

**Odeon and UCI Cinemas Group
Limited**

Annual report and financial statements

Registered number 05194610

31 December 2016

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Strategic report

Business review and KPIs

Odeon and UCI Cinemas Group Limited ("the Company") is a holding company. Consolidated accounts are prepared for a parent undertaking of the Company, AMC Entertainment Holdings Inc. ("AMC"), which contain a business review and description of KPIs relating to the group of companies of which the Company is a part.

Prior to the acquisition of the group by AMC, the Company's previous indirect shareholder (Monterey Capital III) waived £75.5m of the amount due on the loan notes issued to them by the Company. This was accounted for as a capital contribution.

On completion (November 2016), the outstanding amount was settled, using proceeds from the issue of shares at a premium.

Financial results

The Company made a profit before taxation of £165.0m (2015: £31.8m).

Principal risks and risk management

There are no relevant risks and uncertainties in relation to the entity, apart from going concern and liquidity management as described below.

Going concern and liquidity management

Following the acquisition by AMC Entertainment Holdings Inc. (AMC) of the group headed by Odeon and UCI Cinemas Holdings Limited ("OUCHL"), of which the Company is a part, all external debt was extinguished. The Company is now part of the largest theatre exhibitor in the world and AMC is committed to bringing innovation and investment to European theatres.

The directors believe that the Company has adequate resources to continue operating for the foreseeable future. With this in mind, the directors have formally considered and concluded that the preparation of financial statements on a going concern basis is appropriate. Further details are shown in the "basis of preparation" section of note 1 to the financial statements.

By order of the board



A S Alker
Chief Finance Director

St Albans House
57-59 Haymarket
London
SW1Y 4QX

23 June 2017

Directors' report

The directors present their report and the audited financial statements for the year ended 31 December 2016.

Principal Activity

The principal activity of the Company is that of a holding company.

Ownership

On 30 November 2016, AMC Entertainments Holdings Inc., a company under the control of Dalian Hexing Investment Co Ltd, acquired the entire issued share capital of Odeon & UCI Cinemas Holdings Ltd, the Company's parent undertaking, via a newly incorporated entity Odeon Cinemas Group Ltd. From this date, Dalian Hexing Investment Co Ltd, a company registered in Peoples Republic of China, has the ability to exercise a controlling influence over the Company.

Board of directors and management of the Company

During the year, at 31 December 2016 and subsequently, the board of directors of Odeon and UCI Cinemas Group Limited was as follows:

M J Way	<i>Managing director</i>	
G Suter	<i>Director</i>	<i>(appointed 30 November 2016)</i>
A S Alker	<i>Chief finance director</i>	<i>(appointed 14 March 2017)</i>
P M Donovan	<i>Chief executive officer</i>	<i>(resigned 30 November 2016)</i>
I A Shepherd	<i>Chief operating officer</i>	<i>(resigned 21 April 2017)</i>

Dividends

The directors do not recommend the payment of a dividend (2015: £nil) with respect to ordinary shares.

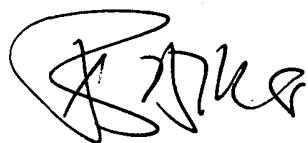
Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that he or she ought to have taken as a director to make himself or herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

The auditor, KPMG LLP, has indicated its willingness to continue in office. Elective resolutions are currently in force to dispense with holding annual general meetings, the laying of accounts before the Company in general meetings and the appointment of the auditor annually. Pursuant to section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board



A S Alker
Director

St Albans House
57-59 Haymarket
London
SW1Y 4QX

23 June 2017

Statement of directors' responsibilities in respect of the strategic report, directors' report and the financial statements

The directors are responsible for preparing the strategic report, the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice) FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



Independent auditor's report to the members of Odeon and UCI Cinemas Group Limited

We have audited the financial statements of Odeon and UCI Cinemas Group Limited for the year ended 31 December 2016 set out on pages 6 to 17. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the directors' responsibilities statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the strategic report and the directors' report for the financial year is consistent with the financial statements.

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the strategic report and the directors' report:

- we have not identified material misstatements in those reports; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.



