 | $ 532,839 | $ 672,202 |
| In-production and in-development | — | 284,455 | 284,455 |
| Total owned original program rights, net | $ 139,363 | $ 817,294 | $ 956,657 |
| | | | |
| Licensed program rights, net: | | | |
| Licensed film and acquired series | $ 973 | $ 599,607 | $ 600,580 |
| Licensed originals | 1,555 | 169,489 | 171,044 |
| Advances and other production costs | — | 82,252 | 82,252 |
| Total licensed program rights, net | 2,528 | 851,348 | 853,876 |
| Program rights, net | $ 141,891 | $ 1,668,642 | $ 1,810,533 |
| | | | |
| Current portion of program rights, net | | | $ 7,880 |
| Program rights, net (long-term) | | | 1,802,653 |
| | | | $ 1,810,533 |

Amortization, including write-offs, of owned and licensed program rights, included in Technical and operating expenses in the condensed consolidated statements of income (loss), is as follows:

| | Three Months Ended June 30, 2024 | | | Six Months Ended June 30, 2024 | | |
|---|---|---|---|---|---|---|
| **(In thousands)** | Predominantly Monetized Individually | Predominantly Monetized as a Group | Total | Predominantly Monetized Individually | Predominantly Monetized as a Group | Total |
| Owned original program rights | $ 17,313 | $ 78,564 | $ 95,877 | $ 42,165 | $ 138,670 | $ 180,835 |
| Licensed program rights | 201 | 116,086 | 116,287 | 1,832 | 232,049 | 233,881 |
| Program rights amortization | $ 17,514 | $ 194,650 | $ 212,164 | $ 43,997 | $ 370,719 | $ 414,716 |

| | Three Months Ended June 30, 2023 | | | Six Months Ended June 30, 2023 | | |
|---|---|---|---|---|---|---|
| **(In thousands)** | Predominantly Monetized Individually | Predominantly Monetized as a Group | Total | Predominantly Monetized Individually | Predominantly Monetized as a Group | Total |
| Owned original program rights | $ 59,528 | $ 56,811 | $ 116,339 | $ 80,831 | $ 101,747 | $ 182,578 |
| Licensed program rights | 471 | 126,503 | 126,974 | 2,135 | 245,673 | 247,808 |
| Program rights amortization | $ 59,999 | $ 183,314 | $ 243,313 | $ 82,966 | $ 347,420 | $ 430,386 |

For programming rights predominantly monetized individually or as a group, the Company periodically reviews the programming usefulness of licensed and owned original program rights based on several factors, including expected future revenue generation from airings on the Company's networks and streaming services and other exploitation opportunities, ratings, type and quality of program material, standards and practices, and fitness for exhibition through various forms of distribution. If events or changes in circumstances indicate that the fair value of a film predominantly monetized individually or a film group is less than its unamortized cost, the Company will write off the excess to technical and operating expenses in the condensed consolidated statements of income (loss). Program rights with no future programming usefulness are substantively abandoned resulting in the write-off of remaining unamortized cost. There were no significant program rights write-offs included in technical and operating expenses for the three and six months ended June 30, 2024 or 2023.

In the normal course of business, the Company may qualify for tax incentives through eligible investments in productions. Receivables related to tax incentives earned on production spend as of June 30, 2024 consisted of $196.1 million recorded in Prepaid expenses and other current assets and $38.6 million recorded in Other assets. Receivables related to tax incentives earned on production spend as of December 31, 2023 consisted of $230.3 million recorded in Prepaid expenses and other current assets and $49.9 million recorded in Other assets.

## Note 6. Investments

The Company holds several investments in and loans to non-consolidated entities which are included in Other assets in the condensed consolidated balance sheet.

### Equity Method Investments

Equity method investments were $85.7 million and $83.1 million at June 30, 2024 and December 31, 2023, respectively.

### Non-marketable Equity Securities

Investments in non-marketable equity securities were $42.6 million and $41.6 million at June 30, 2024 and December 31, 2023, respectively. No gains or losses were recorded on non-marketable equity securities for the three and six months ended June 30, 2024. During the three and six months ended June 30, 2023, the Company recognized impairment charges of $0.5 million and $1.7 million, respectively, on certain investments, which is included in Miscellaneous, net in the condensed consolidated statements of income (loss).

**Note 7. Goodwill and Other Intangible Assets**

The carrying amount of goodwill, by operating segment is as follows:

| (In thousands) | Domestic Operations | International | Total |
|---|---|---|---|
| December 31, 2023 | $ 348,732 | $ 277,764 | $ 626,496 |
| Impairment charge | — | (68,004) | (68,004) |
| Foreign currency translation | — | (4,717) | (4,717) |
| June 30, 2024 | $ 348,732 | $ 205,043 | $ 553,775 |

Impairment and other charges for the three and six months ended June 30, 2024 included a $68.0 million goodwill impairment charge at AMCNI, as further discussed below.

As of June 30, 2024 and December 31, 2023, accumulated impairment charges in the International segment totaled $253.5 million and $185.5 million, respectively, inclusive of the 25/7 Media impairment charges recorded in 2023 prior to divestiture.

The following tables summarize information relating to the Company's identifiable intangible assets:

| | June 30, 2024 | | | |
|---|---|---|---|---|
| (In thousands) | Gross | Accumulated Amortization | Net | Estimated Useful Lives |
| **Amortizable intangible assets:** | | | | |
| Affiliate and customer relationships | $ 614,743 | $ (446,764) | $ 167,979 | 6 to 25 years |
| Advertiser relationships | 46,282 | (46,282) | — | 11 years |
| Trade names and other amortizable intangible assets | 90,357 | (44,865) | 45,492 | 3 to 20 years |
| Total amortizable intangible assets | 751,382 | (537,911) | 213,471 | |
| **Indefinite-lived intangible assets:** | | | | |
| Trademarks | 19,900 | — | 19,900 | |
| Total intangible assets | $ 771,282 | $ (537,911) | $ 233,371 | |

| | December 31, 2023 | | |
|---|---|---|---|
| (In thousands) | Gross | Accumulated Amortization | Net |
| **Amortizable intangible assets:** | | | |
| Affiliate and customer relationships | $ 618,778 | $ (421,968) | $ 196,810 |
| Advertiser relationships | 46,282 | (42,806) | 3,476 |
| Trade names and other amortizable intangible assets | 91,134 | (42,762) | 48,372 |
| Total amortizable intangible assets | 756,194 | (507,536) | 248,658 |
| **Indefinite-lived intangible assets:** | | | |
| Trademarks | 19,900 | — | 19,900 |
| Total intangible assets | $ 776,094 | $ (507,536) | $ 268,558 |

Aggregate amortization expense for amortizable intangible assets for the three months ended June 30, 2024 and 2023 was $9.6 million and $10.5 million, respectively, and for the six months ended June 30, 2024 and 2023 was $18.2 million and $20.9 million, respectively.

Excluding the $15.7 million impairment charge associated with BBCA recorded in the second quarter of 2024, as discussed below, estimated aggregate amortization expense for intangible assets subject to amortization for each of the following five years is:

| (In thousands) Years Ending December 31, | | |
|---|---|---|
| 2024 | $ | 33,864 |
| 2025 | | 30,491 |
| 2026 | | 29,556 |
| 2027 | | 24,886 |
| 2028 | | 22,759 |

**Impairment Test of Long-Lived Assets and Goodwill**

Impairment and other charges of $96.8 million for the three and six months ended June 30, 2024 primarily consisted of a $68.0 million goodwill impairment charge at AMCNI and $29.2 million of long-lived asset impairment charges at BBCA. Impairment and other charges of $24.9 million for the three and six months ended June 30, 2023 consisted of goodwill and long-lived asset impairment charges at 25/7 Media.

Goodwill is not amortized, but instead is tested for impairment at the reporting unit annually as of December 1, or more frequently upon the occurrence of certain events or substantive changes in circumstances. During the second quarter of 2024, the Company determined that a triggering event had occurred with respect to the Company's decline in stock price. Accordingly, the Company performed quantitative assessments for all reporting units. The fair values were determined using a combination of an income approach, using a discounted cash flow ("DCF") model and a market comparables approach. The DCF model includes significant assumptions about revenue growth rates, long-term growth rates, and enterprise specific discount rates. Additionally, the market comparables approach uses guideline company valuation multiples. Given the uncertainty in determining assumptions underlying the DCF approach, actual results may differ from those used in the valuations. Based on the valuations performed, the Company concluded that the estimated fair value of the AMCNI reporting unit declined to less than its carrying amount. As a result, the Company recognized an impairment charge of $68.0 million related to the AMCNI reporting unit, included in Impairment and other charges in the condensed consolidated statements of income (loss). No impairment charges were required for our other reporting unit.

Additionally during the second quarter of 2024, given continued market challenges and linear declines, the Company determined that sufficient indicators of potential impairment of long-lived assets existed at BBCA, and concluded that the carrying amount of the BBCA asset group was not recoverable. The carrying value of the BBCA asset group exceeded its fair value, and accordingly an impairment charge of $15.7 million was recorded for identifiable intangible assets and $13.5 million for other long-lived assets, which is included in Impairment and other charges in the condensed consolidated statements of income (loss) within the Domestic Operations operating segment. Fair values were determined using a market approach.

During the second quarter of 2023, and prior to its divestiture in December 2023, the Company revised its outlook for the 25/7 Media business, resulting in lower expected future cash flows. The Company performed a recoverability test and determined that the carrying amount of the 25/7 Media asset group was not recoverable. The carrying value of the asset group exceeded its fair value, therefore an impairment charge of $23.0 million was recorded for identifiable intangible assets, which is included in Impairment and other charges in the condensed consolidated statements of income (loss) within the International operating segment. Fair values used to determine the impairment charge were determined using an income approach, specifically a DCF model, and a market comparables approach.

During the second quarter of 2023, the Company also determined that a triggering event had occurred with respect to the 25/7 Media reporting unit, which required an interim goodwill impairment test to be performed. Accordingly, the Company performed a quantitative assessment using an income approach, specifically a DCF model, and a market comparables approach. Based on the valuations performed, a $1.9 million goodwill impairment charge was recorded, which is included in Impairment and other charges in the condensed consolidated statements of income (loss) within the International operating segment.

**Note 8. Accrued Liabilities**

Accrued liabilities consist of the following:

| (In thousands) | June 30, 2024 | December 31, 2023 |
|---|---|---|
| Employee related costs | $ 64,471 | $ 93,866 |
| Participations and residuals | 153,145 | 164,375 |
| Interest | 36,681 | 31,749 |
| Other accrued expenses | 64,815 | 95,848 |
| Total accrued liabilities | $ 319,112 | $ 385,838 |

**Note 9. Long-term Debt**

The following table summarizes the Company's long-term debt included in the condensed consolidated balance sheet as follows:

| (In thousands) | June 30, 2024 | December 31, 2023 |
|---|---|---|
| Senior Secured Credit Facility: [(a)] | | |
| Term Loan A Facility | $ 416,875 | $ 607,500 |
| Senior Notes: | | |
| 4.75% Senior Notes due August 2025 | — | 774,729 |
| 10.25% Senior Secured Notes due January 2029 | 875,000 | — |
| 4.25% Senior Notes due February 2029 | 985,010 | 1,000,000 |
| 4.25% Convertible Senior Notes due February 2029 | 143,750 | — |
| Total long-term debt | 2,420,635 | 2,382,229 |
| Unamortized discount | (28,092) | (13,873) |
| Unamortized deferred financing costs | (8,687) | (6,607) |
| Long-term debt, net | 2,383,856 | 2,361,749 |
| Current portion of long-term debt | 32,500 | 67,500 |
| Noncurrent portion of long-term debt | $ 2,351,356 | $ 2,294,249 |

(a) The Company's Revolving Credit Facility (as defined below) remained undrawn at June 30, 2024. Total undrawn revolver commitments are available to be drawn for general corporate purposes of the Company.

**4.25% Senior Notes due 2029**

In June 2024, the Company repurchased $15.0 million of its outstanding 4.25% Senior Notes due 2029 through open market repurchases, at a discount of $4.9 million, and retired the repurchased notes. The Company recorded a $4.7 million gain which reflects the discount, net of $0.2 million to write-off a portion of the unamortized discount and deferred financing costs associated with the notes. The $4.7 million gain is included in Gain on extinguishment of debt, net within the condensed consolidated statements of income (loss).

**4.25% Convertible Senior Notes due 2029**

On June 21, 2024, the Company completed a private unregistered offering of $143.8 million aggregate principal amount of its Convertible Notes, which amount includes the full exercise of the initial purchasers’ option to purchase additional Convertible Notes. The Company received net proceeds of $139.4 million, after deducting initial purchasers' discounts. The Convertible Notes are guaranteed by each of the Company’s existing and future domestic subsidiaries that guarantee the Company’s credit facilities and the Company’s 4.25% Senior Notes due 2029 and 10.25% Senior Secured Notes due 2029 (the “Guarantors”), subject to certain exceptions, on a senior, unsecured basis.

The Convertible Notes were issued pursuant to an Indenture, dated as of June 21, 2024 (the “Convertible Notes Indenture”), among the Company, the Guarantors and U.S. Bank Trust Company, National Association, as trustee (“Trustee”).

The Convertible Notes bear interest at a rate of 4.25% per year, payable semi-annually in arrears on February 15 and August 15 of each year, beginning on February 15, 2025. The Convertible Notes will mature on February 15, 2029, unless earlier redeemed, repurchased or converted.

Subject to the terms of the Convertible Notes Indenture, the Convertible Notes may be converted at an initial conversion rate of 78.5083 shares of Class A common stock, par value $0.01 per share, of the Company (“Class A Common Stock”) per $1,000 principal amount of Convertible Notes (equivalent to an initial conversion price of approximately $12.74 per share of Class A Common Stock). Upon conversion of the Convertible Notes, the Company will pay or deliver, as the case may be, cash, shares of Class A Common Stock or a combination of cash and shares of Class A Common Stock, at the Company’s election, as described in the Convertible Notes Indenture. Holders of the Convertible Notes may convert their Convertible Notes at their option at any time on or after November 15, 2028 until the close of business on the second scheduled trading day immediately preceding the maturity date. Holders of the Convertible Notes will also have the right to convert the Convertible Notes prior to November 15, 2028, but only upon the occurrence of specified events described in the Convertible Notes Indenture. The conversion rate is subject to antidilution adjustments if certain events occur.

Prior to August 20, 2027, the Convertible Notes will not be redeemable. On or after August 20, 2027, the Company may redeem for cash all or part of the Convertible Notes (subject to certain exceptions), at its option, if the last reported sale price of the Class A Common Stock has been at least 130% of the conversion price then in effect for at least 20 trading days (whether or not consecutive) during any period of 30 consecutive trading days (including the last trading day of such period) ending on, and including, the trading day immediately preceding the date on which the Company provides notice of redemption at a redemption price equal to 100% of the principal amount of the Convertible Notes to be redeemed, plus accrued and unpaid interest to, but not including, the redemption date. No sinking fund is provided for the Convertible Notes.

If certain corporate events (each defined in the Convertible Notes Indenture as a “Make-Whole Fundamental Change”) occur prior to the maturity date of the Convertible Notes, and a holder elects to convert its Convertible Notes in connection with such corporate event, the Company will, under certain circumstances, increase the conversion rate for the Convertible Notes so surrendered for conversion by a number of additional shares of Class A Common Stock as specified in the Convertible Notes Indenture. No adjustment to the conversion rate will be made if the price paid or deemed to be paid per share of Class A Common Stock in such corporate event is either less than $10.19 per share or exceeds $130.00 per share.

If a specified “Fundamental Change” (as defined in the Convertible Notes Indenture) occurs prior to the maturity date of the Convertible Notes, under certain circumstances each holder may require the Company to repurchase all or part of its Convertible Notes at a repurchase price equal to 100% of the principal amount, plus accrued and unpaid interest to, but not including, the repurchase date.

Under the Convertible Notes Indenture, the Convertible Notes may be accelerated upon the occurrence of certain events of default. In the case of an event of default with respect to the Convertible Notes arising from specified events of bankruptcy or insolvency of the Company or the Company’s Significant Subsidiaries (as defined in the Convertible Notes Indenture), 100% of the principal of and accrued and unpaid interest on the Convertible Notes will automatically become due and payable. If any other event of default with respect to the Convertible Notes under the Convertible Notes Indenture occurs or is continuing, the Trustee or holders of at least 25% in aggregate principal amount of the then outstanding Convertible Notes may declare the principal amount of and accrued and unpaid interest, if any, on the Convertible Notes to be immediately due and payable.

**Amendment to Credit Agreement**

On April 9, 2024, AMC Networks entered into Amendment No. 3 ("Amendment No. 3") to the Second Amended and Restated Credit Agreement, dated as of July 28, 2017 (as amended to date and by Amendment No. 3, the “Credit Agreement”), among AMC Networks and its subsidiary, AMC Network Entertainment LLC (“AMC Network Entertainment”), as the initial borrowers, certain of AMC Networks' subsidiaries, as restricted subsidiaries, Bank of America, N.A., as an L/C Issuer, the lenders party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent, Collateral Agent and an L/C Issuer.

In connection with Amendment No. 3, AMC Networks made a $165.6 million partial prepayment of the Term Loan A facility under the Credit Agreement (the “Term Loan A Facility”), bringing the total principal amount outstanding under the Term Loan A Facility to $425 million, and reduced the revolving credit facility under the Credit Agreement (the “Revolving Credit Facility”) to $175 million. In addition, pursuant to Amendment No. 3, the maturity date of $325 million principal amount of loans under the Term Loan A Facility as well as all of the commitments under the Revolving Credit Facility has been extended to April 9, 2028. The maturity date of the remaining $100 million principal amount of loans under the Term Loan A Facility continues to be February 8, 2026. Amendment No. 3 also includes certain other modifications to covenants and other provisions of the Credit Agreement. In connection with the $165.6 million partial prepayment of the Term Loan A Facility and the modification of the revolving loan commitments, the Company recorded a charge of $1.3 million to write-off a portion of the unamortized discount and deferred financing costs associated with the Credit Agreement, which is included in Gain on extinguishment of debt, net within the condensed consolidated statements of income (loss).

In June 2024, the Company repaid $8.1 million of borrowings under the Term Loan A Facility in accordance with the terms of the amended agreement. The Company also repaid $16.9 million of borrowings under the Term Loan A Facility in March 2024 in accordance with the previous agreement.

**10.25% Senior Secured Notes due 2029**

On April 9, 2024, AMC Networks issued $875 million aggregate principal amount of 10.25% Senior Secured Notes due 2029 (the “Secured Notes”). AMC Networks received net proceeds of $863 million, after deducting initial purchasers' discounts. The Secured Notes are guaranteed by AMC Network Entertainment and AMC Networks' subsidiaries that guarantee the Credit Agreement.

The Secured Notes were issued pursuant to an Indenture, dated as of April 9, 2024 (the “Secured Notes Indenture”), among AMC Networks, the Guarantors and U.S. Bank Trust Company, National Association, as Trustee.

The Secured Notes accrue interest at a rate of 10.25% per annum and mature on January 15, 2029. Interest is payable semiannually on January 15 and July 15 of each year, commencing on July 15, 2024. The Secured Notes are AMC Networks’ general senior secured obligations, secured on a first-priority basis by substantially all of AMC Networks’ and the Guarantors’ assets and property, subject to certain liens permitted under the Secured Notes Indenture, and rank equally with all of AMC Networks’ existing and future senior indebtedness, senior in right of payment to AMC Networks’ future subordinated indebtedness and effectively senior to any of AMC Networks’ existing and future unsecured indebtedness or indebtedness that is secured by a lien ranking junior to the lien securing the Secured Notes, in each case, to the extent of the value of the collateral.

On or after January 15, 2026, AMC Networks may redeem the Secured Notes, at its option, in whole or in part, at any time and from time to time, at the redemption prices (expressed as percentages of principal amount) set forth below, plus accrued and unpaid interest thereon, to the applicable redemption date, if redeemed during the twelve month period beginning on January 15 of the years indicated below:

| Year | Percentage |
|---|---|
| 2026 | 105.125% |
| 2027 | 102.563% |
| 2028 and thereafter | 100.000% |

In addition to the optional redemption of the Secured Notes described above, at any time prior to January 15, 2026, AMC Networks may redeem up to 40% of the aggregate principal amount of the Secured Notes at a redemption price equal to 110.250% of the principal amount thereof, plus accrued and unpaid interest and additional interest, if any, using the net proceeds of certain equity offerings. At any time prior to January 15, 2026, AMC Networks may also redeem up to 10% of the aggregate principal amount of the Secured Notes during any twelve month period at a redemption price equal to 103.000% of the aggregate principal amount thereof, plus accrued and unpaid interest thereon to, but excluding, the redemption date.

