

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

FORM 10-Q

(Mark One)

- ☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the quarterly period ended September 30, 2023
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 001-33892

AMC ENTERTAINMENT HOLDINGS, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)
One AMC Way
11500 Ash Street, Leawood, KS
(Address of principal executive offices)

26-0303916
(I.R.S. Employer
Identification No.)

66211
(Zip Code)

Registrant's telephone number, including area code: **(913) 213-2000**

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Class A common stock	AMC	New York Stock Exchange

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 Regulations 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, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer ☒ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☐
Emerging growth company ☐

If an emerging growth company, indicate by checkmark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standard 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 ☒

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Title of each class of common stock	Number of shares outstanding as of November 7, 2023
Class A common stock	198,356,898

AMC ENTERTAINMENT HOLDINGS, INC.

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PART I—FINANCIAL INFORMATION

Item 1. Financial Statements. (Unaudited)

AMC ENTERTAINMENT HOLDINGS, INC.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(In millions, except share and per share amounts)	Three Months Ended		Nine Months Ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
	(unaudited)		(unaudited)	
Revenues				
Admissions	\$ 797.7	\$ 545.3	\$ 2,075.9	\$ 1,640.1
Food and beverage	482.7	333.3	1,299.6	982.5
Other theatre	125.5	89.8	332.7	297.9
Total revenues	1,405.9	968.4	3,708.2	2,920.5
Operating costs and expenses				
Film exhibition costs	398.5	263.2	1,027.8	781.7
Food and beverage costs	90.1	58.5	243.2	165.7
Operating expense, excluding depreciation and amortization below	449.8	400.6	1,245.0	1,147.6
Rent	224.3	223.2	650.8	668.8
General and administrative:				
Merger, acquisition and other costs	0.7	0.3	1.5	0.4
Other, excluding depreciation and amortization below	54.4	40.6	184.8	161.2
Depreciation and amortization	88.7	96.9	279.1	293.0
Operating costs and expenses	1,306.5	1,083.3	3,632.2	3,218.4
Operating income (loss)	99.4	(114.9)	76.0	(297.9)
Other expense, net:				
Other expense (income)	(12.8)	(1.0)	(4.7)	91.6
Interest expense:				
Corporate borrowings	93.4	85.1	276.1	246.6
Finance lease obligations	0.9	1.0	2.8	3.2
Non-cash NCM exhibitor services agreement	9.4	9.6	28.5	28.6
Equity in (earnings) loss of non-consolidated entities	(3.1)	(2.8)	(5.3)	3.3
Investment expense (income)	(3.0)	18.3	(11.4)	12.2
Total other expense, net	84.8	110.2	286.0	385.5
Net earnings (loss) before income taxes	14.6	(225.1)	(210.0)	(683.4)
Income tax provision	2.3	1.8	4.6	2.5
Net earnings (loss)	\$ 12.3	\$ (226.9)	\$ (214.6)	\$ (685.9)
Net earnings (loss) per share:				
Basic	\$ 0.08	\$ (2.20)	\$ (1.43)	\$ (6.64)
Diluted	\$ 0.08	\$ (2.20)	\$ (1.43)	\$ (6.64)
Average shares outstanding:				
Basic (in thousands)	162,424	103,369	150,465	103,306
Diluted (in thousands)	162,607	103,369	150,465	103,306

See Notes to Condensed Consolidated Financial Statements.

AMC ENTERTAINMENT HOLDINGS, INC.

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

(In millions)	Three Months Ended		Nine Months Ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
	(unaudited)		(unaudited)	
Net earnings (loss)	\$ 12.3	\$ (226.9)	\$ (214.6)	\$ (685.9)
Other comprehensive income (loss):				
Unrealized foreign currency translation adjustments	9.1	(26.1)	(38.1)	(78.4)
Pension adjustments:				
Net gain arising during the period	0.1	0.1	—	0.3
Other comprehensive income (loss)	9.2	(26.0)	(38.1)	(78.1)
Total comprehensive income (loss)	<u>\$ 21.5</u>	<u>\$ (252.9)</u>	<u>\$ (252.7)</u>	<u>\$ (764.0)</u>

See Notes to Condensed Consolidated Financial Statements.

AMC ENTERTAINMENT HOLDINGS, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)

(In millions, except share data)	September 30, 2023	December 31, 2022
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 729.7	\$ 631.5
Restricted cash	22.4	22.9
Receivables, net	134.2	166.6
Other current assets	93.8	81.1
Total current assets	980.1	902.1
Property, net	1,577.9	1,719.2
Operating lease right-of-use assets, net	3,583.5	3,802.9
Intangible assets, net	145.5	147.3
Goodwill	2,310.8	2,342.0
Other long-term assets	195.3	222.1
Total assets	<u>\$ 8,793.1</u>	<u>\$ 9,135.6</u>
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities:		
Accounts payable	\$ 236.5	\$ 330.5
Accrued expenses and other liabilities	342.8	364.3
Deferred revenues and income	411.0	402.7
Current maturities of corporate borrowings	20.0	20.0
Current maturities of finance lease liabilities	6.2	5.5
Current maturities of operating lease liabilities	512.3	567.3
Total current liabilities	1,528.8	1,690.3
Corporate borrowings	4,750.4	5,120.8
Finance lease liabilities	48.3	53.3
Operating lease liabilities	3,979.7	4,252.7
Exhibitor services agreement	492.0	505.8
Deferred tax liability, net	32.8	32.1
Other long-term liabilities	99.1	105.1
Total liabilities	<u>10,931.1</u>	<u>11,760.1</u>
Commitments and contingencies		
Stockholders' deficit:		
AMC Entertainment Holdings, Inc.'s stockholders' deficit:		
Preferred stock, \$.01 par value per share, 50,000,000 shares authorized; including Series A Convertible Participating Preferred Stock, no shares authorized, issued, and outstanding as of September 30, 2023; 10,000,000 authorized; 7,245,872 issued and outstanding December 31, 2022, represented by AMC Preferred Equity Units, each representing an interest in a share of Series A Convertible Participating Preferred Stock, of which no shares are authorized, issued, and outstanding as of September 30, 2023; 100,000,000 authorized; 72,458,706 issued and outstanding as of December 31, 2022	—	0.1
Class A common stock (\$.01 par value, 550,000,000 shares authorized; 198,356,898 shares issued and outstanding as of September 30, 2023; 524,173,073 authorized; 51,683,892 shares issued and outstanding as of December 31, 2022)	2.0	0.5
Additional paid-in capital	5,787.6	5,049.8
Accumulated other comprehensive loss	(115.4)	(77.3)
Accumulated deficit	(7,812.2)	(7,597.6)
Total stockholders' deficit	<u>(2,138.0)</u>	<u>(2,624.5)</u>
Total liabilities and stockholders' deficit	<u>\$ 8,793.1</u>	<u>\$ 9,135.6</u>

See Notes to Condensed Consolidated Financial Statements.

AMC ENTERTAINMENT HOLDINGS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(In millions)	Nine Months Ended	
	September 30, 2023	September 30, 2022
Cash flows from operating activities:	(unaudited)	
Net loss	\$ (214.6)	\$ (685.9)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	279.1	293.0
(Gain) loss on extinguishment of debt	(97.5)	96.4
Deferred income taxes	0.8	1.1
Unrealized loss (gain) on investments in Hycroft	10.8	3.4
Amortization of net premium on corporate borrowings to interest expense	(42.7)	(48.5)
Amortization of deferred financing costs to interest expense	7.1	10.0
Non-cash portion of stock-based compensation	40.9	22.3
Gain on disposition of Saudi Cinema Company	(15.5)	—
Equity in loss (gain) from non-consolidated entities, net of distributions	(0.9)	7.8
Landlord contributions	16.0	16.2
Other non-cash rent benefit	(27.0)	(20.6)
Deferred rent	(97.7)	(130.2)
Net periodic benefit cost (income)	1.3	(0.4)
Non-cash shareholder litigation expense	99.3	—
Change in assets and liabilities:		
Receivables	22.3	61.1
Other assets	(12.9)	(15.8)
Accounts payable	(70.5)	(138.9)
Accrued expenses and other liabilities	(29.9)	(93.1)
Other, net	(5.8)	26.9
Net cash used in operating activities	(137.4)	(595.2)
Cash flows from investing activities:		
Capital expenditures	(153.5)	(129.7)
Acquisition of theatre assets	(4.0)	(17.8)
Proceeds from disposition of Saudi Cinema Company	30.0	—
Proceeds from disposition of long-term assets	8.6	10.8
Proceeds from sale of securities	—	11.4
Investments in non-consolidated entities, net	—	(27.9)
Other, net	2.5	(0.5)
Net cash used in investing activities	(116.4)	(153.7)
Cash flows from financing activities:		
Repurchase of Senior Subordinated Notes due 2026	(1.7)	—
Proceeds from issuance of First Lien Notes due 2029	—	950.0
Principal payments under First Lien Notes due 2025	—	(500.0)
Principal payments under First Lien Notes due 2026	—	(300.0)
Principal payments under First Lien Toggle Notes due 2026	—	(73.5)
Premium paid to extinguish First Lien Notes due 2025	—	(34.5)
Premium paid to extinguish First Lien Notes due 2026	—	(25.6)
Premium paid to extinguish First Lien Toggle Notes due 2026	—	(14.6)
Repurchase of Second Lien Notes due 2026	(99.8)	(50.0)
Scheduled principal payments under Term Loan due 2026	(15.0)	(15.0)
Net proceeds from equity issuances	492.4	7.8
Principal payments under finance lease obligations	(4.6)	(7.9)
Cash used to pay for deferred financing costs	(1.8)	(19.3)
Cash used to pay dividends	—	(0.7)
Taxes paid for restricted unit withholdings	(14.2)	(52.2)
Net cash provided by (used in) financing activities	355.3	(135.5)
Effect of exchange rate changes on cash and cash equivalents and	(3.8)	(30.1)

restricted cash		
Net increase (decrease) in cash and cash equivalents and restricted cash	97.7	(914.5)
Cash and cash equivalents and restricted cash at beginning of period	654.4	1,620.3
Cash and cash equivalents and restricted cash at end of period	\$ 752.1	\$ 705.8
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:		
Cash paid during the period for:		
Interest	\$ 290.0	\$ 254.5
Income taxes paid, net	\$ 2.8	\$ 1.1
Schedule of non-cash activities:		
Investment in NCM	\$ —	\$ 15.0
Construction payables at period end	\$ 30.5	\$ 38.6
Other third-party equity issuance costs payable	\$ 0.4	\$ 3.5
Extinguishment of Second Lien Notes due 2026 in exchange for share issuance	\$ 118.6	\$ —

See Notes to Condensed Consolidated Financial Statements.

AMC ENTERTAINMENT HOLDINGS, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

September 30, 2023
(Unaudited)

NOTE 1—BASIS OF PRESENTATION

AMC Entertainment Holdings, Inc. (“Holdings”), through its direct and indirect subsidiaries, including American Multi-Cinema, Inc. and its subsidiaries, (collectively with Holdings, unless the context otherwise requires, the “Company” or “AMC”), is principally involved in the theatrical exhibition business and owns, operates or has interests in theatres located in the United States and Europe.

Stock Split and Reverse Stock Split. On August 4, 2022, the Company announced that its Board of Directors declared a special dividend of one AMC Preferred Equity Unit for each share of Class A common stock (“Common Stock”) outstanding at the close of business on August 15, 2022, the record date. The dividend was paid at the close of business on August 19, 2022 to investors who held Common Stock as of August 22, 2022, the ex-dividend date. Due to the characteristics of the AMC Preferred Equity Units, the special dividend had the effect of a stock split pursuant to ASC 505-20-25-4.

On August 24, 2023, the Company effectuated a reverse stock split at a ratio of one share of Common Stock for every ten shares of Common Stock. As a result of the reverse stock split, each share of Series A Convertible Participating Preferred Stock became convertible into ten shares of Common Stock, and by extension each AMC Preferred Equity Unit became equivalent to one-tenth (1/10th) of a share of Common Stock. The reverse stock split did not impact the number of AMC Preferred Equity Units outstanding. The Company concluded that this change in conversion ratio is analogous to a reverse stock split of the AMC Preferred Equity Units even though the reverse stock split did not have an effect on the number of AMC Preferred Equity Units outstanding.

Accordingly, all references made to share, per share, unit, per unit, or common share amounts in the accompanying consolidated financial statements and applicable disclosures have been retroactively adjusted to reflect both the effects of the special dividend as a stock split and the subsequent reverse stock split. References made to AMC Preferred Equity Units have been retroactively adjusted to reflect the effect of the reverse stock split on their equivalent Common Stock shares.

Liquidity. The Company believes its existing cash and cash equivalents, together with cash generated from operations, will be sufficient to fund its operations and satisfy its obligations currently and through the next twelve months. The Company also believes it will comply with the minimum liquidity covenant requirement under its Senior Secured Revolving Credit Facility through the end of the covenant suspension period. Pursuant to the Twelfth Amendment to Credit Agreement, the requisite revolving lenders party thereto agreed to extend the suspension period for the secured leverage ratio financial covenant applicable to the Senior Secured Revolving Credit Facility under the Credit Agreement through March 31, 2024. The current maturity date of the Senior Secured Revolving Credit Facility is April 22, 2024. Since the financial covenant applicable to the Senior Secured Revolving Credit Facility is tested as of the last day of any fiscal quarter for which financial statements have been (or were required to have been) delivered, the financial covenant has been effectively suspended through maturity of the Senior Secured Revolving Credit Facility. As of September 30, 2023, the Company was subject to a minimum liquidity requirement of \$100 million as a condition to the financial covenant suspension period under the Credit Agreement.

The Company’s cash burn rates are not sustainable long-term. In order to achieve sustainable net positive operating cash flows and long-term profitability, the Company believes that operating revenues will need to increase to levels in line with pre-COVID operating revenues. North American box office grosses were down approximately 16% for the nine months ended September 30, 2023, compared to the nine months ended September 30, 2019. Until such time as the Company is able to achieve positive operating cash flow, it is difficult to estimate the Company’s liquidity requirements, future cash burn rates, future operating revenues, and attendance levels. Depending on the Company’s assumptions regarding the timing and ability to achieve increased levels of operating revenue, the estimates of amounts of required liquidity vary significantly.

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There can be no assurance that the operating revenues, attendance levels, and other assumptions used to estimate the Company's liquidity requirements and future cash burn rates will be correct, and the ability to be predictive is uncertain due to limited ability to predict studio film release dates, the overall production and theatrical release levels, and success of individual titles. Additionally, the effects of labor stoppages, including but not limited to the Writers Guild of America strike that began on May 2, 2023 and ended on September 27, 2023, and the Screen Actors Guild – American Federation of Television and Radio Artists strike that began on July 14, 2023, cannot be reasonably estimated and may have a negative impact on the future film slate for exhibition, the Company's future liquidity and cash burn rates. Further, there can be no assurances that the Company will be successful in generating the additional liquidity necessary to meet the Company's obligations beyond twelve months from the issuance of these financial statements on terms acceptable to the Company or at all.

The Company may, at any time and from time to time, seek to retire or purchase its outstanding debt through cash purchases and/or exchanges for equity or debt, in open-market purchases, privately negotiated transactions or otherwise. Such repurchases or exchanges, if any, will be upon such terms and at such prices as it may determine, and will depend on prevailing market conditions, its liquidity requirements, contractual restrictions and other factors. The amounts involved may be material and to the extent equity is used, dilutive.

On December 22, 2022, the Company entered into a forward purchase agreement (the "Forward Purchase Agreement") with Antara Capital LP ("Antara") pursuant to which the Company agreed to (i) sell to Antara 10,659,511 AMC Preferred Equity Units for an aggregate purchase price of \$75.1 million and (ii) simultaneously purchase from Antara \$100.0 million aggregate principal amount of the Company's 10%/12% Cash/PIK Toggle Second Lien Notes due 2026 in exchange for 9,102,619 AMC Preferred Equity Units. On February 7, 2023, the Company issued 19,762,130 AMC Preferred Equity Units to Antara in exchange for \$75.1 million in cash and \$100.0 million aggregate principal amount of the Company's 10%/12% Cash/PIK Toggle Second Lien Notes due 2026. The Company recorded \$193.7 million to stockholders' deficit as a result of the transaction. The Company paid \$1.4 million of accrued interest in cash upon exchange of the notes. See Note 7—Stockholders' Equity for more information.

During the nine months ended September 30, 2023, the Company raised gross proceeds of approximately \$114.5 million and paid fees to a sales agent and incurred other third-party issuance costs of approximately \$2.9 million and \$8.7 million, respectively, through its at-the-market offering of approximately 7.1 million shares of its AMC Preferred Equity Units. The Company paid \$11.5 million of other third-party issuance costs during the nine months ended September 30, 2023.

During the nine months ended September 30, 2023, the Company raised gross proceeds of approximately \$325.5 million and paid fees to a sales agent and incurred other third-party issuance costs of approximately \$8.2 million and \$0.5 million, respectively, through its at-the-market offering of 40.0 million shares of its Common Stock. The Company paid \$0.1 million of other third-party issuance costs during the nine months ended September 30, 2023. See Note 7—Stockholders' Equity for further information regarding the at-the-market offerings.

The below table summarizes the cash debt repurchase transactions during the nine months ended September 30, 2023, including related party transactions with Antara, which was a related party from February 7, 2023 to August 25, 2023. See Note 6—Corporate Borrowings and Finance Lease Liabilities for more information.

(In millions)	Aggregate Principal Repurchased	Reacquisition Cost	Gain on Extinguishment	Accrued Interest Paid
Related party transactions:				
Second Lien Notes due 2026	\$ 75.9	\$ 48.5	\$ 40.9	\$ 1.1
5.875% Senior Subordinated Notes due 2026	4.1	1.7	2.3	0.1
Total related party transactions	80.0	50.2	43.2	1.2
Non-related party transactions:				
Second Lien Notes due 2026	89.7	51.3	54.3	2.2
Total non-related party transactions	89.7	51.3	54.3	2.2
Total debt repurchases	<u>\$ 169.7</u>	<u>\$ 101.5</u>	<u>\$ 97.5</u>	<u>\$ 3.4</u>

Use of Estimates. The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the condensed consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Principles of Consolidation. The accompanying unaudited condensed consolidated financial statements include the accounts of AMC, as discussed above, and should be read in conjunction with the Company's Annual Report on Form 10-K for the year ended December 31, 2022. The accompanying condensed consolidated balance sheet as of December 31, 2022, which was derived from audited financial statements, and the unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America for interim financial information and in accordance with the instructions to Form 10-Q. Accordingly, they do not include all of the information and footnotes required by the accounting principles generally accepted in the United States of America for complete consolidated financial statements. In the opinion of management, these interim financial statements reflect all adjustments (consisting of normal recurring adjustments) necessary for a fair presentation of the Company's financial position and results of operations. All significant intercompany balances and transactions have been eliminated in consolidation. Due to the seasonal nature of the Company's business, results for the nine months ended September 30, 2023, are not necessarily indicative of the results to be expected for the year ending December 31, 2023. The Company manages its business under two reportable segments for its theatrical exhibition operations, U.S. markets and International markets.

Cash and Cash Equivalents. At September 30, 2023, cash and cash equivalents for the U.S. markets and International markets were \$620.7 million and \$109.0 million respectively, and at December 31, 2022, cash and cash equivalents were \$508.0 million and \$123.5 million, respectively.

Restricted Cash. Restricted cash is cash held in the Company's bank accounts in International markets as a guarantee for certain landlords. The following table provides a reconciliation of cash, cash equivalents and restricted cash reported in the condensed consolidated balance sheets to the total of the amounts in the condensed consolidated statements of cash flows.

(In millions)	Period Ended	
	September 30, 2023	December 31, 2022
Cash and cash equivalents	\$ 729.7	\$ 631.5
Restricted cash	22.4	22.9
Total cash and cash equivalents and restricted cash in the statement of cash flows	\$ 752.1	\$ 654.4

Accumulated Other Comprehensive Loss. The following table presents the change in accumulated other comprehensive loss by component:

(In millions)	Foreign Currency	Pension Benefits	Total
Balance December 31, 2022	\$ (78.8)	\$ 1.5	\$ (77.3)
Other comprehensive loss	(38.1)	—	(38.1)
Balance September 30, 2023	\$ (116.9)	\$ 1.5	\$ (115.4)

Accumulated Depreciation and Amortization. Accumulated depreciation was \$2,994.3 million and \$2,853.8 million at September 30, 2023 and December 31, 2022, respectively, related to property. Accumulated amortization of intangible assets was \$16.1 million and \$22.2 million at September 30, 2023 and December 31, 2022, respectively.

Other Expense (Income). The following table sets forth the components of other expense (income):

(In millions)	Three Months Ended		Nine Months Ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Decreases related to contingent lease guarantees	\$ —	\$ (0.1)	\$ —	\$ (0.2)
Governmental assistance due to COVID-19 - International markets	—	(5.4)	—	(16.2)
Governmental assistance due to COVID-19 - U.S. markets	—	(1.6)	—	(2.7)
Foreign currency transaction (gains) losses	12.8	6.3	(3.2)	14.7
Non-operating components of net periodic benefit cost (income)	0.5	(0.2)	1.2	(0.4)
Gain on extinguishment - Senior Subordinated Notes due 2026	—	—	(2.3)	—
Loss on extinguishment - First Lien Notes due 2025	—	—	—	47.7
Loss on extinguishment - First Lien Notes due 2026	—	—	—	54.4
Loss on extinguishment - First Lien Toggle Notes due 2026	—	—	—	32.9
Gain on extinguishment - Second Lien Notes due 2026	(10.8)	—	(95.2)	(38.6)
Derivative stockholder settlement	—	—	(14.0)	—
Shareholder litigation	(15.3)	—	110.1	—
Business interruption insurance recoveries	—	—	(1.3)	—
Total other expense (income)	<u>\$ (12.8)</u>	<u>\$ (1.0)</u>	<u>\$ (4.7)</u>	<u>\$ 91.6</u>

Accounting Pronouncements Recently Adopted

Reference Rate Reform. In March 2020, the FASB issued guidance providing optional expedients and exceptions to account for the effects of reference rate reform to contracts, hedging relationships, and other transactions affected by the transition from the use of London Interbank Offered Rate (LIBOR) to an alternative reference rate. The Company elected to apply the optional expedients under ASC 848 to modifications of contracts that previously referenced LIBOR. The optional expedients eliminate the need to remeasure the contracts or reassess any accounting determinations. See Note 6—Corporate Borrowings and Finance Lease Liabilities for further discussion on the election of the optional expedients allowed under ASC 848.

NOTE 2—LEASES

The Company leases theatres and equipment under operating and finance leases. The Company typically does not believe that exercise of the renewal options is reasonably certain at the lease commencement and, therefore, considers the initial base term as the lease term. Lease terms vary but generally the leases provide for fixed and escalating rentals, contingent escalating rentals based on the Consumer Price Index and other indexes not to exceed certain specified amounts and variable rentals based on a percentage of revenues. The Company often receives contributions from landlords for renovations at existing locations. The Company records the amounts received from landlords as an adjustment to the right-of-use asset and amortizes the balance as a reduction to rent expense over the base term of the lease agreement. Equipment leases primarily consist of sight and sound and food and beverage equipment.