Independent auditor's report to the members of Odeon and UCI Cinemas Group Limited (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Mick Davies (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
One St Peter's Square
Manchester
M2 3AE

23/06/2017

Profit and loss account
for the year ended 31 December 2016

	<i>Note</i>	2016 Total £m	2015 Total £m
Distribution costs, administration expenses and other operating income		-	1.5
Operating profit and profit before interest and taxation		-	1.5
Other interest receivable and similar income	4	181.1	71.9
Interest payable and similar expenses	5	(16.1)	(41.6)
Profit before taxation		165.0	31.8
Tax on profit	6	-	-
Profit for the financial year		165.0	31.8

All operations relate to continuing operations.

There has been no other comprehensive income in the current or prior year other than the result for the year end and therefore no separate statement of other comprehensive income is prepared.

There is no difference between the profit before taxation and the profit for the year stated above and their historical cost equivalents.

Balance sheet
at 31 December 2016

	Notes	2016	2015
		£m	£m
Fixed assets			
Investments	7	447.4	447.4
Current assets			
Debtors within one year	8	-	11.4
Debtors due after more than one year	9	721.3	526.8
Cash at bank and in hand		-	0.1
		721.3	538.3
Creditors: amounts falling due within one year	10	-	(0.3)
Net current assets		721.3	538.0
Total assets less current liabilities		1,168.7	985.4
Creditors: amounts falling due after more than one year	11	(196.2)	(300.6)
Net assets		972.5	684.8
Capital and reserves			
Called up share capital	13	99.3	94.6
Share premium		58.8	16.3
Capital contribution reserve		466.9	391.4
Profit and loss account		347.5	182.5
Shareholders' funds		972.5	684.8

These financial statements were approved by the board of directors on 23 June 2017 and were signed on its behalf by:



A S Alker
Director

Company registered number: 05194610

The notes on pages 9-17 form an integral part of these financial statements

Statement of changes in equity

	Called up share capital	Share premium	Capital contribution reserve	Profit and loss account	Total shareholders' equity
	£m	£m	£m	£m	£m
Balance at 1 January 2015	94.6	16.3	391.4	150.7	653.0
Total comprehensive income for the period					
Profit	-	-	-	31.8	31.8
Total comprehensive income for the period	-	-	-	31.8	31.8
Balance at 31 December 2015	94.6	16.3	391.4	182.5	684.8
	Called up share capital	Share premium	Capital contribution reserve	Profit and loss account	Total shareholders' equity
	£m	£m	£m	£m	£m
Balance at 1 January 2016	94.6	16.3	391.4	182.5	684.8
Total comprehensive income for the period					
Profit	-	-	-	165.0	165.0
Total comprehensive income for the period	-	-	-	165.0	165.0
Proceeds from issue of new shares	4.7	42.5	-	-	47.2
Waiver of loan balance	-	-	75.5	-	75.5
Balance at 31 December 2016	99.3	58.8	466.9	347.5	972.5

The notes on pages 9-17 form an integral part of these financial statements

Notes

(forming part of the financial statements)

1 Accounting policies

Odeon and UCI Cinemas Group Limited (the "Company") is a company limited by shares and incorporated, domiciled and registered in the UK.

The company is exempt by virtue of s401 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland ("*FRS 102*") as issued in August 2014. The amendments to FRS102 issued in July 2015 have been applied. Upon acquisition, assets are included at fair value. The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000,000.

A parent of the Company, AMC Entertainment Holdings Inc., includes the Company in its consolidated financial statements. Those consolidated financial statements are drawn up in a manner equivalent to consolidated accounts and consolidated annual returns drawn up in accordance with the provision of the Seventh Directive (83/349/EEC). The consolidated financial statements (Form 10-K) of AMC Entertainment Holdings Inc. is available to the public and may be obtained from Securities and Exchange Commission, Washington, DC 20549. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to the end of the period;
- Cashflow statement and related notes; and
- Key management personnel compensation.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

1.1 Going concern and liquidity management

The financial statements are prepared on a going concern basis. The directors have formally considered and concluded that this is appropriate. The conclusion has been reached because the group has long term funding in place and the group has indicated its willingness to provide such financial support as necessary to enable the Company to meet its liabilities as they fall due.

1.2 Foreign currencies

Transactions in foreign currencies are translated to the Company's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised in the profit and loss account.