Finally, at any time prior to January 15, 2026, AMC Networks may redeem the Secured Notes, at its option in whole or in part, at any time, at a redemption price equal to 100% of the principal amount thereof to be redeemed plus the “Applicable Premium” calculated as described in the Secured Notes Indenture at the Treasury rate + 50 basis points, and accrued and unpaid interest thereon, if any, to, but excluding, the redemption date.

**Tender Offer and Redemption of 4.75% Senior Notes due 2025**

On April 22, 2024, AMC Networks completed a cash tender offer (the "Offer") to purchase any and all outstanding 4.75% Senior Notes due 2025 and redeemed all 4.75% Senior Notes due 2025 that remained outstanding after completion of the Offer at a price of 100.000% of their principal amount, plus accrued and unpaid interest to, but not including, the redemption date. In connection with the Offer and redemption, the Company recorded a charge of $3.1 million to write-off the remaining unamortized discount and deferred financing costs associated with the 4.75% Senior Notes due 2025, which is included in Gain on extinguishment of debt, net within the condensed consolidated statements of income (loss).

**Note 10. Leases**

The following table summarizes the leases included in the condensed consolidated balance sheets as follows:

| (In thousands) | Balance Sheet Location | June 30, 2024 | December 31, 2023 |
|---|---|---|---|
| **Assets** | | | |
| Operating | Operating lease right-of-use assets | $ 63,658 | $ 71,163 |
| Finance | Property and equipment, net | 9,335 | 9,884 |
| Total lease assets | | $ 72,993 | $ 81,047 |
| **Liabilities** | | | |
| Current: | | | |
| Operating | Current portion of lease obligations | $ 26,841 | $ 28,971 |
| Finance | Current portion of lease obligations | 4,620 | 4,688 |
| | | $ 31,461 | $ 33,659 |
| Noncurrent: | | | |
| Operating | Lease obligations | $ 62,837 | $ 72,797 |
| Finance | Lease obligations | 12,146 | 14,443 |
| | | $ 74,983 | $ 87,240 |
| Total lease liabilities | | $ 106,444 | $ 120,899 |

**Note 11. Fair Value Measurement**

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable. Observable inputs reflect assumptions market participants would use in pricing an asset or liability based on market data obtained from independent sources while unobservable inputs reflect a reporting entity's pricing based upon their own market assumptions. The fair value hierarchy consists of the following three levels:

- Level I - Quoted prices for identical instruments in active markets.
- Level II - Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations whose inputs are observable or whose significant value drivers are observable.
- Level III - Instruments whose significant value drivers are unobservable.

The following table presents for each of these hierarchy levels, the Company's financial assets and liabilities that are measured at fair value on a recurring basis at June 30, 2024 and December 31, 2023:

| (In thousands) | Level I | Level II | Level III | Total |
|---|---|---|---|---|
| **At June 30, 2024:** | | | | |
| **Assets** | | | | |
| Cash equivalents | $ 183,675 | $ — | $ — | $ 183,675 |
| Foreign currency derivatives | — | 7,437 | — | 7,437 |
| **Liabilities** | | | | |
| Foreign currency derivatives | — | 2,145 | — | 2,145 |
| | | | | |
| **At December 31, 2023:** | | | | |
| **Assets** | | | | |
| Foreign currency derivatives | $ — | $ 8,277 | $ — | $ 8,277 |
| **Liabilities** | | | | |
| Foreign currency derivatives | — | 2,295 | — | 2,295 |

The Company's cash equivalents (comprised of money market mutual funds) are classified within Level I of the fair value hierarchy because they are valued using quoted market prices.

The Company's foreign currency derivatives are classified within Level II of the fair value hierarchy as their fair values are determined based on a market approach valuation technique that uses readily observable market parameters and the consideration of counterparty risk.

At June 30, 2024 and December 31, 2023, the Company did not have any material assets or liabilities measured at fair value on a recurring basis that would be considered Level III.

Fair value measurements are also used in nonrecurring valuations performed in connection with acquisition accounting and impairment testing. These nonrecurring valuations primarily include the valuation of program rights, goodwill, intangible assets and property and equipment. All of our nonrecurring valuations use significant unobservable inputs and therefore fall under Level III of the fair value hierarchy.

**Credit Facility Debt and Senior Notes**

The fair values of each of the Company's debt instruments are based on quoted market prices for the same or similar issues or on the current rates offered to the Company for instruments of the same remaining maturities.

The carrying values and estimated fair values of the Company's financial instruments, excluding those that are carried at fair value in the condensed consolidated balance sheets, are summarized as follows:

| | June 30, 2024 | |
|---|---|---|
| (In thousands) | Carrying Amount | Estimated Fair Value |
| Debt instruments: | | |
| Term Loan A Facility | $ 409,541 | $ 408,538 |
| 10.25% Senior Secured Notes due 2029 | 860,462 | 857,500 |
| 4.25% Senior Notes due 2029 | 974,416 | 659,957 |
| 4.25% Convertible Senior Notes due 2029 | 139,437 | 136,002 |
| | $ 2,383,856 | $ 2,061,997 |

| (In thousands) | December 31, 2023 Carrying Amount | December 31, 2023 Estimated Fair Value |
|---|---|---|
| Debt instruments: | | |
| Term Loan A Facility | $ 602,551 | $ 577,884 |
| 4.75% Senior Notes due 2025 | 771,013 | 745,677 |
| 4.25% Senior Notes due 2029 | 988,185 | 780,670 |
| | $ 2,361,749 | $ 2,104,231 |

Fair value estimates related to the Company's debt instruments presented above are made at a specific point in time, based on relevant market information and information about the financial instrument. These estimates are subjective in nature and involve uncertainties and matters of significant judgments and therefore cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

## Note 12. Derivative Financial Instruments

### Foreign Currency Exchange Rate Risk

We are exposed to foreign currency risk to the extent that we enter into transactions denominated in currencies other than one of our subsidiaries' respective functional currencies (non-functional currency risk), such as affiliation agreements, programming contracts, certain trade receivables and accounts payable (including intercompany amounts) that are denominated in a currency other than the applicable functional currency.

The fair values of the Company's derivative financial instruments included in the condensed consolidated balance sheets are as follows:

| (In thousands) | Balance Sheet Location | June 30, 2024 | December 31, 2023 |
|---|---|---|---|
| **Derivatives not designated as hedging instruments:** | | | |
| **Assets:** | | | |
| Foreign currency derivatives | Prepaid expenses and other current assets | $ 708 | $ 378 |
| Foreign currency derivatives | Other assets | 6,729 | 7,899 |
| **Liabilities:** | | | |
| Foreign currency derivatives | Accrued liabilities | $ 1,019 | $ 1,065 |
| Foreign currency derivatives | Current portion of program rights obligations | — | 8 |
| Foreign currency derivatives | Other liabilities | 1,126 | 1,222 |

The amounts of gains and losses related to the Company's derivative financial instruments not designated as hedging instruments are as follows:

| | Location of Gain (Loss) Recognized in Earnings on Derivatives | Amount of Gain (Loss) Recognized in Earnings on Derivatives | | | |
|---|---|---|---|---|---|
| | | Three Months Ended June 30, | | Six Months Ended June 30, | |
| (In thousands) | | 2024 | 2023 | 2024 | 2023 |
| Foreign currency derivatives | Miscellaneous, net | $ 4,239 | $ 4,908 | $ (791) | $ 9,813 |

## Note 13. Income Taxes

For the three and six months ended June 30, 2024, income tax expense was $10.9 million on income (loss) from operations before income taxes of $(21.4) million, and $34.5 million on income from operations before income taxes of $59.6 million, respectively, representing an effective tax rate of (51)% and 58%, respectively. The effective tax rate for both the three and six months ended June 30, 2024 was impacted by the $68.0 million nondeductible goodwill impairment charge at AMCNI. Inclusive of the nondeductible goodwill impairment charge, items resulting in variances from the federal statutory rate of 21% for the three and six months ended June 30, 2024 primarily consist of state and local income tax expense, tax expense from foreign operations, tax expense for an increase in the valuation allowance for foreign taxes and tax expense related to non-deductible compensation.

For the three and six months ended June 30, 2023, income tax expense was $22.2 million on income from operations before income taxes of $84.3 million, and $59.1 million on income from operations before income taxes of $232.4 million, respectively, representing an effective tax rate of 26% and 25%, respectively. The items resulting in variances from the federal statutory rate of 21% for the three and six months ended June 30, 2023 primarily consist of state and local income tax expense and tax expense related to non-deductible compensation.

At June 30, 2024, the Company had foreign tax credit carry forwards of approximately $52.4 million, expiring on various dates from 2024 through 2034. These carryforwards have been reduced to zero by a valuation allowance of $52.4 million as it is more likely than not that these carry forwards will not be realized.

During the three and six months ended June 30, 2024, approximately $28.6 million of cash and cash equivalents, previously held by foreign subsidiaries, was repatriated to the United States. Our consolidated cash and cash equivalents balance of $802.6 million, as of June 30, 2024, included approximately $129.0 million held by foreign subsidiaries. Of this amount, approximately $25.0 million is expected to be repatriated to the United States with the remaining amount continuing to be reinvested in foreign operations. Tax expense related to the repatriated amount, as well as the expected remaining repatriation amount, has been accrued and the Company does not expect to incur any significant, additional taxes related to the remaining balance.

In December 2021, the Organization for Economic Co-operation and Development (OECD) released the Pillar Two Model Rules, which aim to reform international corporate taxation rules, including the implementation of a global minimum tax rate. The Company began the phased implementation of the Pillar Two Model Rules in the first quarter of 2024 and as of June 30, 2024, the Pillar Two minimum tax requirement is not expected to have a material impact upon the Company's full year results of operations or financial position.

## Note 14. Commitments and Contingencies

### Commitments

As of June 30, 2024, the Company's contractual obligations not reflected on the Company's condensed consolidated balance sheet decreased $3.2 million, as compared to December 31, 2023, to $870.4 million. The decrease was primarily driven by payments for program rights, partially offset by additional program rights commitments.

### Legal Matters

On August 14, 2017, Robert Kirkman, Robert Kirkman, LLC, Glen Mazzara, 44 Strong Productions, Inc., David Alpert, Circle of Confusion Productions, LLC, New Circle of Confusion Productions, Inc., Gale Anne Hurd, and Valhalla Entertainment, Inc. f/k/a Valhalla Motion Pictures, Inc. (together, the "Plaintiffs") filed a complaint in California Superior Court in connection with Plaintiffs' rendering of services as writers and producers of the television series entitled The Walking Dead, as well as Fear the Walking Dead and/or Talking Dead, and the agreements between the parties related thereto (the "Walking Dead Litigation"). The Plaintiffs asserted that the Company had been improperly underpaying the Plaintiffs under their contracts with the Company and they asserted claims for breach of contract, breach of the implied covenant of good faith and fair dealing, inducing breach of contract, and liability for violation of Cal. Bus. & Prof. Code § 17200. The Plaintiffs sought compensatory and punitive damages and restitution. On August 8, 2019, the judge in the Walking Dead Litigation ordered a trial to resolve certain issues of contract interpretation only. Following eight days of trial in February and March 2020, on July 22, 2020, the judge issued a Statement of Decision finding in the Company's favor on all seven matters of contract interpretation before the court in this first phase trial. On January 20, 2021, the Plaintiffs filed a second amended complaint, eliminating eight named defendants and their claims under Cal. Bus. & Prof. Code § 17200. On May 5, 2021, the Plaintiffs filed a third amended complaint, repleading in part their claims for alleged breach of the implied covenant of good faith and fair dealing, inducing breach of contract, and certain breach of contract claims. On June 2, 2021, the Company filed a demurrer and motion to strike seeking to dismiss the claim for breach of the implied covenant of good faith and fair dealing and certain tort and breach of contract claims asserted in the third amended complaint. On July 27, 2021, the court granted in part and denied in part the Company's motion. On January 12, 2022, the Company filed a motion for summary adjudication of many of the remaining claims. On April 6, 2022, the court granted the Company's summary adjudication motion in part, dismissing the Plaintiffs' claims for breach of the implied covenant of good faith and fair dealing and inducing breach of contract. On January

26, 2023, the Plaintiffs filed a notice of appeal of the court’s post-trial, demurrer, and summary adjudication decisions. The parties entered into an agreement to resolve through confidential binding arbitration the remaining claims in the litigation (consisting mainly of ordinary course profit participation audit claims), and as a result, the court formally dismissed the case. The arbitration to resolve the two remaining claims for breach of contract was held between October 16 through October 20, 2023. On March 12, 2024, the arbitral panel issued a decision awarding the Plaintiffs the sum of approximately $7.8 million. The arbitral panel's decision did not have a material impact on the Company's financial condition or results of operations.

On November 14, 2022, the Plaintiffs filed a separate complaint in California Superior Court (the “MFN Litigation”) in connection with the Company’s July 16, 2021 settlement agreement with Frank Darabont (“Darabont”), Ferenc, Inc., Darkwoods Productions, Inc., and Creative Artists Agency, LLC (the “Darabont Parties”), which resolved litigations the Darabont Parties had brought in connection with Darabont's rendering services as a writer, director and producer of the television series entitled The Walking Dead and the agreement between the parties related thereto (the “Darabont Settlement”). Plaintiffs assert claims for breach of contract, alleging that the Company breached the most favored nations (“MFN”) provisions of Plaintiffs’ contracts with the Company by failing to pay them additional contingent compensation as a result of the Darabont Settlement (the “MFN Litigation”). Plaintiffs claim in the MFN Litigation that they are entitled to actual and compensatory damages in excess of $200 million. The Plaintiffs also brought a cause of action to enjoin an arbitration the Company commenced in May 2022 concerning the same dispute. On December 15, 2022, the Company removed the MFN Litigation to the United States District Court for the Central District of California. On January 13, 2023, the Company filed a motion to dismiss the MFN Litigation and informed the court that the Company had withdrawn the arbitration Plaintiffs sought to enjoin. On March 25, 2024, the Court issued a ruling denying the Company’s motion to dismiss and the parties are currently conducting discovery. The trial for this matter, previously scheduled for September 17, 2024, has been rescheduled to May 6, 2025. The Company believes that the asserted claims are without merit and will vigorously defend against them if they are not dismissed. At this time, no determination can be made as to the ultimate outcome of this litigation or the potential liability, if any, on the part of the Company.

The Company has been a party to actions and claims arising from alleged violations of the federal Video Privacy Protection Act (the “VPPA”) and analogous state laws. In addition to putative class actions, the Company faced a series of arbitration claims managed by multiple plaintiffs’ law firms. The class action complaints and the arbitration claims all alleged that the Company’s use of a Meta Platforms, Inc. pixel on the websites for certain of its subscription video services and channels violated the privacy protection provisions of the VPPA and its state law analogues. On October 27, 2023, the Company reached a settlement with multiple plaintiffs relating to their pending class actions alleging violations of the VPPA and analogous state laws with respect to the Company's subscription video services. On May 16, 2024, the class action settlement was approved by the United States District Court for the Southern District of New York. The Company has also reached settlements to resolve the arbitration claims. All of the settlements reached by the Company in connection with these matters were reimbursed by the Company’s insurance carriers.

The Company is party to various lawsuits and claims in the ordinary course of business, including the matters described above, as well as other lawsuits and claims relating to employment, intellectual property, and privacy and data protection matters. Although the outcome of these matters cannot be predicted with certainty and while the impact of these matters on the Company's results of operations in any particular subsequent reporting period could be material, management does not believe that the resolution of these matters will have a material adverse effect on the financial position of the Company or the ability of the Company to meet its financial obligations as they become due.

**Note 15. Equity Plans**

During the second quarter of 2024, AMC Networks granted 104,546 restricted stock units ("RSUs") under the 2011 Stock Plan for Non-Employee Directors to non-employee directors that vested on the date of grant.

During the first quarter of 2024, AMC Networks granted 2,025,265 RSUs to certain executive officers and employees under the AMC Networks Inc. Amended and Restated 2016 Employee Stock Plan, which vest ratably over a three-year period.

During the three months ended June 30, 2024, 101,185 RSUs of AMC Networks Class A Common Stock previously issued to an employee of the Company vested. On the vesting date, 46,334 RSUs were surrendered to AMC Networks to cover the required statutory tax withholding obligations and 54,851 shares of AMC Networks Class A Common Stock were issued. During the six months ended June 30, 2024, 914,296 RSUs of AMC Networks Class A Common Stock previously issued to employees of the Company vested. On the vesting date, 377,717 RSUs were surrendered to AMC Networks to cover the required statutory tax withholding obligations and 536,579 shares of AMC Networks Class A Common Stock were issued. Units are surrendered to satisfy the employees' statutory minimum tax withholding obligations for the applicable income and other employment tax. The units surrendered during the six months ended June 30, 2024 had an aggregate value of $4.6 million, which has been reflected as a financing activity in the condensed consolidated statement of cash flows for the six months ended June 30, 2024.

The Company recorded share-based compensation expenses of $8.5 million and $14.5 million for the three and six months ended June 30, 2024, respectively, and $7.6 million and $13.5 million (including $0.2 million recorded as part of Restructuring and other related charges) for the three and six months ended June 30, 2023, respectively. Share-based compensation expenses are recognized in the condensed consolidated statements of income (loss) as part of Selling, general and administrative expenses.

As of June 30, 2024, there was $35.2 million of total unrecognized share-based compensation cost related to outstanding unvested share-based awards. The unrecognized compensation cost is expected to be recognized over a weighted average remaining period of approximately 2.3 years.

**Note 16. Redeemable Noncontrolling Interests**

In connection with the Company's previous acquisitions of New Video Channel America L.L.C (owner of the cable channel BBCA) and RLJ Entertainment, the terms of the acquisition agreements provide the noncontrolling members with a right to put all of their noncontrolling interest to subsidiaries of the Company at a future time. Since the exercise of these put rights is outside the Company's control, the noncontrolling interest in each entity is presented as a redeemable noncontrolling interest outside of stockholders' equity on the Company's condensed consolidated balance sheet.

The following tables summarize activity related to redeemable noncontrolling interest for the three and six months ended June 30, 2024 and 2023:

| (In thousands) | Three Months Ended June 30, 2024 |
|---|---|
| March 31, 2024 | $ 197,370 |
| Net earnings (loss) | (10,953) |
| Distributions | (9,159) |
| Adjustment to redemption fair value | 2,807 |
| June 30, 2024 | $ 180,065 |

| (In thousands) | Three Months Ended June 30, 2023 |
|---|---|
| March 31, 2023 | $ 249,919 |
| Net earnings | 6,800 |
| Distributions | (15,233) |
| June 30, 2023 | $ 241,486 |

| (In thousands) | Six Months Ended June 30, 2024 |
|---|---|
| December 31, 2023 | $ 185,297 |
| Net earnings (loss) | (433) |
| Distributions | (10,327) |
| Adjustment to redemption fair value | 5,528 |
| June 30, 2024 | $ 180,065 |

| (In thousands) | Six Months Ended June 30, 2023 |
|---|---|
| December 31, 2022 | $ 253,669 |
| Net earnings | 13,070 |
| Distributions | (25,253) |
| June 30, 2023 | $ 241,486 |

**Note 17. Related Party Transactions**

The Company and its related parties enter into transactions with each other in the ordinary course of business. Revenues, net from related parties amounted to $1.3 million and $1.3 million for the three months ended June 30, 2024 and 2023, respectively, and $2.6 million and $2.6 million for the six months ended June 30, 2024 and 2023, respectively. Amounts charged to the Company, included in Selling, general and administrative expenses, pursuant to transactions with its related parties amounted to $0.1 million and $3.3 million for the three months ended June 30, 2024 and 2023, respectively, and $0.5 million and $6.6 million for the six months ended June 30, 2024 and 2023, respectively.

**Note 18. Cash Flows**

The following table details the Company's non-cash investing and financing activities and other supplemental data:

| | Six Months Ended June 30, | |
|---|---|---|
| **(In thousands)** | **2024** | **2023** |
| *Non-Cash Investing and Financing Activities:* | | |
| Operating lease additions | $ 2,974 | $ 3,023 |
| Capital expenditures incurred but not yet paid | 1,911 | 1,402 |
| *Supplemental Data:* | | |
| Cash interest paid | 67,731 | 71,993 |
| Income tax (refunds) payments, net | (4,738) | 31,438 |

**Note 19. Segment Information**

The Company classifies its operations into two operating segments: Domestic Operations and International. These operating segments represent strategic business units that are managed separately.

In 2024, the Company updated the name of its previously titled "International and Other" operating segment to "International" due to the divestiture of the 25/7 Media business on December 29, 2023, which was the sole component of the operating segment that comprised “Other.” This update does not constitute a change in segment reporting, but rather an update in name only. Prior period segment information contained in this report includes the results of the 25/7 Media business through the date of divestiture.