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The Company received rent concessions from lessors that aided in mitigating the economic effects of COVID-19 during the pandemic. These concessions primarily consisted of rent abatements and the deferral of rent payments. Deferred lease payments were approximately \$74.2 million as of September 30, 2023. In instances where there were no substantive changes to the lease terms, i.e., modifications that resulted in total payments of the modified lease being substantially the same or less than the total payments of the existing lease, the Company elected the relief as provided by the FASB staff related to the accounting for certain lease concessions. The Company elected not to account for these concessions as a lease modification, and therefore the Company has remeasured the related lease liability and right-of-use asset but did not reassess the lease classification or change the discount rate to the current rate in effect upon the remeasurement. The deferred lease payments have been recorded in the Company's lease liabilities to reflect the change in the timing of payments. Those leases that did not meet the criteria for treatment under the FASB relief were evaluated as lease modifications. The deferred payment amounts for contractual rent amounts due and not paid are included in accounts payable in the condensed consolidated balance sheets and in change in accounts payable in the condensed consolidated statements of cash flows. In addition, the Company included deferred lease payments in operating lease right-of-use assets as a result of lease remeasurements.

A summary of deferred payment amounts related to rent obligations for which payments were deferred to future periods is provided below:

(In millions)	As of December 31, 2022	Decrease in deferred amounts	As of September 30, 2023
Fixed operating lease deferred amounts (1)	\$ 150.3	\$ (80.0)	\$ 70.3
Finance lease deferred amounts	0.9	(0.7)	0.2
Variable lease deferred amounts	6.0	(2.3)	3.7
Total deferred lease amounts	<u>\$ 157.2</u>	<u>\$ (83.0)</u>	<u>\$ 74.2</u>

- (1) During the nine months ended September 30, 2023, the decrease in fixed operating lease deferred amounts includes \$13.3 million of rent payments that are included in change in accounts payable and \$66.7 million included in deferred rent and other non-cash rent in the condensed consolidated statement of cash flows.

The following table reflects the lease costs for the periods presented:

(In millions)	Consolidated Statements of Operations	Three Months Ended		Nine Months Ended	
		September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Operating lease cost					
Theatre properties	Rent	\$ 201.3	\$ 202.0	\$ 587.5	\$ 608.9
Theatre properties	Operating expense	0.6	1.5	1.2	4.1
Equipment	Operating expense	4.8	2.7	11.8	7.4
Office and other	General and administrative: other	1.3	1.3	4.0	4.0
Finance lease cost					
Amortization of finance lease assets	Depreciation and amortization	0.5	0.6	1.5	2.0
Interest expense on lease liabilities	Finance lease obligations	0.9	0.9	2.8	3.1
Variable lease cost					
Theatre properties	Rent	23.0	21.2	63.3	59.9
Equipment	Operating expense	17.9	13.4	51.6	44.8
Total lease cost		\$ 250.3	\$ 243.6	\$ 723.7	\$ 734.2

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Cash flow and supplemental information is presented below:

(In millions)	Nine Months Ended	
	September 30, 2023	September 30, 2022
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows used in finance leases	\$ (2.3)	\$ (2.9)
Operating cash flows used in operating leases	(742.5)	(775.9)
Financing cash flows used in finance leases	(4.6)	(7.9)
Landlord contributions:		
Operating cashflows provided by operating leases	16.0	16.2
Supplemental disclosure of noncash leasing activities:		
Right-of-use assets obtained in exchange for new operating lease liabilities (1)	111.4	220.8

(1) Includes lease extensions and option exercises.

The following table represents the weighted-average remaining lease term and discount rate as of September 30, 2023:

Lease Term and Discount Rate	As of September 30, 2023	
	Weighted Average Remaining Lease Term (years)	Weighted Average Discount Rate
Operating leases	8.9	10.4%
Finance leases	13.4	6.4%

Minimum annual payments, including deferred lease payments and excluding contractual rent amounts due and not paid that were recorded in accounts payable, that are recorded as operating and finance lease liabilities and the net present value thereof as of September 30, 2023 are as follows:

(In millions)	Operating Lease Payments (2)	Finance Lease Payments (2)
Three months ending December 31, 2023 (1)	\$ 241.7	2.2
2024	891.2	8.1
2025	847.1	7.4
2026	781.7	7.3
2027	717.1	7.3
2028	633.5	6.9
Thereafter	2,736.9	44.4
Total lease payments	6,849.2	83.6
Less imputed interest	(2,357.2)	(29.1)
Total operating and finance lease liabilities, respectively	\$ 4,492.0	\$ 54.5

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- (1) The minimum annual payments table above does not include contractual cash rent amounts that were due and not paid, which are recorded in accounts payable as shown below, including estimated repayment dates:

(In millions)	Accounts Payable	
	Lease Payments	
Three months ended December 31, 2023	\$	5.7
2024		1.0
2025		0.8
2026		0.7
2027		0.3
2028		0.1
Thereafter		0.1
Total deferred lease amounts recorded in accounts payable	\$	8.7

- (2) The minimum annual payments table above includes deferred undiscounted cash rent amounts that were due and not paid related to operating and finance leases, as shown below:

(In millions)	Operating Lease		Finance Lease	
	Payments		Payments	
Three months ended December 31, 2023	\$	15.6	\$	0.1
2024		15.6		—
2025		5.7		—
2026		4.2		—
2027		3.4		—
2028		3.2		—
Thereafter		17.7		—
Total deferred lease amounts	\$	65.4	\$	0.1

As of September 30, 2023, the Company had signed additional operating lease agreements for five theatres that have not yet commenced with total minimum payments of approximately \$78.2 million, which are expected to commence between years 2023 and 2025 and carry lease terms ranging from 10 to 20 years. The timing of lease commencement is dependent on the landlord providing the Company with control and access to the related facility.

During the nine months ended September 30, 2023, the Company received a \$13.0 million buyout incentive from a landlord which provided the landlord the right to terminate the lease of one theatre. The incentive was treated as a reduction to rent expense in the Company's condensed consolidated statement of operations.

NOTE 3—REVENUE RECOGNITION

Disaggregation of Revenue. Revenue is disaggregated in the following tables by major revenue types and by timing of revenue recognition:

(In millions)	Three Months Ended		Nine Months Ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Major revenue types				
Admissions	\$ 797.7	\$ 545.3	\$ 2,075.9	\$ 1,640.1
Food and beverage	482.7	333.3	1,299.6	982.5
Other theatre:				
Screen advertising	33.2	29.0	96.4	90.2
Other	92.3	60.8	236.3	207.7
Other theatre	125.5	89.8	332.7	297.9
Total revenues	\$ 1,405.9	\$ 968.4	\$ 3,708.2	\$ 2,920.5

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(In millions)	Three Months Ended		Nine Months Ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Timing of revenue recognition				
Products and services transferred at a point in time	\$ 1,299.3	\$ 884.5	\$ 3,431.5	\$ 2,675.3
Products and services transferred over time	106.6	83.9	276.7	245.2
(1) Total revenues	<u>\$ 1,405.9</u>	<u>\$ 968.4</u>	<u>\$ 3,708.2</u>	<u>\$ 2,920.5</u>

(1) Amounts primarily include subscription and advertising revenues.

The following tables provide the balances of receivables, net and deferred revenues and income:

(In millions)	September 30, 2023	December 31, 2022
Current assets		
Receivables related to contracts with customers	\$ 54.4	\$ 92.3
Miscellaneous receivables	79.8	74.3
Receivables, net	<u>\$ 134.2</u>	<u>\$ 166.6</u>

(In millions)	September 30, 2023	December 31, 2022
Current liabilities		
Deferred revenues related to contracts with customers	\$ 405.7	\$ 398.8
Miscellaneous deferred income	5.3	3.9
Deferred revenues and income	<u>\$ 411.0</u>	<u>\$ 402.7</u>

The significant changes in contract liabilities with customers included in deferred revenues and income are as follows:

(In millions)	Deferred Revenues Related to Contracts with Customers
Balance December 31, 2022	\$ 398.8
Cash received in advance (1)	248.5
Customer loyalty rewards accumulated, net of expirations:	
Admission revenues (2)	17.4
Food and beverage (2)	31.6
Other theatre (2)	(0.7)
Reclassification to revenue as the result of performance obligations satisfied:	
Admission revenues (3)	(197.8)
Food and beverage (3)	(58.7)
Other theatre (4)	(33.9)
Foreign currency translation adjustment	0.5
Balance September 30, 2023	<u>\$ 405.7</u>

(1) Includes movie tickets, food and beverage, gift cards, exchange tickets, and AMC Stubs® loyalty membership fees.

(2) Amount of rewards accumulated, net of expirations, that are attributed to AMC Stubs® and other loyalty programs.

(3) Amount of rewards redeemed that are attributed to gift cards, exchange tickets, movie tickets, AMC Stubs® loyalty programs and other loyalty programs.

(4) Amounts relate to income from non-redeemed or partially redeemed gift cards, non-redeemed exchange tickets, AMC Stubs® loyalty membership fees and other loyalty programs.

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The significant changes to contract liabilities included in the exhibitor services agreement in the condensed consolidated balance sheets, are as follows:

(In millions)	Exhibitor Services Agreement (1)
Balance December 31, 2022	\$ 505.8
Reclassification, net of adjustments, for portion of the beginning balance to other theatre revenue, as the result of performance obligations satisfied	(13.8)
Balance September 30, 2023	\$ 492.0

- (1) Represents the carrying amount of the National CineMedia, LLC (“NCM”) common units that were previously received under the annual Common Unit Adjustment (“CUA”) and subsequent adjustments related to the NCM Bankruptcy, as discussed in greater detail below. The deferred revenues are being amortized to other theatre revenues over the remainder of the 30-year term of the Exhibitor Service Agreement (“ESA”) ending in February 2037.

NCM Bankruptcy. On April 11, 2023, National CineMedia, LLC filed a petition under Chapter 11 of the U.S. Bankruptcy Code in the Southern District of Texas. NCM is the in-theatre advertising provider for the majority of the Company’s theatres in the United States. Under the Chapter 11 plan of reorganization, which became effective on August 7, 2023 (the “Plan”), NCM has assumed its agreements with the Company. As part of the Plan, on August 7, 2023, NCM issued 16,581,829 common units (“NCM Common Units”) that were owed to the Company as part of the annual common unit adjustment. But under the terms of the Plan and the restructuring of the equity of NCM thereunder, the NCM Common Units were immediately cancelled upon the efficacy of the Plan. The Company has filed appeals with the United States District Court for the Southern District of Texas, objecting to, among other things, certain terms of the Plan, including modification of the terms of the exhibitor services agreement with other parties that were not granted to the Company and appeal of the court’s order to approve cancellation of the NCM Common Unit issuance. The Company does not expect its bankruptcy to have a material impact on the Company.

Gift Cards and Exchange Tickets. The total amount of non-redeemed gift cards and exchange tickets included in deferred revenues and income in the condensed consolidated balance sheet as of September 30, 2023 was \$273.2 million. This will be recognized as revenues as the gift cards and exchange tickets are redeemed or as the non-redeemed gift card and exchange ticket revenues are recognized in proportion to the pattern of actual redemptions, which is estimated to occur over the next 24 months.

Loyalty Programs. As of September 30, 2023, the amount of deferred revenues allocated to the loyalty programs included in deferred revenues and income in the condensed consolidated balance sheet was \$75.6 million. The earned points will be recognized as revenue as the points are redeemed, which is estimated to occur over the next 24 months. The AMC Stubs® annual membership fee is recognized ratably over the one-year membership period.

The Company applies the practical expedient in ASC 606-10-50-14 and does not disclose information about remaining performance obligations that have original expected durations of one year or less.

NOTE 4—GOODWILL

The following table summarizes the changes in goodwill by reporting unit for the nine months ended September 30, 2023:

(In millions)	U.S. Markets			International Markets			Consolidated Goodwill		
	Gross Carrying Amount	Accumulated Impairment Losses	Net Carrying Amount	Gross Carrying Amount	Accumulated Impairment Losses	Net Carrying Amount	Gross Carrying Amount	Accumulated Impairment Losses	Net Carrying Amount
Balance December 31, 2022	\$ 3,072.6	\$ (1,276.1)	\$ 1,796.5	\$ 1,521.8	\$ (976.3)	\$ 545.5	\$ 4,594.4	\$ (2,252.4)	\$ 2,342.0
Currency translation adjustment	—	—	—	(23.6)	(7.6)	(31.2)	(23.6)	(7.6)	(31.2)
Balance September 30, 2023	\$ 3,072.6	\$ (1,276.1)	\$ 1,796.5	\$ 1,498.2	\$ (983.9)	\$ 514.3	\$ 4,570.8	\$ (2,260.0)	\$ 2,310.8

NOTE 5—INVESTMENTS

Investments in non-consolidated affiliates and certain other investments accounted for under the equity method generally include all entities in which the Company or its subsidiaries have significant influence, but not more than 50% voting control, and are recorded in the condensed consolidated balance sheets in other long-term assets. On December 30, 2022, the Company entered into an agreement to sell its 10.0% investment in Saudi Cinema Company, LLC for SAR 112.5 million (\$30.0 million), and on January 24, 2023, the Saudi Ministry of Commerce recorded the sale of equity and the Company received the proceeds on January 25, 2023. The Company recorded a gain on the sale of \$15.5 million in investment income during the nine months ended September 30, 2023. Investments in non-consolidated affiliates as of September 30, 2023 include interests in Digital Cinema Distribution Coalition, LLC of 14.6%, AC JV, LLC, owner of Fathom Events, of 32.0%, SV Holdco LLC, owner of Screenvision, of 18.4% and Digital Cinema Media Ltd. of 50.0%. The Company also has partnership interests in four U.S. motion picture theatres and approximately 50.0% interests in 60 theatres in Europe. Indebtedness held by equity method investees is non-recourse to the Company. During the three months ended September 30, 2023 and September 30, 2022, the Company recorded equity in (earnings) loss of non-consolidated entities of \$(3.1) million and \$(2.8) million, respectively. During the nine months ended September 30, 2023 and September 30, 2022, the Company recorded equity in (earnings) loss of \$(5.3) million and \$3.3 million, respectively.

Related Party Transactions with Equity Method Investees. At September 30, 2023, and December 31, 2022, the Company recorded net receivable amounts due from equity method investees of \$0.6 million and \$1.7 million, respectively, primarily related to on-screen advertising revenue, content delivery expenses and other transactions. The Company recorded related party transactions with equity method investees in other revenues, film exhibition costs and operating expenses of \$7.9 million, \$4.9 million and \$0.2 million, respectively, during the three months ended September 30, 2023, and \$4.3 million, \$3.1 million and \$0.3 million, respectively, during the three months ended September 30, 2022. The Company recorded related party transactions with equity method investees in other revenues, film exhibition costs and operating expenses of \$19.4 million, \$12.0 million and \$0.8 million, respectively, during the nine months ended September 30, 2023, and \$16.3 million, \$6.5 million and \$0.8 million, respectively, during the nine months ended September 30, 2022.

Investment in Hycroft

On March 14, 2022, the Company purchased 23.4 million units of Hycroft Mining Holding Corporation (NASDAQ: HYMC) (“Hycroft”), for \$27.9 million, with each unit consisting of one common share of Hycroft and one common share purchase warrant. The units were priced at \$1.193 per unit. Each warrant is exercisable for one common share of Hycroft at a price of \$1.068 per share over a 5-year term through March 2027. Hycroft filed a resale registration statement to register the common shares and warrant shares for sale under the Securities Act of 1933, as amended (the “Securities Act”) on April 14, 2022 which became effective on June 2, 2022. The Company accounts for the common shares of Hycroft under the equity method and has elected the fair value option in accordance with ASC 825-10. The Company accounts for the warrants as derivatives in accordance with ASC 815. Accordingly, the fair value of the investments in Hycroft are remeasured at each subsequent reporting period and unrealized gains and losses are reported in investment income. The Company believes the fair value option to be the most appropriate election for this equity method investment as the Company is not entering the mining business. During the three months ended September 30, 2023 and September 30, 2022, the Company recorded unrealized loss in investment income of \$0.7 million and \$19.5 million, respectively. During the nine months ended September 30, 2023 and September 30, 2022, the Company recorded unrealized loss in investment income of \$10.8 million and \$3.4 million, respectively. See Note 9—Fair Value Measurements for fair value information and the asset value for investments in Hycroft measured under the fair value option as well as the total asset value for other equity method investments.

NOTE 6—CORPORATE BORROWINGS AND FINANCE LEASE LIABILITIES

A summary of the carrying value of corporate borrowings and finance lease liabilities is as follows:

(In millions)	September 30, 2023	December 31, 2022
First Lien Secured Debt:		
Senior Secured Credit Facility-Term Loan due 2026 (8.427% as of September 30, 2023 and 7.274% as of December 31, 2022)	\$ 1,910.0	\$ 1,925.0
12.75% Odeon Senior Secured Notes due 2027	400.0	400.0
7.5% First Lien Notes due 2029	950.0	950.0
Second Lien Secured Debt:		
10%/12% Cash/PIK Toggle Second Lien Subordinated Notes due 2026	1,124.2	1,389.8
Subordinated Debt:		
6.375% Senior Subordinated Notes due 2024 (£4.0 million par value as of September 30, 2023)	4.9	4.8
5.75% Senior Subordinated Notes due 2025	98.3	98.3
5.875% Senior Subordinated Notes due 2026	51.5	55.6
6.125% Senior Subordinated Notes due 2027	125.5	125.5
Total principal amount of corporate borrowings	\$ 4,664.4	\$ 4,949.0
Finance lease liabilities	54.5	58.8
Deferred financing costs	(33.0)	(37.9)
Net premium (1)	139.0	229.7
Total carrying value of corporate borrowings and finance lease liabilities	\$ 4,824.9	\$ 5,199.6
Less:		
Current maturities of corporate borrowings	(20.0)	(20.0)
Current maturities of finance lease liabilities	(6.2)	(5.5)
Total noncurrent carrying value of corporate borrowings and finance lease liabilities	\$ 4,798.7	\$ 5,174.1

(1) The following table provides the net premium (discount) amounts of corporate borrowings:

(In millions)	September 30, 2023	December 31, 2022
10%/12% Cash/PIK Toggle Second Lien Subordinated Notes due 2026	\$ 170.4	\$ 265.5
Senior Secured Credit Facility-Term Loan due 2026	(3.7)	(4.8)
12.75% Odeon Senior Secured Notes due 2027	(27.7)	(31.1)
6.375% Senior Subordinated Notes due 2024	—	0.1
Net premium	\$ 139.0	\$ 229.7

The following table provides the principal payments required and maturities of corporate borrowing as of September 30, 2023:

(In millions)	Principal Amount of Corporate Borrowings
Three months ended December 31, 2023	\$ 5.0
2024	24.9
2025	118.3
2026	3,040.7
2027	525.5
2028	—
Thereafter	950.0
Total	\$ 4,664.4

Debt Repurchases

The below table summarizes the cash debt repurchase transactions during the nine months ended September 30, 2023, including the related party transactions with Antara, which was a related party from February 7, 2023 to August 25, 2023:

(In millions)	Aggregate Principal Repurchased	Reacquisition Cost	Gain on Extinguishment	Accrued Interest Paid
Related party transactions:				
Second Lien Notes due 2026	\$ 75.9	\$ 48.5	\$ 40.9	\$ 1.1
5.875% Senior Subordinated Notes due 2026	4.1	1.7	2.3	0.1
Total related party transactions	80.0	50.2	43.2	1.2
Non-related party transactions:				
Second Lien Notes due 2026	89.7	51.3	54.3	2.2
Total non-related party transactions	89.7	51.3	54.3	2.2
Total debt repurchases	\$ 169.7	\$ 101.5	\$ 97.5	\$ 3.4

See Note 7—Stockholders' Equity for discussion of the \$100.0 million aggregate principal amount of Second Lien Notes due 2026 repurchased from Antara in exchange for 9,102,619 AMC Preferred Equity Units not included in the table above.

Financial Covenants

The Company believes its existing cash and cash equivalents, together with cash generated from operations, will be sufficient to comply with the minimum liquidity covenant requirement under its Senior Secured Revolving Credit Facility through the end of the covenant suspension period. Pursuant to the Twelfth Amendment to the Credit Agreement, the requisite revolving lenders party thereto agreed to extend the suspension period for the secured leverage ratio financial covenant applicable to the Senior Secured Revolving Credit Facility under the Credit Agreement through March 31, 2024. The current maturity date of the Senior Secured Revolving Credit Facility is April 22, 2024. The financial covenant applicable to the Senior Secured Revolving Credit Facility is tested as of the last day of any fiscal quarter for which financial statements have been (or were required to have been) delivered, thus the financial covenant has been effectively suspended through maturity of the Senior Secured Revolving Credit Facility. As of September 30, 2023, the Company was subject to a minimum liquidity requirement of \$100 million as a condition to the financial covenant suspension period under the Credit Agreement.

Thirteenth Amendment to Credit Agreement

On June 23, 2023, the Company and Wilmington Savings Fund Society, FSB, as administrative agent, entered into the Thirteenth Amendment to the Credit Agreement, pursuant to which LIBOR, the benchmark rate upon which certain loans, commitments and/or other extensions of credit under the Credit Agreement incur interest, fees or other amounts, was replaced with Term SOFR, a benchmark rate reported by CME Group Benchmark Administration Limited that is based on the secured overnight financing rate. Term SOFR under the Credit Agreement is subject to a credit spread adjustment equal to 0.11448% per annum, 0.26161% per annum, and 0.42826% per annum for interest periods of one-month, three-months, or six-months or longer, respectively. The Thirteenth Amendment to the Credit Agreement became effective at 5:00 p.m. (New York time) on June 30, 2023.

The Company elected to apply the optional expedients allowed under ASC 848 regarding the discontinuation of LIBOR and reference rate reform. Pursuant to ASC 848, the Thirteenth Amendment to the Credit Agreement was determined to be an insubstantial modification.

NOTE 7—STOCKHOLDERS' EQUITY

Stock Split and Reverse Stock Split

On August 4, 2022, the Company announced that its Board of Directors declared a special dividend of one AMC Preferred Equity Unit for each share of Common Stock outstanding at the close of business on August 15, 2022, the record date. The dividend was paid at the close of business on August 19, 2022 to investors who held Common Stock as of August 22, 2022, the ex-dividend date. Due to the characteristics of the AMC Preferred Equity Units, the special dividend had the effect of a stock split pursuant to ASC 505-20-25-4.

On August 24, 2023, the Company effectuated a reverse stock split at a ratio of one share of Common Stock for every ten shares of Common Stock. As a result of the reverse stock split, each share of Series A Convertible Participating Preferred Stock became convertible into ten shares of Common Stock, and by extension each AMC Preferred Equity Unit became equivalent to one-tenth (1/10th) of a share of Common Stock. The reverse stock split did not impact the number of AMC Preferred Equity Units outstanding. The Company concluded that this change in conversion ratio is analogous to a reverse stock split of the AMC Preferred Equity Units even though the reverse stock split did not have an effect on the number of AMC Preferred Equity Units outstanding.

Accordingly, all references made to share, per share, unit, per unit, or common share amounts in the accompanying consolidated financial statements and applicable disclosures have been retroactively adjusted to reflect both the effects of the special dividend as a stock split and the subsequent reverse stock split. References made to AMC Preferred Equity Units have been retroactively adjusted to reflect the effect of the reverse stock split on their equivalent Common Stock shares.