Notes (continued)

1 Accounting policies (continued)

1.3 Financial instruments

Interest-bearing borrowings classified as basic financial instruments

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

Cash and cash equivalents

Cash, for the purpose of the cash flow statement, comprises cash in hand and deposits repayable on demand, less overdrafts payable on demand. Liquid resources are current asset investments which are disposable without curtailing or disrupting the business and are either readily convertible into known amounts of cash at or close to their carrying values or traded in an active market.

Investments in subsidiaries

These are separate financial statements of the company. Investments in subsidiaries are carried at cost less impairment.

1.4 Interest receivable and interest payable

Interest payable and similar charges include interest payable and net foreign exchange losses that are recognised in the profit and loss account (see foreign currency accounting policy). Other interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains.

Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest method. Dividend income is recognised in the profit and loss account on the date the entity's right to receive payments is established. Foreign currency gains and losses are reported on a net basis.

1.5 Taxation

The charge for taxation is based on the profit or loss for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 102.

2 Remuneration of directors

The company has no employees. The directors did not receive any remuneration from the company during the year, nor were any amounts recharged from other group companies.

3 Profit before taxation

Auditor's remuneration of £23,000 (2015: £23,000) is borne by a fellow group company.

4 Other interest receivable and similar income

	2016 £m	2015 £m
Interest receivable from group undertakings	95.4	71.9
Foreign exchange gains	85.7	-
	<u>181.1</u>	<u>71.9</u>

Notes (continued)

5 Interest payable and similar expenses

	2016 £m	2015 £m
Interest payable on shareholder loan notes	10.9	9.9
Interest payable to group undertakings	5.2	5.5
Foreign exchange losses	-	26.2
	<u>16.1</u>	<u>41.6</u>

6 Taxation

Analysis of charge in period	2016 £000	2015 £000
<i>UK corporation tax</i>		
Current tax on income for the period	-	-
Current tax on income for the period	-	-
<i>Deferred tax</i>		
Origination/reversal of timing differences	-	-
Deferred tax for the period	-	-
Tax on loss	-	-

Factors affecting the tax charge for the current period

The current tax charge for the year is lower (2015: lower) than the standard rate of corporation tax in the UK at 20.00% (2015: 20.25%). The differences are explained below.

	2016 £m	2015 £m
<i>Current tax reconciliation</i>		
Profit before tax	165.0	31.8
Current tax at 20.00% (2015: 20.25%)	33.0	6.4
<i>Effects of:</i>		
Non-taxable income	(16.1)	(6.0)
Non-deductible expenses	(16.9)	-
Losses utilised not previously recognised	-	(0.2)
Group relief claimed for no consideration	-	(0.2)
Total current tax charge	-	-

A reduction in the UK corporation tax rate from 21% to 20% (effective from 1 April 2015) was substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015.

An additional reduction to 17% (effective from 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the Company's future current tax charge accordingly.

Notes (continued)

7 Fixed asset investments

	Shares in group undertakings £m
Cost	
At beginning and end of year	447.4
Provisions	
At beginning and end of year	-
Net book value	
At beginning and end of year	447.4
Provisions	
At beginning and end of year	-

The direct subsidiaries of the Company are:

Name	Country of incorporation	Nature of business	% interest
Odeon & UCI Bond Holdco Limited	Great Britain	Holding Company	100% owned
Odeon & UCI Cinemas Digital Limited	Great Britain	Non trading company	100% owned
Odeon Bournemouth (ABC) Limited	Great Britain	Property company	100% owned
Odeon Bournemouth (Odeon) Limited	Great Britain	Property company	100% owned
Odeon Weston-Super-Mare Limited	Great Britain	Property company	100% owned

Notes (continued)

7 Fixed asset investments (continued)

The undertakings in which the Company had a direct or indirect interest at the year-end are shown below:

Name	Country of incorporation	Nature of business	% interest
Odeon & UCI Bond Holdco Limited	Great Britain	Holding Company	100% owned
Odeon & UCI Bond Midco Limited	Great Britain	Holding Company	100% owned
Odeon & UCI Finco plc	Great Britain	Senior secured notes issuer	100% owned
Cicero Holdings Limited	Great Britain	Holding company	100% owned
Cicero Investments Limited	Great Britain	Holding company	100% owned
Cicero Acquisitions Limited	Great Britain	Holding company	100% owned
Odeon Equity Co Limited	Great Britain	Non trading company	100% owned
Odeon DDB Co Limited	Great Britain	Non trading company	100% owned
Odeon Bridge Co Limited	Great Britain	Non trading company	100% owned
Odeon Property Acquisition Co (Cayman) Limited	Cayman Islands	Holding company	100% owned
Odeon Limited	Great Britain	Non trading company	100% owned
AMC (UK) Acquisitions Limited	Great Britain	Non trading company	100% owned
Odeon Cinemas Holdings Limited	Great Britain	Holding company	100% owned
Associated British Cinemas Limited	Great Britain	Holding company	100% owned
Odeon Cinemas Limited	Great Britain	Operation of cinemas	100% owned
United Cinemas International (UK) Limited	Great Britain	Operation of cinemas	100% owned
ABC Cinemas Limited	Great Britain	Operation of cinemas	100% owned
Odeon Cinemas (RL) Limited	Great Britain	Operation of cinemas	100% owned
Bookit Limited	Great Britain	Credit and debit card transaction processing	100% owned
Movitex Signs Limited	Great Britain	Non trading company	100% owned
Odeon Finance Limited	Cayman Islands	Non trading company	100% owned
Hopeart Limited	Great Britain	Non trading company	100% owned
Odeon and UCI Digital Operations Limited	Great Britain	Administration & technical support services	100% owned
UCI Exhibition (UK) Limited	Great Britain	Non trading company	100% owned
UCI Developments Limited	Great Britain	Non trading company	100% owned
United Cinemas International (China) Limited	Great Britain	Non trading company	100% owned
Hollywood Express Limited	Great Britain	Non trading company	100% owned
Digital Cinema Media Limited	Great Britain	Screen advertising	50% owned
Odeon and Sky Filmworks Ltd	Great Britain	Film distribution	50% owned
Curzon Cinema (Loughborough) Limited	Great Britain	Non trading company	100% owned
Cinema International Corporation (UK) Limited	Great Britain	Holding company	100% owned
CIC Theatre Group	Great Britain	Non trading company	100% owned
CIC Film Properties	Great Britain	Non trading company	100% owned
Empire-Ritz (Leicester Square)	Great Britain	Non trading company	100% owned
Plaza Theatre Company	Great Britain	Non trading company	100% owned
Lucius Holdings Limited	Great Britain	Holding Company	100% owned
Lucius Investments Limited	Great Britain	Holding Company	100% owned
United Cinemas International Acquisitions Limited	Great Britain	Holding Company	100% owned
Multiscreen Holdings UK Limited	Great Britain	Non trading company	100% owned
United Cinemas International Multiplex BV	Netherlands	Holding Company	100% owned
Cinesa/UCI BV	Netherlands	Holding Company	100% owned
UCI Multiplex Holding BV	Netherlands	Non trading company	100% owned
UCI Company BV	Netherlands	Non trading company	100% owned
Essential Cinemas BV	Netherlands	Non trading company	100% owned
Compania de Iniciativas y Espectaculos SA (Cinesa)	Spain	Operation of cinemas	100% owned
Cinema International Corporation Lda	Portugal	Operation of cinemas	100% owned
United Cinemas International Multiplex GmbH	Germany	Operation of cinemas	100% owned
Kino Friedrichshain Betriebsgesellschaft mbH	Germany	Operation of cinemas	100% owned
Kino Gera Betriebsgesellschaft mbH	Germany	Operation of cinemas	100% owned
Kino Lausitzpark Betriebsgesellschaft mbH	Germany	Operation of cinemas	100% owned
UCI Kinoplex GmbH	Germany	Operation of cinemas	100% owned
UCI Digital GmbH	Germany	Administration & technical support services	100% owned

Notes (continued)