The Company evaluates segment performance based on several factors, of which the primary financial measure is operating segment adjusted operating income ("AOI"). The Company defines AOI as operating income (loss) before depreciation and amortization, cloud computing amortization, share-based compensation expenses or benefit, impairment and other charges (including gains or losses on sales or dispositions of businesses), restructuring and other related charges and including the Company’s proportionate share of adjusted operating income (loss) from majority-owned equity method investees. The Company has presented the components that reconcile adjusted operating income to operating income, and other information as to the continuing operations of the Company's operating segments below.

| | Three Months Ended June 30, 2024 | | | |
|---|---|---|---|---|
| **(In thousands)** | **Domestic Operations** | **International** | **Corporate / Inter-segment Eliminations** | **Consolidated** |
| Revenues, net | | | | |
| Subscription | $ 322,576 | $ 49,604 | $ — | $ 372,180 |
| Content licensing and other | 66,515 | 2,968 | (2,452) | 67,031 |
| Distribution and other | 389,091 | 52,572 | (2,452) | 439,211 |
| Advertising | 149,200 | 37,523 | — | 186,723 |
| Consolidated revenues, net | $ 538,291 | $ 90,095 | $ (2,452) | $ 625,934 |
| Operating income (loss) | $ 102,735 | $ (43,795) | $ (48,152) | $ 10,788 |
| Share-based compensation expenses | 2,748 | 905 | 4,804 | 8,457 |
| Depreciation and amortization | 10,800 | 4,151 | 11,542 | 26,493 |
| Impairment and other charges | 28,815 | 68,004 | — | 96,819 |
| Restructuring and other related charges | 2,931 | — | — | 2,931 |
| Cloud computing amortization | 3,283 | — | — | 3,283 |
| Majority-owned equity investees AOI | 4,036 | — | — | 4,036 |
| Adjusted operating income (loss) | $ 155,348 | $ 29,265 | $ (31,806) | $ 152,807 |

| | Three Months Ended June 30, 2023 | | | |
|---|---|---|---|---|
| **(In thousands)** | **Domestic Operations** | **International** | **Corporate / Inter-segment Eliminations** | **Consolidated** |
| Revenues, net | | | | |
| Subscription | $ 333,754 | $ 57,280 | $ — | $ 391,034 |
| Content licensing and other | 80,914 | 21,658 | (2,495) | 100,077 |
| Distribution and other | 414,668 | 78,938 | (2,495) | 491,111 |
| Advertising | 167,151 | 20,366 | — | 187,517 |
| Consolidated revenues, net | $ 581,819 | $ 99,304 | $ (2,495) | $ 678,628 |
| Operating income (loss) | $ 162,530 | $ (11,705) | $ (45,124) | $ 105,701 |
| Share-based compensation expenses | 2,192 | 846 | 4,610 | 7,648 |
| Depreciation and amortization | 11,663 | 4,902 | 9,180 | 25,745 |
| Impairment and other charges | — | 24,882 | — | 24,882 |
| Restructuring and other related charges | 3,905 | 261 | 1,875 | 6,041 |
| Cloud computing amortization | 5 | — | 2,244 | 2,249 |
| Majority-owned equity investees AOI | 4,511 | — | — | 4,511 |
| Adjusted operating income (loss) | $ 184,806 | $ 19,186 | $ (27,215) | $ 176,777 |

| | Six Months Ended June 30, 2024 | | | |
|---|---|---|---|---|
| **(In thousands)** | **Domestic Operations** | **International** | **Corporate / Inter-segment Eliminations** | **Consolidated** |
| Revenues, net | | | | |
| Subscription | $ 645,134 | $ 100,453 | $ — | $ 745,587 |
| Content licensing and other | 128,329 | 6,200 | (5,822) | 128,707 |
| Distribution and other | 773,463 | 106,653 | (5,822) | 874,294 |
| Advertising | 289,054 | 59,047 | — | 348,101 |
| Consolidated revenues, net | $ 1,062,517 | $ 165,700 | $ (5,822) | $ 1,222,395 |
| Operating income (loss) | $ 244,752 | $ (35,186) | $ (88,600) | $ 120,966 |
| Share-based compensation expenses | 5,978 | 1,671 | 6,883 | 14,532 |
| Depreciation and amortization | 20,827 | 8,176 | 23,316 | 52,319 |
| Impairment and other charges | 28,815 | 68,004 | — | 96,819 |
| Restructuring and other related charges | 2,931 | — | — | 2,931 |
| Cloud computing amortization | 6,831 | — | — | 6,831 |
| Majority-owned equity investees AOI | 7,533 | — | — | 7,533 |
| Adjusted operating income (loss) | $ 317,667 | $ 42,665 | $ (58,401) | $ 301,931 |

| | Six Months Ended June 30, 2023 | | | |
|---|---|---|---|---|
| (In thousands) | Domestic Operations | International | Corporate / Inter-segment Eliminations | Consolidated |
| Revenues, net | | | | |
| Subscription | $ 681,284 | $ 113,970 | $ — | $ 795,254 |
| Content licensing and other | 184,177 | 54,518 | (4,974) | 233,721 |
| Distribution and other | 865,461 | 168,488 | (4,974) | 1,028,975 |
| Advertising | 328,212 | 38,888 | — | 367,100 |
| Consolidated revenues, net | $ 1,193,673 | $ 207,376 | $ (4,974) | $ 1,396,075 |
| Operating income (loss) | $ 362,018 | $ 2,437 | $ (85,450) | $ 279,005 |
| Share-based compensation expenses | 6,639 | 1,685 | 4,969 | 13,293 |
| Depreciation and amortization | 23,517 | 9,673 | 18,430 | 51,620 |
| Impairment and other charges | — | 24,882 | — | 24,882 |
| Restructuring and other related charges | 4,723 | 1,646 | 5,605 | 11,974 |
| Cloud computing amortization | 10 | — | 4,469 | 4,479 |
| Majority-owned equity investees AOI | 7,287 | — | — | 7,287 |
| Adjusted operating income (loss) | $ 404,194 | $ 40,323 | $ (51,977) | $ 392,540 |

Subscription revenues in the Domestic Operations segment include revenues related to the Company's streaming services of $150.2 million and $137.4 million for the three months ended June 30, 2024 and 2023, respectively, and $295.3 million and $278.3 million for the six months ended June 30, 2024 and 2023, respectively.

Corporate overhead costs not allocated to the segments include costs such as executive salaries and benefits and costs of maintaining corporate headquarters, facilities and common support functions.

Inter-segment eliminations are primarily licensing revenues recognized between the Domestic Operations and International segments.

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|---|---|---|---|---|
| (In thousands) | 2024 | 2023 | 2024 | 2023 |
| **Inter-segment revenues** | | | | |
| Domestic Operations | $ (1,443) | $ (2,412) | $ (3,288) | $ (4,626) |
| International | (1,009) | (83) | (2,534) | (348) |
| | $ (2,452) | $ (2,495) | $ (5,822) | $ (4,974) |

The table below summarizes revenues based on customer location:

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|---|---|---|---|---|
| (In thousands) | 2024 | 2023 | 2024 | 2023 |
| **Revenues** | | | | |
| United States | $ 487,414 | $ 551,637 | $ 971,507 | $ 1,157,865 |
| Europe | 102,875 | 83,718 | 180,126 | 157,485 |
| Other | 35,645 | 43,273 | 70,762 | 80,725 |
| | $ 625,934 | $ 678,628 | $ 1,222,395 | $ 1,396,075 |

One customer within the Domestic Operations segment accounted for approximately 15% of consolidated revenues, net for the three and six months ended June 30, 2024. For the three and six months ended June 30, 2023, one customer within the Domestic Operations segment accounted for approximately 13% of consolidated revenues.

The table below summarizes property and equipment based on asset location:

| (In thousands) | June 30, 2024 | December 31, 2023 |
|---|---|---|
| **Property and equipment, net** | | |
| United States | $ 129,694 | $ 146,314 |
| Europe | 10,868 | 11,850 |
| Other | 1,241 | 1,073 |
| | $ 141,803 | $ 159,237 |

**Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.**

This Management's Discussion and Analysis of Financial Condition and Results of Operations contains statements that constitute forward-looking information within the meaning of the Private Securities Litigation Reform Act of 1995. In this Management's Discussion and Analysis of Financial Condition and Results of Operations there are statements concerning our future operating results and future financial performance. Words such as "expects," "anticipates," "believes," "estimates," "may," "will," "should," "could," "potential," "continue," "intends," "plans" and similar words and terms used in the discussion of future operating results and future financial performance identify forward-looking statements. You are cautioned that any such forward-looking statements are not guarantees of future performance or results and involve risks and uncertainties and that actual results or developments may differ materially from the forward-looking statements as a result of various factors. Factors that may cause such differences to occur include, but are not limited to:

- the level of our revenues;
- market demand, including changes in viewer consumption patterns, for our programming networks, our subscription streaming services, our programming, and our production services;
- demand for advertising inventory and our ability to deliver guaranteed viewer ratings;
- the highly competitive nature of the cable, telecommunications, streaming and programming industries;
- the cost of, and our ability to obtain or produce, desirable content for our programming services, other forms of distribution, including digital and licensing in international markets, as well as our film distribution businesses;
- market demand for our owned original programming and our film content;
- the loss of any of our key personnel and artistic talent;
- the impact of strikes, including those related to the Writers, Directors, and Screen Actors guilds;
- the security of our program rights and other electronic data;
- our ability to maintain and renew distribution or affiliation agreements with distributors;
- economic and business conditions and industry trends in the countries in which we operate, including increases in inflation rates and recession risk;
- fluctuations in currency exchange rates and interest rates;
- changes in domestic and foreign laws or regulations under which we operate;
- changes in laws or treaties relating to taxation, or the interpretation thereof, in the United States or in the countries in which we operate;
- the impact of existing and proposed federal, state and international laws and regulations relating to data protection, privacy and security, including the European Union's General Data Protection Regulation, the California Consumer Privacy Act and other similar comprehensive privacy and security laws that have been or may be enacted in other states;
- our substantial debt and high leverage;
- reduced access to, or inability to access, capital or credit markets, or significant increases in costs to borrow;
- the level of our expenses;
- future acquisitions and dispositions of assets;
- our ability to successfully acquire new businesses and, if acquired, to integrate, and implement our plan with respect to businesses we acquire;
- problems we may discover post-closing with the operations, including the internal controls and financial reporting process, of businesses we acquire;
- uncertainties regarding the financial results of equity method investees, issuers of our investments in marketable equity securities and non-marketable equity securities and changes in the nature of key strategic relationships with partners and joint ventures;
- the outcome of litigation, arbitration and other proceedings;
- whether pending uncompleted transactions, if any, are completed on the terms and at the times set forth (if at all);
- financial community and rating agency perceptions of our business, operations, financial condition and the industry in which we operate;
- the impact of pandemics or other health emergencies on the economy and our business;
- events that are outside our control, such as political unrest in international markets, terrorist attacks, natural disasters and other similar events; and
- the factors described under Item 1A, "Risk Factors" in our 2023 Annual Report on Form 10-K (the "2023 Form 10-K"), as filed with the Securities and Exchange Commission ("SEC").

We disclaim any obligation to update or revise the forward-looking statements contained herein, except as otherwise required by applicable federal securities laws.

**Introduction**

Management's Discussion and Analysis of Financial Condition and Results of Operations, or MD&A, is a supplement to and should be read in conjunction with the unaudited condensed consolidated financial statements and notes thereto included elsewhere herein and our 2023 Form 10-K to enhance the understanding of our financial condition, changes in financial condition and results of our operations. Unless the context otherwise requires, all references to "we," "us," "our," "AMC Networks" or the "Company" refer to AMC Networks Inc., together with its subsidiaries. The MD&A is organized as follows:

*Business Overview.* This section provides a general description of our business and our operating segments, as well as other matters that we believe are important in understanding our results of operations and financial condition and in anticipating future trends.

*Consolidated Results of Operations.* This section provides an analysis of our results of operations for the three and six months ended June 30, 2024 compared to the three and six months ended June 30, 2023. Our discussion is presented on both a consolidated and segment basis. Our two segments are: (i) Domestic Operations and (ii) International.

*Liquidity and Capital Resources.* This section provides a discussion of our financial condition as of June 30, 2024, as well as an analysis of our cash flows for the six months ended June 30, 2024 and 2023. The discussion of our financial condition and liquidity also includes summaries of (i) our primary sources of liquidity and (ii) our contractual obligations that existed at June 30, 2024 as compared to December 31, 2023.

*Critical Accounting Policies and Estimates*. This section provides an update, if any, to our significant accounting policies or critical accounting estimates since December 31, 2023.

**Business Overview**

***Financial Highlights***

The tables presented below set forth our consolidated revenues, net, operating income (loss) and adjusted operating income (loss) ("AOI")[1], for the periods indicated.

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|---|---|---|---|---|
| **(In thousands)** | **2024** | **2023** | **2024** | **2023** |
| **Revenues, net** | | | | |
| Domestic Operations | $ 538,291 | $ 581,819 | $ 1,062,517 | $ 1,193,673 |
| International | 90,095 | 99,304 | 165,700 | 207,376 |
| Inter-segment Eliminations | (2,452) | (2,495) | (5,822) | (4,974) |
| | **$ 625,934** | **$ 678,628** | **$ 1,222,395** | **$ 1,396,075** |
| **Operating Income (Loss)** | | | | |
| Domestic Operations | $ 102,735 | $ 162,530 | $ 244,752 | $ 362,018 |
| International | (43,795) | (11,705) | (35,186) | 2,437 |
| Corporate / Inter-segment Eliminations | (48,152) | (45,124) | (88,600) | (85,450) |
| | **$ 10,788** | **$ 105,701** | **$ 120,966** | **$ 279,005** |
| **Adjusted Operating Income (Loss)** | | | | |
| Domestic Operations | $ 155,348 | $ 184,806 | $ 317,667 | $ 404,194 |
| International | 29,265 | 19,186 | 42,665 | 40,323 |
| Corporate / Inter-segment Eliminations | (31,806) | (27,215) | (58,401) | (51,977) |
| | **$ 152,807** | **$ 176,777** | **$ 301,931** | **$ 392,540** |

[1] Adjusted Operating Income (Loss), is a non-GAAP financial measure. See the "Non-GAAP Financial Measures" section on page 45 for additional information, including our definition and our use of this non-GAAP financial measure, and for a reconciliation to its most comparable GAAP financial measure.

***Segment Reporting***

We manage our business through the following two operating segments:

- *Domestic Operations:* Includes our five programming networks, our streaming services, our AMC Studios operation and our film distribution business. Our programming networks are AMC, WE tv, BBC AMERICA ("BBCA"), IFC, and SundanceTV. Our streaming services consist of AMC+ and our targeted subscription streaming services (Acorn TV, Shudder, Sundance Now, ALLBLK, and HIDIVE). Our AMC Studios operation produces original programming for our programming services and third parties and also licenses programming worldwide. Our film distribution business includes IFC Films, RLJ Entertainment Films and Shudder. The operating segment also includes AMC Networks Broadcasting & Technology, our technical services business, which primarily services the programming networks.
- *International*: AMC Networks International ("AMCNI"), our international programming businesses consisting of a portfolio of channels distributed around the world.

  In 2024, we updated the name of our previously titled "International and Other" operating segment to "International" due to the divestiture of the 25/7 Media business on December 29, 2023, which was the sole component of the operating segment that comprised “Other.” This update does not constitute a change in segment reporting, but rather an update in name only. Prior period segment information contained in this report includes the results of the 25/7 Media business through the date of divestiture.

<u>*Domestic Operations*</u>

In our Domestic Operations segment, we earn revenue principally from: (i) the distribution of our programming through our programming networks and streaming services, (ii) the sale of advertising, and (iii) the licensing of our original programming to distributors, including the distribution of programming of IFC Films.

Subscription revenue includes fees paid by distributors and consumers for our programming networks and streaming services. Subscription fees paid by distributors represent the largest component of distribution revenue. Substantially all of our subscription revenues for our programming networks are based on a per subscriber fee, commonly referred to as "affiliation agreements". The subscription revenues we earn vary from period to period, distributor to distributor and also vary among our programming services, but are generally based on the impact of renewals of affiliation agreements and upon the number of each distributor's subscribers who receive our programming, referred to as viewing subscribers. Subscription fees for our streaming services are typically based on a per subscriber fee and are generally paid by distributors and consumers on a monthly basis.

Under affiliation agreements with our distributors, we have the right to sell a specified amount of national advertising time on our programming networks. Our advertising revenues are more variable than subscription revenues because the majority of our advertising is sold on a short-term basis, not under long-term contracts. Our arrangements with advertisers provide for a set number of advertising units to air over a specific period of time at a negotiated price per unit. Additionally, in these advertising sales arrangements, our programming networks generally guarantee specified viewer ratings for their programming. Most of our advertising revenues vary based on the timing of our original programming series and the popularity of our programming as measured by Nielsen.

Content licensing revenue is earned from the licensing of original programming for digital, foreign and home video distribution and is recognized upon availability or distribution by the licensee, and, to a lesser extent, is earned through the distribution of AMC Studios produced series to third parties. Content licensing revenues vary based on the timing of availability of programming to distributors.

Programming expenses, included in technical and operating expenses, represent the largest expenses of the Domestic Operations segment and primarily consist of amortization of program rights, such as those for original programming, feature films and licensed series, as well as participation and residual costs. The other components of technical and operating expenses primarily include distribution and production related costs and program operating costs including cost of delivery, such as origination, transmission, uplinking and encryption.

The success of our business depends on original programming, both scripted and unscripted, across all of our programming services. These original series generally result in higher ratings for our networks and higher viewership on our streaming services. Among other things, higher audience ratings drive increased revenues through higher advertising revenues. The timing of exhibition and distribution of original programming varies from period to period, which results in greater variability in our revenues, earnings and cash flows from operating activities. There may be significant changes in the level of our technical and operating expenses due to the level of our content investment spend and the related amortization of content acquisition and/or original programming costs. Program rights that are predominantly monetized as a group are amortized based on projected usage, typically resulting in an accelerated amortization pattern and, to a lesser extent, program rights that are predominantly monetized individually are amortized based on the individual-film-forecast-computation method.

Most original series require us to make significant up-front investments. Our programming efforts are not always commercially successful, which has in the past resulted and could in the future result in a write-off of program rights. If events or changes in circumstances indicate that the fair value of program rights predominantly monetized individually, or a film group, is less than its unamortized cost, the Company will write off the excess to technical and operating expenses in the condensed consolidated statements of income (loss). Program rights with no future programming usefulness are substantively abandoned resulting in the write-off of remaining unamortized cost.

*International*

Our International segment consists of the operations of AMCNI, which earns revenue principally from the international distribution of programming and, to a lesser extent, the sale of advertising from our AMCNI programming networks. For the six months ended June 30, 2024, distribution revenues represented 64% of the revenues of the International segment. Distribution revenue primarily includes subscription fees paid by distributors to carry our programming networks. Our subscription revenues are generally based on either a per-subscriber fee or a fixed contractual annual fee, under multi-year affiliation agreements. Subscription revenues are derived from the distribution of our programming networks primarily in Europe, and to a lesser extent, Latin America.

Programming expenses and program operating costs are included in technical and operating expenses, and represent the largest expense of the International segment. Programming expenses primarily consist of amortization of acquired content, costs of dubbing and sub-titling of programs, and production costs. Program operating costs include costs such as origination, transmission, uplinking and encryption of our linear AMCNI channels as well as content hosting and delivery costs at our various on-line content distribution initiatives. Our programming efforts are not all commercially successful, which has in the past resulted and could in the future result in a write-off of program rights. If events or changes in circumstances indicate that the fair value of program rights predominantly monetized individually, or a film group, is less than its unamortized cost, the Company will write off the excess to technical and operating expenses in the condensed consolidated statements of income (loss). Program rights with no future programming usefulness are substantively abandoned, resulting in the write-off of remaining unamortized cost.

*Corporate / Inter-segment Eliminations*

Corporate operations primarily consist of executive management and administrative support services, such as executive salaries and benefits costs, costs of maintaining corporate headquarters, facilities and common support functions. The segment financial information set forth below, including the discussion related to individual line items, does not reflect inter-segment eliminations unless specifically indicated.

***Impact of Economic Conditions***

Our future performance is dependent, to a large extent, on general economic conditions including the impact of direct competition, our ability to manage our businesses effectively, and our relative strength and leverage in the marketplace, both with suppliers and customers. Additionally, changes in macroeconomic factors and circumstances, particularly high inflation and interest rates, may adversely impact our results of operations, cash flows and financial position or our ability to refinance our indebtedness on terms favorable to us, or at all.

Capital and credit market disruptions, as well as other events such as pandemics or other health emergencies, inflation, international conflict and recession, could cause economic downturns, which may lead to lower demand for our products, such as lower demand for television advertising and a decrease in the number of subscribers receiving our programming services. Events such as these may adversely impact our results of operations, cash flows and financial position.