Share Issuances

On September 6, 2023, the Company entered into a Common Stock equity distribution agreement (the "Common Stock Equity Distribution Agreement") with Citigroup Global Markets, Inc., Barclays Capital Inc., B. Riley Securities, Inc. and Goldman Sachs & Co. LLC, as the sales agents ("Common Stock Sales Agents"), to sell up to 40.0 million shares of the Company's Common Stock, from time to time, through an "at-the-market" offering program (the "Common Stock Offering"). Subject to the terms and conditions of the Common Stock Equity Distribution Agreement, the Common Stock Sales Agents will use reasonable efforts consistent with their normal trading and sales practices, applicable law and regulations, and the rules of the NYSE to sell Common Stock from time to time based upon the Company's instructions for the sales, including any price, time or size limits specified by the Company. The Company intends to use the net proceeds from the sale of Common Stock pursuant to the Common Stock Equity Distribution Agreement to repay, refinance, redeem or repurchase the Company's existing indebtedness (including expenses, accrued interest and premium, if any) and otherwise for general corporate purposes. On September 13, 2023, the Company announced that it had completed the Common Stock Offering.

During the nine months ended September 30, 2023, the Company raised gross proceeds of approximately \$325.5 million and paid fees to the Common Stock Sales Agents and incurred other third-party issuance costs of approximately \$8.2 million and \$0.5 million, respectively, through its Common Stock Offering of 40.0 million shares of its Common Stock. The Company paid \$0.1 million of other third-party issuance costs during the nine months ended September 30, 2023.

On September 26, 2022, the Company entered into an equity distribution agreement (the "Preferred Equity Units Equity Distribution Agreement") with Citigroup Global Markets Inc., as a sales agent ("Sales Agent"), to sell up to 42.5 million shares of the Company's AMC Preferred Equity Units, from time to time, through an "at-the-market" offering program (the "Preferred Equity Offering"). Subject to the terms and conditions of the Preferred Equity Units Equity Distribution Agreement, the Sales Agent was required to use reasonable efforts consistent with their normal trading and sales practices, applicable law and regulations, and the rules of the NYSE to sell the AMC Preferred Equity Units from time to time based upon the Company's instructions for the sales, including any price, time or size limits specified by the Company. The Company intends to use the net proceeds, from the sale of AMC Preferred Equity Units pursuant to the Preferred Equity Units Equity Distribution Agreement to repay, refinance, redeem or repurchase the Company's existing indebtedness (including expenses, accrued interest and premium, if any) and otherwise for general corporate purposes. Following the Charter Amendments and AMC Preferred Equity Unit Conversion, the Company no longer sells shares under the Preferred Equity Units Distribution Agreement.

During the nine months ended September 30, 2023, the Company raised gross proceeds of approximately \$114.5 million and paid fees to the Sales Agent and incurred other third-party issuance costs of approximately \$2.9 million and \$8.7 million, respectively, through its Preferred Equity Offering of approximately 7.1 million shares of its AMC Preferred Equity Units. The Company paid \$11.5 million of other third-party issuance costs during the nine months ended September 30, 2023. The Company no longer has any authorized AMC Preferred Equity Units available for issuance under the Preferred Equity Units Equity Distribution Agreement. Furthermore, the AMC Preferred Equity Units ceased trading on the NYSE on August 24, 2023 and were converted to Common Shares on August 25, 2023.

On December 22, 2022, the Company entered into the Forward Purchase Agreement with Antara pursuant to which the Company agreed to (i) sell to Antara 10,659,511 AMC Preferred Equity Units for an aggregate purchase price of \$75.1 million and (ii) simultaneously purchase from Antara \$100.0 million aggregate principal amount of the Company's 10%/12% Cash/PIK Toggle Second Lien Notes due 2026 in exchange for 9,102,619 AMC Preferred Equity Units. On February 7, 2023, the Company issued 19,762,130 AMC Preferred Equity Units to Antara in exchange for \$75.1 million in cash and \$100.0 million aggregate principal amount of the Company's 10%/12% Cash/PIK Toggle Second Lien Notes due 2026. The Company recorded \$193.7 million to stockholders' deficit as a result of the transaction. The Company paid \$1.4 million of accrued interest in cash upon exchange of the notes.

Special Meeting of Stockholders

The Company's board of directors called a special meeting of the Company's stockholders on March 14, 2023 (the "Special Meeting"). At the Special Meeting, the Company's stockholders approved the following proposals:

1. Proposal No. 1: To approve an amendment to our Third Amended and Restated Certificate of Incorporation ("Certificate of Incorporation") to increase the total number of authorized shares of Common Stock from 524,173,073 shares of Common Stock to 550,000,000 shares of Common Stock (the "Share Increase");
2. Proposal No. 2: To approve an amendment to our Certificate of Incorporation to effectuate a reverse stock split at a ratio of one share of Common Stock for every ten shares of Common Stock, which together with the Share Increase, shall permit the full conversion of all outstanding shares of Series A Preferred Stock into shares of Common Stock (the "Reverse Stock Split" and collectively with the Share Increase, the "Charter Amendments"); and
3. Proposal No. 3: To approve one or more adjournments of the Special Meeting, if necessary, to permit further solicitation of proxies if there are not sufficient votes at the time of the Special Meeting to approve and adopt the Charter Amendments.

Each of the Share Increase and the Reverse Stock Split were cross-conditioned on the approval of the other, such that approval of both proposals was required for each of them to take effect.

Shareholder Litigation

Two putative stockholder class actions were filed in the Delaware Chancery Court that assert a breach of fiduciary duty against certain of the Company's directors and a claim for breach of 8 *Del. C.* § 242 against those directors and the Company, arising out of the Company's creation of AMC Preferred Equity Units, the transactions between the Company and Antara that the Company announced on December 22, 2022 (the "Antara Transactions"), and the Charter Amendments.

This litigation prevented the Company from immediately implementing the Charter Amendments. On April 2, 2023, the parties entered into a binding settlement term sheet to settle the litigation and allow implementation of the Charter Amendments. On August 11, 2023, the Delaware Chancery Court approved the settlement and on Monday, August 21, 2023, the Delaware Supreme Court confirmed the ruling of the Chancery Court. Pursuant to the settlement term sheet, record holders of Common Stock at the close of business on August 24, 2023, after giving effect to the Reverse Stock Split, but prior to the conversion of AMC Preferred Equity Units into Common Stock ("Settlement Payment Recipients"), received a payment of one share of Common Stock for every 7.5 shares of Common Stock owned by the Settlement Payment Recipients (the "Settlement Payment"). On August 28, 2023, the Company made the Settlement Payment and issued 6,897,018 shares of Common Stock. See Note 11—Commitments and Contingencies for further information regarding the litigation and settlement.

Charter Amendments and AMC Preferred Equity Unit Conversion

Each AMC Preferred Equity Unit was a depositary share and represented an interest in a share of Series A Convertible Participating Preferred Stock evidenced by a depositary receipt pursuant to a deposit agreement. Each AMC Preferred Equity Unit was designed to have the same economic and voting rights as a share of Common Stock.

On August 14, 2023, the Company filed an amendment to its Certificate of Incorporation to effectuate the Charter Amendments as of August 24, 2023. The Charter Amendments permitted the conversion of all of the Company's outstanding AMC Preferred Equity Units into shares of Common Stock (the "Conversion"). On August 25, 2023, 99,540,642 shares of Common Stock were issued as part of the Conversion. On August 25, 2023, AMC Preferred Equity Units ceased trading and were subsequently delisted from the NYSE. On August 25, 2023, the Company filed a Certificate of Elimination of Series A Convertible Participating Preferred Stock with the Secretary of State of Delaware that eliminated the Series A Convertible Participating Preferred Stock from the Company's Certificate of Incorporation. As of September 30, 2023, the Company has 50,000,000 authorized shares of preferred stock.

AMC's Board of Directors approved equitable adjustments to all outstanding awards under the 2013 Equity Incentive Plan subsequent to the effectiveness of the Charter Amendments. The outstanding awards were proportionally adjusted consistent with the ratio used for the Reverse Stock Split and all awards previously convertible into AMC Preferred Equity Units are now convertible into Common Stock.

Stock-Based Compensation

The following table presents the stock-based compensation expense recorded within general and administrative: other:

(In millions)	Three Months Ended		Nine Months Ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Equity classified awards:				
Special awards expense	\$ —	\$ —	\$ 20.2	\$ —
Board of director stock award expense	—	—	0.9	0.8
Restricted stock unit expense	3.7	3.5	10.5	9.8
Performance stock unit expense	3.6	(7.1)	9.0	11.7
Total equity classified awards:	7.3	(3.6)	40.6	22.3
Liability classified awards:				
Restricted and performance stock unit expense	(0.1)	—	0.3	—
Total liability classified awards:	(0.1)	—	0.3	—
Total stock-based compensation expense	\$ 7.2	\$ (3.6)	\$ 40.9	\$ 22.3

As of September 30, 2023, the estimated remaining unrecognized compensation cost related to stock-based compensation grants was approximately \$20.1 million, which reflects assumptions related to attainment of performance targets based on the scales as described below. The weighted average period over which this remaining compensation expense is expected to be recognized is approximately 1.1 years.

Plan Amendment due to Stock Split

The 2013 Plan contemplates equitable adjustments for certain transactions such as a stock split. On August 19, 2022, the Compensation Committee approved an adjustment to the 2013 Equity Incentive Plan to entitle each participant one AMC Preferred Equity Unit and one share of Common Stock for each restricted stock unit ("RSU") or performance stock unit ("PSU") for awards granted prior to the AMC Preferred Equity Unit special dividend. The Company determined that this modification was a Type 1 (probable-to-probable) modification that did not increase the fair value of the award and therefore did not require additional stock-based compensation expense to be recognized.

Special Awards

On February 23, 2023, AMC's Board of Directors approved special awards in lieu of vesting of the 2022 PSU awards. The special awards were accounted for as modification to the 2022 PSU awards which lowered the Adjusted EBITDA and free cash flow performance targets such that 200% vesting was achieved for both tranches. This modification resulted in the immediate additional vesting of 238,959 Common Stock 2022 PSUs and 238,959 AMC Preferred Equity Unit 2022 PSUs. This was treated as a Type 3 modification (improbable-to-probable) which requires the Company to recognize additional stock compensation expense based on the modification date fair values of the Common Stock PSUs and AMC Preferred Equity Units PSUs of \$14.9 million and \$5.3 million, respectively. During the nine months ended September 30, 2023, the Company recognized \$20.2 million of stock compensation expense related to these awards.

Awards Granted in 2023

During the nine months ended September 30, 2023, AMC's Board of Directors approved awards of stock, RSUs, and PSUs to certain of the Company's employees and directors under the 2013 Equity Incentive Plan. Each RSU or PSU is convertible into one share of Common Stock upon vesting.

Each RSU and PSU held by a participant as of a dividend record date is entitled to a dividend equivalent equal to the amount paid with respect to one share of Common Stock underlying the unit. Any such accrued dividend equivalents are paid to the holder only upon vesting of the units. Each unit represents the right to receive one share of Common Stock at a future date.

The Company's Board of Directors also granted awards to non-section 16 officers that are expected to be settled in cash. Upon vesting, participants receiving cash settlement shall receive an amount of cash equal to the closing price of an AMC Preferred Equity Unit multiplied by the number of underlying cash-based RSUs and PSUs awarded. Following the completion of the Charter Amendments, grantees will now receive an amount of cash equal to the closing price of Common Stock multiplied by the number of underlying cash-based RSUs and PSUs award. These awards have been classified as liabilities and are included within accrued expenses and other liabilities in the condensed consolidated balance sheets. The vesting requirements and vesting periods are identical to the equity classified awards described below. The Company recognizes expense related to these awards based on the fair value of the Common Stock shares, giving effect to the portion of services rendered during the requisite services period. As of September 30, 2023, there were 169,401 nonvested underlying Common Stock RSUs and PSUs related to awards granted to non-section 16 officers. There are 112,894 nonvested underlying Common Stock RSUs and PSUs (2023 Tranche Year) that are currently classified as liabilities and 56,507 nonvested underlying Common Stock PSUs (2024 & 2025 Tranche Year) which have not been granted for accounting purposes as the performance targets for the 2024 and 2025 PSU Tranche Years have yet to be established.

The 2023 award agreements generally had the following features:

- **Stock Award Agreement:** During the nine months ended September 30, 2023, the Company granted awards of 8,555 fully vested shares of Common Stock and 15,370 AMC Preferred Equity Units to its independent members of AMC's Board of Directors with a grant date fair value of \$0.9 million.
- **Restricted Stock Unit Award Agreement:** During the nine months ended September 30, 2023, the Company granted 313,831 RSU awards to certain members of management with a grant date fair value of \$12.0 million. The Company records stock-based compensation expense on a straight-line recognition method over the requisite vesting period. The RSUs vest over three years, with one-third vesting each year. These RSUs will be settled within 30 days of vesting.
- **Performance Stock Unit Award Agreement:** During the nine months ended September 30, 2023, total PSUs of 287,664 were awarded ("2023 PSU award") to certain members of management and executive officers, with the total PSUs divided into three separate year tranches, with each tranche allocated to a fiscal year within the performance period ("Tranche Year"). The PSUs within each Tranche Year are further divided between two performance targets; the Adjusted EBITDA performance target and free cash flow performance target. The 2023 PSU awards will vest based on achieving 80% to 120% of the performance targets, with the corresponding vested unit amount ranging from 50% to 200%. If the performance targets are met at 100%, the 2023 PSU awards will vest at 287,664 units in the aggregate. No

PSUs will vest for each Tranche Year if the Company does not achieve 80% of the Tranche Year's Adjusted EBITDA and free cash flow targets.

The Compensation Committee establishes the annual performance targets at the beginning of each year. Therefore, the grant date (and fair value measurement date) for each Tranche Year is the date at the beginning of each year when a mutual understanding of the key terms and conditions are reached per ASC 718, Compensation – Stock compensation. The 2023 PSU award grant date fair value for the 2023 Tranche Year award of 95,883 units was \$3.9 million, the 2022 PSU award grant date fair value for the 2023 Tranche Year award of 46,192 units was \$1.9 million, and the 2021 PSU award grant date fair value for the 2023 Tranche Year Award of 160,280 units was \$6.8 million, measured using performance targets at 100%.

The following table represents the equity classified nonvested RSU and PSU activity for the nine months ended September 30, 2023:

	Common Stock RSUs and PSUs (3)	Weighted Average Grant Date Fair Value
Nonvested at January 1, 2023	626,195	\$ 59.14
Granted (1)	616,186	39.99
Granted - Special Award	477,918	42.25
Vested	(222,920)	57.43
Vested - Special Award	(257,945)	42.18
Forfeited	(26,036)	44.44
Cancelled (2)	(150,755)	60.14
Cancelled - Special Award (2)	(219,973)	42.34
Nonvested at September 30, 2023	842,670	\$ 45.87
Tranche Years 2024 and 2025 awarded under the 2023 PSU award and Tranche Year 2024 awarded under the 2022 PSU award with grant date fair values to be determined in years 2024 and 2025, respectively	228,199	
Total Nonvested at September 30, 2023	1,070,869	

- (1) The number of PSU shares granted under the Tranche Year 2023 assumes the Company will attain a performance target at 100% for the Adjusted EBITDA target and 100% for the free cash flow target.
- (2) Represents vested RSUs and PSUs surrendered in lieu of taxes and cancelled awards returned to the 2013 Equity Incentive Plan. As a result, the Company paid taxes for restricted unit withholdings of approximately \$14.2 million during the nine months ended September 30, 2023.
- (3) Includes AMC Preferred Equity Unit RSUs and PSUs that were converted to Common Stock RSUs and PSUs as a result of the Charter Amendments.

Condensed Consolidated Statements of Stockholders' Deficit
For the Nine Months Ended September 30, 2023

(In millions, except share and per share data)	Preferred Stock								Total Stockholders' Equity (Deficit)
	Series A Convertible			Accumulated					
	Class A Voting Common Stock		Participating Preferred Stock	Depository Shares of AMC Preferred	Additional Paid-in	Other Comprehensive	Accumulated		
	Shares	Amount	Shares	Equity Units	Amount	Capital	Loss	Deficit	
Balances December 31, 2022	51,683,892	\$ 0.5	7,245,872	72,458,706	\$ 0.1	\$ 5,049.8	\$ (77.3)	\$ (7,597.6)	\$ (2,624.5)
Net loss	—	—	—	—	—	—	—	(235.5)	(235.5)
Other comprehensive loss	—	—	—	—	—	—	(7.3)	—	(7.3)
Share issuance	—	—	492,880	4,928,800	—	70.5	—	—	70.5
Antara Forward Purchase Agreement (2)	—	—	1,976,213	19,762,130	—	193.7	—	—	193.7
Taxes paid for restricted unit withholdings	—	—	—	—	—	(13.1)	—	—	(13.1)
Stock-based compensation (1)	235,346	—	26,944	269,444	—	25.9	—	—	25.9
Balances March 31, 2023	51,919,238	\$ 0.5	9,741,909	97,419,080	\$ 0.1	\$ 5,326.8	\$ (84.6)	\$ (7,833.1)	\$ (2,590.3)
Net earnings	—	—	—	—	—	—	—	8.6	8.6
Other comprehensive loss	—	—	—	—	—	—	(40.0)	—	(40.0)
Share issuance	—	—	212,156	2,121,562	—	32.7	—	—	32.7
Taxes paid for restricted unit withholdings	—	—	—	—	—	(1.1)	—	—	(1.1)
Stock-based compensation	—	—	—	—	—	7.5	—	—	7.5
Balances June 30, 2023	51,919,238	\$ 0.5	9,954,065	99,540,642	\$ 0.1	\$ 5,365.9	\$ (124.6)	\$ (7,824.5)	\$ (2,582.6)
Net loss	—	—	—	—	—	—	—	12.3	12.3
Other comprehensive income	—	—	—	—	—	—	9.2	—	9.2
AMC Preferred Equity Unit conversion	99,540,642	1.0	(9,954,065)	(99,540,642)	(0.1)	(0.9)	—	—	—
Settlement payment	6,897,018	0.1	—	—	—	99.2	—	—	99.3
Share issuance	40,000,000	0.4	—	—	—	316.1	—	—	316.5
Stock-based compensation	—	—	—	—	—	7.3	—	—	7.3
Balances September 30, 2023	198,356,898	\$ 2.0	—	—	\$ —	\$ 5,787.6	\$ (115.4)	\$ (7,812.2)	\$ (2,138.0)

(1) Includes 8,555 Common Stock shares and 15,370 AMC Preferred Equity Units awarded to the Board of Directors, 226,791 vested Common Stock RSUs and PSUs, and 254,074 AMC Preferred Equity Units RSUs and PSUs.

(2) Includes \$75.1 million of cash proceeds and \$118.6 million carrying value of the debt exchanged for AMC Preferred Equity Units.

**Condensed Consolidated Statements of Stockholders' Deficit
For the Nine Months Ended September 30, 2022**

(In millions, except share and per share data)	Class A Common Stock		Preferred Stock			Accumulated			Total AMC Stockholders'
			Series A Convertible	Depository Shares of AMC Preferred		Additional Paid-in	Other Comprehensive	Accumulated	
	Shares	Amount	Participating Preferred Stock Shares	Equity Units	Amount	Capital	Income (Loss)	Deficit	Equity (Deficit)
Balances December 31, 2021	51,397,910	\$ 0.5	5,139,791	51,397,910	\$ 0.1	\$ 4,862.0	\$ (28.1)	\$ (6,624.0)	\$ (1,789.5)
Net loss	—	—	—	—	—	—	—	(337.4)	(337.4)
Other comprehensive loss	—	—	—	—	—	—	(5.8)	—	(5.8)
Taxes paid for restricted unit withholdings	—	—	—	—	—	(52.2)	—	—	(52.2)
Stock-based compensation (1)	284,150	0.1	28,415	284,150	—	6.5	—	—	6.6
Balances March 31, 2022	51,682,060	\$ 0.6	5,168,206	51,682,060	\$ 0.1	\$ 4,816.3	\$ (33.9)	\$ (6,961.4)	\$ (2,178.3)
Net loss	—	—	—	—	—	—	—	(121.6)	(121.6)
Other comprehensive income	—	—	—	—	—	—	(46.3)	—	(46.3)
Stock-based compensation	—	—	—	—	—	19.4	—	—	19.4
Balances June 30, 2022	51,682,060	\$ 0.6	5,168,206	51,682,060	\$ 0.1	\$ 4,835.7	\$ (80.2)	\$ (7,083.0)	\$ (2,326.8)
Net loss	—	—	—	—	—	—	—	(226.9)	(226.9)
Other comprehensive loss	—	—	—	—	—	—	(26.0)	—	(26.0)
Share issuance	—	—	27,000	270,000	—	4.3	—	—	4.3
Stock-based compensation	—	—	—	—	—	(3.6)	—	—	(3.6)
Balances September 30, 2022	51,682,060	\$ 0.6	5,195,206	51,952,060	\$ 0.1	\$ 4,836.4	\$ (106.2)	\$ (7,309.9)	\$ (2,579.0)

- (1) Includes 4,165 Common Stock shares and 4,165 AMC Preferred Equity Units awarded to Board of Directors, 279,985 vested Common Stock RSUs and PSUs, and 279,985 vested AMC Preferred Equity Units RSUs and PSUs.

NOTE 8—INCOME TAXES

The Company's worldwide effective income tax rate is based on actual income (loss), statutory rates, valuation allowances against deferred tax assets and tax planning opportunities available in the various jurisdictions in which it operates. The Company is using a discrete income tax calculation for the three and nine months ended September 30, 2023 due to the lingering effects of the COVID-19 pandemic and ongoing labor stoppages on the industry. Historically, for interim financial reporting, the Company estimated the worldwide annual income tax rate based on projected taxable income (loss) for the full year and recorded a quarterly income tax provision or benefit in accordance with the anticipated annual rate, adjusted for discrete items, if any. The Company will return to the historic approach of computing quarterly tax expense based on an annual effective rate in the future interim period when more reliable estimates of annual income become available. The Company recognizes income tax-related interest expense and penalties as income tax expense and general and administrative expense, respectively.

The Company evaluates its deferred tax assets each period to determine if a valuation allowance is required based on whether it is "more likely than not" that some portion of the deferred tax assets would not be realized. The ultimate realization of these deferred tax assets is dependent upon the generation of sufficient taxable income during future periods on a federal, state, and foreign jurisdiction basis. The Company conducts its evaluation by considering all available positive and negative evidence, including historical operating results, forecasts of future profitability, the duration of statutory carryforward periods, and the outlooks for the U.S. motion picture and broader economy, among others.

A valuation allowance is recorded against the Company's U.S. deferred tax assets and most of the Company's international deferred tax assets as the Company has determined the realization of these assets does not meet the more likely than not criteria.

The effective tax rate for the nine months ended September 30, 2023 reflects the impact of these valuation allowances against U.S. and international deferred tax assets generated during the period. The actual effective rate for the nine months ended September 30, 2023 was (2.2)%. The Company's consolidated tax rate for the nine months ended September 30, 2023 differs from the U.S. statutory tax rate primarily due to the valuation allowances in U.S. and foreign jurisdictions, foreign tax rate differences, federal and state tax credits, permanent differences and other discrete items. At September 30, 2023 and December 31, 2022, the Company has recorded net deferred tax liabilities of \$32.8 million and \$32.1 million, respectively.

Utilization of the Company's net operating loss carryforwards, disallowed business interest carryforwards and other tax attributes became subject to the Section 382 ownership change limitation due to changes in the Company's stock ownership on January 27, 2021. The Company does not believe, however, that tax attributes generated prior to this event are significantly impacted by Section 382.