7 Fixed asset investments (continued)

Name	Country of incorporation	Nature of business	% interest
United Cinemas International Multiplex Gesellschaft mbH	Austria	Operation of cinemas	100% owned
UCI Digiplex GmbH	Austria	Administration & technical support services	100% owned
UCI Italia SpA	Italy	Operation of cinemas	100% owned
UCI Nord Ovest Srl	Italy	Operation of cinemas	100% owned
UCI Sud Srl	Italy	Operation of cinemas	100% owned
UCI Nord Srl	Italy	Operation of cinemas	100% owned
UCI Centro Srl	Italy	Operation of cinemas	100% owned
UCI Nord Est Srl	Italy	Operation of cinemas	100% owned
UCI Torino Srl	Italy	Operation of cinemas	100% owned
UCI Campi Bisenzio SpA	Italy	Operation of cinemas	100% owned
UCI Roma Est Srl	Italy	Operation of cinemas	100% owned
UCI Adriatica Srl	Italy	Operation of cinemas	100% owned
UCI Appennino Srl	Italy	Operation of cinemas	100% owned
UCI Recupero e Sviluppo SpA	Italy	Operation of cinemas	100% owned
UCI Digital Operations Srl	Italy	Administration & technical support services	100% owned
International Cinemamedia UCI Srl	Italy	Screen advertising	100% owned
Multiscreen Holdings (Ireland) Limited	Ireland	Non trading company	100% owned
UCI Holdings Ireland Limited	Ireland	Holding company	100% owned
Ashbourne Cinemas Limited	Ireland	Operation of cinemas	100% owned
Bolgal Limited	Ireland	Holding Company	100% owned
Castletroy Cinemas Limited	Ireland	Operation of cinemas	100% owned
Charlestown Cinema Property Limited	Ireland	Operation of cinemas	100% owned
Charlestown Films Limited	Ireland	Non trading company	100% owned
First Class Cinemas Limited	Ireland	Operation of cinemas	100% owned
First Class Productions Limited	Ireland	Operation of cinemas	100% owned
Kilcin Limited	Ireland	Operation of cinemas	100% owned
Point Pictures Limited	Ireland	Operation of cinemas	100% owned
Premier Productions Limited	Ireland	Holding and property company	100% owned
Storm Cinemas (Waterford) Limited	Ireland	Operation of cinemas	100% owned
United Cinemas International (Ireland) Limited	Ireland	Operation of cinemas	100% owned
Waterwhite Projections Limited	Ireland	Operation of cinemas	100% owned
Odeon & UCI Cinemas Digital Limited	Great Britain	Non trading company	100% owned
Odeon Bournemouth (ABC) Limited	Great Britain	Property company	100% owned
Odeon Bournemouth (Odeon) Limited	Great Britain	Property company	100% owned
Odeon Weston-Super-Mare Limited	Great Britain	Property company	100% owned

Notes (continued)

8 Debtors within one year

	2016 £m	2015 £m
Amounts owed by group undertakings due within one year	-	11.4
	<u>-</u>	<u>11.4</u>
	<u>-</u>	<u>11.4</u>

9 Debtors due after more than one year

	2016 £m	2015 £m
Unsecured loan notes	709.8	526.8
Amounts owed by group undertakings due after more than one year	11.5	-
	<u>709.8</u>	<u>526.8</u>
	<u>721.3</u>	<u>526.8</u>

Interest on amounts owed by group undertakings is due in a range between 0.0% and 3.34%. The intra-group loans/undertakings are due to be repaid on 30 November 2019.

The balance due in over one year is as follows:

	Currency	Discount rate	Date of maturity	2016 £m	2015 £m
Unsecured loan note – Par value €636.6m	GBP	16.125%	Nov 2019	648.9	481.6
Unsecured loan note – Par value €30.6m	EUR	16.230%	Nov 2019	60.9	45.2
				<u>709.8</u>	<u>526.8</u>

10 Creditors: amounts falling due within one year

	2016 £m	2015 £m
Other creditors and accruals	-	0.3
	<u>-</u>	<u>0.3</u>
	<u>-</u>	<u>0.3</u>

11 Creditors: amounts falling due after more than one year

	2016 £m	2015 £m
Loan notes (note 12)	-	101.5
Amounts owed to group undertakings	196.2	199.1
	<u>196.2</u>	<u>300.6</u>

Interest on amounts owed to group undertakings is charged in a range between 2.23% and 9.1%. The intra-group loans/undertakings are due to be repaid on 30 November 2019.

Notes (continued)

12 Interest bearing loans and borrowings

Terms and debt repayment schedule

	Currency	Nominal interest rate	Date of maturity	2016 £m	2015 £m
Monterey Capital III loan note – Par value £11.2m	GBP	11.0%	Nov 2019	-	35.2
Monterey Capital III loan note – Par value £2.2m	GBP	11.0%	Nov 2019	-	2.2
Monterey Capital III loan note – Par value €26.2m	EUR	11.0%	Nov 2019	-	64.1
				<hr/> -	<hr/> 101.5

All loan notes as at 31 December 2015 were due to mature within two to five years.