**Consolidated Results of Operations**

The amounts presented and discussed below represent 100% of each operating segment's revenues, net and expenses. Where we have management control of an entity, we consolidate 100% of such entity in our condensed consolidated statements of income (loss) notwithstanding that a third-party owns an interest, which may be significant, in such entity. The noncontrolling owner's interest in the operating results of consolidated subsidiaries are reflected in net income or loss attributable to noncontrolling interests in our condensed consolidated statements of income (loss).

***Three and Six Months Ended June 30, 2024 and 2023***

The following table sets forth our consolidated results of operations for the periods indicated.

| | Three Months Ended June 30, | | | Six Months Ended June 30, | | |
|---|---|---|---|---|---|---|
| **(In thousands)** | **2024** | **2023** | **Change** | **2024** | **2023** | **Change** |
| Revenues, net: | | | | | | |
| Subscription | $ 372,180 | $ 391,034 | (4.8)% | $ 745,587 | $ 795,254 | (6.2)% |
| Content licensing and other | 67,031 | 100,077 | (33.0)% | 128,707 | 233,721 | (44.9)% |
| Distribution and other | 439,211 | 491,111 | (10.6)% | 874,294 | 1,028,975 | (15.0)% |
| Advertising | 186,723 | 187,517 | (0.4)% | 348,101 | 367,100 | (5.2)% |
| Total revenues, net | 625,934 | 678,628 | (7.8)% | 1,222,395 | 1,396,075 | (12.4)% |
| Operating expenses: | | | | | | |
| Technical and operating (excluding depreciation and amortization) | 280,727 | 321,961 | (12.8)% | 552,303 | 648,690 | (14.9)% |
| Selling, general and administrative | 208,176 | 194,298 | 7.1 % | 397,057 | 379,904 | 4.5 % |
| Depreciation and amortization | 26,493 | 25,745 | 2.9 % | 52,319 | 51,620 | 1.4 % |
| Impairment and other charges | 96,819 | 24,882 | 289.1 % | 96,819 | 24,882 | 289.1 % |
| Restructuring and other related charges | 2,931 | 6,041 | (51.5)% | 2,931 | 11,974 | (75.5)% |
| Total operating expenses | 615,146 | 572,927 | 7.4 % | 1,101,429 | 1,117,070 | (1.4)% |
| Operating income | 10,788 | 105,701 | (89.8)% | 120,966 | 279,005 | (56.6)% |
| Other income (expense): | | | | | | |
| Interest expense | (43,216) | (38,930) | 11.0 % | (76,057) | (76,547) | (0.6)% |
| Interest income | 9,292 | 7,342 | 26.6 % | 18,177 | 15,258 | 19.1 % |
| Gain on extinguishment of debt, net | 247 | — | — | 247 | — | — |
| Miscellaneous, net | 1,493 | 10,140 | (85.3)% | (3,697) | 14,729 | (125.1)% |
| Total other expense | (32,184) | (21,448) | 50.1 % | (61,330) | (46,560) | 31.7 % |
| Income (loss) from operations before income taxes | (21,396) | 84,253 | (125.4)% | 59,636 | 232,445 | (74.3)% |
| Income tax expense | (10,893) | (22,155) | (50.8)% | (34,542) | (59,054) | (41.5)% |
| Net income (loss) including noncontrolling interests | (32,289) | 62,098 | (152.0)% | 25,094 | 173,391 | (85.5)% |
| Net (income) loss attributable to noncontrolling interests | 3,055 | 8,141 | (62.5)% | (8,525) | 458 | n/m |
| Net income (loss) attributable to AMC Networks' stockholders | $ (29,234) | $ 70,239 | (141.6)% | $ 16,569 | $ 173,849 | (90.5)% |

<u>Revenues, net</u>

*Three months ended June 30, 2024 vs. 2023*

Subscription revenues decreased 3.3% in our Domestic Operations segment due to a decline in affiliate revenues, partially offset by an increase in streaming revenues, and decreased 13.4% in our International segment primarily due to the non-renewal of an AMCNI distribution agreement in the United Kingdom ("U.K.") in the fourth quarter of 2023. We expect linear subscriber declines to continue in our Domestic Operations segment, consistent with the declines across the cable ecosystem.

Content licensing and other revenues decreased 17.8% in our Domestic Operations segment due to the availability of deliveries, primarily the impact of $20.3 million recognized in the second quarter of 2023 associated with the early termination of an output agreement that resulted in the acceleration of revenue into 2023. Content licensing and other revenues decreased 86.3% in our International segment due to the divestiture of the 25/7 Media business on December 29, 2023. We expect content licensing revenues to face continued pressure in 2024 due to reduced availability of original programming.

Advertising revenues decreased 10.7% in our Domestic Operations segment primarily due to linear ratings declines and continued softness in the advertising market, partially offset by digital and advanced advertising revenue growth. The decrease in our Domestic Operations segment was partially offset by an 84.2% increase in our International segment primarily due to the recognition of a one-time retroactive adjustment reported and paid by a third party for $13.4 million. We expect advertising revenue to continue to decline as the advertising market gravitates toward other distribution platforms.

*Six months ended June 30, 2024 vs. 2023*

Subscription revenues decreased 5.3% in our Domestic Operations segment due to a decline in affiliate revenues, partially offset by an increase in streaming revenues, and decreased 11.9% in our International segment primarily due to the non-renewal of an AMCNI distribution agreement in the U.K. in the fourth quarter of 2023.

Content licensing and other revenues decreased 30.3% in our Domestic Operations segment due to the availability of deliveries in the period, including $56.1 million of revenue associated with the 2023 delivery of the remaining episodes of *Silo,* an AMC Studios produced series, and decreased 88.6% in our International segment due to the divestiture of the 25/7 Media business on December 29, 2023.

Advertising revenues decreased 11.9% in our Domestic Operations segment primarily due to linear ratings declines and continued softness in the advertising market, partially offset by digital and advanced advertising revenue growth. The decrease in our Domestic Operations segment was partially offset by an increase of 51.8% in our International segment, primarily due to the recognition of a one-time retroactive adjustment reported and paid by a third party for $13.4 million, digital and advanced advertising growth in the U.K., and increased ratings and growth across Central and Northern Europe advertising markets.

Technical and operating expenses (excluding depreciation and amortization)

The components of technical and operating expenses primarily include the amortization of program rights, such as those for original programming, feature films and licensed series, and other direct programming costs, such as participation and residual costs, distribution and production related costs and program delivery costs, such as transmission, encryption, hosting, and formatting.

There may be significant changes in the level of our technical and operating expenses due to original programming costs and/or content acquisition costs. As competition for programming increases, costs for content acquisition and original programming are expected to increase.

*Three months ended June 30, 2024 vs. 2023*

Technical and operating expenses (excluding depreciation and amortization) decreased 9.3% in our Domestic Operations segment primarily due to the impact in 2023 associated with the early termination of an output agreement that resulted in the acceleration of program rights amortization into 2023 and a current year decrease in other direct programming costs. Technical and operating expenses (excluding depreciation and amortization) decreased 33.9% in our International segment primarily due to the divestiture of the 25/7 Media business on December 29, 2023.

*Six months ended June 30, 2024 vs. 2023*

Technical and operating expenses (excluding depreciation and amortization) decreased 10.1% in our Domestic Operations segment primarily due to the impacts in 2023 associated with the delivery of the remaining episodes of *Silo,* an AMC Studios produced series, and the early termination of an output agreement that resulted in the acceleration of program rights amortization into 2023. Technical and operating expenses (excluding depreciation and amortization) decreased 39.7% in our International segment primarily due to the divestiture of the 25/7 Media business on December 29, 2023.

Selling, general and administrative expenses

The components of selling, general and administrative expenses primarily include sales, marketing and advertising expenses, administrative costs and costs of non-production facilities.

There have been and may continue to be significant changes in the level of our selling, general and administrative expenses due to the timing of promotions and marketing of original programming series.

*Three months ended June 30, 2024 vs. 2023*

Selling, general and administrative expenses (including share-based compensation expenses) increased 11.4% in our Domestic Operations segment primarily due to higher marketing and subscriber acquisition expenses in support of a larger content slate and decreased 7.5% in our International segment primarily due to the divestiture of the 25/7 Media business on December 29, 2023.

*Six months ended June 30, 2024 vs. 2023*

Selling, general and administrative expenses (including share-based compensation expenses) increased 6.4% in our Domestic Operations segment primarily due to higher marketing and subscriber acquisition expenses in support of a larger content slate and decreased 0.3% in our International segment primarily due to the divestiture of the 25/7 Media business on December 29, 2023, partially offset by an increase in corporate overhead costs allocated to AMCNI.

Impairment and other charges

*Three and six months ended June 30, 2024*

During the second quarter of 2024, we determined that the decline in our stock price was an indicator of potential impairment of goodwill. Accordingly, we performed quantitative assessments for all of our reporting units and concluded that the fair value of the AMCNI reporting unit declined to less than its carrying amount. As a result, we recognized an impairment charge of $68.0 million, which is included in Impairment and other charges in the condensed consolidated statements of income (loss).

Additionally, during the second quarter of 2024, given continued market challenges and linear declines, we determined that sufficient indicators of potential impairment of long-lived assets existed at BBCA, and concluded that the carrying amount of the BBCA asset group was not recoverable. The carrying value of the BBCA asset group exceeded its fair value, and accordingly an impairment charge of $29.2 million was recorded for identifiable intangible assets and other long-lived assets, which is included in Impairment and other charges in the condensed consolidated statements of income (loss) within the Domestic Operations operating segment.

*Three and six months ended June 30, 2023*

During the second quarter of 2023, given the impact of market challenges at 25/7 Media, we revised our outlook for the 25/7 Media business resulting in lower expected future cash flows. As a result, we determined that sufficient indicators of potential impairment of long-lived assets and goodwill existed at 25/7 Media and an impairment charge of $24.9 million was recorded.

Restructuring and other related charges

*Three and six months ended June 30, 2024*

For the three and six months ended June 30, 2024, restructuring and other related charges of $2.9 million in our Domestic Operations segment primarily consisted of content impairments in connection with WE tv shifting to a reduced originals strategy, and severance costs.

*Three and six months ended June 30, 2023*

For the three months ended June 30, 2023, restructuring and other related charges of $6.0 million consisted primarily of severance and other employee-related costs, with $3.9 million related to our Domestic Operations segment, $0.2 million related to AMCNI and $1.9 million related to Corporate. For the six months ended June 30, 2023, restructuring and other related charges of $12.0 million consisted primarily of severance and other employee-related costs, with $4.7 million related to our Domestic Operations segment, $1.7 million related to AMCNI and $5.6 million related to Corporate.

Operating income

*Three months ended June 30, 2024 vs. 2023*

The decrease in operating income was primarily attributable to an increase in impairment and other charges of $71.9 million, a decrease in revenues, net of $52.7 million, and an increase in selling, general and administrative expenses of $13.9 million, partially offset by decreases in technical and operating expenses of $41.2 million and restructuring and other related charges of $3.1 million.

*Six months ended June 30, 2024 vs. 2023*

The decrease in operating income was primarily attributable to a decrease in revenues, net of $173.7 million, and increases in impairment and other charges of $71.9 million and selling, general and administrative expenses of $17.2 million, partially offset by decreases in technical and operating expenses of $96.4 million and restructuring and other related charges of $9.0 million.

Interest expense

*Three months ended June 30, 2024 vs. 2023*

The increase in interest expense was primarily due to an increase in average interest rates associated with the 10.25% Senior Secured Notes due 2029 refinancing the 4.75% Senior Notes due 2025, partially offset by the impact of a lower outstanding debt balance. Interest expense will increase through the remainder of 2024, as compared to 2023, as a result of the refinancing and convertible note transactions described under “Liquidity and Capital Resources.”

*Six months ended June 30, 2024 vs. 2023*

The decrease in interest expense was primarily due to an overall lower outstanding debt balance, partially offset by an increase in average interest rates associated with the 10.25% Senior Secured Notes due 2029 refinancing the 4.75% Senior Notes due 2025 in April 2024.

Interest income

*Three months ended June 30, 2024 vs. 2023*

Interest income is primarily comprised of income generated from our money market mutual fund accounts and bank deposits. The increase from the prior year can primarily be attributed to interest received in connection with a one-time retroactive adjustment reported and paid by a third party.

*Six months ended June 30, 2024 vs. 2023*

The increase from the prior year can primarily be attributed to higher cash balances and interest received in connection with a one-time retroactive adjustment reported and paid by a third party.

Gain on extinguishment of debt, net

*Three and six months ended June 30, 2024*

In June 2024, we repurchased $15.0 million of our outstanding 4.25% Senior Notes due 2029 through open market repurchases, at a discount of $4.9 million, and retired the repurchased notes. We recorded a $4.7 million gain which reflects the discount, net of $0.2 million to write-off a portion of the unamortized discount and deferred financing costs associated with the notes.

On April 22, 2024, we completed a cash tender offer (the "Offer") to purchase any and all outstanding 4.75% Senior Notes due 2025 and redeemed all 4.75% Senior Notes due 2025 that remained outstanding after completion of the Offer at a price of 100.000% of their principal amount, plus accrued and unpaid interest to, but not including, the redemption date. In connection with the Offer and redemption, we recorded a charge of $3.1 million to write-off the remaining unamortized discount and deferred financing costs associated with the 4.75% Senior Notes due 2025.

On April 9, 2024, we entered into Amendment No. 3 ("Amendment No. 3") to the Second Amended and Restated Credit Agreement, dated as of July 28, 2017 (as amended to date and by Amendment No. 3, the "Credit Agreement"). In connection with Amendment No. 3, we made a $165.6 million partial prepayment of the Term Loan A facility under the Credit Agreement (the “Term Loan A Facility”), bringing the total principal amount outstanding under the Term Loan A Facility to $425 million, and reduced the revolving credit facility under the Credit Agreement (the “Revolving Credit Facility”) to $175 million. In connection with the partial prepayment of the Term Loan A Facility and reduction of the revolving loan commitments, the Company recorded a charge of $1.3 million to write-off a portion of the unamortized discount and deferred financing costs associated with the Credit Agreement.

Miscellaneous, net

*Three and six months ended June 30, 2024 vs. 2023*

The decrease in miscellaneous, net was primarily related to the impact of foreign currency fluctuations and costs incurred in connection with the refinancing transactions in the second quarter of 2024.

Income tax expense

*Three months ended June 30, 2024 vs. 2023*

For the three months ended June 30, 2024, income tax expense was $10.9 million on income (loss) from operations before income taxes of $(21.4) million, representing an effective tax rate of (51)%. The effective tax rate for the three months ended June 30, 2024 was impacted by the $68.0 million nondeductible goodwill impairment charge at AMCNI. Inclusive of the nondeductible goodwill impairment charge, items resulting in variances from the federal statutory rate of 21% primarily consist of state and local income tax expense, tax expense from foreign operations, tax expense for an increase in the valuation allowance for foreign taxes and tax expense related to non-deductible compensation.

For the three months ended June 30, 2023, income tax expense was $22.2 million on income from operations before income taxes of $84.3 million, representing an effective tax rate of 26%. The items resulting in variances from the federal statutory rate of 21% primarily consist of state and local income tax expense and tax expense related to non-deductible compensation.

*Six months ended June 30, 2024 vs. 2023*

For the six months ended June 30, 2024, income tax expense was $34.5 million on income from operations before income taxes of $59.6 million, representing an effective tax rate of 58%. The effective tax rate for the six months ended June 30, 2024 was impacted by the $68.0 million nondeductible goodwill impairment charge at AMCNI. Inclusive of the nondeductible goodwill impairment charge, items resulting in variances from the federal statutory rate of 21% primarily consist of state and local income tax expense, tax expense from foreign operations, tax expense for an increase in the valuation allowance for foreign taxes and tax expense related to non-deductible compensation.

For the six months ended June 30, 2023, income tax expense was $59.1 million on income from operations before income taxes of $232.4 million, representing an effective tax rate of 25%. The items resulting in variances from the federal statutory rate of 21% primarily consist of state and local income tax expense and tax expense related to non-deductible compensation.

**Segment Results of Operations**

Our segment operating results are presented based on how we assess operating performance and internally report financial information. We use segment adjusted operating income as the measure of profit or loss for our operating segments. See Non-GAAP Financial Measures section below for our definition of Adjusted Operating Income and a reconciliation from Operating Income to Adjusted Operating Income on a segment and consolidated basis.

**Domestic Operations**

The following table sets forth our Domestic Operations segment results for the periods indicated.

| | Three Months Ended June 30, | | | Six Months Ended June 30, | | |
|---|---|---|---|---|---|---|
| **(In thousands)** | **2024** | **2023** | **Change** | **2024** | **2023** | **Change** |
| Revenues, net: | | | | | | |
| Subscription | $ 322,576 | $ 333,754 | (3.3)% | $ 645,134 | $ 681,284 | (5.3)% |
| Content licensing and other | 66,515 | 80,914 | (17.8) | 128,329 | 184,177 | (30.3) |
| Distribution and other | 389,091 | 414,668 | (6.2) | 773,463 | 865,461 | (10.6) |
| Advertising | 149,200 | 167,151 | (10.7) | 289,054 | 328,212 | (11.9) |
| Total revenues, net | 538,291 | 581,819 | (7.5) | 1,062,517 | 1,193,673 | (11.0) |
| Technical and operating expenses (excluding depreciation and amortization)[(a)] | 247,989 | 274,233 | (9.6) | 486,559 | 543,243 | (10.4) |
| Selling, general and administrative expenses[(b)] | 138,990 | 127,291 | 9.2 | 265,824 | 253,523 | 4.9 |
| Majority-owned equity investees AOI | 4,036 | 4,511 | (10.5) | 7,533 | 7,287 | 3.4 |
| Segment adjusted operating income | $ 155,348 | $ 184,806 | (15.9)% | $ 317,667 | $ 404,194 | (21.4)% |

(a) Technical and operating expenses exclude cloud computing amortization

(b) Selling, general and administrative expenses exclude share-based compensation expenses and cloud computing amortization

Revenues, net

*Three months ended June 30, 2024 vs. 2023*

Subscription revenues decreased due to a 12.2% decline in affiliate revenues, partially offset by a 9.3% increase in streaming revenues. Affiliate revenues decreased primarily due to basic subscriber declines. Streaming revenues increased due to year-over-year subscriber growth and price increases. Subscription revenues include revenues related to the Company's streaming services of $150.2 million and $137.4 million for the three months ended June 30, 2024 and 2023, respectively. Aggregate paid subscribers[2] to our streaming services increased 5.4% to 11.6 million at June 30, 2024 compared to 11.0 million at June 30, 2023.

Content licensing and other revenues decreased due to the availability of deliveries, primarily the impact of $20.3 million recognized in the second quarter of 2023 associated with the early termination of an output agreement that resulted in the acceleration of revenue into 2023.

Advertising revenues decreased due to linear ratings declines and continued softness in the advertising market, partially offset by digital and advanced advertising revenue growth.

*Six months ended June 30, 2024 vs. 2023*

Subscription revenues decreased due to a 13.2% decline in affiliate revenues, partially offset by a 6.1% increase in streaming revenues. Affiliate revenues decreased primarily due to basic subscriber declines. Streaming revenues increased due to year-over-year subscriber growth and price increases. Subscription revenues include revenues related to the Company's streaming services of $295.3 million and $278.3 million for the six months ended June 30, 2024 and 2023, respectively.

Content licensing and other revenues decreased due to the availability of deliveries in the period, including $56.1 million of revenue associated with the 2023 delivery of the remaining episodes of *Silo,* an AMC Studios produced series, and the impact of $20.3 million recognized in 2023 associated with the early termination of an output agreement that resulted in the acceleration of revenue into 2023, partially offset by the sale of our rights and interests to *Killing Eve* in the first quarter of 2024.

Advertising revenues decreased due to linear ratings declines and continued softness in the advertising market, partially offset by digital and advanced advertising revenue growth.

[2] A paid subscription is defined as a subscription to a direct-to-consumer service or a subscription received through distributor arrangements, in which we receive a fee for the distribution of our streaming services.

Technical and operating expenses (excluding depreciation and amortization)

*Three months ended June 30, 2024 vs. 2023*

Technical and operating expenses (excluding depreciation and amortization) decreased primarily due to the impact in 2023 associated with the early termination of an output agreement that resulted in the acceleration of program rights amortization into 2023 and a current year decrease in other direct programming costs.

*Six months ended June 30, 2024 vs. 2023*

Technical and operating expenses (excluding depreciation and amortization) decreased primarily due to the impacts in 2023 associated with the delivery of the remaining episodes of *Silo,* an AMC Studios produced series and the early termination of an output agreement that resulted in the acceleration of program rights amortization into 2023, and a current year decrease in other direct programming costs. These decreases were partially offset by an increase in program rights amortization driven by the slate of AMC Originals premiering over the last twelve months.

Selling, general and administrative expenses

*Three months ended June 30, 2024 vs. 2023*

Selling, general and administrative expenses increased primarily due to higher marketing and subscriber acquisition expenses in support of a larger content slate and higher employee related costs.