NOTE 9—FAIR VALUE MEASUREMENTS

Fair value refers to the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants in the market in which the entity transacts business. The inputs used to develop these fair value measurements are established in a hierarchy, which ranks the quality and reliability of the information used to determine the fair values. The fair value classification is based on levels of inputs. Assets and liabilities that are carried at fair value are classified and disclosed in one of the following categories:

- Level 1: Quoted market prices in active markets for identical assets or liabilities.
- Level 2: Observable market based inputs or unobservable inputs that are corroborated by market data.
- Level 3: Unobservable inputs that are not corroborated by market data.

Recurring Fair Value Measurements. The following table summarizes the fair value hierarchy of the Company's financial assets and liabilities carried at fair value on a recurring basis as of September 30, 2023:

		Fair Value Measurements at September 30, 2023 Using		
(In millions)	Total Carrying Value at September 30, 2023	Quoted prices in active market (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Other long-term assets:				
Investment in Hycroft warrants	\$ 3.8	\$ —	\$ —	\$ 3.8
Marketable equity securities:				
Investment in Hycroft	7.0	7.0	—	—
Total assets at fair value	\$ 10.8	\$ 7.0	\$ —	\$ 3.8

Valuation Techniques. The equity method investment in Hycroft was measured at fair value using Hycroft's stock price at the date of measurement. To estimate the fair value of the Company's investment in Hycroft warrants, the Company valued the warrants using the Black Scholes pricing model. Such judgments and estimates included estimates of volatility of 114.9% and discount rate of 4.8%. The discount rate is based on the treasury yield that matches the term as of the measurement date. Other inputs included the term of 3.5 years, exercise price of \$1.068 and Hycroft's stock price at the date of measurement. There is considerable management judgment with respect to the inputs used in determining fair value, and, accordingly, actual results could vary significantly from such estimates, which fall under Level 3 within the fair value measurement hierarchy. See Note 5—Investments for further information regarding the investments in Hycroft.

Other Fair Value Measurement Disclosures. The Company is required to disclose the fair value of financial instruments that are not recognized at fair value in the statement of financial position for which it is practicable to estimate that value:

(In millions)	Total Carrying Value at September 30, 2023	Fair Value Measurements at September 30, 2023 Using		
		Quoted prices in active market (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Current maturities of corporate borrowings	\$ 20.0	\$ —	\$ 16.2	\$ —
Corporate borrowings	4,750.4	—	3,542.5	—

Valuation Technique. Quoted market prices and observable market based inputs were used to estimate fair value for Level 2 inputs. The Company valued these notes at principal value less an estimated discount reflecting a market yield to maturity. See Note 6—Corporate Borrowings and Finance Lease Liabilities for further information.

The carrying amounts of cash and cash equivalents, accounts receivable, accounts payable, and accrued liabilities approximate fair value because of the short maturity of these instruments.

NOTE 10—OPERATING SEGMENTS

The Company reports information about operating segments in accordance with ASC 280-10, Segment Reporting, which requires financial information to be reported based on the way management organizes segments within a company for making operating decisions and evaluating performance. The Company has identified two reportable segments and reporting units for its theatrical exhibition operations, U.S. markets and International markets. The International markets reportable segment has operations in or partial interest in theatres in the United Kingdom, Germany, Spain, Italy, Ireland, Portugal, Sweden, Finland, Norway, and Denmark. On December 30, 2022, the Company entered into an agreement to sell its 10.0% investment Saudi Cinema Company, LLC for SAR 112.5 million (\$30.0 million), subject to certain closing conditions. On January 24, 2023, the Saudi Ministry of Commerce recorded the sale of equity and the Company received the proceeds on January 25, 2023. See Note 5—Investments for further information. Each segment’s revenue is derived from admissions, food and beverage sales and other ancillary revenues, primarily screen advertising, AMC Stubs® membership fees and other loyalty programs, ticket sales, gift card income and exchange ticket income. The measure of segment profit and loss the Company uses to evaluate performance and allocate its resources is Adjusted EBITDA, as defined in the reconciliation table below. The Company does not report asset information by segment because that information is not used to evaluate the performance of or allocate resources between segments.

Below is a breakdown of select financial information by reportable operating segment:

Revenues (In millions)	Three Months Ended		Nine Months Ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
U.S. markets	\$ 1,063.9	\$ 753.3	\$ 2,855.8	\$ 2,224.3
International markets	342.0	215.1	852.4	696.2
Total revenues	\$ 1,405.9	\$ 968.4	\$ 3,708.2	\$ 2,920.5

Adjusted EBITDA (In millions)	Three Months Ended		Nine Months Ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
U.S. markets	\$ 150.6	\$ 1.2	\$ 336.3	\$ 52.2
International markets	43.1	(14.1)	47.0	(20.1)
Total Adjusted EBITDA (1)	\$ 193.7	\$ (12.9)	\$ 383.3	\$ 32.1

- (1) The Company presents Adjusted EBITDA as a supplemental measure of its performance. The Company defines Adjusted EBITDA as net earnings (loss) plus (i) income tax provision (benefit), (ii) interest expense and (iii) depreciation and amortization, as further adjusted to eliminate the impact of certain items that the Company does not consider indicative of the Company’s ongoing operating performance and to include attributable EBITDA from equity investments in theatre operations in International markets and any cash distributions of earnings from its other equity method investees. The measure of segment profit and loss the Company uses to evaluate performance and allocate its resources is Adjusted EBITDA, which is broadly consistent with how Adjusted EBITDA is defined in the Company’s debt indentures.

Capital Expenditures (In millions)	Three Months Ended		Nine Months Ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
U.S. markets	\$ 40.8	\$ 40.1	\$ 112.2	\$ 91.5
International markets	16.7	14.4	41.3	38.2
Total capital expenditures	\$ 57.5	\$ 54.5	\$ 153.5	\$ 129.7

Long-term assets, net (In millions)	As of	
	September 30, 2023	December 31, 2022
U.S. markets	\$ 5,854.1	\$ 6,135.9
International markets	1,958.9	2,097.6
Total long-term assets (1)	\$ 7,813.0	\$ 8,233.5

- (1) Long-term assets are comprised of property, net, operating lease right-of-use assets, intangible assets, goodwill, deferred tax assets, net and other long-term assets.

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The following table sets forth a reconciliation of net loss to Adjusted EBITDA:

(In millions)	Three Months Ended		Nine Months Ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Net earnings (loss)	\$ 12.3	\$ (226.9)	\$ (214.6)	\$ (685.9)
Plus:				
Income tax provision	2.3	1.8	4.6	2.5
Interest expense	103.7	95.7	307.4	278.4
Depreciation and amortization	88.7	96.9	279.1	293.0
Certain operating expense (1)	3.8	4.3	4.0	10.5
Equity in (earnings) loss of non-consolidated entities	(3.1)	(2.8)	(5.3)	3.3
Cash distributions from non-consolidated entities (2)	2.2	3.4	3.9	5.0
Attributable EBITDA (3)	1.4	0.1	1.6	0.1
Investment expense (income) (4)	(3.0)	18.3	(11.4)	12.2
Other expense (income) (5)	(14.1)	6.2	(1.4)	110.9
Other non-cash rent benefit (6)	(8.4)	(6.6)	(27.0)	(20.6)
General and administrative — unallocated:				
Merger, acquisition and other costs (7)	0.7	0.3	1.5	0.4
Stock-based compensation expense (8)	7.2	(3.6)	40.9	22.3
Adjusted EBITDA	<u>\$ 193.7</u>	<u>\$ (12.9)</u>	<u>\$ 383.3</u>	<u>\$ 32.1</u>

- (1) Amounts represent preopening expense related to temporarily closed screens under renovation, theatre and other closure expense for the permanent closure of screens, including the related accretion of interest, disposition of assets and other non-operating gains or losses included in operating expenses. The Company has excluded these items as they are non-cash in nature or are non-operating in nature.
- (2) Includes U.S. non-theatre distributions from equity method investments and International non-theatre distributions from equity method investments to the extent received. The Company believes including cash distributions is an appropriate reflection of the contribution of these investments to the Company's operations.
- (3) Attributable EBITDA includes the EBITDA from equity investments in theatre operators in certain International markets. See below for a reconciliation of the Company's equity in loss of non-consolidated entities to attributable EBITDA. Because these equity investments in theatre operators are in regions where the Company holds a significant market share, the Company believes attributable EBITDA is more indicative of the performance of these equity investments and management uses this measure to monitor and evaluate these equity investments. The Company also provides services to these theatre operators including information technology systems, certain on-screen advertising services and the Company's gift card and package ticket program.

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(In millions)	Three Months Ended		Nine Months Ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Equity in (earnings) loss of non-consolidated entities	\$ (3.1)	\$ (2.8)	\$ (5.3)	\$ 3.3
Less:				
Equity in (earnings) of non-consolidated entities excluding International theatre joint ventures	(2.1)	(3.5)	(4.7)	(3.1)
Equity in earnings (loss) of International theatre joint ventures	1.0	(0.7)	0.6	(6.4)
Income tax provision (benefit)	0.1	0.1	(0.1)	0.1
Investment expense (income)	(0.2)	—	(0.1)	0.2
Interest expense	0.1	—	0.2	—
Impairment of long-lived assets	—	—	—	4.2
Depreciation and amortization	0.4	0.7	1.0	2.0
Attributable EBITDA	\$ 1.4	\$ 0.1	\$ 1.6	\$ 0.1

- (4) Investment expense (income) during the three months ended September 30, 2023 primarily includes appreciation in estimated fair value of the Company's investment in common shares of Hycroft of \$(0.1) million, deterioration in estimated fair value of the Company's investment in warrants to purchase common shares of Hycroft of \$0.8 million and interest income of \$(3.7) million. During the three months ended September 30, 2022, investment expense (income) included deterioration in estimated fair value of the Company's investment in common shares of Hycroft of \$11.8 million, deterioration in estimated fair value of the Company's investment in warrants to purchase common shares of Hycroft of \$7.7 million, and \$1.6 million decline in estimated fair value of the Company's investment in NCM Common Units, partially offset by interest income of \$(2.8) million.

Investment expense (income) during the nine months ended September 30, 2023 includes deterioration in estimated fair value of the Company's investment in common shares of Hycroft of \$5.4 million, deterioration in estimated fair value of the Company's investment in warrants to purchase common shares of Hycroft of \$5.4 million, \$1.8 million of expense for NCM Common Units, \$(15.5) million gain on the sale of the Company's investment in Saudi Cinema Company, LLC and interest income of \$(8.5) million. During the nine months ended September 30, 2022, investment expense (income) included deterioration in estimated fair value of the Company's investment in common shares of Hycroft of \$10.8 million, \$11.1 million decline in estimated fair value of the Company's investment in NCM Common Units, partially offset by appreciation in estimated fair value of the Company's investment to purchase common shares of Hycroft of \$(7.4) million and interest income of \$(3.3) million.

- (5) Other expense (income) during the three months ended September 30, 2023 includes a non-cash litigation adjustment of \$(16.1) million, income related to foreign currency transaction losses of \$12.8 million and gains on debt extinguishment of \$(10.8) million. During the three months ended September 30, 2022, other expense (income) included foreign currency transaction losses of \$6.3 million.

Other expense (income) during the nine months ended September 30, 2023 includes a non-cash litigation charge of \$99.3 million, partially offset by gains on debt extinguishment of \$(97.5) million and foreign currency transaction gains of \$(3.2) million. During the nine months ended September 30, 2022, other expense (income) included loss on debt extinguishment of \$96.4 million and foreign currency transaction losses of \$14.7 million.

- (6) Reflects amortization expense for certain intangible assets reclassified from depreciation and amortization to rent expense due to the adoption of ASC 842, Leases and deferred rent benefit related to the impairment of right-of-use operating lease assets.

- (7) Merger, acquisition and other costs are excluded as they are non-operating in nature.

- (8) Non-cash or non-recurring expense included in general and administrative: other.

NOTE 11—COMMITMENTS AND CONTINGENCIES

The Company, in the normal course of business, is a party to various ordinary course claims from vendors (including food and beverage suppliers and film distributors), landlords, competitors, and other legal proceedings. If management believes that a loss arising from these actions is probable and can reasonably be estimated, the Company records the amount of the loss or the minimum estimated liability when the loss is estimated using a range and no point is more probable than another. As additional information becomes available, any potential liability related to these actions is assessed and the estimates are revised, if necessary. Management believes that the ultimate outcome of such matters discussed below, individually and in the aggregate, will not have a material adverse effect on the Company's financial position or overall trends in results of operations. However, litigation and claims are subject to inherent uncertainties and unfavorable outcomes can occur. An unfavorable outcome might include monetary damages. If an unfavorable outcome were to occur, there exists the possibility of a material adverse impact on the results of operations in the period in which the outcome occurs or in future periods.

On January 12, 2018 and January 19, 2018, two putative federal securities class actions, captioned *Hawaii Structural Ironworkers Pension Trust Fund v. AMC Entertainment Holdings, Inc., et al.*, Case No. 1:18-cv-00299-AJN (the "Hawaii Action"), and *Nichols v. AMC Entertainment Holdings, Inc., et al.*, Case No. 1:18-cv-00510-AJN (the "Nichols Action," and together with the Hawaii Action, the "Actions"), respectively, were filed against the Company in the U.S. District Court for the Southern District of New York. The Actions, which named certain of the Company's officers and directors and, in the case of the Hawaii Action, the underwriters of the Company's February 8, 2017 secondary public offering, as defendants, asserted claims under Sections 11, 12(a)(2) and 15 of the Securities Act and Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 (the "Exchange Act") with respect to alleged material misstatements and omissions in the registration statement for the secondary public offering and in certain other public disclosures. On May 30, 2018, the court consolidated the Actions. On January 22, 2019, defendants moved to dismiss the Second Amended Class Action Complaint. On September 23, 2019, the court granted the motion to dismiss in part and denied it in part. On March 2, 2020, plaintiffs moved to certify the purported class. On March 30, 2021, the court granted the motion to certify the class. On September 2, 2021, the parties reached an agreement in principle to resolve the Actions for \$18.0 million. The Company agreed to the settlement and the payment of the settlement amount to eliminate the distraction, burden, expense, and uncertainty of further litigation. The Company and the other defendants continue to expressly deny any liability or wrongdoing with respect to the matters alleged in the Actions. On November 1, 2021, the parties to the Actions signed a stipulation of settlement, which memorialized the terms of the agreement in principle, and which the plaintiffs filed with the court. Also on November 1, 2021, plaintiffs filed a motion to preliminarily approve the settlement. On November 8, 2021, the court preliminarily approved the settlement, approved the form of notice to be disseminated to class members, and scheduled a final fairness hearing on the settlement for February 10, 2022. On February 14, 2022, the court issued a final judgment approving the settlement and dismissing the action.

On May 21, 2018, a stockholder derivative complaint, captioned *Gantulga v. Aron, et al.*, Case No. 2:18-cv-02262-JAR-TJJ (the "Gantulga Action"), was filed against certain of the Company's officers and directors in the U.S. District Court for the District of Kansas. The Gantulga Action, which was filed on behalf of the Company, asserts claims under Section 14(a) of the Exchange Act and for breaches of fiduciary duty and unjust enrichment based on allegations substantially similar to the Actions. On October 12, 2018, the parties filed a joint motion to transfer the action to the U.S. District Court for the Southern District of New York, which the court granted on October 15, 2018. When the action was transferred to the Southern District of New York, it was re-captioned *Gantulga v. Aron, et al.*, Case No. 1:18-cv-10007-AJN. The parties filed a joint stipulation to stay the action, which the court granted on December 17, 2018. The stay was lifted as of February 9, 2022.

On October 2, 2019, a stockholder derivative complaint, captioned *Kenna v. Aron, et al.*, Case No. 1:19-cv-09148-AJN (the "Kenna Action"), was filed in the U.S. District Court for the Southern District of New York. The parties filed a joint stipulation to stay the action, which the court granted on October 17, 2019. On April 20, 2020, the plaintiff filed an amended complaint. The Kenna Action asserts claims under Sections 10(b), 14(a), and 21D of the Exchange Act and for breaches of fiduciary duty and unjust enrichment based on allegations substantially similar to the Actions and the Gantulga Action. The stay was lifted as of February 9, 2022.

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On March 20, 2020, a stockholder derivative complaint, captioned *Manuel v. Aron, et al.*, Case No. 1:20-cv-02456-AJN (the “Manuel Action”), was filed in the U.S. District Court for the Southern District of New York. The Manuel Action asserts claims under Sections 10(b), 21D, and 29(b) of the Exchange Act and for breaches of fiduciary duty based on allegations substantially similar to the Actions, the Gantulga Action, and the Kenna Action. The parties filed a joint stipulation to stay the action, which the court granted on May 18, 2020.

On April 7, 2020, a stockholder derivative complaint, captioned *Dinkevich v. Aron, et al.*, Case No. 1:20-cv-02870-AJN (the “Dinkevich Action”), was filed in the U.S. District Court for the Southern District of New York. The Dinkevich Action asserts the same claims as the Manuel Action based on allegations substantially similar to the Actions, the Gantulga Action, the Kenna Action, and the Manuel Action. The parties filed a joint stipulation to stay the action, which was granted on June 25, 2020. On January 11, 2022, the court lifted the stay.

On September 23, 2021, a stockholder derivative complaint, captioned *Lyon v. Aron, et al.*, Case No. 1:21-cv-07940-AJN (the “Lyon Action”), was filed in the U.S. District Court for the Southern District of New York against certain of the Company’s current and former officers and directors. The Lyon Action asserts claims for contribution and indemnification under the Exchange Act and for breaches of fiduciary duty, waste of corporate assets, and unjust enrichment/constructive trust based on allegations substantially similar to the Actions, the Gantulga Action, the Kenna Action, the Manuel Action, and the Dinkevich Action. On January 14, 2022, defendants moved to dismiss the complaint. On March 21, 2023, the court granted defendants’ motion to dismiss.

On June 14, 2023, the parties to the Gantulga, Kenna, Manuel, Dinkevich, and Lyon Actions signed a stipulation of settlement, which subject to the approval of the court, will resolve those actions. As consideration for the proposed settlement, the Company agreed to certain corporate governance reforms. The Company also agreed to the payment of a \$1.0 million fee and expense award to the plaintiffs’ attorneys to be paid by the Company’s director’s and officer’s insurance carriers. Defendants agreed to the settlement solely to eliminate the burden, expense, and uncertainties inherent in further litigation. Defendants have denied, and continue to deny, all allegations of wrongdoing, fault, liability, or damages with respect to the matters alleged in the Gantulga, Kenna, Manuel, Dinkevich, and Lyon Actions. On June 23, 2023, plaintiffs filed a motion to preliminarily approve the settlement. On October 6, 2023, the Court preliminarily approved the proposed settlement as being fair, reasonable, and adequate, and scheduled a telephonic hearing for December 18, 2023 at 11:00 a.m. eastern time, to, among other things, consider whether to approve the proposed settlement.

On December 31, 2019, the Company received a stockholder litigation demand, requesting that the Board investigate the allegations in the Actions and pursue claims on the Company’s behalf based on those allegations. On May 5, 2020, the Board determined not to pursue the claims sought in the demand at that time.

On July 15, 2020, the Company received a second stockholder litigation demand requesting substantially the same action as the stockholder demand it received on December 31, 2019. On September 23, 2020, the Board determined not to pursue the claims sought in the demand at that time.

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On April 22, 2019, a putative stockholder class and derivative complaint, captioned *Lao v. Dalian Wanda Group Co., Ltd.*, et al., C.A. No. 2019-0303-JRS (the “Lao Action”), was filed against certain of the Company’s directors, Wanda, two of Wanda’s affiliates, Silver Lake, and one of Silver Lake’s affiliates in the Delaware Court of Chancery. The Lao Action asserted claims directly, on behalf of a putative class of Company stockholders, and derivatively, on behalf of the Company, for breaches of fiduciary duty and aiding and abetting breaches of fiduciary duty with respect to transactions that the Company entered into with affiliates of Wanda and Silver Lake on September 14, 2018, and the special cash dividend of \$1.55 per share of common stock that was payable on September 28, 2018 to the Company’s stockholders of record as of September 25, 2018. On July 18, 2019, the Company’s Board of Directors formed a Special Litigation Committee to investigate and evaluate the claims and allegations asserted in the Lao Action and make a determination as to how the Company should proceed with respect to the Lao Action. On January 8, 2021, the Special Litigation Committee filed a report with the court recommending that the court dismiss all of the claims asserted in the Lao Action, and moved to dismiss all of the claims in the Lao Action. On June 6, 2022, the parties signed a stipulation of settlement to resolve the Lao Action for \$17.4 million (the “Settlement Amount”). Defendants agreed to the settlement and the payment of the Settlement Amount solely to eliminate the burden, expense, and uncertainty of further litigation, and continue to expressly deny any liability or wrongdoing with respect to the matters alleged in the Lao Action. On September 28, 2022, the court held a hearing to consider whether to approve the proposed settlement. At the hearing, the court requested a supplemental notice to stockholders prior to approval. A second hearing regarding approval of the settlement was held on November 30, 2022. Following the hearing, also on November 30, 2022, the court issued an order and final judgment approving the settlement and dismissing the action. The order and final judgment included a fee and expense award to Plaintiff’s counsel in the amount of \$3.4 million to be paid out of the Settlement Amount. On January 6, 2023, the remainder of the Settlement Amount of \$14.0 million was paid to the Company. The Company recorded the settlement as a gain in other income once all contingencies were resolved during the nine months ended September 30, 2023.

On December 27, 2022, the Company received a letter from a purported stockholder, demanding to inspect certain of the Company’s books and records pursuant to 8 *Del. C.* § 220 in order to investigate allegations concerning: (i) the proposal that was approved by the Board on January 27, 2021 to amend the Company’s Certificate of Incorporation to increase the total number of shares of the Company’s Common Stock; (ii) the Company’s creation, distribution, and/or sale of AMC Preferred Equity Units (APEs); (iii) the Antara Transactions; (iv) the special meeting of the holders of the Company’s Common Stock and APEs held March 14, 2023 for the purpose of voting on amendments to the Company’s Certificate of Incorporation that, together, would enable APEs to convert into shares of the Company’s Common Stock; and (v) the independence of the members of the Board (the “December 27, 2022 Demand”). On January 4, 2023, the Company rejected the December 27, 2022 Demand. On February 7, 2023, without conceding the propriety of the December 27, 2022 Demand in any respect and while reserving all rights, the Company, in an effort to avoid unnecessary litigation, allowed the stockholder who made the December 27, 2022 Demand to inspect certain of the Company’s books and records concerning the subject matter of December 27, 2022 Demand.

On February 6, 2023, the Company received a letter from another purported stockholder, demanding to inspect certain of the Company’s books and records pursuant to 8 *Del. C.* § 220 in order to investigate allegations similar to those made in the December 27, 2022 Demand (the “February 6, 2023 Demand” and, together with the December 27, 2022 Demand, the “Books and Records Demands”). On February 13, 2023, the Company rejected the February 6, 2023 Demand. Also, on February 13, 2023, without conceding the propriety of the February 6, 2023 Demand in any respect and while reserving all rights, the Company, in an effort to avoid unnecessary litigation, allowed the stockholder who made the February 6, 2023 Demand to inspect the same books and records that it allowed the stockholder who made the December 27, 2022 Demand to inspect.