Prior to the acquisition of the group of which the company is a part, Monterey Capital III waived £75.5m of the amount due on the loan notes issued to them. This was accounted for as a capital contribution.

On completion (November 2016), the outstanding amount was settled, using proceeds from the issue of shares at a premium.

13 Called up share capital

	2016 £m	2015 £m
<i>Allotted, called up and fully paid</i>		
4,742,152 (2015: 19,552) A Ordinary shares of £1 each	4.7	-
1,257 (2015: 1,257) B Ordinary shares of £1 each	-	-
1,257 (2015: 1,257) C Ordinary shares of £1 each	-	-
1,257 (2015: 1,257) D Ordinary shares of £1 each	-	-
94,566,927 (2015: 94,566,927) Deferred shares of £1 each	94.6	94.6
	<hr/> 99.3	<hr/> 94.6

During 2016, the Company issued 4,722,600 ordinary shares of £1 each giving rise to share premium of £42.5m, with the proceeds being used to settle the outstanding amount due on the loan notes.

Income

Any profits which the Company may determine to distribute in respect of any financial year shall belong to and be distributed amongst the holders of the deferred shares and the holders of the ordinary shares as follows:

(a) firstly, in distributing to the deferred shareholders all amounts until the deferred shareholders have received in aggregate an amount equal to the deferred return then outstanding.

(b) after payment of the deferred return to the holders of the deferred shares, the aggregate amount of profits resolved to be distributed (or balance of them) shall be paid to the holders of ordinary shares as nearly as is practicable pro rata to the amounts paid up on their ordinary shares.

No dividend or other distribution shall be declared or paid by the ordinary shares unless or until the Company shall have paid to the holders of the deferred shares, the aggregate deferred return of all of the deferred shares.

Voting rights

The A, B, C, and D ordinary shares shall confer on each holder thereof the right to receive notice and to attend, speak and vote at all general meetings of the Company.

The holders of deferred shares shall not be entitled to receive notice of, attend, speak nor vote at all general meetings.

Notes (continued)

13 Called up share capital (continued)

Return of capital

On a return of capital on liquidation, dissolution or winding up of the Company either voluntary or involuntary or other return of capital, the surplus assets of the Company remaining after the payment of its liabilities (the "Surplus") shall be applied in the same way as follows:

- (a) firstly, in distributing to the deferred shareholders all amounts until the deferred shareholders have received in aggregate an amount equal to the deferred return then outstanding.
- (b) secondly, after payment of the deferred return to the holders of the deferred shares, all amounts until the A shareholders have received in aggregate an amount equal to the adjusted invested amount.
- (c) thirdly, in distributing the balance (if any) to the B, C, and D shareholders.

14 Related parties

Dalian Hexing Investment Co Ltd has the ability to exercise a controlling influence over the Company through the holding of shares in a parent of the Company. The directors therefore consider it to be a related party.

There were no transactions with related parties other than those which are 100% owned by the wider group (2015: nil)

Prior to the acquisition of the group of which the Company is a part, Monterey Capital III Sarl was considered to be a related party, as seen in the table below:

	Finance expense		Creditors outstanding	
	2016 £m	2015 £m	2016 £m	2015 £m
Entities with control, joint control or significant influence over the Company	10.9	9.9	-	101.5
	<u>10.9</u>	<u>9.9</u>	<u>-</u>	<u>101.5</u>

Prior to the acquisition of the group of which the company is a part, Monterey Capital III waived £75.5m of the amount due on the loan notes issued to them. This was accounted for as a capital contribution.

On completion (November 2016), the outstanding amount of £47.2m was settled, using proceeds from the issue of shares at a premium.

15 Ultimate parent undertaking and controlling party

The Directors regard Dalian Hexing Investment Co Ltd, a company registered in People's Republic of China, as the ultimate parent entity. The ultimate controlling party is Wang Jianlin.

The largest group to consolidate these financial statements is Dalian Hexing Investment Co Ltd. The registered office is 539 Changjiang Road, Xigang District, Dalian, Liaoning Province, People's Republic of China

The smallest group, in which the results of this company are consolidated, is AMC Entertainment Holdings Inc. The registered office is 11500 Ash Street, Leawood, KS 66211, USA.