*Six months ended June 30, 2024 vs. 2023*

Selling, general and administrative expenses increased primarily due to higher marketing and subscriber acquisition expenses in support of a larger content slate.

Segment adjusted operating income

*Three months ended June 30, 2024 vs. 2023*

The decrease in segment adjusted operating income was primarily attributable to the revenue headwinds in our linear businesses. Our continued cost measures and prudent investments, including disciplined acquisition marketing efforts, have mitigated the impact of such headwinds and limited the resulting margin decline from the prior year to low-single digits.

*Six months ended June 30, 2024 vs. 2023*

The decrease in segment adjusted operating income was primarily attributable to the revenue headwinds in our linear businesses. Our continued cost measures and prudent investments, including disciplined acquisition marketing efforts, have mitigated the impact of such headwinds and limited the resulting margin decline from the prior year to mid-single digits.

**International**

The following table sets forth our International segment results for the periods indicated.

| | Three Months Ended June 30, | | | Six Months Ended June 30, | | |
|---|---|---|---|---|---|---|
| **(In thousands)** | **2024** | **2023** | **Change** | **2024** | **2023** | **Change** |
| Revenues, net: | | | | | | |
| Subscription | $ 49,604 | $ 57,280 | (13.4)% | $ 100,453 | $ 113,970 | (11.9)% |
| Content licensing and other | 2,968 | 21,658 | (86.3) | 6,200 | 54,518 | (88.6) |
| Distribution and other | 52,572 | 78,938 | (33.4) | 106,653 | 168,488 | (36.7) |
| Advertising | 37,523 | 20,366 | 84.2 | 59,047 | 38,888 | 51.8 |
| Total revenues, net | 90,095 | 99,304 | (9.3) | 165,700 | 207,376 | (20.1) |
| Technical and operating expenses (excluding depreciation and amortization) | 33,061 | 49,980 | (33.9) | 66,699 | 110,541 | (39.7) |
| Selling, general and administrative expenses[a] | 27,769 | 30,138 | (7.9) | 56,336 | 56,512 | (0.3) |
| Segment adjusted operating income | $ 29,265 | $ 19,186 | 52.5 % | $ 42,665 | $ 40,323 | 5.8 % |

(a) Selling, general and administrative expenses exclude share-based compensation expenses

Revenues, net

*Three months ended June 30, 2024 vs. 2023*

Subscription revenues decreased primarily due to the non-renewal of an AMCNI distribution agreement in the U.K. in the fourth quarter of 2023.

Content licensing and other revenues decreased due to the divestiture of the 25/7 Media business on December 29, 2023. 25/7 Media generated $19.2 million of content licensing and other revenue during the three months ended June 30, 2023.

Advertising revenues increased primarily due to the recognition of a one-time retroactive adjustment reported and paid by a third party for $13.4 million and continued digital and advanced advertising growth in the U.K.

*Six months ended June 30, 2024 vs. 2023*

Subscription revenues decreased primarily due to the non-renewal of an AMCNI distribution agreement in the U.K. in the fourth quarter of 2023.

Content licensing and other revenues decreased due to the divestiture of the 25/7 Media business on December 29, 2023. 25/7 Media generated $49.3 million of content licensing and other revenue during the six months ended June 30, 2023.

Advertising revenues increased primarily due to the recognition of a one-time retroactive adjustment reported and paid by a third party for $13.4 million, digital and advanced advertising growth in the U.K, and increased ratings and growth across Central and Northern Europe advertising markets.

Technical and operating expenses (excluding depreciation and amortization)

*Three months ended June 30, 2024 vs. 2023*

Technical and operating expenses (excluding depreciation and amortization) decreased primarily due to the divestiture of the 25/7 Media business on December 29, 2023. 25/7 Media incurred $14.4 million of technical and operating expenses during the three months ended June 30, 2023. The remaining decrease was primarily attributable to content cost savings associated with the non-renewal of an AMCNI distribution agreement in the U.K. in the fourth quarter of 2023.

*Six months ended June 30, 2024 vs. 2023*

Technical and operating expenses (excluding depreciation and amortization) decreased primarily due to the divestiture of the 25/7 Media business on December 29, 2023. 25/7 Media incurred $38.2 million of technical and operating expenses during the six months ended June 30, 2023. The remaining decrease was primarily attributable to content cost savings associated with the non-renewal of an AMCNI distribution agreement in the U.K. in the fourth quarter of 2023.

Selling, general and administrative expenses

*Three months ended June 30, 2024 vs. 2023*

Selling, general and administrative expenses decreased primarily due to the divestiture of the 25/7 Media business on December 29, 2023. 25/7 Media incurred $4.0 million of selling, general and administrative expenses during the three months ended June 30, 2023.

*Six months ended June 30, 2024 vs. 2023*

Selling, general and administrative expenses decreased primarily due to the divestiture of the 25/7 Media business on December 29, 2023, partially offset by an increase in corporate overhead costs allocated to AMCNI. 25/7 Media incurred $8.4 million of selling, general and administrative expenses during the six months ended June 30, 2023.

Segment adjusted operating income

*Three months ended June 30, 2024 vs. 2023*

The increase in segment adjusted operating income was primarily due to the recognition of a one-time retroactive adjustment reported and paid by a third party for $13.4 million, partially offset by the impact of the non-renewal of an AMCNI distribution agreement in the U.K. and the divestiture of the 25/7 Media business on December 29, 2023. 25/7 Media generated $0.9 million of adjusted operating income during the three months ended June 30, 2023.

*Six months ended June 30, 2024 vs. 2023*

The increase in segment adjusted operating income was primarily due to the recognition of a one-time retroactive adjustment reported and paid by a third party for $13.4 million, partially offset by an increase in corporate overhead costs allocated to AMCNI, the impact of the non-renewal of an AMCNI distribution agreement in the U.K., and the divestiture of the 25/7 Media business on December 29, 2023. 25/7 Media generated $2.7 million of adjusted operating income during the six months ended June 30, 2023.

**Corporate and Inter-segment Elimination**

The following table sets forth our Corporate and Inter-segment Eliminations segment results for the periods indicated.

| (In thousands) | Three Months Ended June 30, 2024 | Three Months Ended June 30, 2023 | Change | Six Months Ended June 30, 2024 | Six Months Ended June 30, 2023 | Change |
|---|---|---|---|---|---|---|
| Revenues, net: | $ (2,452) | $ (2,495) | (1.7)% | $ (5,822) | $ (4,974) | 17.0 % |
| Technical and operating expenses (excluding depreciation and amortization)[a] | (1,105) | (2,316) | (52.3) | (2,652) | (5,222) | (49.2) |
| Selling, general and administrative expenses[b] | 30,459 | 27,036 | 12.7 | 55,231 | 52,225 | 5.8 |
| Segment adjusted operating income | $ (31,806) | $ (27,215) | 16.9 % | $ (58,401) | $ (51,977) | 12.4 % |

(a) Technical and operating expenses exclude cloud computing amortization

(b) Selling, general and administrative expenses exclude share-based compensation expenses and cloud computing amortization

Revenues, net

Revenue eliminations are primarily related to inter-segment licensing revenues recognized between the Domestic Operations and International segments.

Technical and operating expenses (excluding depreciation and amortization)

Technical and operating expense eliminations are primarily related to inter-segment programming amortization recognized between the Domestic Operations and International segments.

Selling, general and administrative expenses

Corporate overhead costs not allocated to the segments include such costs as executive salaries and benefits, costs of maintaining corporate headquarters, facilities and common support functions.

Selling, general and administrative expenses for the three and six months ended June 30, 2024 compared to 2023 increased primarily due to higher employee related costs.

**Liquidity and Capital Resources**

Our operations typically generate positive net cash flow from operating activities. However, each of our programming businesses has substantial programming acquisition and production expenditure requirements.

Our primary source of cash typically includes cash flow from operations. Sources of cash also include amounts available under our Revolving Credit Facility and, subject to market conditions, access to capital and credit markets. Although we currently believe that amounts available under our Revolving Credit Facility will be available when and if needed, we can provide no assurance that access to such funds will not be impacted by adverse conditions in the financial markets. The obligations of the financial institutions under our Revolving Credit Facility are several and not joint and, as a result, a funding default by one or more institutions does not need to be made up by the others. As a public company, we may have access to capital and credit markets, although adverse conditions in the financial markets have in the past impacted, and are expected in the future to impact, access to those markets.

On April 9, 2024, AMC Networks entered into Amendment No. 3 ("Amendment No. 3") to the Second Amended and Restated Credit Agreement, dated as of July 28, 2017 (as amended to date and by Amendment No. 3, the “Credit Agreement”), among AMC Networks and its subsidiary, AMC Network Entertainment LLC (“AMC Network Entertainment”), as the initial borrowers, certain of AMC Networks' subsidiaries, as restricted subsidiaries, Bank of America, N.A., as an L/C Issuer, the lenders party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent, Collateral Agent and an L/C Issuer.

In connection with Amendment No. 3, AMC Networks made a partial prepayment of the Term Loan A Facility, bringing the total principal amount outstanding under the Term Loan A Facility to $425 million, and reduced the Revolving Credit Facility to $175 million. In addition, pursuant to Amendment No. 3, the maturity date of $325 million principal amount of loans under the Term Loan A Facility as well as all of the commitments under the Revolving Credit Facility has been extended to April 9, 2028. The maturity date of the remaining $100 million principal amount of loans under the Term Loan A Facility continues to be February 8, 2026. Amendment No. 3 also includes certain other modifications to covenants and other provisions of the Credit Agreement.

On April 9, 2024, AMC Networks issued $875 million aggregate principal amount of 10.25% Senior Secured Notes due January 15, 2029 (the “Secured Notes”). AMC Networks received net proceeds of $863.0 million, after deducting initial purchasers' discounts. The Secured Notes are guaranteed by AMC Network Entertainment and AMC Networks' subsidiaries that guarantee the Credit Agreement.

On April 22, 2024, AMC Networks completed a cash tender offer (the "Offer") to purchase any and all outstanding 4.75% Senior Notes due 2025 and redeemed all 4.75% Senior Notes due 2025 that remained outstanding after completion of the Offer at a price of 100.000% of their principal amount, plus accrued and unpaid interest to, but not including, the redemption date.

On June 21, 2024, AMC Networks Inc. completed a private unregistered offering of $143.8 million aggregate principal amount of its 4.25% Convertible Senior Notes due 2029 (the “Convertible Notes”), which amount includes the full exercise of the initial purchasers’ option to purchase additional Convertible Notes. AMC Networks received net proceeds of $139.4 million, after deducting initial purchasers' discounts. The Convertible Notes are guaranteed by each of the Company’s existing and future domestic subsidiaries that guarantee the Company’s credit facilities and the Company’s 4.25% Senior Notes due 2029 and the Secured Notes, subject to certain exceptions, on a senior, unsecured basis.

In June 2024, the Company repurchased $15.0 million of its outstanding 4.25% Senior Notes due 2029 through open market repurchases, at a discount of $4.9 million, and retired the repurchased notes.

During the three and six months ended June 30, 2024, approximately $28.6 million of cash and cash equivalents, previously held by foreign subsidiaries, was repatriated to the United States. Our consolidated cash and cash equivalents balance of $802.6 million, as of June 30, 2024, included approximately $129.0 million held by foreign subsidiaries. Of this amount, approximately $25.0 million is expected to be repatriated to the United States with the remaining amount continuing to be reinvested in foreign operations. Tax expense related to the repatriated amount, as well as the expected remaining repatriation amount, has been accrued and we do not expect to incur any significant, additional taxes related to the remaining balance.

We believe that a combination of cash-on-hand, cash generated from operating activities, availability under our Revolving Credit Facility and our accounts receivable monetization program, borrowings under additional financing facilities and proceeds from the issuance of the new debt, will provide sufficient liquidity to service the principal and interest payments on our indebtedness, along with our other funding and investment requirements over the next twelve months and over the longer term. However, we do not expect to generate sufficient cash from operations to repay the entirety of the outstanding balances of our debt at the applicable maturity dates. As a result, we will be dependent upon our ability to access the capital and credit markets in order to repay, refinance, repurchase through privately negotiated transactions, open market repurchases, tender offers or otherwise or redeem the outstanding balances of our indebtedness.

Failure to raise significant amounts of funding to repay our outstanding debt obligations at their respective maturity dates would adversely affect our business. In such a circumstance, we would need to take other actions including selling assets, seeking strategic investments from third parties or reducing other discretionary uses of cash. For information relating to our outstanding debt obligations, refer to Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations - Debt Financing Agreements" of our 2023 Form 10-K. In addition, economic or market disruptions could lead to lower demand for our services, such as loss of subscribers and lower levels of advertising. These events would adversely impact our results of operations, cash flows and financial position.

The Revolving Credit Facility was not drawn upon at June 30, 2024. The total undrawn revolver commitment is available to be drawn for our general corporate purposes.

AMC Networks was in compliance with all of its debt covenants as of June 30, 2024.

**Cash Flow Discussion**

The following table is a summary of cash flows provided by (used in) operating, investing and financing activities for the periods indicated:

| | Six Months Ended June 30, | |
|---|---|---|
| **(In thousands)** | **2024** | **2023** |
| Net cash provided by operating activities | $ 255,272 | $ 25,047 |
| Net cash used in investing activities | (12,022) | (12,988) |
| Net cash used in financing activities | (5,922) | (54,816) |
| Net increase (decrease) in cash and cash equivalents from operations | $ 237,328 | $ (42,757) |

*Operating Activities*

Net cash provided by operating activities for the six months ended June 30, 2024 and 2023 amounted to $255.3 million and $25.0 million, respectively.

For the six months ended June 30, 2024, net cash provided by operating activities primarily resulted from $615.6 million of net income before amortization of program rights, depreciation and amortization, and other non-cash items, partially offset by payments for program rights of $435.5 million. Changes in all other assets and liabilities resulted in a net cash inflow of $75.2 million.

For the six months ended June 30, 2023, net cash provided by operating activities primarily resulted from $709.3 million of net income before amortization of program rights, depreciation and amortization, and other non-cash items, partially offset by payments for program rights of $644.1 million and restructuring initiatives of $88.5 million. Changes in all other assets and liabilities resulted in a net cash inflow of $48.3 million.

*Investing Activities*

Net cash used in investing activities for the six months ended June 30, 2024 and 2023 amounted to $12.0 million and $13.0 million, respectively.

For the six months ended June 30, 2024, net cash used in investing activities consisted primarily of capital expenditures.

For the six months ended June 30, 2023, net cash used in investing activities consisted primarily of capital expenditures of $21.5 million, partially offset by proceeds from the sale of investments of $8.6 million.

*Financing Activities*

Net cash used in financing activities for the six months ended June 30, 2024 and 2023 amounted to $5.9 million and $54.8 million, respectively.

For the six months ended June 30, 2024, net cash used in financing activities primarily related to long-term debt refinancing transactions and the Convertible Notes issuance as well as distributions to noncontrolling interests of $16.5 million.

For the six months ended June 30, 2023, net cash used in financing activities primarily consisted of distributions to noncontrolling interests of $27.1 million, principal payments on the Term Loan A Facility of $16.9 million, and taxes paid in lieu of shares issued for equity-based compensation of $7.2 million.

*Free Cash Flow*[3]

The following table summarizes Free Cash Flow for the periods indicated:

| (In thousands) | Six Months Ended June 30, 2024 | Six Months Ended June 30, 2023 |
|---|---|---|
| Net cash provided by operating activities | $ 255,272 | $ 25,047 |
| Less: capital expenditures | (15,958) | (21,450) |
| Free cash flow | $ 239,314 | $ 3,597 |

The increase in free cash flow is reflective of our cost management measures, including remaining prudent with our investments in programming, and due to the timing of payments made in connection with our restructuring initiatives.

| **Supplemental Cash Flow Information** | Six Months Ended June 30, 2024 | Six Months Ended June 30, 2023 |
|---|---|---|
| Restructuring initiatives | $ (8,103) | $ (88,506) |
| Distributions to noncontrolling interests | (16,520) | (27,087) |

**Contractual Obligations**

As of June 30, 2024, our contractual obligations not reflected on the condensed consolidated balance sheet decreased $3.2 million, as compared to December 31, 2023, to $870.4 million. The decrease was primarily driven by payments for program rights, partially offset by additional program rights commitments.

**Supplemental Guarantor Financial Information**

The following is a description of the terms and conditions of the guarantees with respect to the notes outstanding as of June 30, 2024 for which AMC Networks is the issuer.

*Note Guarantees*

Debt of AMC Networks as of June 30, 2024 included $875.0 million of 10.25% Senior Secured Notes due 2029, $985.0 million of 4.25% Senior Notes due 2029, and $143.8 million of 4.25% Convertible Senior Notes due 2029 (collectively, the “notes”). The notes were issued by AMC Networks and are unconditionally guaranteed, jointly and severally, on an unsecured basis, by each of AMC Networks’ existing and future domestic restricted subsidiaries, subject to certain exceptions (each, a “Guarantor Subsidiary,” and collectively, the “Guarantor Subsidiaries”). The obligations of each Guarantor Subsidiary under its note guarantee are limited as necessary to prevent such note guarantee from constituting a fraudulent conveyance under applicable law. A guarantee of the notes by a Guarantor Subsidiary is subject to release in the following circumstances: (i) any sale or other disposition of all of the capital stock of a Guarantor Subsidiary to a person that is not (either before or after giving effect to such transaction) a restricted subsidiary, in compliance with the terms of the applicable indenture; (ii) the designation of a restricted subsidiary as an “Unrestricted Subsidiary” under the applicable indenture; or (iii) the release or discharge of the guarantee (including the guarantee under the AMC Networks’ credit agreement) which resulted in the creation of the note guarantee (provided that such Guarantor Subsidiary does not have any preferred stock outstanding at such time that is not held by AMC Networks or another Guarantor Subsidiary).

Foreign subsidiaries of AMC Networks do not and will not guarantee the notes.

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[3] Free Cash Flow is a non-GAAP financial measure. See the "Non-GAAP Financial Measures" section on page 45 for additional information, including our definition and our use of this non-GAAP financial measure, and for a reconciliation to its most comparable GAAP financial measure.

The following tables present the summarized financial information specified in Rule 1-02(bb)(1) of Regulation S-X for AMC Networks and each Guarantor Subsidiary. The summarized financial information has been prepared in accordance with Rule 13-01 of Regulation S-X.

*Summarized Financial Information*

**Income Statement**

| | Six Months Ended June 30, 2024 | | Six Months Ended June 30, 2023 | |
|---|---|---|---|---|
| **(In thousands)** | **Parent Company** | **Guarantor Subsidiaries** | **Parent Company** | **Guarantor Subsidiaries** |
| Revenues | $ — | $ 875,842 | $ — | $ 1,009,946 |
| Operating expenses | — | 718,568 | — | 753,189 |
| Operating income | $ — | $ 157,274 | $ — | $ 256,757 |
| Income before income taxes | $ 41,117 | $ 125,128 | $ 223,608 | $ 304,027 |
| Net income | 16,569 | 118,673 | 173,849 | 299,434 |

| **Balance Sheet** | June 30, 2024 | | December 31, 2023 | |
|---|---|---|---|---|
| **(In thousands)** | **Parent Company** | **Guarantor Subsidiaries** | **Parent Company** | **Guarantor Subsidiaries** |
| ***Assets*** | | | | |
| Amounts due from subsidiaries | $ — | $ 91,076 | $ — | $ — |
| Current assets | 15,816 | 1,384,796 | 61,931 | 1,156,533 |
| Non-current assets | 3,752,217 | 3,058,243 | 3,676,129 | 3,301,046 |
| | | | | |
| ***Liabilities and equity:*** | | | | |
| Amounts due to subsidiaries | $ 66,366 | $ 246 | $ 54,627 | $ 2,456 |
| Current liabilities | 155,094 | 572,511 | 173,031 | 666,783 |
| Non-current liabilities | 2,559,230 | 220,774 | 2,516,977 | 224,051 |

**Critical Accounting Policies and Estimates**

We describe our significant accounting policies in Note 2 to the Company's Consolidated Financial Statements included in our 2023 Form 10-K. There have been no significant changes in our significant accounting policies since December 31, 2023.

We discuss our critical accounting estimates in Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations," in our 2023 Form 10-K. There have been no significant changes in our critical accounting estimates since December 31, 2023.

**Non-GAAP Financial Measures**

Internally, we use AOI and Free Cash Flow as the most important indicators of our business performance, and evaluate management's effectiveness with specific reference to these indicators.

We evaluate segment performance based on several factors, of which the primary financial measure is operating segment AOI. We define AOI, which is a financial measure that is not calculated in accordance with generally accepted accounting principles ("GAAP"), as operating income (loss) before share-based compensation expenses or benefit, depreciation and amortization, impairment and other charges (including gains or losses on sales or dispositions of businesses), restructuring and other related charges, cloud computing amortization and including the Company’s proportionate share of adjusted operating income (loss) from majority-owned equity method investees. From time to time, we may exclude the impact of certain events, gains, losses or other charges (such as significant legal settlements) from AOI that affect our operating performance.