On February 20, 2023, two putative stockholder class actions were filed in the Delaware Court of Chancery, captioned *Allegheny County Employees’ Retirement System v. AMC Entertainment Holdings, Inc., et al.*, C.A. No. 2023-0215-MTZ (Del. Ch.) (the “Allegheny Action”), and *Munoz v. Adam M. Aron, et al.*, C.A. No. 2023-0216-MTZ (Del. Ch.) (the “Munoz Action”) and which have been subsequently consolidated into *In re AMC Entertainment Holdings, Inc. Stockholder Litigation* C.A. No. 2023-0215-MTZ (Del. Ch.) (the “Shareholder Litigation”). The *Allegheny* Action asserted a claim for breach of fiduciary duty against certain of the Company’s directors and a claim for breach of 8 *Del. C.* § 242 against those directors and the Company, arising out of the Company’s creation of the APEs, the Antara Transactions, and the Charter Amendments. The *Munoz* Action, which was filed by the stockholders who made the Books and Records Demands, asserted a claim for breach of fiduciary duty against the Company’s current directors and former director Lee Wittlinger, arising out of the same conduct challenged in the *Allegheny* Action. The *Allegheny* Action sought a declaration that the issuance of the APEs violated 8 *Del. C.* § 242(b), an order that holders of the Company’s Common Stock be provided with a separate vote from the holders of the APEs on the Charter Amendments.

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or that the APEs be enjoined from voting on the Charter Amendments, and an award of money damages. The *Munoz* Action sought to enjoin the APEs from voting on the Charter Amendments.

On February 27, 2023, the Delaware Court of Chancery entered a status quo order that (i) allowed the March 14, 2023 vote on the Charter Amendments to proceed, but precluded the Company from implementing the Charter Amendments pending a ruling by the court on the plaintiffs' then-anticipated preliminary injunction motion, and (ii) scheduled a hearing on the plaintiffs' then-anticipated preliminary injunction motion for April 27, 2023 (the "Status Quo Order").

On April 2, 2023, the parties entered into a binding settlement term sheet to settle the Shareholder Litigation, which among other things, provided that the parties would jointly request that the Status Quo Order be lifted. Pursuant to the term sheet, the Company agreed to make a non-cash settlement payment to record holders of Common Stock as of the time (the "Settlement Class Time") at which the Reverse Stock Split would be effective (and after giving effect to the Reverse Stock Split) of one share of Common Stock for every 7.5 shares of Common Stock owned by such record holders. The Company's obligation to make the Settlement Payment was contingent on the Status Quo Order being lifted and the Company effecting the Charter Amendments. The defendants agreed to the settlement and the payment of the Settlement Payment solely to eliminate the burden, expense, and uncertainty of further litigation, and continue to expressly deny any liability or wrongdoing with respect to the matters alleged in the Shareholder Litigation. On April 3, 2023, the plaintiffs filed an unopposed motion to lift the Status Quo Order.

On April 5, 2023, the court denied the motion to lift the Status Quo Order.

On April 27, 2023, the parties jointly filed a Stipulation and Agreement of Compromise, Settlement, and Release (the "Settlement Stipulation") with the court, which fully memorialized the settlement that the parties agreed to in the term sheet. On June 29–30, 2023, the court held a settlement hearing to consider whether to approve the settlement as outlined in the Settlement Stipulation.

On July 21, 2023, the court issued an opinion which, citing issues with the scope of the release sought under the proposed settlement, declined to approve the settlement as presented. On July 22, 2023, the parties filed an addendum to the Settlement Stipulation in an effort to address the issues with the scope of the release raised by the court and requested that the court approve the settlement with the revised release set forth in the addendum. On July 24, 2023, the court responded to the parties' July 22, 2023 filings requesting additional submissions in relation to the proposed settlement. The Company provided the additional requested submissions to the court on July 26, 2023.

On August 11, 2023, the court approved the settlement of the Shareholder Litigation and lifted the Status Quo Order. On August 14, 2023, the Company filed the amendment to its Third Amended and Restated Certificate of Incorporation, which was previously approved by the Company's stockholders at the special meeting held on March 14, 2023 to implement the Charter Amendments effective as of August 24, 2023. The Reverse Stock Split occurred on August 24, 2023, the conversion of APEs into Common Stock occurred on August 25, 2023, and the Settlement Payment was made on August 28, 2023. On September 15, 2023, the Court entered an order dismissing the Shareholder Litigation in its entirety and with prejudice. On October 13, 2023, a purported Company stockholder who objected to the settlement of the Shareholder Litigation filed a notice of appeal to the settlement.

In connection with the Settlement Payment, the Company recorded a \$110.1 million charge to other expense during the nine months ended September 30, 2023. The charge was based on the estimated fair value of \$99.3 million for the Settlement Payment and \$10.8 million of legal fees, net of probable insurance recoveries. The Company made the Settlement Payment on August 28, 2023, and recorded the disbursement to stockholders' equity. The legal fee liabilities are included in accrued expenses and other liabilities or accounts payable within the condensed consolidated balance sheets.

On August 14, 2023, a putative class action on behalf of APE holders, captioned *Simons v. AMC Entertainment Holdings, Inc.*, C.A. No. 2023-0835-MTZ (the "Simons Action"), was filed against the Company in the Delaware Court of Chancery. The Simons Action asserts claims for a declaratory judgment, injunctive relief, and breach of contract, and alleges that the Settlement Payment in the Shareholder Litigation violates the Certificate of Designations that govern the APEs prior to the conversion of the APEs into Common Stock. On September 12, 2023, the Company filed a motion to dismiss the Complaint.

On May 4, 2023, the Company filed a lawsuit in the Superior Court of the State of Delaware against seventeen insurers participating in its directors & officers insurance program, seeking recovery for losses incurred in connection with its defense and settlement of the Shareholder Litigation, including the Settlement Payment. The insurance recovery action is captioned, *AMC Entertainment Holdings, Inc. v. XL Specialty Insurance Co., et al.*, Case No. N23C-05-045 AML CCLD (Del. Super. May 4, 2023) (the “Coverage Action”). In the suit, AMC seeks to collect coverage under its Executive and Corporate Securities Liability Insurance Policies sold by the defendants, which provide coverage for the policy period of January 1, 2022, through January 1, 2023 (the “Policies”) in excess of a \$10 million deductible. The primary insurer in the Coverage Action has paid its full \$5 million limit to reimburse the Company for its payment of the class counsel fee award. The remainder of the insurers contest whether they owe coverage for the Settlement Payment, claiming it does not constitute a “Loss” under their insurance policies. AMC may have claims for coverage from additional insurers as well, however, those insurers’ policies contain mandatory arbitration provisions, so they have not been included in the Coverage Action.

On October 6, 2023, an action captioned *Matthew, et al. v. Citigroup Global Markets, et al.*, Case No. 1:23-cv-12302-FDS (the “Matthew Action”), was filed in the U.S. District Court for the District of Massachusetts. The Matthew Action names the Company as a nominal defendant, but does not seek any relief on behalf of the Company.

NOTE 12—EARNINGS (LOSS) PER SHARE

On August 4, 2022, the Company announced that its Board of Directors declared a special dividend of one AMC Preferred Equity Unit for each share of Common Stock outstanding at the close of business on August 15, 2022, the record date. The dividend was paid at the close of business on August 19, 2022 to investors who held Common Stock as of August 22, 2022, the ex-dividend date. Due to the characteristics of the AMC Preferred Equity Units, the special dividend had the effect of a stock split pursuant to ASC 505-20-25-4.

On August 24, 2023, the Company effectuated a reverse stock split at a ratio of one share of Common Stock for every ten shares of Common Stock. As a result of the reverse stock split, each share of Series A Convertible Participating Preferred Stock became convertible into ten shares of Common Stock, and by extension each AMC Preferred Equity Unit became equivalent to one-tenth (1/10th) of a share of Common Stock. The reverse stock split did not impact the number of AMC Preferred Equity Units outstanding. The Company concluded that this change in conversion ratio is analogous to a reverse stock split of the AMC Preferred Equity Units even though the reverse stock split did not have an effect on the number of AMC Preferred Equity Units outstanding.

Accordingly, all references made to share, per share, unit, per unit, or common share amounts in the accompanying consolidated financial statements and applicable disclosures have been retroactively adjusted to reflect both the effects of the special dividend as a stock split and the subsequent reverse stock split. References made to AMC Preferred Equity Units have been retroactively adjusted to reflect the effect of the reverse stock split on their equivalent Common Stock shares.

Basic earnings (loss) per share is computed by dividing net earnings (loss) by the weighted-average number of common shares outstanding. Diluted earnings (loss) per share includes the effects of unvested RSUs with a service condition only and unvested contingently issuable PSUs that have service and performance conditions, if dilutive.

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The following table sets forth the computation of basic and diluted earnings (loss) per common share:

(In millions)	Three Months Ended		Nine Months Ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Numerator:				
Net earnings (loss) for basic earnings (loss) per share	\$ 12.3	\$ (226.9)	\$ (214.6)	\$ (685.9)
Net earnings (loss) for diluted earnings (loss) per share	\$ 12.3	\$ (226.9)	\$ (214.6)	\$ (685.9)
Denominator (shares in thousands):				
Weighted average shares for basic earnings (loss) per common share	162,424	103,369	150,465	103,306
Common equivalent shares for RSUs and PSUs	183	—	—	—
Weighted average shares for diluted earnings (loss) per common share	162,607	103,369	150,465	103,306
Basic earnings (loss) per common share	\$ 0.08	\$ (2.20)	\$ (1.43)	\$ (6.64)
Diluted earnings (loss) per common share	\$ 0.08	\$ (2.20)	\$ (1.43)	\$ (6.64)

Vested RSUs and PSUs have dividend rights identical to the Company's Common Stock and are treated as outstanding shares for purposes of computing basic and diluted earnings per share.

Unvested RSUs of 467,353 and 548,419 for the three and nine months ended September 30, 2023, respectively were not included in the computation of diluted earnings (loss) per share because they would be anti-dilutive. Unvested RSUs of 542,815 for the three and nine months ended September 30, 2022 were not included in the computation of diluted loss per share because they would be anti-dilutive.

Unvested PSUs are subject to performance conditions and are included in diluted earnings per share, if dilutive, based on the number of shares, if any, that would be issuable under the terms of the Company's 2013 Equity Incentive Plan if the end of the reporting period were the end of the contingency period. Unvested PSUs of 192,052 and 294,251 for the three and nine months ended September 30, 2023, respectively were not included in the computation of diluted earnings (loss) per share because they would not be issuable if the end of the reporting period were the end of the contingency period or they would be anti-dilutive. Unvested PSUs of 283,809 at certain performance targets for the three and nine months ended September 30, 2022, were not included in the computation of diluted loss per share because they would not be issuable if the end of the reporting period were the end of the contingency period or they would be anti-dilutive.

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

Forward-Looking Statements

In addition to historical information, this Quarterly Report on Form 10-Q contains "forward-looking statements" within the meaning of the "safe harbor" provisions of the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by the use of words such as "may," "will," "forecast," "estimate," "project," "intend," "plan," "expect," "should," "believe" and other similar expressions that predict or indicate future events or trends or that are not statements of historical matters. These forward-looking statements are based only on our current beliefs, expectations and assumptions regarding the future of our business, future plans and strategies, projections, anticipated events and trends, the economy and other future conditions and speak only as of the date on which it is made. Examples of forward-looking statements include statements we make regarding the impact of COVID-19, future attendance levels and our liquidity. These forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors, including those discussed in "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations," which may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. These risks and uncertainties include, but are not limited to, the following:

- the risks and uncertainties relating to the sufficiency of our existing cash and cash equivalents and

available borrowing capacity to comply with the minimum liquidity requirement under our debt covenants related to borrowings pursuant to the Senior Secured Revolving Credit Facility (as defined in Note 6—Corporate Borrowings and Finance Lease Liabilities in the Notes to the Condensed Consolidated Financial Statements under Part I, Item 1 thereof), fund operations, and satisfy obligations including cash outflows for deferred rent and planned capital expenditures currently and through the next twelve months. In order to achieve net positive operating cash flows and long-term profitability, operating revenues will need to increase from current levels to levels in line with pre-COVID-19 operating revenues. However, there remain significant risks that may negatively impact operating revenues and attendance levels, including changes to movie studios release schedules and direct to streaming or other changing movie studio practices. If we are unable to achieve increased levels of attendance and operating revenues, we may be required to obtain additional liquidity. If such additional liquidity is not obtained or insufficient, we likely would seek an in-court or out-of-court restructuring of our liabilities, and in the event of such future liquidation or bankruptcy proceeding, holders of our Common Stock and other securities would likely suffer a total loss of their investment;

- the impact of COVID-19 upon the operations of the exhibition industry; the practices of distributors; and the changing movie-going behavior of consumers;
- increased use of alternative film delivery methods including premium video on demand, streaming platforms, or other forms of entertainment;
- the risk that the North American and international box office in the near term will not recover sufficiently, resulting in higher cash burn and the need to seek additional financing;
- risks and uncertainties relating to our significant indebtedness, including our borrowings and our ability to meet our financial maintenance and other covenants;
- risks relating to motion picture production, promotion, marketing, and performance, including labor stoppages affecting the production, supply and release schedule of theatrical motion picture content, including but not limited to the Writers Guild of America strike that began on May 2, 2023 and ended on September 27, 2023 and the Screen Actors Guild – American Federation of Television and Radio Artists strike that began on July 14, 2023, which remains ongoing and the duration of which cannot be reasonably predicted;
- shrinking exclusive theatrical release windows or release of movies to theatrical exhibition and streaming platforms on the same date, and the theatrical release of fewer movies;
- the seasonality of our revenue and working capital, which are dependent upon the timing of motion picture releases by distributors, such releases being seasonal and resulting in higher attendance and revenues generally during the summer months and holiday seasons;
- intense competition in the geographic areas in which we operate among exhibitors, streaming platforms, or from other forms of entertainment;
- certain covenants in the agreements that govern our indebtedness may limit our ability to take advantage of certain business opportunities and limit or restrict our ability to pay dividends, pre-pay debt, and also to refinance debt and to do so at favorable terms;
- risks relating to impairment losses, including with respect to goodwill and other intangibles, and theatre and other closure charges;
- general and international economic, political, regulatory, social and financial market conditions, including potential economic recession, inflation, the financial stability of the banking industry, and other risks that may negatively impact discretionary income and our operating revenues and attendance levels;
- our lack of control over distributors of films;

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- limitations on the availability of capital or poor financial results may prevent us from deploying strategic initiatives;
- an issuance of preferred stock could dilute the voting power of the common stockholders and adversely affect the market value of our outstanding Common Stock;
- limitations on the authorized number of Common Stock shares could in the future prevent us from raising additional capital through Common Stock;
- our ability to achieve expected synergies, benefits and performance from our strategic initiatives;
- our ability to refinance our indebtedness on terms favorable to us or at all;
- our ability to optimize our theatre circuit through new construction, the transformation of our existing theatres, and strategically closing underperforming theatres may be subject to delay and unanticipated costs;
- failures, unavailability or security breaches of our information systems;
- our ability to utilize interest expense deductions will be limited annually due to Section 163(j) of the Internal Revenue Code as amended by the Tax Cuts and Jobs Act of 2017;
- our ability to recognize interest deduction carryforwards, net operating loss carryforwards and other tax attributes to reduce our future tax liability;
- our ability to recognize certain international deferred tax assets which currently do not have a valuation allowance recorded;
- review by antitrust authorities in connection with acquisition opportunities;
- risks relating to the incurrence of legal liability, including costs associated with the ongoing securities class action lawsuits;
- dependence on key personnel for current and future performance and our ability to attract and retain senior executives and other key personnel, including in connection with any future acquisitions;
- increased costs in order to comply or resulting from a failure to comply with governmental regulation, including the General Data Protection Regulation (“GDPR”) and all other current and pending privacy and data regulations in the jurisdictions where we have operations;
- supply chain disruptions may negatively impact our operating results;
- the availability and/or cost of energy, particularly in Europe;
- the dilution caused by recent and potential future sales of our Common Stock, including the AMC Preferred Equity Unit Conversion;
- the market price and trading volume of our shares of Common Stock has been and may continue to be volatile, and purchasers of our securities could incur substantial losses;
- future offerings of debt, which would be senior to our Common Stock for purposes of distributions or upon liquidation, could adversely affect the market price of our Common Stock;
- the potential for political, social, or economic unrest, terrorism, hostilities, cyber-attacks or war, including the conflict between Russia and Ukraine and that Sweden and Finland (countries where we operate

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approximately 100 theatres) have either signed or completed accession protocols. Their accession could cause a deterioration in the relationship each country has with Russia;

- the potential impact of financial and economic sanctions on the regional and global economy, or widespread health emergencies, such as COVID-19 or other pandemics or epidemics, causing people to avoid our theatres or other public places where large crowds are in attendance;
- anti-takeover protections in our amended and restated certificate of incorporation and our amended and restated bylaws may discourage or prevent a takeover of our Company, even if an acquisition would be beneficial to our stockholders; and
- other risks referenced from time to time in filings with the SEC.

This list of factors that may affect future performance and the accuracy of forward-looking statements is illustrative but not exhaustive. In addition, new risks and uncertainties may arise from time to time. Accordingly, all forward-looking statements should be evaluated with an understanding of their inherent uncertainty and we caution accordingly against relying on forward-looking statements.

Readers are urged to consider these factors carefully in evaluating the forward-looking statements. For further information about these and other risks and uncertainties as well as strategic initiatives, see Item 1A. “Risk Factors” of this Form 10-Q, Item 1. “Business” in our Annual Report on Form 10-K for the year ended December 31, 2022, and our other public filings.

All subsequent written and oral forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by these cautionary statements. The forward-looking statements included herein are made only as of the date of this Quarterly Report on Form 10-Q, and we do not undertake any obligation to release publicly any revisions to such forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

Overview

AMC is the world’s largest theatrical exhibition company and an industry leader in innovation and operational excellence. We operate theatres in 11 countries throughout the U.S. and Europe.

Our theatrical exhibition revenues are generated primarily from box office admissions and theatre food and beverage sales. Our remaining revenues are generated from ancillary sources, including on-screen advertising, fees earned from our AMC Stubs® customer loyalty program, rental of theatre auditoriums, income from gift card and exchange ticket sales, and online ticketing fees. As of September 30, 2023, we owned, operated or had interests in 904 theatres and 10,078 screens.

Box Office Admissions and Film Content

Box office admissions are our largest source of revenue. We predominantly license theatrical films from distributors owned by major film production companies and from independent distributors on a film-by-film and theatre-by-theatre basis. Film exhibition costs are based on a share of admissions revenues and are accrued based on estimates of the final settlement pursuant to our film licenses. These licenses typically state that rental fees are based on the box office performance of each film, though in certain circumstances and less frequently, our rental fees are based on a mutually agreed settlement rate that is fixed. In some European territories, film rental fees are established on a weekly basis and some licenses use a per capita agreement instead of a revenue share, paying a flat amount per ticket.

Our revenues attributable to individual distributors may vary significantly from year to year depending upon the commercial success of each distributor’s films in any given year. Our results of operations may vary significantly from quarter to quarter and from year to year based on the timing and popularity of film releases.

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Movie Screens

The following table provides detail with respect to digital delivery, 3D enabled projection, large screen formats, such as IMAX® and our proprietary Dolby Cinema™, other Premium Large Format (“PLF”) screens, enhanced food and beverage offerings and our premium seating as deployed throughout our circuit:

Format	U.S. Markets		International Markets	
	Number of Screens	Number of Screens	Number of Screens	Number of Screens
	As of September 30, 2023	As of September 30, 2022	As of September 30, 2023	As of September 30, 2022
IMAX®	184	186	33	36
Dolby Cinema™	158	155	7	9
Other Premium Large Format (“PLF”)	57	56	78	80
Dine-In theatres	675	727	13	13
Premium seating	3,574	3,482	540	598

Seating Concepts and Amenities

	U.S. Markets		International Markets		Consolidated	
	Nine Months Ended		Nine Months Ended		Nine Months Ended	
	September 30,		September 30,		September 30,	
	2023	2022	2023	2022	2023	2022
Recliner screens operated	3,574	3,482	540	598	4,114	4,080
Recliner theatres operated	361	360	80	93	441	453
Dine-In screens operated	675	727	13	13	688	740
Dine-In theatres operated	49	51	3	3	52	54
Number of theatres offering alcohol	380	351	231	238	611	589

Loyalty Programs and Other Marketing

As of September 30, 2023, we had more than 31 million member households enrolled in AMC Stubs® A-List, AMC Stubs Premiere™ and AMC Stubs Insider™ programs, combined. During the nine months ended September 30, 2023 our AMC Stubs® members represented approximately 45.9% of AMC U.S. markets attendance.

We currently have approximately 16 million members in our various International loyalty programs.

See “Item 1. Business” in our 2022 Annual Report on Form 10-K for additional discussion and information of our screens, seating concepts, amenities, loyalty programs and other marketing initiatives.

Holders of Shares

As of September 30, 2023, approximately 1.6 million shares of our Common Stock were directly registered with our transfer agent by 15,130 stockholders. The balance of our outstanding Common Stock was held in “street name” through bank or brokerage accounts.

Critical Accounting Estimates

For a discussion of our critical accounting policies and the means by which we develop estimates therefore, see “Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations” in our 2022 Annual Report on Form 10-K. Other than as discussed above, there have been no material changes from critical accounting estimates described in our Form 10-K.

Significant Events

Saudi Cinema Company. On December 30, 2022, we entered into an agreement to sell our 10.0% investment in Saudi Cinema Company, LLC for SAR 112.5 million (\$30.0 million), subject to certain closing conditions. On January 24, 2023, the Saudi Ministry of Commerce recorded a sale of equity and we received the proceeds on January 25, 2023. We recorded a gain on the sale of \$15.5 million in investment income during the nine months ended September 30, 2023.

Debt Repurchases. The below table summarizes the cash debt repurchase transactions during the nine months ended September 30, 2023, including related party transactions with Antara, which was a related party from February 7, 2023 to August 25, 2023:

(In millions)	Aggregate Principal Repurchased	Reacquisition Cost	Gain on Extinguishment	Accrued Interest Paid
Related party transactions:				
Second Lien Notes due 2026	\$ 75.9	\$ 48.5	\$ 40.9	\$ 1.1
5.875% Senior Subordinated Notes due 2026	4.1	1.7	2.3	0.1
Total related party transactions	80.0	50.2	43.2	1.2
Non-related party transactions:				
Second Lien Notes due 2026	89.7	51.3	54.3	2.2
Total non-related party transactions	89.7	51.3	54.3	2.2
Total debt repurchases	<u>\$ 169.7</u>	<u>\$ 101.5</u>	<u>\$ 97.5</u>	<u>\$ 3.4</u>

Additional Share Issuances Antara. On December 22, 2022, we entered into the Forward Purchase Agreement with Antara pursuant to which we agreed to (i) sell to Antara 10,659,511 AMC Preferred Equity Units for an aggregate purchase price of \$75.1 million and (ii) simultaneously purchase from Antara \$100.0 million aggregate principal amount of the Company's 10%/12% Cash/PIK Toggle Second Lien Notes due 2026 in exchange for 9,102,619 AMC Preferred Equity Units. On February 7, 2023, we issued 19,762,130 AMC Preferred Equity Units to Antara in exchange for \$75.1 million in cash and \$100.0 million aggregate principal amount of our 10%/12% Cash/PIK Toggle Second Lien Notes due 2026. We recorded \$193.7 million to stockholders' deficit as a result of the transaction. We paid \$1.4 million of accrued interest in cash upon exchange of the notes.

Equity Distribution Agreement. During the nine months ended September 30, 2023, we raised gross proceeds of approximately \$114.5 million and paid fees to the Sales Agent and incurred other third-party issuance costs of approximately \$2.9 million and \$8.7 million, respectively, through our Preferred Equity Offering of approximately 7.1 million shares of our AMC Preferred Equity Units. We paid \$11.5 million of other third-party issuance costs during the nine months ended September 30, 2023. We no longer have any authorized AMC Preferred Equity Units available for issuance under the Preferred Equity Units Equity Distribution Agreement. Furthermore, the AMC Preferred Equity Units ceased trading on the NYSE on August 24, 2023 and were converted to Common Shares on August 25, 2023.

Special Awards. On February 23, 2023, AMC's Board of Directors approved special awards in lieu of vesting of the 2022 PSU awards. The special awards were accounted for as a modification to the 2022 PSU awards which lowered the Adjusted EBITDA and free cash flow performance targets such that 200% vesting was achieved for both tranches. This modification resulted in the immediate additional vesting of 238,959 Common Stock 2022 PSUs and 238,959 AMC Preferred Equity Unit 2022 PSUs. This was treated as a Type 3 modification (improbable-to-probable) which requires us to recognize additional stock compensation expense based on the modification date fair values of the Common Stock PSUs and AMC Preferred Equity Units PSUs of \$14.9 million and \$5.3 million, respectively. During the nine months ended September 30, 2023, we recognized \$20.2 million of additional stock compensation expense related to these awards.

NCM Bankruptcy. On April 11, 2023, National CineMedia, LLC filed a petition under Chapter 11 of the U.S. Bankruptcy Code in the Southern District of Texas. NCM is the in-theatre advertising provider for the majority of our theatres in the United States. Under the Chapter 11 Plan, NCM has assumed its agreements with us. As part of the Plan, on August 7, 2023, NCM issued 16,581,829 common units that were owed to AMC as part of the annual common unit adjustment. But under the terms of the Plan and the restructuring of the equity of NCM thereunder, the NCM Common Units were immediately cancelled upon the efficacy of the Plan. We have filed appeals with the United States District Court for the Southern District of Texas, objecting to, among other things, certain terms of the Plan, including modification of the terms of the exhibitor services agreement with other parties that were not granted to us and appeal of the court's order to approve cancellation of the NCM Common Unit issuance. We do not expect its bankruptcy to

have a material impact on the Company.

Shareholder Litigation. Two putative stockholder class actions were filed in the Delaware Chancery Court that assert a breach of fiduciary duty against certain of our directors and a claim for breach of 8 *Del. C.* § 242 against those directors and us, arising out of our creation of AMC Preferred Equity Units, the transactions between Antara and us that we announced on December 22, 2022 and the Charter Amendments.

This litigation prevented us from immediately implementing the Charter Amendments. On April 2, 2023, the parties entered into a binding settlement term sheet to settle the litigation and allow implementation of the Charter Amendments. On August 11, 2023, the Delaware Chancery Court approved the settlement and on Monday, August 21, 2023, the Delaware Supreme Court confirmed the ruling of the Chancery Court. Pursuant to the settlement term sheet, record holders of Common Stock at the close of business on August 24, 2023, after giving effect to the Reverse Stock Split, but prior to the conversion of AMC Preferred Equity Units into Common Stock, received a payment of one share of Common Stock for every 7.5 shares of Common Stock owned by the Settlement Payment Recipients. On August 28, 2023, the Company made the Settlement Payment and issued 6,897,018 shares of Common Stock. See Note 11—Commitments and Contingencies in the Notes to the Condensed Consolidated Financial Statements under Item 1 of Part I of this Form 10-Q for further information regarding the litigation and settlement.

Common Stock Equity Distribution Agreement. On September 6, 2023, we entered into a Common Stock Equity Distribution Agreement with the Common Stock Sales Agents, to sell up to 40.0 million shares of our Common Stock, from time to time, through a Common Stock Offering. Subject to terms and conditions of the Common Stock Equity Distribution Agreement, the Common Stock Sales Agents will use reasonable efforts consistent with their normal trading and sales practices, applicable law and regulations, and the rules of the NYSE to sell Common Stock from time to time based on our instructions for the sales, including any price, time or size limits specified by us. We intend to use the proceeds from the sale of Common Stock pursuant to the Common Stock Equity Distribution Agreement to repay, refinance, redeem or repurchase our existing indebtedness (including expenses, accrued interest and premium, if any) and otherwise for general corporate purposes. On September 13, 2023, we announced that we had completed our Common Stock Offering.

During the nine months ended September 30, 2023, we raised gross proceeds of approximately \$325.5 million and paid fees to the Common Stock Sales Agents and incurred other third-party issuance costs of approximately \$8.2 million and \$0.5 million, respectively, through our Common Stock Offering of 40.0 million shares of our Common Stock. We paid \$0.1 million of other third-party issuance costs during the nine months ended September 30, 2023.

Operating Results

The following table sets forth our consolidated revenues, operating costs and expenses:

(In millions)	Three Months Ended			Nine Months Ended		
	September 30, 2023	September 30, 2022	% Change	September 30, 2023	September 30, 2022	% Change
Revenues						
Admissions	\$ 797.7	\$ 545.3	46.3 %	\$ 2,075.9	\$ 1,640.1	26.6 %
Food and beverage	482.7	333.3	44.8 %	1,299.6	982.5	32.3 %
Other theatre	125.5	89.8	39.8 %	332.7	297.9	11.7 %
Total revenues	1,405.9	968.4	45.2 %	3,708.2	2,920.5	27.0 %
Operating Costs and Expenses						
Film exhibition costs	398.5	263.2	51.4 %	1,027.8	781.7	31.5 %
Food and beverage costs	90.1	58.5	54.0 %	243.2	165.7	46.8 %
Operating expense, excluding depreciation and amortization below	449.8	400.6	12.3 %	1,245.0	1,147.6	8.5 %
Rent	224.3	223.2	0.5 %	650.8	668.8	(2.7)%
General and administrative:						
Merger, acquisition and other costs	0.7	0.3	* %	1.5	0.4	* %
Other, excluding depreciation and amortization below	54.4	40.6	34.0 %	184.8	161.2	14.6 %
Depreciation and amortization	88.7	96.9	(8.5)%	279.1	293.0	(4.7)%
Operating costs and expenses	1,306.5	1,083.3	20.6 %	3,632.2	3,218.4	12.9 %
Operating income (loss)	99.4	(114.9)	* %	76.0	(297.9)	* %
Other expense:						
Other expense (income)	(12.8)	(1.0)	* %	(4.7)	91.6	* %
Interest expense:						
Corporate borrowings	93.4	85.1	9.8 %	276.1	246.6	12.0 %
Finance lease obligations	0.9	1.0	(10.0)%	2.8	3.2	(12.5)%
Non-cash NCM exhibitor service agreement	9.4	9.6	(2.1)%	28.5	28.6	(0.3)%
Equity in (earnings) loss of non-consolidated entities	(3.1)	(2.8)	10.7 %	(5.3)	3.3	* %
Investment expense (income)	(3.0)	18.3	* %	(11.4)	12.2	* %
Total other expense, net	84.8	110.2	(23.0)%	286.0	385.5	(25.8)%
Net earnings (loss) before income taxes	14.6	(225.1)	* %	(210.0)	(683.4)	(69.3)%
Income tax provision	2.3	1.8	27.8 %	4.6	2.5	84.0 %
Net earnings (loss)	\$ 12.3	\$ (226.9)	* %	\$ (214.6)	\$ (685.9)	(68.7)%

* Percentage change in excess of 100%

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	Three Months Ended		Nine Months Ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Operating Data:				
Screen additions	—	—	—	37
Screen acquisitions	8	19	15	129
Screen dispositions	33	70	381	224
Construction openings (closures), net	(17)	17	(30)	14
Average screens (1)	9,781	10,138	9,885	10,128
Number of screens operated	10,078	10,518	10,078	10,518
Number of theatres operated	904	943	904	943
Screens per theatre	11.1	11.2	11.1	11.2
Attendance (in thousands) (1)	73,576	53,177	187,565	151,381

(1) Includes consolidated theatres only and excludes screens offline due to construction.

Segment Operating Results

The following table sets forth our revenues, operating costs and expenses by reportable segment:

(In millions)	U.S. Markets		International Markets		Consolidated	
	Three Months Ended		Three Months Ended		Three Months Ended	
	September 30,		September 30,		September 30,	
	2023	2022	2023	2022	2023	2022
Revenues						
Admissions	\$ 587.5	\$ 417.6	\$ 210.2	\$ 127.7	\$ 797.7	\$ 545.3
Food and beverage	382.8	272.4	99.9	60.9	482.7	333.3
Other theatre	93.6	63.3	31.9	26.5	125.5	89.8
Total revenues	1,063.9	753.3	342.0	215.1	1,405.9	968.4
Operating Costs and Expenses						
Film exhibition costs	309.2	212.0	89.3	51.2	398.5	263.2
Food and beverage costs	65.1	43.6	25.0	14.9	90.1	58.5
Operating expense	339.5	300.4	110.3	100.2	449.8	400.6
Rent	166.4	169.1	57.9	54.1	224.3	223.2
General and administrative expense:						
Merger, acquisition and other costs	0.6	0.3	0.1	—	0.7	0.3
Other, excluding depreciation and amortization below	37.2	26.6	17.2	14.0	54.4	40.6
Depreciation and amortization	69.2	77.1	19.5	19.8	88.7	96.9
Operating costs and expenses	987.2	829.1	319.3	254.2	1,306.5	1,083.3
Operating income (loss)	76.7	(75.8)	22.7	(39.1)	99.4	(114.9)
Other expense (income):						
Other expense (income)	(25.8)	(2.0)	13.0	1.0	(12.8)	(1.0)
Interest expense:						
Corporate borrowings	78.7	67.9	14.7	17.2	93.4	85.1
Finance lease obligations	0.1	0.1	0.8	0.9	0.9	1.0
Non-cash NCM exhibitor service agreement	9.4	9.6	—	—	9.4	9.6
Equity in (earnings) loss of non-consolidated entities	(1.6)	(3.5)	(1.5)	0.7	(3.1)	(2.8)
Investment expense (income)	(2.4)	18.4	(0.6)	(0.1)	(3.0)	18.3
Total other expense, net	58.4	90.5	26.4	19.7	84.8	110.2
Net earnings (loss) before income taxes	18.3	(166.3)	(3.7)	(58.8)	14.6	(225.1)
Income tax provision	0.6	0.4	1.7	1.4	2.3	1.8
Net earnings (loss)	\$ 17.7	\$ (166.7)	\$ (5.4)	\$ (60.2)	\$ 12.3	\$ (226.9)

	U.S. Markets		International Markets		Consolidated	
	Three Months Ended		Three Months Ended		Three Months Ended	
	September 30,		September 30,		September 30,	
	2023	2022	2023	2022	2023	2022
Segment Operating Data:						
Screen additions	—	—	—	—	—	—
Screen acquisitions	8	10	—	9	8	19
Screen dispositions	33	60	—	10	33	70
Construction openings (closures), net	(11)	16	(6)	1	(17)	17
Average screens (1)	7,356	7,652	2,425	2,486	9,781	10,138
Number of screens operated	7,396	7,712	2,682	2,806	10,078	10,518
Number of theatres operated	567	591	337	352	904	943
Screens per theatre	13.0	13.0	8.0	8.0	11.1	11.2
Attendance (in thousands) (1)	51,524	38,329	22,052	14,848	73,576	53,177

(1) Includes consolidated theatres only and excludes screens offline due to construction.

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(In millions)	U.S. Markets		International Markets		Consolidated	
	Nine Months Ended		Nine Months Ended		Nine Months Ended	
	September 30,		September 30,		September 30,	
	2023	2022	2023	2022	2023	2022
Revenues						
Admissions	\$ 1,560.6	\$ 1,229.6	\$ 515.3	\$ 410.5	\$ 2,075.9	\$ 1,640.1
Food and beverage	1,052.4	793.7	247.2	188.8	1,299.6	982.5
Other theatre	242.8	201.0	89.9	96.9	332.7	297.9
Total revenues	2,855.8	2,224.3	852.4	696.2	3,708.2	2,920.5
Operating Costs and Expenses						
Film exhibition costs	817.7	619.4	210.1	162.3	1,027.8	781.7
Food and beverage costs	181.2	120.1	62.0	45.6	243.2	165.7
Operating expense	930.4	836.8	314.6	310.8	1,245.0	1,147.6
Rent	485.0	502.5	165.8	166.3	650.8	668.8
General and administrative expense:						
Merger, acquisition and other costs	1.4	0.9	0.1	(0.5)	1.5	0.4
Other	130.9	111.3	53.9	49.9	184.8	161.2
Depreciation and amortization	218.7	229.0	60.4	64.0	279.1	293.0
Operating costs and expenses	2,765.3	2,420.0	866.9	798.4	3,632.2	3,218.4
Operating income (loss)	90.5	(195.7)	(14.5)	(102.2)	76.0	(297.9)
Other expense (income):						
Other expense (income)	(1.8)	92.9	(2.9)	(1.3)	(4.7)	91.6
Interest expense:						
Corporate borrowings	232.1	192.7	44.0	53.9	276.1	246.6
Finance lease obligations	0.2	0.4	2.6	2.8	2.8	3.2
Non-cash NCM exhibitor service agreement	28.5	28.6	—	—	28.5	28.6
Equity in (earnings) loss of non-consolidated entities (1)	(3.8)	(2.7)	(1.5)	6.0	(5.3)	3.3
Investment expense (income)	4.7	12.3	(16.1)	(0.1)	(11.4)	12.2
Total other expense, net	259.9	324.2	26.1	61.3	286.0	385.5
Net loss before income taxes	(169.4)	(519.9)	(40.6)	(163.5)	(210.0)	(683.4)
Income tax provision	1.6	0.7	3.0	1.8	4.6	2.5
Net loss	\$ (171.0)	\$ (520.6)	\$ (43.6)	\$ (165.3)	\$ (214.6)	\$ (685.9)

	U.S. Markets		International Markets		Consolidated	
	Nine Months Ended		Nine Months Ended		Nine Months Ended	
	September 30,		September 30,		September 30,	
	2023	2022	2023	2022	2023	2022
Segment Operating Data:						
Screen additions	—	12	—	25	—	37
Screen acquisitions	8	120	7	9	15	129
Screen dispositions	244	181	137	43	381	224
Construction openings (closures), net	(16)	6	(14)	8	(30)	14
Average screens (1)	7,429	7,646	2,456	2,482	9,885	10,128
Number of screens operated	7,396	7,712	2,682	2,806	10,078	10,518
Number of theatres operated	567	591	337	352	904	943
Screens per theatre	13.0	13.0	8.0	8.0	11.1	11.2
Attendance (in thousands) (1)	133,909	107,622	53,656	43,759	187,565	151,381

(1) Includes consolidated theatres only and excludes screens offline due to construction.

Adjusted EBITDA

We present Adjusted EBITDA as a supplemental measure of our performance. We define Adjusted EBITDA as net earnings (loss) plus (i) income tax provision (benefit), (ii) interest expense and (iii) depreciation and amortization, as further adjusted to eliminate the impact of certain items that we do not consider indicative of our ongoing operating performance and to include attributable EBITDA from equity investments in theatre operations in International markets and any cash distributions of earnings from other equity method investees. These further adjustments are itemized below. You are encouraged to evaluate these adjustments and the reasons we consider them appropriate for supplemental analysis. In evaluating Adjusted EBITDA, you should be aware that in the future we may incur expenses that are the same as or similar to some of the adjustments in this presentation. Our presentation of Adjusted EBITDA should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items. The preceding definition of and adjustments made to GAAP measures to determine Adjusted EBITDA are broadly consistent with Adjusted EBITDA as defined in the Company's debt indentures.

Adjusted EBITDA is a non-GAAP financial measure commonly used in our industry and should not be construed as an alternative to net earnings (loss) as an indicator of operating performance (as determined in accordance with U.S. GAAP). Adjusted EBITDA may not be comparable to similarly titled measures reported by other companies. We have included Adjusted EBITDA because we believe it provides management and investors with additional information to measure our performance and estimate our value.

Adjusted EBITDA has important limitations as an analytical tool, and you should not consider it in isolation, or as a substitute for analysis of our results as reported under U.S. GAAP. For example, Adjusted EBITDA:

- does not reflect our capital expenditures, future requirements for capital expenditures or contractual commitments;
- does not reflect changes in, or cash requirements for, our working capital needs;
- does not reflect the significant interest expenses, or the cash requirements necessary to service interest or principal payments on our debt;
- excludes income tax payments that represent a reduction in cash available to us; and
- does not reflect any cash requirements for the assets being depreciated and amortized that may have to be replaced in the future.

During the three months ended September 30, 2023, Adjusted EBITDA in the U.S. markets was \$150.6 million compared to \$1.2 million during the three months ended September 30, 2022. The year-over-year improvement was primarily due to the decreased net loss driven by an increase in attendance as a result of the popularity of new film releases compared to the prior year. During the three months ended September 30, 2023, Adjusted EBITDA in the International markets was \$43.1 million compared to \$(14.1) million during the three months ended September 30, 2022. The year-over-year improvement was primarily due to an increase in attendance as a result of the popularity of new film releases compared to the prior year, partially offset by a decline in government assistance. During the three months ended September 30, 2023, Adjusted EBITDA in the U.S. markets and International markets was \$193.7 million compared to \$(12.9) million during the three months ended September 30, 2022, driven by the aforementioned factors impacting Adjusted EBITDA.

During the nine months ended September 30, 2023, Adjusted EBITDA in the U.S. markets was \$336.3 million compared to \$52.2 million during the nine months ended September 30, 2022. The year-over-year improvement was primarily due to the decreased net loss driven by an increase in attendance as a result of the popularity of new film releases compared to the prior year and decreases in rent expense. During the nine months ended September 30, 2023, Adjusted EBITDA in the International markets was \$47.0 million compared to \$(20.1) million during the nine months ended September 30, 2022. The year-over-year improvement was primarily due to the decreased net loss driven by the increase in attendance as a result of the popularity of new film releases compared to the prior year and decreases in rent expense, partially offset by a decline in gift card and package ticket expirations and theatre rentals for meetings, and decreases in government assistance. During the nine months ended September 30, 2023, Adjusted EBITDA in the U.S. markets and International markets was \$383.3 million compared to \$32.1 million during the nine months ended September 30, 2022, driven by the aforementioned factors impacting Adjusted EBITDA.

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The following tables set forth our Adjusted EBITDA by reportable operating segment and our reconciliation of Adjusted EBITDA:

Adjusted EBITDA (In millions)	Three Months Ended		Nine Months Ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
U.S. markets	\$ 150.6	\$ 1.2	\$ 336.3	\$ 52.2
International markets	43.1	(14.1)	47.0	(20.1)
Total Adjusted EBITDA	<u>\$ 193.7</u>	<u>\$ (12.9)</u>	<u>\$ 383.3</u>	<u>\$ 32.1</u>

(In millions)	Three Months Ended		Nine Months Ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Net earnings (loss)	\$ 12.3	\$ (226.9)	\$ (214.6)	\$ (685.9)
Plus:				
Income tax provision	2.3	1.8	4.6	2.5
Interest expense	103.7	95.7	307.4	278.4
Depreciation and amortization	88.7	96.9	279.1	293.0
Certain operating expense (1)	3.8	4.3	4.0	10.5
Equity in (earnings) loss of non-consolidated entities	(3.1)	(2.8)	(5.3)	3.3
Cash distributions from non-consolidated entities (2)	2.2	3.4	3.9	5.0
Attributable EBITDA (3)	1.4	0.1	1.6	0.1
Investment expense (income) (4)	(3.0)	18.3	(11.4)	12.2
Other expense (income) (5)	(14.1)	6.2	(1.4)	110.9
Other non-cash rent benefit (6)	(8.4)	(6.6)	(27.0)	(20.6)
General and administrative — unallocated:				
Merger, acquisition and other costs (7)	0.7	0.3	1.5	0.4
Stock-based compensation expense (8)	7.2	(3.6)	40.9	22.3
Adjusted EBITDA	<u>\$ 193.7</u>	<u>\$ (12.9)</u>	<u>\$ 383.3</u>	<u>\$ 32.1</u>

- (1) Amounts represent preopening expense related to temporarily closed screens under renovation, theatre and other closure expense for the permanent closure of screens, including the related accretion of interest, disposition of assets and other non-operating gains or losses included in operating expenses. We have excluded these items as they are non-cash in nature or are non-operating in nature.
- (2) Includes U.S. non-theatre distributions from equity method investments and International non-theatre distributions from equity method investments to the extent received. We believe including cash distributions is an appropriate reflection of the contribution of these investments to our operations.
- (3) Attributable EBITDA includes the EBITDA from equity investments in theatre operators in certain International markets. See below for a reconciliation of our equity in loss of non-consolidated entities to attributable EBITDA. Because these equity investments are in theatre operators in regions where we hold a significant market share, we believe attributable EBITDA is more indicative of the performance of these equity investments and management uses this measure to monitor and evaluate these equity investments. We also provide services to these theatre operators including information technology systems, certain on-screen advertising services and our gift card and package ticket program.

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(In millions)	Three Months Ended		Nine Months Ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Equity in (earnings) loss of non-consolidated entities	\$ (3.1)	\$ (2.8)	\$ (5.3)	\$ 3.3
Less:				
Equity in (earnings) of non-consolidated entities excluding International theatre joint ventures	(2.1)	(3.5)	(4.7)	(3.1)
Equity in earnings (loss) of International theatre joint ventures	1.0	(0.7)	0.6	(6.4)
Income tax provision (benefit)	0.1	0.1	(0.1)	0.1
Investment expense (income)	(0.2)	—	(0.1)	0.2
Interest expense	0.1	—	0.2	—
Impairment of long-lived assets	—	—	—	4.2
Depreciation and amortization	0.4	0.7	1.0	2.0
Attributable EBITDA	\$ 1.4	\$ 0.1	\$ 1.6	\$ 0.1

- (4) Investment expense (income) during the three months ended September 30, 2023 primarily includes appreciation in estimated fair value of the Company's investment in common shares of Hycroft of \$(0.1) million, deterioration in estimated fair value of our investment in warrants to purchase common shares of Hycroft of \$0.8 million and interest income of \$(3.7) million. During the three months ended September 30, 2022, investment expense (income) included deterioration in estimated fair value of our investment in common shares of Hycroft of \$11.8 million, deterioration in estimated fair value of the Company's investment in warrants to purchase common shares of Hycroft of \$7.7 million, and \$1.6 million decline in the estimated fair value of our investment in NCM Common Units, partially offset by interest income of \$(2.8) million.

Investment expense (income) during the nine months ended September 30, 2023 includes deterioration in estimated fair value of our investment in common shares of Hycroft of \$5.4 million, deterioration in estimated fair value of our investment in warrants to purchase common shares of Hycroft of \$5.4 million, a \$(15.5) million gain on the sale of our investment in Saudi Cinema Company, LLC, and interest income of \$(8.5) million. During the nine months ended September 30, 2022, investment expense (income) included deterioration in estimated fair value of our investment in common shares of Hycroft of \$10.8 million, \$11.1 million decline in estimated fair value of our investment in NCM Common Units, partially offset by appreciation in estimated fair value of our investment to purchase common shares of Hycroft of \$(7.4) million and interest income of \$(3.3) million.

- (5) Other expense (income) during the three months ended September 30, 2023 includes a non-cash litigation adjustment of \$(16.1) million, income related to foreign currency transaction losses of \$12.8 million and gains on debt extinguishment of \$(10.8) million. During the three months ended September 30, 2022, other expense (income) included foreign currency transaction losses of \$6.3 million.