We believe that AOI is an appropriate measure for evaluating the operating performance on both an operating segment and consolidated basis. AOI and similar measures with similar titles are common performance measures used by investors, analysts and peers to compare performance in the industry. AOI should be viewed as a supplement to and not a substitute for operating income (loss), net income (loss), cash flows from operating activities and other measures of performance and/or liquidity presented in accordance with GAAP. Since AOI is not a measure of performance calculated in accordance with GAAP, this measure may not be comparable to similar measures with similar titles used by other companies.

The following is a reconciliation of operating income (loss) to AOI for the periods indicated:

| | Three Months Ended June 30, 2024 | | | |
|---|---|---|---|---|
| **(In thousands)** | Domestic Operations | International | Corporate / Inter-segment Eliminations | Consolidated |
| Operating income (loss) | $ 102,735 | $ (43,795) | $ (48,152) | $ 10,788 |
| Share-based compensation expenses | 2,748 | 905 | 4,804 | 8,457 |
| Depreciation and amortization | 10,800 | 4,151 | 11,542 | 26,493 |
| Restructuring and other related charges | 2,931 | — | — | 2,931 |
| Impairment and other charges | 28,815 | 68,004 | — | 96,819 |
| Cloud computing amortization | 3,283 | — | — | 3,283 |
| Majority owned equity investees AOI | 4,036 | — | — | 4,036 |
| Adjusted operating income (loss) | $ 155,348 | $ 29,265 | $ (31,806) | $ 152,807 |

| | Three Months Ended June 30, 2023 | | | |
|---|---|---|---|---|
| **(In thousands)** | Domestic Operations | International | Corporate / Inter-segment Eliminations | Consolidated |
| Operating income (loss) | $ 162,530 | $ (11,705) | $ (45,124) | $ 105,701 |
| Share-based compensation expenses | 2,192 | 846 | 4,610 | 7,648 |
| Depreciation and amortization | 11,663 | 4,902 | 9,180 | 25,745 |
| Restructuring and other related charges | 3,905 | 261 | 1,875 | 6,041 |
| Impairment and other charges | — | 24,882 | — | 24,882 |
| Cloud computing amortization | 5 | — | 2,244 | 2,249 |
| Majority owned equity investees AOI | 4,511 | — | — | 4,511 |
| Adjusted operating income (loss) | $ 184,806 | $ 19,186 | $ (27,215) | $ 176,777 |

| | Six Months Ended June 30, 2024 | | | |
|---|---|---|---|---|
| **(In thousands)** | Domestic Operations | International | Corporate / Inter-segment Eliminations | Consolidated |
| Operating income (loss) | $ 244,752 | $ (35,186) | $ (88,600) | $ 120,966 |
| Share-based compensation expenses | 5,978 | 1,671 | 6,883 | 14,532 |
| Depreciation and amortization | 20,827 | 8,176 | 23,316 | 52,319 |
| Restructuring and other related charges | 2,931 | — | — | 2,931 |
| Impairment and other charges | 28,815 | 68,004 | — | 96,819 |
| Cloud computing amortization | 6,831 | — | — | 6,831 |
| Majority owned equity investees AOI | 7,533 | — | — | 7,533 |
| Adjusted operating income (loss) | $ 317,667 | $ 42,665 | $ (58,401) | $ 301,931 |

| (In thousands) | Six Months Ended June 30, 2023 Domestic Operations | International | Corporate / Inter-segment Eliminations | Consolidated |
|---|---|---|---|---|
| Operating income (loss) | $ 362,018 | $ 2,437 | $ (85,450) | $ 279,005 |
| Share-based compensation expenses | 6,639 | 1,685 | 4,969 | 13,293 |
| Depreciation and amortization | 23,517 | 9,673 | 18,430 | 51,620 |
| Restructuring and other related charges | 4,723 | 1,646 | 5,605 | 11,974 |
| Impairment and other charges | — | 24,882 | — | 24,882 |
| Cloud computing amortization | 10 | — | 4,469 | 4,479 |
| Majority owned equity investees AOI | 7,287 | — | — | 7,287 |
| Adjusted operating income (loss) | $ 404,194 | $ 40,323 | $ (51,977) | $ 392,540 |

We define Free Cash Flow, which is a non-GAAP financial measure, as net cash provided by operating activities less capital expenditures, all of which are reported in our Consolidated Statement of Cash Flows. We believe the most comparable GAAP financial measure of our liquidity is net cash provided by operating activities. We believe that Free Cash Flow is useful as an indicator of our overall liquidity, as the amount of Free Cash Flow generated in any period is representative of cash that is available for debt repayment, investment, and other discretionary and non-discretionary cash uses. We also believe that Free Cash Flow is one of several benchmarks used by analysts and investors who follow the industry for comparison of its liquidity with other companies in our industry, although our measure of Free Cash Flow may not be directly comparable to similar measures reported by other companies.

The following is a reconciliation of net cash provided by operating activities to Free Cash Flow for the periods indicated:

| | Six Months Ended June 30, | |
|---|---|---|
| (In thousands) | 2024 | 2023 |
| Net cash provided by operating activities | $ 255,272 | $ 25,047 |
| Less: capital expenditures | (15,958) | (21,450) |
| Free cash flow | $ 239,314 | $ 3,597 |

## Item 3. Quantitative and Qualitative Disclosures About Market Risk.

### Fair Value of Debt

Based on the level of interest rates prevailing at June 30, 2024, the carrying value of our fixed rate debt of $1.97 billion was more than its fair value of $1.65 billion by approximately $320.9 million. The fair value of these financial instruments is estimated based on reference to quoted market prices for these or comparable securities. A hypothetical 100 basis point decrease in interest rates prevailing at June 30, 2024 would increase the estimated fair value of our fixed rate debt by approximately $60.2 million to approximately $1.71 billion.

### Managing our Interest Rate Risk

To manage interest rate risk, we enter into interest rate swap contracts from time to time to adjust the amount of total debt that is subject to variable interest rates. Such contracts effectively fix the borrowing rates on floating rate debt to limit the exposure against the risk of rising rates. We do not enter into interest rate swap contracts for speculative or trading purposes and we only enter into interest rate swap contracts with financial institutions that we believe are credit worthy counterparties. We monitor the financial institutions that are counterparties to our interest rate swap contracts and to the extent possible diversify our swap contracts among various counterparties to mitigate exposure to any single financial institution. For the three and six months ended June 30, 2024, we did not have any interest rate swap contracts outstanding.

As of June 30, 2024, we had $2.4 billion of debt outstanding (excluding finance leases), of which $416.9 million is outstanding under our loan facility and is subject to variable interest rates. A hypothetical 100 basis point increase in interest rates prevailing at June 30, 2024 would increase our annual interest expense by approximately $4.2 million. The interest rate paid on approximately 83% of our debt (excluding finance leases) as of June 30, 2024 is fixed.

**Managing our Foreign Currency Exchange Rate Risk**

We are exposed to foreign currency risk to the extent that we enter into transactions denominated in currencies other than our subsidiaries' respective functional currencies (non-functional currency risk), such as affiliation agreements, programming contracts, certain trade receivables and accounts payable (including intercompany amounts) that are denominated in a currency other than the applicable functional currency. Changes in exchange rates with respect to amounts recorded in our condensed consolidated balance sheets related to these items will result in unrealized (based upon period-end exchange rates) or realized foreign currency transaction gains and losses upon settlement of the transactions. Moreover, to the extent that our revenue, costs and expenses are denominated in currencies other than our respective functional currencies, we will experience fluctuations in our revenue, costs and expenses solely as a result of changes in foreign currency exchange rates. The Company recognized losses of $1.2 million and $3.9 million for the three and six months ended June 30, 2024, respectively, and gains of $3.1 million and $2.5 million for the three and six months ended June 30, 2023, respectively, related to foreign currency transactions. Such amounts are included in miscellaneous, net in the condensed consolidated statements of income (loss).

To manage foreign currency exchange rate risk, we enter into foreign currency contracts from time to time with financial institutions to limit our exposure to fluctuations in foreign currency exchange rates. We do not enter into foreign currency contracts for speculative or trading purposes.

We also are exposed to fluctuations of the U.S. dollar (our reporting currency) against the currencies of our operating subsidiaries when their respective financial statements are translated into U.S. dollars for inclusion in our condensed consolidated financial statements. Cumulative translation adjustments are recorded in accumulated other comprehensive income (loss) as a separate component of equity. Any increase (decrease) in the value of the U.S. dollar against any foreign currency that is the functional currency of one of our operating subsidiaries will cause us to experience unrealized foreign currency translation losses (gains) with respect to amounts already invested in such foreign currencies. Accordingly, we may experience a negative impact on our comprehensive income (loss) and equity with respect to our holdings solely as a result of changes in foreign currency exchange rates.

**Item 4. Controls and Procedures.**

**Disclosure Controls and Procedures**

An evaluation was carried out under the supervision and with the participation of the Company's management, including our principal executive officer (our Chief Executive Officer) and our principal financial officer (our Chief Financial Officer), of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended). Based upon that evaluation as of June 30, 2024, the Company's principal executive officer (our Chief Executive Officer) and principal financial officer (our Chief Financial Officer) concluded that the Company's disclosure controls and procedures are effective.

**Changes in Internal Control over Financial Reporting**

During the three months ended June 30, 2024, there were no changes in the Company's internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

## PART II. OTHER INFORMATION

### Item 1. Legal Proceedings.

See Note 14, Commitments and Contingencies to the condensed consolidated financial statements included in this Quarterly Report on Form 10-Q for a description of our legal proceedings.

### Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

The Company's Board of Directors has authorized a program to repurchase up to $1.5 billion of its outstanding shares of common stock (the "Stock Repurchase Program"). The authorization of up to $500 million was announced on March 7, 2016, an additional authorization of $500 million was announced on June 7, 2017, and an additional authorization of $500 million was announced on June 13, 2018. The Stock Repurchase Program has no pre-established closing date and may be suspended or discontinued at any time.

For the three and six months ended June 30, 2024, the Company did not repurchase any of its Class A common stock. As of June 30, 2024, the Company had $135.3 million of authorization remaining for repurchase under the Stock Repurchase Program.

### Item 6. Exhibits.

**(a)** Index to Exhibits.

| | |
|---|---|
| 10.1 | Indenture, dated as of April 9, 2024, among AMC Networks, as issuer, the Guarantors and U.S. Bank Trust Company, National Association, as Trustee (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed on April 10, 2024). |
| 10.2 | Amendment No. 3, dated as of April 9, 2024, to Second Amended and Restated Credit Agreement, dated as of July 28, 2017, among AMC Networks and its subsidiary, AMC Network Entertainment LLC, as the initial borrowers, certain of AMC Networks' subsidiaries, as restricted subsidiaries, Bank of America, N.A., as an L/C Issuer, the lenders party thereto, and JPMorgan Chase Bank, N.A., as Administrative Agent, Collateral Agent and an L/C Issuer. (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on April 10, 2024). |
| 10.3 | Indenture, dated as of June 21, 2024, by and among the Company, the Guarantors and U.S. Bank Trust Company, National Association, as Trustee (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed on June 21, 2024). |
| 10.4 | Form of Global Note, representing AMC Networks Inc.'s 4.25% Convertible Senior Notes due 2029 (included as Exhibit A to the Indenture filed as Exhibit 10.3 to this Quarterly Report on Form 10-Q) (incorporated by reference to the Company's Current Report on Form 8-K filed on June 21, 2024). |
| 10.5 | Separation Agreement, dated July 26, 2024, by and between AMC Networks Inc. and James G. Gallagher. |
| 22 | Guarantor Subsidiaries of the Registrant |
| 31.1 | Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. |
| 31.2 | Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. |
| 32 | Certifications of Chief Executive Officer and Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350. |
| 101.INS | XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within Inline XBRL document. |
| 101.SCH | XBRL Taxonomy Extension Schema Document. |
| 101.CAL | XBRL Taxonomy Extension Calculation Linkbase Document. |
| 101.DEF | XBRL Taxonomy Extension Definition Linkbase. |
| 101.LAB | XBRL Taxonomy Extension Label Linkbase Document. |
| 101.PRE | XBRL Taxonomy Extension Presentation Linkbase Document. |
| 104 | Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101). |

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

AMC Networks Inc.

Date: August 9, 2024

By: /s/ Patrick O'Connell
Patrick O'Connell
Executive Vice President and Chief Financial Officer

Date: August 9, 2024

By: /s/ Michael J. Sherin III
Michael J. Sherin III
Executive Vice President and Chief Accounting Officer

July 26, 2024

**VIA DOCUSIGN (Jamie.Gallagher@amcnetworks.com)**

Jamie Gallagher

Dear Jamie:

You have advised AMC Networks Inc. (the "Company") that it is your intent to terminate your employment with the Company without Good Reason, effective January 2, 2025, in accordance with the final paragraph of page six (6) of that certain employment agreement dated October 19, 2022 by and between you and the Company (the "Employment Agreement"). Pursuant to the Employment Agreement, and in consideration for your signing and not revoking this Separation Agreement (the "Separation Agreement") and the General Release attached hereto as Exhibit A (the "General Release"), and complying in all material respects with their terms, the Company agrees that it will: (i) continue your employment through the earliest to occur of: (a) January 2, 2025, (b) the date your employment is terminated by the Company (as defined in Section 3(a)), with or without Cause (as defined in the Employment Agreement); (c) the date of your resignation with or without Good Reason (as defined in the Employment Agreement, excluding clauses B, C and D under such definition and provided that references to "this Agreement" in clause E shall be read to refer to this Separation Agreement); or (d) the date of your death or disability (collectively the "Separation Date") on the terms and conditions set forth herein, and (ii) provide you with the Separation Benefits (as defined in Section 2, below) in accordance with the terms of this Separation Agreement.

To continue in your employment until the Separation Date and to be eligible to receive the Separation Benefits set forth in Section 2, below, you must return one electronically signed copy of this Separation Agreement to the Company, no later than August 16, 2024. This Separation Agreement shall become automatically null and void unless the Separation Agreement is executed by you and returned to the Company on or prior to August 16, 2024, and not thereafter revoked in accordance with Section 9 of this Separation Agreement.

You acknowledge and agree that the Separation Benefits being provided to you herein (including employment through the Separation Date) are in exchange for your promises, representations, releases, agreements and obligations contained herein and in the General Release and are valuable and sufficient consideration. Now, therefore, you and the Company agree as follows:

1. **<u>Continued Employment/Termination of Employment/Effect on Benefits</u>**

(a) <u>Continued Employment.</u> Subject to the terms and conditions set forth in this agreement, your employment will continue through January 2, 2025, unless your employment is terminated by the Company earlier, with or without Cause, or you resign your employment, with or without Good Reason, or your employment is terminated on account of death or disability. Beginning August 1, 2024, and continuing through the end of your employment, you agree to perform those services reasonably requested of you by the Company, which services may include, without limitation, continuing to manage the day-to-day operations of the Company's legal department, providing advice and counsel to the Board of Directors of the Company, at the request of the Chief Executive Officer, providing support in connection with the hiring and onboarding of a successor General Counsel, and successfully transitioning responsibility of your duties to such successor General Counsel by the Separation Date or such earlier date as reasonably requested by the Company (collectively, the "<u>Continuing Services</u>"). During the period of your continued employment, you will continue to receive all of the compensation and benefits provided under the Employment Agreement, including the benefits set forth in the eighth paragraph of the Employment Agreement, and will continue to participate in all of the Company's benefit plans in accordance with the terms of such plans. In the event you secure employment with a third party that does not conflict with any of your obligations to the Company under the Employment Agreement while you remain employed by the Company following the date hereof and prior to January 2, 2025, you will promptly notify the Company of such employment and the intended commencement date of such employment, and you will voluntarily terminate your employment with the Company prior to commencement of any work for such third party.

(b) <u>Cause.</u> If the Company terminates your employment for Cause, you will not be eligible to receive the Separation Benefits set forth in Section 2 below.

(c) <u>Termination of Employment.</u> Your employment will terminate as of the Separation Date. As of that date, you will cease to accrue credit toward vacation or any other benefits, except as otherwise provided in this Separation Agreement.

(d) <u>Return of Company Property.</u> As of the Separation Date, you shall return to the Company all of the Company's property, including, without limitation, Confidential and Proprietary Information (as defined in Section 5(b) below), office keys, Company identification cards, access, press and other passes, and all documents, files, equipment, computers, laptops, printers, smart phones, iPads, credit cards, computer software, access materials and other property prepared by, for or belonging to the Company (all of such property being referred to herein as "<u>Company Property</u>"). You acknowledge and agree that: (i) other than for authorized Company business prior to the Separation Date, you have not and will not utilize the Company Property or make or retain any copies, duplicates, reproductions or excerpts of the Company Property, and (ii) after the Separation Date, you will not access or utilize in any manner any of the Company Property, including, without limitation, its electronic communications systems or any information contained therein. Notwithstanding anything to the contrary herein or in the Employment Agreement, you and the Company agree that you may retain your Company issued laptop computer and your Company issued cellular phone, including the right to continue to utilize the assigned cellular phone number at your own expense; provided that if the Company is required to retain your Company issued laptop computer and cellular phone as a result of a litigation hold, then the Company will provide you with a substantially similar laptop computer and cellular phone. Prior to the Separation Date, you agree to allow the Company's information services department to review your laptop computer and cellular phone to ensure that they do not contain any Company Property, Materials (as defined paragraph 3 of Annex I to the Employment Agreement), or Confidential Information (as defined in paragraph 1 of Annex I to the Employment Agreement). In addition, on the Separation Date, the Company's information services department shall remotely disable your access to the Company's servers, electronic mail, contacts, and calendar systems. For the avoidance of doubt, you will be permitted to retain your personal contact lists and personal documents and information.

(e) Health Coverage. Your Company-sponsored medical, dental and/or vision coverage will cease as of the last day of the month in which the Separation Date occurs. You, and, as applicable, your eligible dependents, may be eligible to obtain continuation coverage for a period of time thereafter pursuant to the federal COBRA statute by returning an election form and paying the required premiums. Subject to the terms of Section 2 below, and **subject to your timely election of benefits** under COBRA and your execution of this Separation Agreement and compliance in all material respects with its terms, the Company will arrange for continuation coverage under COBRA for you, and, as applicable, your eligible dependents, at no cost to you, until the earliest of (i) January 2, 2027; (ii) the date you or any of your dependents cease to be eligible for continuation coverage under COBRA; or (iii) the date you or any of your dependents become eligible for health, dental, or vision coverage in connection with new employment or self-employment. Thereafter, provided you and/or your eligible dependents remain eligible, you and/or they may choose to continue such COBRA continuation coverage for any additional eligibility period at your or their own cost at the rates then in effect. Further details regarding COBRA coverage and any necessary forms will be sent to you under separate cover.

(f) Life, Disability and AD&D Insurance. Your company-sponsored life, long-term disability and accidental death and dismemberment ("AD&D") insurance coverage will cease as of the Separation Date. There is a thirty-one (31) day grace period after the Separation Date during which you may convert your company-sponsored life insurance coverage to a private policy. You may continue to receive such coverage by completing the applicable notice of conversion privilege form (if requested by you) and complying with the applicable requirements. For additional information regarding conversion, please contact the Benefits team.

(g) Retirement Plans. Any vested benefits that you may have accrued under the AMC Networks 401(k) Savings Plan, any predecessor plan, or any other company-sponsored retirement plan (the "Retirement Plans") as of the Separation Date will be treated in accordance with the terms of those Plans, as explained in the plan documents or summary plan descriptions you have previously received. Any vested benefits that you may have accrued, or distributions you may have elected, under the AMC Networks Executive Deferred Compensation Plan, the AMC Networks Excess Savings Plan, any predecessor plan, or any other deferred compensation plan (the

"Deferred Compensation Plans") as of the Separation Date shall be payable in accordance with the terms of those plans, as explained in the plan documents or summary plan descriptions you have previously received. As a result of the termination of your employment on the Separation Date, pursuant to the terms and conditions of the Retirement Plans and/or Deferred Compensation Plans, you will forfeit all benefits that are not vested as of the Separation Date. You may obtain additional copies of the summary plan descriptions from the Benefits team.

(h) Outstanding Awards. As of the Separation Date all currently outstanding awards previously granted to you under the AMC Networks Inc. 2016 Employee Stock Plan (the "AMC Stock Plan") or any other predecessor or similar plans (collectively, "Awards"), will be treated in accordance with their terms, the Employment Agreement and this Separation Agreement.

(i) Unemployment. You should contact your local unemployment agency to determine if you are eligible for any unemployment benefits.

**2. Separation Benefits:**

(a) Description of Separation Benefits. Following the occurrence of the Separation Date, and provided that: (i) you have not voluntarily terminated your employment prior to January 2, 2025, other than with Good Reason and other than on account of death or disability; (ii) your employment has not been terminated by the Company for "Cause"; (iii) you have signed and not thereafter revoked this Separation Agreement, (iv) you have complied in all material respects with all of the terms, conditions and obligations applicable to you under this Separation Agreement, including, without limitation, the Continuing Services; (v) you return one electronically signed copy of the General Release to the Company within ten (10) days after the close of business on the Separation Date, **but not before the Separation Date**; and (vi) you do not revoke the General Release during the seven (7) day revocation period following your execution of it (the "General Release Revocation Period"), then, subject to the terms and conditions set forth in this Separation Agreement, the Company will provide you with the following benefits (collectively, the "Separation Benefits"):

1. A payment in the amount of $2,550,000, less lawful deductions and withholdings, representing 18 months' salary at your base annual rate of pay, plus one and one-half times your target annual bonus (the "Severance"), which shall be payable to you as follows:

i. A lump sum payment in the amount of $1,530,000, less lawful withholdings, payable to you in a lump sum on the six-month anniversary of the Separation Date, provided that the maximum portion of this payment that is exempt from Section 409A (as defined below) will be payable to you on or before the seventy-fifth (75) day following the Separation Date; *and*

ii. A lump sum payment in the amount of $1,020,000, less lawful deductions and withholdings, payable to you in a lump sum on the twelve-month anniversary of the Separation Date; *plus*

2. If your employment is terminated by the Company without Cause or by you for Good Reason prior to January 2, 2025, a lump sum payment representing the base salary you would have received from the Separation Date through January 2, 2025. The payment provided for in this Paragraph will be payable, less lawful deductions, to you in a lump sum on or before the seventy-fifth (75) day following the Separation Date; *plus*

3. As provided in the Employment Agreement, subject to your timely election of continuation coverage under COBRA, the Company will arrange for the continuation of medical, dental and vision coverage under COBRA for you, and, as applicable, your eligible dependents, at no cost to you, until the earliest of: (i) January 2, 2027; (ii) the date you or any of your dependents cease to be eligible for continuation coverage under COBRA; or (iii) the date you or any of your dependents become eligible for health, dental, or vision coverage in connection with new employment or self-employment. In the event you or any of your dependents become eligible for health, dental or vision coverage under another employer's group health plan or otherwise cease to be eligible for COBRA prior to January 2, 2027, you must immediately notify the Company of such event; *plus*

4. As provided in the Employment Agreement:

i. All restricted stock units ("RSUs") granted pursuant to the AMC Stock Plan that have not vested prior to the Separation Date will continue to vest in accordance with the original vesting schedule applicable to such RSUs at the time of grant; provided, however, upon the Separation Date, the Company shall withhold and settle a portion of each of your outstanding RSUs in an amount sufficient to fund the minimum amount of statutory tax withholding requirements (including federal, state and local income and employment tax withholding required due to such awards being "vested" for tax purposes) resulting from the recognition of income in respect of each such outstanding RSUs and make a payroll tax contribution in such amount on your behalf; and

ii. All long-term cash performance awards ("CPAs") granted by the Company that have not vested prior to the Separation Date shall immediately vest in full on the Separation Date; provided, however, that payment of each such CPA shall be made at the same time as such awards are payable to similarly situated actively-employed executives of the Company as determined by the Compensation Committee (subject to the satisfaction of any applicable performance objectives) and further provided that if the applicable performance objectives are not satisfied, then any such CPAs will be forfeited; *plus*

5. As provided in the Employment Agreement, a discretionary bonus for 2024 under the terms of the Company's AIP program and based on your current target bonus opportunity, one hundred percent (100%), which bonus shall be payable, less lawful withholdings and deductions, when, as and if paid to similarly situated active employees, but without consideration given to your individual performance, as if you had remained an employee of the Company through any such payment date; *plus*

6. Continued access to and use of the Company's PLI membership though January 2, 2027 solely to the extent the Company continues to provide such benefit to its in-house lawyers.

For the avoidance of doubt, in the event your employment terminates due to your death or disability prior to January 2, 2025, provided at such time of such termination, Cause does not exist and subject to your compliance in all material respects with Section 2(a)(iii)-(vi) to the extent applicable, you will be entitled to receive the Separation Benefits excluding those set forth in Section 2(a)(2).

(b) Continued Compliance. Without waiver of the Company's remedies for any breach of this Separation Agreement or the General Release, all amounts and other benefits due to you hereunder (including, without limitation, your continued employment described in Section 1(a) herein) are expressly conditioned on your continued compliance in all material respects with this Separation Agreement, the General Release or any of the obligations that survive termination of your Employment Agreement.

(c) No Other Separation Benefits. The Separation Benefits represent a complete settlement, release and waiver of any claims for allegedly lost wages, benefits, bonuses, or other compensation, mental, physical or other personal injuries, pain and suffering, and costs in connection with any other relief you may seek or claim you may have against the Company. Except as expressly referenced in this Separation Agreement, you hereby confirm that all monies due to you, including, but not limited to, all wages earned, sick pay, personal leave pay and/or vacation pay, previously have been paid. You agree that no other monies or relief are due to you, other than: i) the payments provided for in this Separation Agreement in consideration of your general release of all claims that you have, may have or may have had against the Releasees (as defined in Section 3(a) below); and ii) any base salary that you earn and benefits that you accrue for work performed from the date of your execution of this Separation Agreement through the Separation Date.

**3. Release**

(a) You, on behalf of yourself, your heirs, executors, administrators and/or assigns, do hereby release and discharge the Company, together with its direct and indirect parent corporation, subsidiaries, affiliates, joint ventures, partners, and related entities, past, present and future, and its or their predecessors, successors and assigns (collectively for purposes of this Section 3, the "Company"), and its or their officers, directors, employees, consultants, agents, insurers, reinsurers, shareholders, representatives and assigns, past, present and future (collectively with the Company, the "Releasees"), of and from any and all legally waivable suits, debts, complaints, claims, liabilities, demands or causes of action, or any right to any other monetary recovery or personal relief, known or unknown, of whatever nature, which you, or any of your heirs, executors, administrators, and assigns ever had or now have against each or any of the Releasees, based upon or arising from any fact or set of facts, whether known or unknown to you, from the beginning of time to the date of execution of this Separation Agreement, including, without limitation, any and all claims arising out of or relating to your employment by the Company or the separation of your employment. Without limiting the generality of the foregoing, this Release includes any claim or right based upon or arising under any federal, state or local fair employment practices or equal opportunity laws, including, but not limited to, any and all claims under the Age Discrimination in Employment Act of 1967, the Older Workers Benefit Protection Act, Title VII of the Civil Rights Act of 1964, Section 1981 of the Civil Rights Act of 1870, the Americans with Disabilities Act, the Employee Retirement Income Security Act, the Worker Adjustment and Retraining Notification Act, the Family Medical Leave Act, the Genetic Information Nondiscrimination Act, the New York Human Rights Law, the New York Labor Law, the New York Executive Law, the New York Wage and Hour Laws, the New York Civil Rights Law, the New York Equal Pay Law, the New York Whistleblower Statute, the New York WARN Act, the New York Constitution, the New York City Human Rights Law, each as amended, and any and all other federal, state or local statutory or common law claims, now or hereafter recognized, including but not limited to, any claims for economic loss, compensatory damages, punitive damages, liquidated damages, attorneys' fees, expenses and costs.

(b) You further agree to waive any and all rights under the laws of any jurisdiction in the United States, or any other country, that limit a general release to those claims that are known or suspected to exist in your favor as of the date of execution of the Separation Agreement. For the purpose of implementing a full and complete release, you expressly acknowledge and agree that this release releases all claims existing or arising prior to your execution of this Separation Agreement which you have or may have against the Releasees, whether such claims are known or unknown and suspected or unsuspected by you and you forever waive all inquiries and investigations into any and all such claims.

(c) Notwithstanding the generality of the foregoing, nothing herein constitutes a release or waiver by you of: (i) any claim or right based on any facts or set of facts that may arise after your execution of this Separation Agreement; (ii) any claim or right you may have under this Separation Agreement; (iii) any unemployment insurance claim; (iv) any workers' compensation insurance benefits; (v) continued participation in certain benefits under COBRA (and any state law counterpart), if applicable; (vi) any claim for medical, hospital, surgical or physician's services benefits arising under the Company's applicable health insurance plan(s); (vii) any claims that cannot be waived as a matter of law; (viii) any claim for indemnification and D&O insurance pursuant to the Employment Agreement, applicable laws and the corporate governance documents of the Company or any of its subsidiaries or affiliates; or (ix) your right to any shares of Class A Common Stock of the Company that you hold as of the date hereof.

(d) This Separation Agreement does not limit your rights under applicable law to initiate communications directly with, provide information to, respond to any inquiries from, or report possible violations of law or regulation to any governmental entity or self-regulatory authority, or to file a charge with or participate in an investigation conducted by any governmental entity or self-regulatory authority, such as the Equal Employment Opportunity Commission ("EEOC"), the Department of Labor ("DOL"), the National Labor Relations Board ("NLRB"), the Securities Exchange Commission ("SEC"), or their applicable state and/or local equivalent, and you do not need any Releasee's permission to do so. In addition, it is understood that this release shall not require you to notify any Releasee of a request for information from any governmental entity or self-regulatory authority or of your decision to file a charge with or participate in an investigation conducted by any governmental entity or self-regulatory authority. Notwithstanding the foregoing, you recognize that, in connection with the provision of information to any governmental entity or self-regulatory authority, you must inform such governmental entity or self-regulatory authority that the information you are providing is confidential. Despite the foregoing, you are not permitted to reveal to any third party, including any governmental entity or self-regulatory authority, information you came to learn during your service to the Company that is protected from disclosure by any applicable privilege, including but not limited to the attorney-client privilege or attorney work product doctrine. The Company does not waive any applicable privileges or the right to continue to protect its privileged attorney-client information, attorney work product, and other privileged information. This Separation Agreement also does not prevent you from exercising your rights under Section 7 of the National Labor Relations Act to engage in protected, concerted activity with other employees. To the fullest extent permitted by law, you agree that if any claim, charge, complaint or action against the Company covered by the release provision of this Separation Agreement is brought by you, for your benefit, or on your behalf, you expressly waive any claim to any form of monetary or other damages, including attorneys' fees and costs, or any other form of personal recovery or relief from the Company based upon any such claim, charge, complaint or action, providing that you are not agreeing to waive, and this release shall not be read as requiring you to waive, any right you may have to receive any bounty or monetary award from any government agency or regulatory or law enforcement agency (and not the Company) for information provided to a government agency or other protected "whistleblower" activity. To the extent you receive any personal or monetary relief from the Company based on any such claim, charge, complaint or action, the Company will be entitled to an offset for the payments made pursuant to this Separation Agreement. You further agree and covenant that should any person, organization, or other entity file, charge, claim, sue, or cause or permit to be filed any civil action, suit or legal proceeding, or if any person, organization, or other entity has filed, charged, claimed, sued, or caused or permitted to be filed any civil action, suit or legal proceeding, against any of the Releasees involving any matter occurring at any time in the past, you are not entitled to and will not seek or accept personal equitable or monetary relief in such civil action, suit or legal proceeding. You further agree and covenant that you waive any right or ability to be a class or collective action representative or to otherwise participate in any putative or certified class, collective or multi-party action or proceeding asserted or brought against any of the Releasees.

(e) You affirm that you have reported to the Company in writing any work-related physical or mental injury, illness or impairment which you may have experienced.

(f) You further affirm that you have not made a sexual harassment or other claim of harassment, discrimination, retaliation or other violation of Company policy or unlawful conduct and have not been retaliated against for reporting any allegations of wrongdoing by the Company or its officers, including any allegations of corporate fraud.

(g) You further affirm that all of the Company's decisions regarding your pay and benefits through the date of your execution of this Separation Agreement were not discriminatory based on age, disability, race, color, sex, religion, national origin or any other classification protected by law.

**4. <u>In the Event of Rehire</u>**

You hereby agree and acknowledge that: (a) as of the Separation Date, your employment relationship with the Company will be severed; and (b) the Company has no obligation, contractual or otherwise, to hire, re-hire or re-employ you after the Separation Date.

If you are reemployed with the Company as a full-time employee, part-time employee or a regularly scheduled temporary employee, the Company will have the right to pro-rate the Severance so that you retain an amount which represents the period of time from the Separation Date until the rehire date (the "Pro-Rated Severance"). It is further understood that, if you already received any part of the portion of your Severance, the Company will have the right to require you to return to the Company the difference between the amount of Severance you originally received and the Pro-Rated Severance.

**5. <u>Confidentiality</u>**

(a) <u>Agreement.</u> Except as set forth in Section 7, you hereby agree to keep the existence and terms of this Separation Agreement confidential and not to disclose them to any persons other than to your legal, financial and/or tax advisors or to members of your immediate family (all of whom shall also be bound by the foregoing confidentiality covenant) or as required by law, rule, regulation or judicial process.

(b) <u>Confidential and Proprietary Information.</u> During the course of your employment, you have had access to Confidential and Proprietary Information (as defined below). You hereby represent, warrant and agree that, except as set forth in Section 7, (i) you have not taken, nor shall you take at any time, including after the Separation Date, any Confidential and Proprietary Information, and (ii) you shall retain in strict confidence and shall not use for any purpose whatsoever or divulge, disseminate, copy, disclose to any third party, or otherwise use any Confidential and Proprietary Information. As used in this Separation Agreement, "<u>Confidential and Proprietary Information</u>" means any non-public information of a confidential or proprietary nature of any of the Releasees, including, without limitation: (i) information of a commercially sensitive, proprietary or personal nature or that, if disclosed, could have an adverse effect on any of the Releasees' standing in the community, its or their business reputations, operations or competitive positions, (ii) information and documents that have been designated or treated as confidential, (iii) financial data; customer, guest, vendor or shareholder lists or data; advertising, business, sales or marketing information, plans, tactics and strategies; projects; technical or strategic information about any of the Company's businesses (including, but not limited to, cable television, streaming services, on-line data, telephone, internet service provider, programming and programming ideas (including sports programming), advertising, theatrical, motion picture exhibition, production and distribution, entertainment or other businesses); plans or strategies to market or distribute the services or products of such businesses; economic or commercially sensitive information, policies, practices, procedures or techniques; trade secrets and other intellectual property; merchandising, advertising, marketing or sales strategies or plans; litigation theories or strategies; terms of agreements with third parties and third party trade secrets; information about any of the Releasees' (to the extent applicable) employees, guests, agents, compensation (including, but not limited to, bonuses, incentives and commissions), or other human resources policies, plans and procedures, or any other non-public material or information relating to any of the Releasees, and (iv) any information (personal, proprietary or otherwise) you learned about any officer, director or member of management of the Company, whether prior, during or subsequent to your employment by the Company.

**6. Restrictive Covenants**

You hereby reaffirm your ongoing obligations set forth in Annex I of the Employment Agreement, which Annex shall be deemed to be a part of this Separation Agreement, including the obligations contained in Paragraphs 1 through 6 of Annex I thereto, in accordance with their terms, including, without limitation, the confidentiality, non-competition, non-disparagement, cooperation and non-solicitation obligations set forth therein which shall survive the termination of your employment.

**7. Exception for Disclosure Pursuant to Law**

Notwithstanding anything elsewhere in this Separation Agreement or the Employment Agreement, you are authorized to provide information to, file a charge with and participate in an investigation conducted by any governmental agency, and you do not need the Company's permission to do so. In addition, it is understood that you are not required to notify the Company of a request for information from any governmental entity or of your decision to file a charge with or participate in an investigation conducted by any governmental entity. In addition, this Agreement in no way restricts or prevents you from providing testimony concerning the Company or any of its affiliates to judicial, administrative, regulatory or other governmental authorities or prohibits you from making statements or engaging in any other activities or conduct protected by the National Labor Relations Act. Notwithstanding the foregoing, you recognize that, in connection with the provision of information to any governmental entity, you must inform such governmental entity that the information you are providing is confidential.

Despite the foregoing, you are not permitted to reveal to any third party, including any governmental entity, information you came to learn during your service to the Company that is protected from disclosure by any applicable privilege, including but not limited to the attorney-client privilege or attorney work product doctrine. The Company does not waive any applicable privileges or the right to continue to protect its privileged attorney-client information, attorney work product, and other privileged information.

In addition, you are hereby advised that pursuant to the federal Defend Trade Secrets Act of 2016, you may not be held criminally or civilly liable under any federal or state trade secret law for disclosing a trade secret: (i) in confidence, to a federal, state, or local government official, or to your attorneys, for the purpose of reporting or investigating a suspected violation of the law; or (ii) in a complaint or other court document filed in connection with a lawsuit or court proceeding, provided that said filing is made under seal. In addition, you are further advised that if you file an action for retaliation against the Company for reporting a suspected violation of law, you may disclose a trade secret to your attorneys and use the trade secret in connection with the court proceeding provided that you: (i) file any document containing the trade secret under seal; and (ii) do not disclose the trade secret, except pursuant to court order.

**8. Right to Counsel/Voluntary Waiver**

The Company advises you to consult with a lawyer before executing this Separation Agreement and the General Release and you acknowledge that you: (i) have been provided with a period of at least twenty-one (21) days to consult with a lawyer prior to executing this Separation Agreement and the General Release; (ii) have read this Separation Agreement (including, but not limited to, the "Release" in Section 3(a) above) and the General Release; (iii) fully understand the terms of this Separation Agreement and the General Release; (iv) understand that any modifications, material or otherwise made to this Separation Agreement do not restart or affect in any manner the original up to twenty-one (21) day consideration period; and (v) have executed this Separation Agreement knowingly, deliberately and voluntarily and without coercion, whether express or implied.

**9. Revocation**

(a) Right to Revoke. You may revoke this Separation Agreement within seven (7) days after the date on which you sign it. This Separation Agreement will not be binding or enforceable until that seven (7) day period has expired. If you decide to revoke this Separation Agreement, you must notify us of your revocation in a letter signed by you and received by the Company no later than 5:00 p.m. on the seventh (7th) day after you signed this Separation Agreement. A letter of revocation that is not received by the seventh (7th) day after you have signed the Separation Agreement will be invalid and will not revoke this Separation Agreement.

(b) Effective Date of Separation Agreement. If you have not revoked this Separation Agreement in accordance with Section 9(a), above, the eighth (8th) day after the date on which you sign the Separation Agreement shall be the "Effective Date" of the Separation Agreement.

**10. Choice of Law/Forum/Waiver of Jury Trial/Contract Interpretation**

(a) This Separation Agreement and the General Release shall be deemed to be made under, and in all respects shall be interpreted, construed and governed by and in accordance with, the laws of the State of New York without reference to its conflict of law principles.

(b) You and the Company hereby irrevocably submit to the jurisdiction of the courts of the State of New York and the federal courts of the United States of America located in the State of New York with respect to the interpretation and enforcement of the provisions of this Separation Agreement and the General Release, and you and the Company hereby waive, and agree not to assert, as a defense that you or the Company, as applicable, are not subject thereto or that the venue thereof may not be appropriate. You and the Company hereby agree that mailing of process or other papers in connection with any such action or proceeding in any manner as may be permitted by law shall be valid and sufficient service thereof.

(c) You and the Company hereby waive any right to a jury trial on any issue in any controversy relating to, arising out of, pertaining to or affecting this Separation Agreement, your employment by the Company and/or the termination of your employment, including, but not limited, to any federal or state statutory or common law claims, including, but not limited to, any right to a jury trial provided by statute, the Seventh Amendment to the United States Constitution, or any other authority.

(d) You and the Company agree that the language of all parts of this Separation Agreement and the General Release shall be construed as a whole, and according to their fair meaning and not strictly for or against you or the Company.

**11. Additional Provisions**

(a) Breach of Separation Agreement. You hereby acknowledge and agree that your breach or threatened breach of Sections 5 or 6 of this Separation Agreement, which, for the avoidance of doubt, includes your obligations to the Company under the Employment Agreement that survive the termination of your employment, will cause irreparable harm to the Company for which monetary damages alone will not provide an adequate remedy. Accordingly, the Company, in addition to any other rights or remedies available to it under this Separation Agreement or otherwise, will be entitled to an injunction to be issued by any court of competent jurisdiction restraining you from committing or continuing any violation of these provisions, without the necessity of showing actual damage and without any bond or other security being required.

(b) Withholdings. The Company may withhold from any payment due hereunder any taxes that are required to be withheld under any law, rule or regulation.

(c) Non-Admission of Liability. The parties agree and acknowledge that the agreement by the Company described herein, and the settlement and termination of any asserted or unasserted claims against any of the Releasees, are not and shall not be construed to be an admission of any violation of any federal, state or local statute or regulation, or of any duty owed, contractual or otherwise, by any of the Releasees to you.