Other expense (income) during the nine months ended September 30, 2023 includes a non-cash litigation charge of \$99.3 million, partially offset by a gain on debt extinguishment of \$(97.5) million and foreign currency transaction gains of \$(3.2) million. During the nine months ended September 30, 2022, other expense (income) included loss on debt extinguishment of \$96.4 million and foreign currency transaction losses of \$14.7 million.

- (6) Reflects amortization expense for certain intangible assets reclassified from depreciation and amortization to rent expense due to the adoption of ASC 842, Leases and deferred rent benefit related to the impairment of right-of-use operating lease assets.
- (7) Merger, acquisition and other costs are excluded as they are non-operating in nature.
- (8) Non-cash expense included in general and administrative: other.

Segment Information

Our historical results of operations for the three and nine months ended September 30, 2023, and September 30, 2022, reflect the results of operations for our two theatrical exhibition reportable segments, U.S. markets and International markets.

Results of Operations—For the Three Months ended September 30, 2023, Compared to the Three Months ended September 30, 2022

Condensed Consolidated Results of Operations

Revenues. Total revenues increased \$437.5 million, or 45.2%, during the three months ended September 30, 2023, compared to the three months ended September 30, 2022. Admissions revenues increased \$252.4 million, or 46.3%, during the three months ended September 30, 2023, compared to the three months ended September 30, 2022, primarily due to an increase in attendance of 38.4% from 53.2 million patrons to 73.6 million patrons and a 5.8% increase in average ticket price. The increase in attendance was primarily due to the popularity of film product compared to the prior year. The increase in average ticket price was primarily due to higher ticket prices, increased attendance for IMAX content, and increases in foreign currency translation rates partially offset by higher frequency of use by subscribers to our A-List program.

Food and beverage revenues increased \$149.4 million, or 44.8%, during the three months ended September 30, 2023, compared to the three months ended September 30, 2022, primarily due to the increase in attendance and an increase in food and beverage per patron. Food and beverage per patron increased 4.6% from \$6.27 to \$6.56 due primarily to increases in average prices, the percentage of guests making transactions, and increases in foreign currency translation rates, partially offset by a decline in units purchased per transaction and higher frequency from our AMC Stubs loyalty members.

Total other theatre revenues increased \$35.7 million, or 39.8%, during the three months ended September 30, 2023, compared to the three months ended September 30, 2022, primarily due to increases in ticket fees due to the increase in attendance, the number of tickets purchased online and increases in foreign currency translation rates.

Operating costs and expenses. Operating costs and expenses increased \$223.2 million, or 20.6%, during the three months ended September 30, 2023, compared to the three months ended September 30, 2022. Film exhibition costs increased \$135.3 million, or 51.4%, during the three months ended September 30, 2023, compared to the three months ended September 30, 2022, primarily due to the increase in attendance. As a percentage of admissions revenues, film exhibition costs were 50.0% for the three months ended September 30, 2023, compared to 48.3% for the three months ended September 30, 2022. The increase in film exhibition cost percentage is primarily due to the concentration of box office revenues in higher grossing films in the current year, which typically results in higher film exhibition costs.

Food and beverage costs increased \$31.6 million, or 54.0%, during the three months ended September 30, 2023, compared to the three months ended September 30, 2022. The increase in food and beverage costs was primarily due to the increase in food and beverage sales and increases in product costs. As a percentage of food and beverage revenues, food and beverage costs were 18.7% for the three months ended September 30, 2023, and 17.6% for the three months ended September 30, 2022.

As a percentage of revenues, operating expense was 32.0% for the three months ended September 30, 2023, and 41.4% for the three months ended September 30, 2022. Rent expense increased 0.5%, or \$1.1 million, during the three months ended September 30, 2023, compared to the three months ended September 30, 2022, primarily due to increases in foreign currency translation rates. See Note 2—Leases in the Notes to the Condensed Consolidated Financial Statements under Item 1 of Part I of this Form 10-Q for further information on the impact of COVID-19 on leases and rent obligations of approximately \$74.2 million that have been deferred to future years as of September 30, 2023.

Merger, acquisition, and other costs. Merger, acquisition, and other costs were \$0.7 million during the three months ended September 30, 2023, compared to \$0.3 million during the three months ended September 30, 2022.

Other. Other general and administrative expense increased 34.0%, or \$13.8 million, during the three months ended September 30, 2023, compared to the three months ended September 30, 2022, due primarily to increases in

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stock-based compensation expense of \$10.8 million related to higher expectations of performance versus goals in the current year compared to the prior year and increases in foreign currency translation rates. See Note 7—Stockholders' Equity in the Notes to the Condensed Consolidated Financial Statements under Item 1 of Part I of this Form 10-Q for additional information about stock-based compensation expense.

Depreciation and amortization. Depreciation and amortization decreased \$8.2 million, or 8.5%, during the three months ended September 30, 2023, compared to the three months ended September 30, 2022, primarily due to lower depreciation expense on theatres impaired during the year ended December 31, 2022, partially offset by accelerated depreciation related to the replacement of digital projectors and permanently closed theatres.

Other income. Other income of \$12.8 million during the three months ended September 30, 2023 was primarily due to \$15.3 million of income related to the settlement of the Shareholder Litigation comprised of \$16.1 million of non-cash income for the decrease in estimated fair value as of the date of the final Delaware Supreme Court order of settlement shares issued to holders of Common Stock on August 28, 2023 and partially offset by \$0.8 million of contingent insurance recovery costs, gains on extinguishment of debt of \$10.8 million related to the redemption of \$24.2 million aggregate principal amount of the Second Lien Notes due 2026 and partially offset by \$12.8 million in foreign currency transaction losses. Other income of \$1.0 million during the three months ended September 30, 2022, was primarily due \$7.0 million in government assistance related to COVID-19 and partially offset by \$6.3 million of foreign currency transaction losses. See Note 1—Basis of Presentation in the Notes to the Condensed Consolidated Financial Statements under Item 1 of Part I of this Form 10-Q for additional information about the components of other income.

Interest expense. Interest expense increased \$8.0 million to \$103.7 million for the three months ended September 30, 2023, compared to \$95.7 million during the three months ended September 30, 2022, primarily due to:

- the issuance of \$400.0 million 12.75% Odeon Senior Secured Notes due 2027 on October 20, 2022; and
- the increase in interest rates on the Senior Secured Credit Facility Term Loan due 2026,

partially offset by:

- the extinguishment of \$383.8 million of 10%/12% Cash/PIK/Toggle Second Lien Notes due 2026 from May 2022 to September 2023; and
- the extinguishment of £147.6 million and €312.2 million (\$476.6 million) 10.75%/11.25% Cash/PIK Term Loans due 2023 on October 20, 2022.

Equity in earnings of non-consolidated entities. Equity in earnings of non-consolidated entities was \$3.1 million for the three months ended September 30, 2023, compared to \$2.8 million for the three months ended September 30, 2022.

Investment expense (income). Investment income was (\$3.0) million for the three months ended September 30, 2023, compared to expense of \$18.3 million for the three months ended September 30, 2022. Investment income in the current year includes \$3.7 million in interest income and \$0.1 million of increase in estimated fair value of our investment in common shares of Hycroft, partially offset by \$0.8 million of decline in estimated fair value of our investment in warrants to purchase common shares of Hycroft. Investment expense in the prior year includes \$11.8 million of decline in estimated fair value of our investment in common shares of Hycroft, \$7.7 million of decline in estimated fair value of our investment in warrants to purchase common shares of Hycroft and \$1.6 million decline in estimated fair value of our investment in NCM Common Units, partially offset by interest income of \$2.8 million.

Income tax provision. The income tax provision was \$2.3 million and \$1.8 million for the three months ended September 30, 2023, and September 30, 2022, respectively. See Note 8—Income Taxes in the Notes to the Condensed Consolidated Financial Statements under Item 1 of Part I of this Form 10-Q for further information.

Net earnings (loss). Net earnings (loss) was \$12.3 million and \$(226.9) million during the three months ended September 30, 2023, and September 30, 2022, respectively. Net earnings during the three months ended September 30, 2023 compared to net loss for the three months ended September 30, 2022 was positively impacted by the increase in attendance as a result of the popularity of new film releases compared to the prior year, decreases in depreciation and amortization expense, increases in other income, increases in equity in earnings and decreases in investment expense, partially offset by increases in rent expense, increases in general and administrative expenses, increases in interest expense, increases in income tax provision and increases in foreign currency translation rates.

Theatrical Exhibition—U.S. Markets

Revenues. Total revenues increased \$310.6 million, or 41.2%, during the three months ended September 30, 2023, compared to the three months ended September 30, 2022. Admissions revenues increased \$169.9 million or 40.7%, during the three months ended September 30, 2023, compared to the three months ended September 30, 2022, primarily due to an increase in attendance of 34.4% from 38.3 million patrons to 51.5 million patrons and a 4.6% increase in average ticket price. The increase in attendance was primarily due to the popularity of film product compared to the prior year. The increase in average ticket price was primarily due to higher ticket prices and increased attendance for IMAX content, partially offset by higher frequency of use by subscribers to our A-List program.

Food and beverage revenues increased \$110.4 million, or 40.5%, during the three months ended September 30, 2023, compared to the three months ended September 30, 2022, primarily due to the increase in attendance and an increase in food and beverage per patron. Food and beverage per patron increased 4.5% from \$7.11 to \$7.43 due primarily to increases in average prices, the percentage of guests making transactions, partially offset by a decline in units purchased per transaction and higher frequency from our AMC Stubs loyalty members.

Total other theatre revenues increased \$30.3 million, or 47.9%, during the three months ended September 30, 2023, compared to the three months ended September 30, 2022, primarily due to increases in ticket fees due to the increase in the number of tickets purchased online.

Operating costs and expenses. Operating costs and expenses increased \$158.1 million, or 19.1%, during the three months ended September 30, 2023, compared to the three months ended September 30, 2022. Film exhibition costs increased \$97.2 million, or 45.8%, during the three months ended September 30, 2023, compared to the three months ended September 30, 2022, primarily due to the increase in attendance. As a percentage of admissions revenues, film exhibition costs were 52.6% for the three months ended September 30, 2023, compared to 50.8% for the three months ended September 30, 2022. The increase in film exhibition cost percentage is primarily due to the concentration of box office revenues in higher grossing films in the current year, which typically results in higher film exhibition costs.

Food and beverage costs increased \$21.5 million or 49.3%, during the three months ended September 30, 2023, compared to the three months ended September 30, 2022. The increase in food and beverage costs was primarily due to the increase in food and beverage sales, increases in product costs, and product mix. As a percentage of food and beverage revenues, food and beverage costs were 17.0% for the three months ended September 30, 2023, and 16.0% for the three months ended September 30, 2022.

As a percentage of revenues, operating expense was 31.9% for the three months ended September 30, 2023, and 39.9% for the three months ended September 30, 2022. Rent expense decreased 1.6%, or \$2.7 million, during the three months ended September 30, 2023, compared to the three months ended September 30, 2022. See Note 2—Leases in the Notes to the Condensed Consolidated Financial Statements under Item 1 of Part I of this Form 10-Q for further information on the impact of COVID-19 on leases and rent obligations of approximately \$67.8 million that have been deferred to future years as of September 30, 2023.

Merger, acquisition, and other costs. Merger, acquisition, and other costs were \$0.6 million during the three months ended September 30, 2023, compared to \$0.3 million during the three months ended September 30, 2022.

Other. Other general and administrative expense increased 39.8%, or \$10.6 million, during the three months ended September 30, 2023, compared to the three months ended September 30, 2022, due primarily to increases in stock-based compensation expense of \$9.7 million related to higher expectations of performance versus goals in the current year compared to the prior year. See Note 7—Stockholders' Equity in the Notes to the Condensed Consolidated Financial Statements under Item 1 of Part I of this Form 10-Q for additional information about stock-based compensation expense.

Depreciation and amortization. Depreciation and amortization decreased \$7.9 million, or 10.2%, during the three months ended September 30, 2023, compared to the three months ended September 30, 2022, primarily due to lower depreciation expense on theatres impaired during the year ended December 31, 2022, partially offset by accelerated depreciation related to the replacement of digital projectors and permanently closed theatres.

Other income. Other income of \$25.8 million during the three months ended September 30, 2023 was primarily due to \$15.3 million of income related to the settlement of the Shareholder Litigation comprised of \$16.1

million of non-cash income for the decrease in estimated fair value as of the date of the final Delaware Supreme Court order of settlement shares issued to holders of Common Stock on August 28, 2023 and partially offset by \$0.8 million of contingent insurance recovery costs and gains on extinguishment of debt of \$10.8 million related to the redemption of \$24.2 million aggregate principal amount of the Second Lien Notes due 2026. Other income of \$2.0 million during the three months ended September 30, 2022 was primarily due to government assistance related to COVID-19 of \$1.6 million. See Note 1—Basis of Presentation in the Notes to the Condensed Consolidated Financial Statements under Item 1 of Part I of this Form 10-Q for additional information about the components of other income and Note 11—Commitments and Contingencies in the Notes to the Condensed Consolidated Financial Statements under Item 1 of Part I of this form 10-Q for additional information about our legal contingencies and settlements.

Interest expense. Interest expense increased \$10.6 million to \$88.2 million for the three months ended September 30, 2023, compared to \$77.6 million during the three months ended September 30, 2022, primarily due to:

- the increase in interest rates on the Senior Secured Credit Facility Term Loan due 2026, partially offset by:
- the extinguishment of \$383.8 million of 10%/12% Cash/PIK/Toggle Second Lien Notes due 2026 from May 2022 to September 2023.

Equity in earnings of non-consolidated entities. Equity in earnings of non-consolidated entities was \$1.6 million for the three months ended September 30, 2023, compared to earnings of \$3.5 million for the three months ended September 30, 2022.

Investment expense (income). Investment income was \$(2.4) million for the three months ended September 30, 2023, compared to expense of \$18.4 million for the three months ended September 30, 2022. Investment income in the current year includes \$3.1 million in interest income and \$0.1 million of increase in estimated fair value of our investment in common shares of Hycroft, partially offset by \$0.8 million of decline in estimated fair value of our investment in warrants to purchase common shares of Hycroft. Investment expense in the prior year includes \$11.8 million of decline in estimated fair value of our investment in common shares of Hycroft, \$7.7 million of decline in estimated fair value of our investment in warrants to purchase common shares of Hycroft and \$1.6 million decline in estimated fair value of our investment in NCM Common Units, partially offset by interest income of \$2.8 million.

Income tax provision. The income tax provision was \$0.6 million and \$0.4 million for the three months ended September 30, 2023, and September 30, 2022, respectively. See Note 8—Income Taxes in the Notes to the Condensed Consolidated Financial Statements under Item 1 of Part I of this Form 10-Q for further information.

Net earnings (loss). Net earnings (loss) was \$17.7 million and \$(166.7) million during the three months ended September 30, 2023 and September 30, 2022, respectively. Net earnings during the three months ended September 30, 2023 compared to net loss for the three months ended September 30, 2022 was positively impacted by the increase in attendance as a result of the popularity of new film releases compared to the prior year, decreases in depreciation and amortization expense, decreases in rent expense, increases in other income and decreases in investment expense, partially offset by increases general and administrative expenses, increases in interest expense, decreases in equity in earnings and increases in income tax provision.

Theatrical Exhibition—International Markets

Revenues. Total revenues increased \$126.9 million, or 59.0%, during the three months ended September 30, 2023, compared to the three months ended September 30, 2022. Admissions revenues increased \$82.5 million, or 64.6%, during the three months ended September 30, 2023, compared to the three months ended September 30, 2022, primarily due to an increase in attendance of 48.5% from 14.8 million patrons to 22.1 million patrons and a 10.8% increase in average ticket price. The increase in attendance was primarily due to the popularity of film product compared to the prior year. The increase in average ticket price was primarily due to increases in foreign currency translation rates and higher ticket prices.

Food and beverage revenues increased \$39.0 million, or 64.0%, during the three months ended September 30, 2023, compared to the three months ended September 30, 2022, primarily due to the increase in attendance and an increase in food and beverage per patron. Food and beverage per patron increased 10.5% from \$4.10 to \$4.53 due primarily to increases in foreign currency translation rates and average prices.

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Total other theatre revenues increased \$5.4 million, or 20.4%, during the three months ended September 30, 2023, compared to the three months ended September 30, 2022, primarily due to increases in ticket fees due to the increase in attendance, the number of tickets purchased online and increases in foreign currency translation rates.

Operating costs and expenses. Operating costs and expenses increased \$65.1 million, or 25.6%, during the three months ended September 30, 2023, compared to the three months ended September 30, 2022. Film exhibition costs increased \$38.1 million, or 74.4%, during the three months ended September 30, 2023, compared to the three months ended September 30, 2022, primarily due to the increase in attendance. As a percentage of admissions revenues, film exhibition costs were 42.5% for the three months ended September 30, 2023, compared to 40.1% for the three months ended September 30, 2022. The increase in film exhibition cost percentage is primarily due to the concentration of box office revenues in higher grossing films in the current year, which typically results in higher film exhibition costs.

Food and beverage costs increased \$10.1 million, or 67.8%, during the three months ended September 30, 2023, compared to the three months ended September 30, 2022. The increase in food and beverage costs was primarily due to the increase in food and beverage sales and increases in product costs. As a percentage of food and beverage revenues, food and beverage costs were 25.0% for the three months ended September 30, 2023, and 24.5% for the three months ended September 30, 2022.

As a percentage of revenues, operating expense was 32.3% for the three months ended September 30, 2023, and 46.6% for the three months ended September 30, 2022. Rent expense increased 7.0%, or \$3.8 million, during the three months ended September 30, 2023, compared to the three months ended September 30, 2022, primarily due to the increase in foreign currency translation rates. See Note 2—Leases in the Notes to the Condensed Consolidated Financial Statements under Item 1 of Part I of this Form 10-Q for further information on the impact of COVID-19 on leases and rent obligations of approximately \$6.4 million that have been deferred to future years as of September 30, 2023.

Merger, acquisition, and other costs. Merger, acquisition, and other costs were \$0.1 million during the three months ended September 30, 2023, compared to \$0.0 million during the three months ended September 30, 2022.

Other. Other general and administrative expense increased 22.9%, or \$3.2 million, during the three months ended September 30, 2023, compared to the three months ended September 30, 2022, due primarily to increases in stock-based compensation expense of \$1.1 million related to higher expectations of performance versus goals in the current year compared to the prior year and increases in foreign currency translation rates. See Note 7—Stockholders' Equity in the Notes to the Condensed Consolidated Financial Statements under Item 1 of Part I of this Form 10-Q for additional information about stock-based compensation expense.

Depreciation and amortization. Depreciation and amortization decreased \$0.3 million, or 1.5%, during the three months ended September 30, 2023, compared to the three months ended September 30, 2022, primarily due to lower depreciation expense on theatres impaired during the year ended December 31, 2022, partially offset by the increase in foreign currency translation rates.

Other expense. Other expense of \$13.0 million during the three months ended September 30, 2023, was primarily due to \$12.8 million in foreign currency transaction losses. Other expense of \$1.0 million during the three months ended September 30, 2022, was primarily due to \$6.3 million of foreign currency transaction losses, partially offset by \$5.4 million in government assistance related to COVID-19. See Note 1—Basis of Presentation in the Notes to the Condensed Consolidated Financial Statements under Item 1 of Part I of this Form 10-Q for additional information about the components of other expense (income).

Interest expense. Interest expense decreased \$2.6 million to \$15.5 million for the three months ended September 30, 2023, compared to \$18.1 million during the three months ended September 30, 2022, primarily due to:

- the issuance of \$400.0 million 12.75% Odeon Senior Secured Notes due 2027 on October 20, 2022, partially offset by:
- the extinguishment of £147.6 million and €312.2 million (\$476.6 million) 10.75%/11.25% Cash/PIK Term Loans due 2023 on October 20, 2022.

Equity in (earnings) loss of non-consolidated entities. Equity in (earnings) loss of non-consolidated entities was \$(1.5) million for the three months ended September 30, 2023, compared to \$0.7 million for the three months ended September 30, 2022.

Investment income. Interest income was \$0.6 million for the three months ended September 30, 2023, compared to income of \$0.1 million for the three months ended September 30, 2022.

Income tax provision. The income tax provision was \$1.7 million and \$1.4 million for the three months ended September 30, 2023, and September 30, 2022, respectively. See Note 8—Income Taxes in the Notes to the Condensed Consolidated Financial Statements under Item 1 of Part I of this Form 10-Q for further information.

Net loss. Net loss was \$5.4 million and \$60.2 million during the three months ended September 30, 2023, and September 30, 2022, respectively. Net loss during the three months ended September 30, 2023 compared to net loss for the three months ended September 30, 2022 was positively impacted by the increase in attendance as a result of the popularity of new film releases compared to the prior year, decreases in depreciation and amortization expense, decreases in equity losses, decreases in interest expense and increases in investment income, partially offset by increases in rent expense, increases in general and administrative expenses, increases in other expense, increases in income tax provision and increases in foreign currency translation rates.

Results of Operations—For the Nine Months ended September 30, 2023 Compared to the Nine Months ended September 30, 2022

Condensed Consolidated Results of Operations

Revenues. Total revenues increased \$787.7 million, or 27.0%, during the nine months ended September 30, 2023, compared to the nine months ended September 30, 2022. Admissions revenues increased \$435.8 million, or 26.6%, during the nine months ended September 30, 2023, compared to the nine months ended September 30, 2022, primarily due to an increase in attendance of 23.9% from 151.4 million patrons to 187.6 million patrons and a 2.2% increase in average ticket price. The increase in attendance was primarily due to the popularity of film product compared to the prior year. The increase in average ticket price was primarily due to increased attendance for 3D content partially offset by higher frequency of use by subscribers to our A-List program.

Food and beverage revenues increased \$317.1 million, or 32.3%, during the nine months ended September 30, 2023, compared to the nine months ended September 30, 2022, primarily due to the increase in attendance and an increase in food and beverage per patron. Food and beverage per patron increased 6.8% from \$6.49 to \$6.93 due primarily to an increase in average prices, the percentage of guests making transactions, and the lifting of COVID-19 restrictions on the sale of food and beverage in certain international markets, partially offset by lower units purchased per transaction and higher frequency from our AMC Stubs loyalty members.

Total other theatre revenues increased \$34.8 million, or 11.7%, during the nine months ended September 30, 2023, compared to the nine months ended September 30, 2022, primarily due to higher ticket fees due to the increase in the number of tickets purchased online, increases in advertising and retail sales, and partially offset by lower income from gift cards and package tickets and lower income from theatre meetings.

Operating costs and expenses. Operating costs and expenses increased \$413.8 million, or 12.9%, during the nine months ended September 30, 2023, compared to the nine months ended September 30, 2022. Film exhibition costs increased \$246.1 million, or 31.5%, during the nine months ended September 30, 2023, compared to the nine months ended September 30, 2022, primarily due to the increase in attendance. As a percentage of admissions revenues, film exhibition costs were 49.5% for the nine months ended September 30, 2023, compared to 47.7% for the nine months ended September 30, 2022. The increase in film exhibition cost percentage is primarily due to the concentration of box office revenues in higher grossing films in the current year, which typically results in higher film exhibition costs.

Food and beverage costs increased \$77.5 million, or 46.8%, during the nine months ended September 30, 2023, compared to the nine months ended September 30, 2022. The increase in food and beverage costs was primarily due to the increase in food and beverage revenues and increases in product costs and obsolescence. As a percentage of food and beverage revenues, food and beverage costs were 18.7% for the nine months ended September 30, 2023, and 16.9% for the nine months ended September 30, 2022.