(d) Entire Agreement. This Separation Agreement, the Award agreements referenced in Section 2(a)(4) of this Separation Agreement and the General Release set forth the entire agreement of the parties concerning its subject matter, and supersedes any and all prior agreements, discussions, understandings, promises and expectations, including, without limitation, the Employment Agreement, between you and the Company. This Separation Agreement may be modified only by a written instrument signed by you and by the Company and/or the Company.

(e) Successors and Assigns. The provisions of this Separation Agreement and the General Release shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, provided that you may not assign this Separation Agreement and the General Release without the express written consent of the Company and/or the Company.

(f) Severability. In the event any paragraph, section, sentence, provision, or clause of this Separation Agreement or the General Release, or portion thereof, shall be determined to be illegal, invalid, or unenforceable, the remainder of this Separation Agreement and the General Release, and the remainder of any such paragraph, section, sentence, provision, or clause shall not be affected and shall be given full effect without regard to the illegal, invalid or unenforceable portion, provided, however, if Section 3(a) above or Section 3 of the General Release is held illegal, invalid or unenforceable, the Company shall be released from any obligations under Sections 1 and 2 above.

(g) Going Private Transaction/Change of Control. For the avoidance of doubt and notwithstanding any provision of this Separation Agreement to the contrary, in the event of a "Going Private Transaction" or a "Change of Control", as such terms are defined in the respective agreements governing the Awards, or in the event of your death, you will be entitled to receive the more favorable vesting and payment provisions (if any) provided in such Awards.

(h) Section 409A. The intent of the parties is that payments and benefits under this Agreement comply with Section 409A of the Internal Revenue Code of 1986, as amended, and any regulations and guidelines promulgated thereunder (collectively, "Section 409A") or comply with an exemption from the application of Section 409A and, accordingly, all provisions of this Separation Agreement shall be construed in a manner consistent with the requirements for avoiding taxes or penalties under Section 409A. If and to the extent that any payment or benefit hereunder, or any plan, award or arrangement of the Company or its affiliates, is determined by the Company to constitute "non-qualified deferred compensation" subject to Section 409A and is payable to you by reason of your termination of employment, then (a) such payment or benefit shall be made or provided to you only upon a "separation from service" as defined for purposes of Section 409A under applicable regulations and (b) if you are a "specified employee" (within the meaning of Section 409A and as determined by the Company), such payment or benefit shall not be made or provided before the date that is six months after the date of your separation from service (or your earlier death). Any amount not paid or benefit not provided in respect of the six-month period specified in the preceding sentence will be paid to you in a lump sum or provided to you as soon as practicable after the expiration of such six-month period. Each payment or benefit hereunder shall be treated as a separate payment for purposes of Section 409A to the extent Section 409A applies to such payments or benefits. Neither party shall take any action to accelerate or delay the payment of any monies and/or provision of any benefits that are subject to Section 409A in any manner that would not be in compliance with Section 409A.

**12. Acknowledgments and Waivers Including Express Waiver Under the Age Discrimination in Employment Act**

By signing below, you certify and acknowledge as follows:

(a) That you have read the terms of this Separation Agreement, and that you understand its terms and effects, including the fact that under this Separation Agreement you have agreed to **RELEASE AND FOREVER DISCHARGE** the Releasees from any legal action arising out of or relating to your employment by the Company and/or the Company, up and through the date of your execution of this Separation Agreement, including any and all claims relating to age discrimination under the Age Discrimination in Employment Act;

(b) That you have signed this Separation Agreement voluntarily and knowingly in exchange for the Separation Benefits described herein, which you acknowledge are adequate and satisfactory to you and which you would not have received but for your execution of this Separation Agreement;

(c) That you have been and are hereby advised in writing to consult with an attorney prior to signing this Separation Agreement, and that you have been given an adequate opportunity to do so;

(d) That under this Separation Agreement you do not waive rights or claims that may arise after the date this Separation Agreement is executed;

(e) That the Company has provided you with a period of at least twenty-one (21) days within which to consider this Separation Agreement, and that you have signed on the date indicated below after concluding that this Separation Agreement is satisfactory to you;

(f) That any modifications, material or otherwise made to this Separation Agreement do not restart or affect in any manner the original up to twenty-one (21) day consideration period; *and*

(g) That this Separation Agreement may be revoked by you within seven (7) calendar days after you execute this Separation Agreement, in accordance with Section 9(a) above, and it shall not become effective until the expiration of such seven (7) day revocation period.

We wish you luck in your future endeavors.

Sincerely yours,

/s/ Kristin Dolan

Kristin Dolan
Chief Executive Officer

Accepted and Agreed to:

/s/ Jamie Gallagher________
Jamie Gallagher

July 26, 2024____________
Date

**EXHIBIT A**

**GENERAL RELEASE**
[**to be signed & provided to Company on or after the Separation Date]**

Jamie Gallagher hereby agrees as follows:

1. I signed a Separation Agreement (the "Separation Agreement") with AMC Networks Inc. ("the Company") dated July 26, 2024 attached hereto and made a part hereof. All defined terms used herein and not otherwise defined shall have the meaning ascribed thereto in the Separation Agreement.

2. As stated in the Separation Agreement, I am required to execute this General Release in order to be eligible to receive the Separation Benefits set forth in Section 2 of the Separation Agreement. I understand that this General Release shall not be construed to supersede the Separation Agreement, that the Separation Agreement remains in full force and effect, and that I am obligated to continue to comply with the terms, conditions and obligations of the Separation Agreement. I further understand that I may not execute this General Release prior to the Separation Date.

3. In order to be eligible to receive the Separation Benefits set forth in Section 2 of the Separation Agreement, I, on behalf of myself, my heirs, executors, administrators and/or assigns, do hereby release and discharge the Company, together with its direct and indirect parent corporation, subsidiaries, affiliates, joint ventures, partners, and related entities, past, present and future, and its or their predecessors, successors and assigns (collectively, the "Company"), and its or their officers, directors, employees, consultants, agents, insurers, reinsurers, shareholders, representatives and assigns, past, present and future (collectively with the Company, the "Releasees"), of and from any and all legally waivable suits, debts, complaints, claims, liabilities, demands or causes of action, or any right to any other monetary recovery or personal relief, known or unknown, of whatever nature, which I, or any of my heirs, executors, administrators, and assigns ever had or now have against each or any of the Releasees, based upon or arising from any fact or set of facts, whether known or unknown to me, from the beginning of time to the date of my execution of this General Release, including, without limitation, any and all claims arising out of or relating to my employment by the Company or the separation of my employment. Without limiting the generality of the foregoing, this Release includes any claim or right based upon or arising under any federal, state or local fair employment practices or equal opportunity laws, including, but not limited to, any and all claims under the Age Discrimination in Employment Act of 1967, the Older Workers Benefit Protection Act, Title VII of the Civil Rights Act of 1964, Section 1981 of the Civil Rights Act of 1870, the Americans with Disabilities Act, the Employee Retirement Income Security Act, the Worker Adjustment and Retraining Notification Act, the Family Medical Leave Act, the Genetic Information Nondiscrimination Act, the New York Human Rights Law, the New York Labor Law, the New York Executive Law, the New York Wage and Hour Laws, the New York Civil Rights Law, the New York Equal Pay Law, the New York Whistleblower Statute, the New York WARN Act, the New York Constitution, the New York City Human Rights Law, each as

amended, and any and all other federal, state or local statutory or common law claims, now or hereafter recognized, including but not limited to, any claims for economic loss, compensatory damages, punitive damages, liquidated damages, attorneys' fees, expenses and costs.

4. I further agree to waive any and all rights under the laws of any jurisdiction in the United States, or any other country, that limit a general release to those claims that are known or suspected to exist in my favor as of the date of execution of this General Release. For the purpose of implementing a full and complete release, I expressly acknowledge and agree that this General Release releases all claims existing or arising prior to my execution of this General Release which I have or may have against the Releasees, whether such claims are known or unknown and suspected or unsuspected by me and I forever waive all inquiries and investigations into any and all such claims.

5. Notwithstanding the generality of the foregoing, nothing herein constitutes a release or waiver by me of: (i) any claim or right based on any facts or set of facts that may arise after my execution of this General Release; (ii) any claim or right I may have under this Release or the Separation Agreement; (iii) any unemployment insurance claim; (iv) any workers' compensation insurance benefits; (v) continued participation in certain benefits under COBRA (and any state law counterpart), if applicable; (vi) any claim for medical, hospital, surgical or physician's services benefits arising under the Company's applicable health insurance plan(s); (vii) any claims that cannot be waived as a matter of law; (viii) any claim for indemnification and D&O insurance pursuant to the Employment Agreement, applicable laws and the corporate governance documents of the Company or any of its subsidiaries or affiliates; or (ix) any right to any shares of Class A Common Stock of the Company that I hold as of the date hereof.

6. I hereby affirm that I have been advised that this General Release does not limit my rights under applicable law to initiate communications directly with, provide information to, respond to any inquiries from, or report possible violations of law or regulation to any governmental entity or self-regulatory authority, or to file a charge with or participate in an investigation conducted by any governmental entity or self-regulatory authority, such as the Equal Employment Opportunity Commission ("EEOC"), the Department of Labor ("DOL"), the National Labor Relations Board ("NLRB"), the Securities Exchange Commission ("SEC"), or their applicable state and/or local equivalent, and I do not need any Releasee's permission to do so. In addition, it is understood that this General Release shall not require me to notify any Releasee of a request for information from any governmental entity or self-regulatory authority or of my decision to file a charge with or participate in an investigation conducted by any governmental entity or self-regulatory authority. Notwithstanding the foregoing, I recognize that, in connection with the provision of information to any governmental entity or self-regulatory authority, I must inform such governmental entity or self-regulatory authority that the information I am providing is confidential. Despite the foregoing, I am not permitted to reveal to any third party, including any governmental entity or self-regulatory authority, information I came to learn during my service to the Company that is protected from disclosure by any applicable privilege, including but not limited to the attorney-client privilege or attorney work product doctrine. The Company does not waive any applicable privileges or the right to continue to protect its privileged attorney-client information, attorney work product, and other privileged information. This General Release also does not prevent me from exercising my rights under

Section 7 of the National Labor Relations Act to engage in protected, concerted activity with other employees. To the fullest extent permitted by law, I agree that if any claim, charge, complaint or action against the Company covered by the release provision of this General Release is brought by me, for my benefit, or on my behalf, I expressly waive any claim to any form of monetary or other damages, including attorneys' fees and costs, or any other form of personal recovery or relief from the Company based upon any such claim, charge, complaint or action, providing that I am not agreeing to waive, and this General Release shall not be read as requiring me to waive, any right I may have to receive an award from a government agency or regulatory or law enforcement agency (and not the Company) for information provided to a government agency or other protected "whistleblower" activity. To the extent I receive any personal or monetary relief from the Company based on any such claim, charge, complaint or action, the Company will be entitled to an offset for the payments made pursuant to this General Release. I further agree and covenant that should any person, organization, or other entity file, charge, claim, sue, or cause or permit to be filed any civil action, suit or legal proceeding, or if any person, organization, or other entity has filed, charged, claimed, sued, or caused or permitted to be filed any civil action, suit or legal proceeding, against any of the Releasees involving any matter occurring at any time in the past, I am not entitled to and will not seek or accept personal equitable or monetary relief in such civil action, suit or legal proceeding. I further agree and covenant that I waive any right or ability to be a class or collective action representative or to otherwise participate in any putative or certified class, collective or multi-party action or proceeding asserted or brought against any of the Releasees.

7. Except as expressly referenced in the Separation Agreement, I hereby confirm that all monies due to me, including, but not limited to, all wages earned, sick pay, personal leave pay and/or vacation pay, previously have been paid. I agree that no other monies or relief are due to me, other than the payments provided for in the Separation Agreement in consideration of my execution of the Separation Agreement and this General Release.

8. I affirm that I have reported to the Company in writing any work-related physical or mental injury, illness or impairment which I may have experienced.

9. I further affirm that I have not made a sexual harassment or other claim of harassment, discrimination, retaliation or other violation of Company policy or unlawful conduct and have not been retaliated against for reporting any allegations of wrongdoing by the Company or its officers, including any allegations of corporate fraud.

10. I further affirm that all of the Company's decisions regarding my pay and benefits through the date of my execution of this General Release were not discriminatory based on age, disability, race, color, sex, religion, national origin or any other classification protected by law.

11. By signing below, I certify and acknowledge as follows:

(a) I have read the terms of this General Release, and I understand its terms and effects, including the fact that I have agreed to **RELEASE AND FOREVER DISCHARGE** the Releasees from any legal action arising out of or relating to my employment by the Company or the termination of my employment by the Company or the Company, up and through the date of my execution of this General Release, including any and all claims relating to age discrimination under the Age Discrimination in Employment Act;

(b) I have signed this General Release voluntarily, deliberately and knowingly in exchange for consideration which I acknowledge is adequate and satisfactory to me and which I acknowledge is in addition to any other benefits to which I am otherwise entitled;

(c) I have been and am hereby advised in writing through this General Release to consult with an attorney prior to signing this General Release, and that I have been given an adequate opportunity to do so;

(d) I do not waive rights or claims that may arise after the date this General Release is executed;

(e) That the Company has provided me with a period of at least twenty-one (21) days within which to consider this General Release, and that I have signed on the date indicated below after concluding that this General Release is satisfactory to me;

(f) That any modifications, material or otherwise made to this General Release do not restart or affect in any manner the original up to twenty-one (21) day consideration period; and

(g) That this General Release may be revoked by me within seven (7) calendar days after I execute it and it shall not become effective until the expiration of such seven (7) day revocation period. I further acknowledge that I must notify the Company of my revocation of this General Release in a letter signed by me and received by the Company, no later than 5:00 p.m. on the seventh (7th) day after I sign this General Release and that a letter of revocation that is not received by the seventh (7th) day after I have signed this General Release will be invalid and will not revoke this General Release.

Accepted and Agreed to:

/s/ Jamie Gallagher________
Jamie Gallagher

Date: July 26, 2024________

**List of Guarantor Subsidiaries**

As of June 30, 2024, the following subsidiaries of AMC Networks Inc. guarantee the notes issued by AMC Networks Inc.

| Guarantor | Jurisdiction of Formation |
|---|---|
| 2nd Party LLC | Delaware |
| 61st Street Productions I LLC | Delaware |
| Across the River Productions LLC | Delaware |
| Aesir Media Group, LLC | Texas |
| AMC Film Holdings LLC | Delaware |
| AMC Games LLC | Delaware |
| AMC Network Entertainment LLC | New York |
| AMC Networks Broadcasting & Technology | New York |
| AMC Networks International LLC | Delaware |
| AMC Networks Productions LLC | Delaware |
| AMC Plus Holdings LLC | Delaware |
| AMC Premiere LLC | Delaware |
| AMC TV Studios LLC | Delaware |
| AMC/Sundance Channel Global Networks LLC | Delaware |
| AMCN Properties LLC | Delaware |
| American Movie Classics IV Holding Corp | Delaware |
| Animal Control Productions I LLC | Delaware |
| Anime Network LLC | Texas |
| Anthem Productions I LLC | Delaware |
| Badlands Productions I LLC | Louisiana |
| Badlands Productions II LLC | Delaware |
| Brockmire Productions I LLC | Delaware |
| Cobalt Productions LLC | Delaware |
| Comic Scribe LLC | Delaware |
| Crossed Pens Development LLC | Delaware |
| Dark Winds Productions I LLC | Delaware |
| Digital Store LLC | Delaware |
| Dispatches Productions I LLC | Delaware |
| Expedition Productions I LLC | Delaware |
| Five Families Productions I LLC | Delaware |
| Five Moons Productions I LLC | Delaware |
| Geese Productions LLC | Delaware |
| Ground Work Productions LLC | Delaware |
| Halt and Catch Fire Productions I LLC | Delaware |
| Halt and Catch Fire Productions II LLC | Delaware |
| Halt and Catch Fire Productions III LLC | Delaware |
| Halt and Catch Fire Productions IV LLC | Delaware |
| Halt and Catch Fire Productions LLC | Delaware |
| Hap and Leonard Productions II LLC | Delaware |
| Hap and Leonard Productions III LLC | Delaware |
| HIDIVE LLC | Delaware |

| Guarantor | Jurisdiction of Formation |
|---|---|
| IFC Entertainment Holdings LLC | Delaware |
| IFC Entertainment LLC | Delaware |
| IFC Films LLC | Delaware |
| IFC In Theaters LLC | Delaware |
| IFC Productions I L.L.C. | Delaware |
| IFC Television Holdings LLC | Delaware |
| IFC Theatres Concessions LLC | Delaware |
| IFC Theatres, LLC | Delaware |
| IFC TV LLC | Delaware |
| IFC TV Studios Holdings LLC | Delaware |
| IFC TV Studios LLC | Delaware |
| Japan Creative Contents Alliance LLC | Delaware |
| Kindred Spirit Productions LLC | Delaware |
| Kopus Productions II LLC | Delaware |
| Kopus Productions LLC | Delaware |
| Lodge Productions I LLC | Delaware |
| Lodge Productions II LLC | Delaware |
| Making Waves Studio Productions LLC | Delaware |
| Mechanical Productions I LLC | Delaware |
| Monument Productions I LLC | Delaware |
| Moonhaven Productions I LLC | Delaware |
| Newfound Lake Productions I LLC | Delaware |
| NOS4A2 Productions I LLC | Rhode Island |
| Peach Pit Properties LLC | Delaware |
| Peachwood Productions LLC | Delaware |
| Pens Down LLC | Delaware |
| Premier Quills LLC | Delaware |
| AMC Content Distribution LLC | Delaware |
| Rainbow Media Enterprises, Inc. | Delaware |
| Rainbow Media Holdings LLC | Delaware |
| Rectify Productions II LLC | Delaware |
| Rectify Productions III LLC | Delaware |
| Rectify Productions IV LLC | Delaware |
| Rectify Productions LLC | Delaware |
| Red Monday Programming LLC | Delaware |
| RNC Holding Corporation | Delaware |
| RNC II Holding Corporation | Delaware |
| Roughhouse Productions I LLC | Delaware |
| Selects VOD LLC | Delaware |
| Sentai Holdings, LLC | Texas |
| Sentai Filmworks, LLC | Texas |
| Shudder LLC | Delaware |

| Guarantor | Jurisdiction of Formation |
|---|---|
| Sleuth Secrets Productions LLC | Delaware |
| Stalwart Productions LLC | Delaware |
| Stan Productions I LLC | Delaware |
| Stan Productions II LLC | Delaware |
| Sundance Channel Originals LLC | Delaware |
| Sundance Film Holdings LLC | Delaware |
| SundanceTV LLC | Delaware |
| Sxion 23, LLC | Texas |
| Tales Productions I LLC | Delaware |
| TWD Productions IV LLC | Delaware |
| TWD Productions IX LLC | Delaware |
| TWD Productions V LLC | Delaware |
| TWD Productions VI LLC | Delaware |
| TWD Productions VII LLC | Delaware |
| TWD Productions VIII LLC | Delaware |
| TWD Productions X LLC | Delaware |
| TWD Productions XI LLC | Delaware |
| Universe Productions LLC | Delaware |
| Vampire Chronicles Productions I LLC | Louisiana |
| Voom HD Holdings LLC | Delaware |
| WE TV Holdings LLC | Delaware |
| WE tv LLC | Delaware |
| We TV Studios LLC | Delaware |
| Woodbury Studios LLC | Delaware |

I, Kristin A. Dolan, certify that:

1. I have reviewed this report on Form 10-Q of AMC Networks Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;

4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)), for the Registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and

5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of the Registrant's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

| | | | |
|---|---|---|---|
| Date: | August 9, 2024 | By: | /s/ Kristin A. Dolan |
| | | | Kristin A. Dolan |
| | | | Chief Executive Officer |

Exhibit 31.2

I, Patrick O’Connell, certify that:

1. I have reviewed this report on Form 10-Q of AMC Networks Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;

4. The Registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)), for the Registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) evaluated the effectiveness of the Registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) disclosed in this report any change in the Registrant’s internal control over financial reporting that occurred during the Registrant’s most recent fiscal quarter (the Registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant’s internal control over financial reporting; and

5. The Registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant’s auditors and the audit committee of the Registrant’s board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant’s ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant’s internal control over financial reporting.

Date: August 9, 2024

By: /s/ Patrick O’Connell
Patrick O’Connell
Executive Vice President and Chief Financial Officer

**Certifications**

Pursuant to 18 U.S.C. § 1350, each of the undersigned officers of AMC Networks Inc. ("AMC Networks") hereby certifies, to such officer's knowledge, that AMC Networks' Quarterly Report on Form 10-Q for the quarter ended June 30, 2024 (the "Report") fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, and that the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of AMC Networks.

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| Date: | August 9, 2024 | By: | /s/ Kristin A. Dolan |
| | | | Kristin A. Dolan |
| | | | Chief Executive Officer |
| Date: | August 9, 2024 | By: | /s/ Patrick O'Connell |
| | | | Patrick O'Connell |
| | | | Executive Vice President and Chief Financial Officer |