As a percentage of revenues, operating expense was 33.6% for the nine months ended September 30, 2023, and 39.3% for the nine months ended September 30, 2022. Rent expense decreased 2.7%, or \$18.0 million, during the nine months ended September 30, 2023, compared to the nine months ended September 30, 2022, due primarily to the early termination of one theatre lease for a benefit of \$16.7 million, which included an early termination payment from the landlord for \$13.0 million. See Note 2—Leases in the Notes to the Condensed Consolidated Financial Statements under Item 1 of Part I of this Form 10-Q for further information on the impact of COVID-19 on leases and rent obligations of approximately \$74.2 million that have been deferred to future years as of September 30, 2023.

Merger, acquisition, and other costs. Merger, acquisition, and other costs were \$1.5 million during the nine months ended September 30, 2023, compared to \$0.4 million during the nine months ended September 30, 2022.

Other. Other general and administrative expense increased \$23.6 million, or 14.6%, during the nine months ended September 30, 2023, compared to the nine months ended September 30, 2022 due primarily to stock-based compensation expense of \$20.2 million related to a February 23, 2023 special award grant accounted for as a modification to the 2022 PSU awards which lowered the Adjusted EBITDA and free cash flow performance targets such that 200% vesting was achieved for both tranches. This modification resulted in the immediate additional vesting of 238,959 Common Stock PSUs and 238,959 Preferred Equity Unit PSUs. The modification was treated as a Type 3 modification (improbable to probable) which required us to recognize additional stock compensation expense based on the modification date fair values of the Common Stock PSUs and AMC Preferred Equity Unit PSUs of \$62.30 per unit and \$22.20 per unit, respectively, during the nine months ended September 30, 2023. See Note 7—Stockholders' Equity in the Notes to the Condensed Consolidated Financial Statements under Item 1 of Part I of this Form 10-Q for additional information about stock-based compensation expense.

Depreciation and amortization. Depreciation and amortization decreased \$13.9 million, or 4.7%, during the nine months ended September 30, 2023, compared to the nine months ended September 30, 2022, primarily due to lower depreciation expense on theatres impaired during the year ended December 31, 2022, partially offset by accelerated depreciation related to the replacement of digital projectors and permanently closed theatres.

Other expense (income). Other income of \$(4.7) million during the nine months ended September 30, 2023 was primarily due to a gain on extinguishment of debt of \$95.2 million related to the redemption of \$165.6 million aggregate principal amount of the Second Lien Notes due 2026, a gain on extinguishment of debt of \$2.3 million related to the redemption of \$4.1 million aggregate principal amount of our Senior Subordinated Notes due 2026, a receipt of \$14.0 million in settlement of the Lao Action and \$3.2 million in foreign currency transaction gains, and partially offset by, \$110.1 million of expense related to the settlement of the Shareholder Litigation comprised of \$10.8 million of estimated legal fees and contingent insurance recovery costs and \$99.3 million of non-cash expense for the estimated fair value as of the date of the final Delaware Supreme Court order of settlement shares issued to holders of Common Stock on August 28, 2023. Other expense of \$91.6 million during the nine months ended September 30, 2022 was primarily due to a loss on extinguishment of debt of \$135.0 million related to the full redemption of the \$500 million aggregate principal amount of the First Lien Notes due 2025, the \$300 million aggregate principal amount of the First Lien Notes due 2026, the \$73.5 million aggregate principal amount of the First Lien Toggle Notes due 2026 and \$14.7 million of foreign currency transaction losses, partially offset by a gain on extinguishment of debt of \$38.6 million related to the redemption of \$72.5 million of aggregate principal amount of the Second Lien Notes due 2026 and \$18.9 million in government assistance related to COVID-19. See Note 1—Basis of Presentation in the Notes to the Condensed Consolidated Financial Statements under Item 1 of Part I of this Form 10-Q for additional information about the components of other expense (income).

Interest expense. Interest expense increased \$29.0 million to \$307.4 million for the nine months ended September 30, 2023 compared to \$278.4 million during the nine months ended September 30, 2022 primarily due to:

- the issuance of \$950.0 million of 7.5% First Lien Senior Secured Notes due 2029 on February 14, 2022;
- the issuance of \$400.0 million 12.75% Odeon Senior Secured Notes due 2027 on October 20, 2022; and
- the increase in interest rates on the Senior Secured Credit Facility Term Loan due 2026,

partially offset by:

- the extinguishment of \$383.8 million of 10%/12% Cash/PIK/Toggle Second Lien Notes due 2026 from May 2022 to September 2023;
- the extinguishment of \$500.0 million of 10.5% First Lien Notes due 2025 on February 14, 2022;
- the extinguishment of \$300.0 million of 10.5% First Lien Notes due 2026 on February 14, 2022;
- the extinguishment of \$73.5 million of 15%/17% Cash/PIK/Toggle Second Lien Notes due 2026 on February 14, 2022; and
- the extinguishment of £147.6 million and €312.2 million (\$476.6 million) 10.75%/11.25% Cash/PIK Term Loans due 2023 on October 20, 2022.

Equity in (earnings) loss of non-consolidated entities. Equity in (earnings) loss of non-consolidated entities was (\$5.3) million for the nine months ended September 30, 2023, compared to a loss of \$3.3 million for the nine months ended September 30, 2022. The decrease in equity losses from the prior year is primarily related to our 10.0% interest in Saudi Cinema Company, LLC that was sold on January 24, 2023.

Investment (income) expense. Investment income was \$(11.4) million for the nine months ended September 30, 2023, compared to investment expense of \$12.2 million for the nine months ended September 30, 2022. Investment income in the current year includes a gain on sale of our 10.0% interest in Saudi Cinema Company, LLC of \$15.5 million and interest income of \$8.5 million, partially offset by \$5.4 million of decline in estimated fair value of our investment in common shares of Hycroft and \$5.4 million of decline in estimated fair value of our investment in warrants to purchase common shares of Hycroft and \$1.8 million of expense for NCM Common Units. Investment expense in the prior year includes \$10.8 million of decline in estimated fair value of our investment in common shares of Hycroft partially offset by \$7.4 million of appreciation in estimated fair value of our investment in warrants to purchase common shares of Hycroft, and an \$11.1 million decline in estimated fair value of our investment in NCM Common Units partially offset by interest income of \$3.3 million.

Income tax provision. The income tax provision was \$4.6 million and \$2.5 million for the nine months ended September 30, 2023, and September 30, 2022, respectively. See Note 8—Income Taxes in the Notes to the Condensed Consolidated Financial Statements under Item 1 of Part I of this Form 10-Q for further information.

Net loss. Net loss was \$214.6 million and \$685.9 million during the nine months ended September 30, 2023, and September 30, 2022, respectively. Net loss during the nine months ended September 30, 2023 compared to net loss for the nine months ended September 30, 2022 was positively impacted by the increase in attendance as a result of the popularity of new film releases compared to the prior year, decreases in rent expense, decreases in depreciation and amortization expense, decreases in other expense, decreases in equity in losses and decreases in investment expense, partially offset by increases in general and administrative expenses, increases in interest expense and an increase in income tax provision.

Theatrical Exhibition—U.S. Markets

Revenues. Total revenues increased \$631.5 million, or 28.4%, during the nine months ended September 30, 2023, compared to the nine months ended September 30, 2022. Admissions revenues increased \$331.0 million, or 26.9%, during the nine months ended September 30, 2023, compared to the nine months ended September 30, 2022, primarily due to an increase in attendance of 24.4% from 107.6 million patrons to 133.9 million patrons and a 1.9% increase in average ticket price. The increase in attendance was primarily due to the popularity of film product compared to the prior year. The increase in average ticket price was primarily due to increased attendance for 3D content partially offset by higher frequency of use by subscribers to our A-List program.

Food and beverage revenues increased \$258.7 million, or 32.6%, during the nine months ended September 30, 2023, compared to the nine months ended September 30, 2022, primarily due to the increase in attendance and an increase in food and beverage per patron. Food and beverage per patron increased 6.6% from \$7.37 to \$7.86 due primarily to an increase in average prices and the percentage of guests making transactions, partially offset by lower units purchased per transaction and higher frequency from our AMC Stubs loyalty members.

Total other theatre revenues increased \$41.8 million, or 20.8%, during the nine months ended September 30, 2023, compared to the nine months ended September 30, 2022, primarily due to higher ticket fees due to the increase in the number of tickets purchased online, advertising and retail sales, and partially offset by lower income from gift cards and package tickets and lower income from theatre meetings.

Operating costs and expenses. Operating costs and expenses increased \$345.3 million, or 14.3%, during the nine months ended September 30, 2023, compared to the nine months ended September 30, 2022. Film exhibition costs increased \$198.3 million, or 32.0%, during the nine months ended September 30, 2023, compared to the nine months ended September 30, 2022, primarily due to the increase in attendance. As a percentage of admissions revenues, film exhibition costs were 52.4% for the nine months ended September 30, 2023, compared to 50.4% for the nine months ended September 30, 2022. The increase in film exhibition cost percentage is primarily due to the concentration of box office revenues in higher grossing films in the current year, which typically results in higher film exhibition costs.

Food and beverage costs increased \$61.1 million, or 50.9%, during the nine months ended September 30, 2023, compared to the nine months ended September 30, 2022. The increase in food and beverage costs was primarily due to the increase in food and beverage revenues and increases in product costs and obsolescence. As a percentage of food and beverage revenues, food and beverage costs were 17.2% for the nine months ended September 30, 2023, and 15.1% for the nine months ended September 30, 2022.

As a percentage of revenues, operating expense was 32.6% for the nine months ended September 30, 2023, and 37.6% for the nine months ended September 30, 2022. Rent expense decreased 3.5%, or \$17.5 million, during the nine months ended September 30, 2023, compared to the nine months ended September 30, 2022, due primarily to the early termination of one theatre lease for a benefit of \$16.7 million, which included an early termination payment from the landlord for \$13.0 million. See Note 2—Leases in the Notes to the Condensed Consolidated Financial Statements under Item 1 of Part I of this Form 10-Q for further information on the impact of COVID-19 on leases and rent obligations of approximately \$67.8 million that have been deferred to future years as of September 30, 2023.

Merger, acquisition, and other costs. Merger, acquisition, and other costs were \$1.4 million during the nine months ended September 30, 2023, compared to \$0.9 million during the nine months ended September 30, 2022.

Other. Other general and administrative expense increased \$19.6 million, or 17.6%, during the nine months ended September 30, 2023, compared to the nine months ended September 30, 2022, due primarily to stock-based compensation expense of \$18.1 million related to a February 23, 2023, special award grant accounted for as a modification to the 2022 PSU awards discussed further in Condensed Consolidated Results of Operations. See Note 7—Stockholders' Equity in the Notes to the Condensed Consolidated Financial Statements under Item 1 of Part I of this Form 10-Q for additional information about stock-based compensation expense.

Depreciation and amortization. Depreciation and amortization decreased \$10.3 million, or 4.5%, during the nine months ended September 30, 2023, compared to the nine months ended September 30, 2022, primarily due to lower depreciation expense on theatres impaired during the year ended December 31, 2022, partially offset by accelerated depreciation related to the replacement of digital projectors and permanently closed theatres.

Other expense (income). Other income of \$(1.8) million during the nine months ended September 30, 2023 was primarily due to a gain on extinguishment of debt of \$95.2 million related to the redemption of \$165.6 million aggregate principal amount of the Second Lien Notes due 2026, a gain on extinguishment of debt of \$2.3 million related to the redemption of \$4.1 million aggregate principal amount of our Senior Subordinated Notes due 2026 and a receipt of \$14.0 million in settlement of the Lao Action and partially offset by, \$110.1 million of expense related to the settlement of the Shareholder Litigation comprised of \$10.8 million of estimated legal fees and contingent insurance recovery costs and \$99.3 million of non-cash expense for the estimated fair value as of the date of the final Delaware Supreme Court order of settlement shares issued to holders of Common Stock on August 28, 2023. Other expense of \$92.9 million during the nine months ended September 30, 2022 was primarily due to a loss on extinguishment of debt of \$135.0 million related to the full redemption of the \$500 million aggregate principal amount of the First Lien Notes due 2025, the \$300 million aggregate principal amount of the First Lien Notes due 2026, and the \$73.5 million aggregate principal amount of the First Lien Toggle Notes due 2026, partially offset by a gain on extinguishment of debt of \$38.6 million related to the redemption of \$72.5 million of aggregate principal amount of the Second Lien Notes due 2026 and \$2.7 million in government assistance related to COVID-19. See Note 1—Basis of Presentation in the Notes to the Condensed Consolidated Financial Statements under Item 1 of Part I of this Form 10-Q for additional information about the components of other expense (income).

Interest expense. Interest expense increased \$39.1 million to \$260.8 million for the nine months ended September 30, 2023 compared to \$221.7 million during the nine months ended September 30, 2022 primarily due to:

- the issuance of \$950.0 million of 7.5% First Lien Senior Secured Notes due 2029 on February 14, 2022; and
- the increase in interest rates on the Senior Secured Credit Facility Term Loan due 2026,

partially offset by:

- the extinguishment of \$383.8 million of 10%/12% Cash/PIK/Toggle Second Lien Notes due 2026 from May 2022 to September 2023;
- the extinguishment of \$500.0 million of 10.5% First Lien Notes due 2025 on February 14, 2022;
- the extinguishment of \$300.0 million of 10.5% First Lien Notes due 2026 on February 14, 2022; and
- the extinguishment of \$73.5 million of 15%/17% Cash/PIK/Toggle Second Lien Notes due 2026 on February 14, 2022.

Equity in earnings of non-consolidated entities. Equity in earnings of non-consolidated entities was \$3.8 million for the nine months ended September 30, 2023, compared to earnings of \$2.7 million for the nine months ended September 30, 2022.

Investment expense. Investment expense was \$4.7 million for the nine months ended September 30, 2023, compared to investment expense of \$12.3 million for the nine months ended September 30, 2022. Investment expense in the current year includes \$5.4 million of decline in estimated fair value of our investment in common shares of Hycroft, \$5.4 million of decline in estimated fair value of our investment in warrants to purchase common shares of Hycroft and \$1.8 million of expense for NCM Common Units, partially offset by interest income of \$7.9 million. Investment expense in the prior year includes \$10.8 million of deterioration in estimated fair value of our investment in common shares of Hycroft and \$7.4 million of appreciation in estimated fair value of our investment in warrants to purchase common shares of Hycroft and a \$11.1 million decline in estimated fair value of our investment in NCM Common Units offset by interest income of \$3.3 million.

Income tax provision. The income tax provision was \$1.6 million and \$0.7 million for the nine months ended September 30, 2023, and September 30, 2022, respectively. See Note 8—Income Taxes in the Notes to the Condensed Consolidated Financial Statements under Item 1 of Part I of this Form 10-Q for further information.

Net loss. Net loss was \$171.0 million and \$520.6 million during the nine months ended September 30, 2023, and September 30, 2022, respectively. Net loss during the nine months ended September 30, 2023 compared to net loss for the nine months ended September 30, 2022 was positively impacted by the increase in attendance as a result of the popularity of new film releases compared to the prior year, decreases in rent expense, decreases in depreciation and amortization expense, decreases in other expense, increases in equity in earnings and decreases in investment expense, partially offset by increases in general and administrative expenses, increases in interest expense and an increase in income tax provision.

Theatrical Exhibition—International Markets

Revenues. Total revenues increased \$156.2 million, or 22.4%, during the nine months ended September 30, 2023, compared to the nine months ended September 30, 2022. Admissions revenues increased \$104.8 million, or 25.5%, during the nine months ended September 30, 2023, compared to the nine months ended September 30, 2022, primarily due to an increase in attendance of 22.6% from 43.8 million patrons to 53.7 million patrons and a 2.3% increase in average ticket price. The increase in attendance was primarily due to the popularity of film product compared to the prior year. The increase in average ticket price was primarily due to higher ticket prices.

Food and beverage revenues increased \$58.4 million, or 30.9%, during the nine months ended September 30, 2023, compared to the nine months ended September 30, 2022, primarily due to the increase in attendance and an increase in food and beverage per patron. Food and beverage per patron increased 7.0% from \$4.31 to \$4.61 due primarily to an increase in average prices and the lifting of COVID-19 restrictions on the sale of food and beverage in certain international markets.

Total other theatre revenues decreased \$7.0 million, or 7.2%, during the nine months ended September 30, 2023, compared to the nine months ended September 30, 2022, primarily due to the decline in gift card and package ticket expirations and lower income from theatre meetings, partially offset by higher ticket fees due to the increase in the number of tickets purchased online, advertising and retail sales.

Operating costs and expenses. Operating costs and expenses increased \$68.5 million, or 8.6%, during the nine months ended September 30, 2023, compared to the nine months ended September 30, 2022. Film exhibition costs increased \$47.8 million, or 29.5%, during the nine months ended September 30, 2023, compared to the nine months ended September 30, 2022, primarily due to the increase in attendance. As a percentage of admissions revenues, film exhibition costs were 40.8% for the nine months ended September 30, 2023, compared to 39.5% for the nine months ended September 30, 2022. The increase in film exhibition cost percentage is primarily due to the concentration of box office revenues in higher grossing films in the current year, which typically results in higher film exhibition costs.

Food and beverage costs increased \$16.4 million, or 36.0%, during the nine months ended September 30, 2023, compared to the nine months ended September 30, 2022. The increase in food and beverage costs was primarily due to the increase in food and beverage revenues and increases in product costs. As a percentage of food and beverage revenues, food and beverage costs were 25.1% for the nine months ended September 30, 2023, and 24.2% for the nine months ended September 30, 2022.

As a percentage of revenues, operating expense was 36.9% for the nine months ended September 30, 2023, and 44.6% for the nine months ended September 30, 2022. Rent expense decreased 0.3%, or \$0.5 million, during the nine months ended September 30, 2023, compared to the nine months ended September 30, 2022. See Note 2—Leases in the Notes to the Condensed Consolidated Financial Statements under Item 1 of Part I of this Form 10-Q for further information on the impact of COVID-19 on leases and rent obligations of approximately \$6.4 million that have been deferred to future years as of September 30, 2023.

Merger, acquisition, and other costs. Merger, acquisition, and other costs were \$0.1 million during the nine months ended September 30, 2023, compared to \$(0.5) million during the nine months ended September 30, 2022.

Other. Other general and administrative expense increased \$4.0 million, or 8.0%, during the nine months ended September 30, 2023, compared to the nine months ended September 30, 2022, due primarily to stock-based compensation expense of \$2.1 million related to a February 23, 2023 special award grant accounted for as a modification to the 2022 PSU awards discussed further in Condensed Consolidated Results of Operations. See Note 7—Stockholders' Equity in the Notes to the Condensed Consolidated Financial Statements under Item 1 of Part I of this Form 10-Q for additional information about stock-based compensation expense.

Depreciation and amortization. Depreciation and amortization decreased \$3.6 million, or 5.6%, during the nine months ended September 30, 2023, compared to the nine months ended September 30, 2022, primarily due to lower depreciation expense on theatres impaired during the year ended December 31, 2022.

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Other income. Other income of \$2.9 million during the nine months ended September 30, 2023, was primarily due to \$3.2 million in foreign currency transaction gains. Other income of \$1.3 million during the nine months ended September 30, 2022, was primarily due to \$16.2 million in government assistance related to COVID-19 and partially offset by \$14.7 million of foreign currency transaction losses. See Note 1—Basis of Presentation in the Notes to the Condensed Consolidated Financial Statements under Item 1 of Part I of this Form 10-Q for additional information about the components of other expense (income).

Interest expense. Interest expense decreased \$10.1 million to \$46.6 million for the nine months ended September 30, 2023, compared to \$56.7 million during the nine months ended September 30, 2022, primarily due to:

- the issuance of \$400.0 million 12.75% Odeon Senior Secured Notes due 2027 on October 20, 2022.

partially offset by:

- the extinguishment of £147.6 million and €312.2 million (\$476.6 million) 10.75%/11.25% Cash/PIK Term Loans due 2023 on October 20, 2022.

Equity in (earnings) loss of non-consolidated entities. Equity in (earnings) loss of non-consolidated entities was \$(1.5) million for the nine months ended September 30, 2023, compared to \$6.0 million for the nine months ended September 30, 2022. The decrease in equity losses from the prior year is primarily related to our 10.0% interest in Saudi Cinema Company, LLC that was sold on January 24, 2023.

Investment income. Investment income was \$16.1 million for the nine months ended September 30, 2023, compared to investment income of \$0.1 million for the nine months ended September 30, 2022. Investment income in the current year includes a gain on sale of our 10.0% interest in Saudi Cinema Company, LLC of \$15.5 million and interest income of \$0.6 million.

Income tax provision. The income tax provision was \$3.0 million and \$1.8 million for the nine months ended September 30, 2023, and September 30, 2022, respectively. See Note 8—Income Taxes in the Notes to the Condensed Consolidated Financial Statements under Item 1 of Part I of this Form 10-Q for further information.

Net loss. Net loss was \$43.6 million and \$165.3 million during the nine months ended September 30, 2023, and September 30, 2022, respectively. Net loss during the nine months ended September 30, 2023 compared to net loss for the nine months ended September 30, 2022 was positively impacted by the increase in attendance as a result of the popularity of new film releases compared to the prior year, decreases in rent expense, decreases in depreciation and amortization expense, increases in other income, decreases in interest expense, decreases in equity in losses and increases in investment income, partially offset by increases in general and administrative and an increase in income tax provision.

LIQUIDITY AND CAPITAL RESOURCES

Our consolidated revenues are primarily collected in cash, principally through admissions and food and beverage sales. We have an operating “float” which partially finances our operations and which generally permits us to maintain a smaller amount of working capital capacity. This float exists because admissions revenues are received in cash, while exhibition costs (primarily film rentals) are ordinarily paid to distributors 20 to 45 days following receipt of admissions revenues. Film distributors generally release the films which they anticipate will be the most successful during the summer and year-end holiday seasons. Consequently, we typically generate higher revenues during such periods and experience higher working capital requirements following such periods.

We had working capital deficit (excluding restricted cash) as of September 30, 2023, and December 31, 2022 of \$(571.1) million and \$(811.1) million, respectively. As of September 30, 2023 and December 31, 2022, working capital included operating lease liabilities of \$512.3 million and \$567.3 million, respectively, and deferred revenues of \$411.0 million and \$402.7 million, respectively.

See Note 6—Corporate Borrowings and Finance Lease Liabilities in the Notes to the Condensed Consolidated Financial Statements under Item 1 of Part I of this Form 10-Q for a further discussion of our Financial Covenants.

As of September 30, 2023, we had cash and cash equivalents of \$729.7 million.

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Additionally, during the first, second, and third quarters of 2023 we continued to lower our future interest expense through purchases of debt below par value and debt exchanges for equity and enhanced liquidity through equity issuances. See Note 6—Corporate Borrowings and Finance Lease Liabilities and Note 7—Stockholders' Equity in the Notes to the Condensed Consolidated Financial Statements under Item 1 of Part I of this Form 10-Q for further information.

We believe our existing cash and cash equivalents, together with cash generated from operations, will be sufficient to fund our operations and satisfy our obligations. We also believe we will comply with the minimum liquidity covenant requirement under our Senior Secured Revolving Credit Facility through the end of the covenant suspension period. Pursuant to the Twelfth Amendment to the Credit Agreement, the requisite revolving lenders party thereto agreed to extend the suspension period for the secured leverage ratio financial covenant applicable to the Senior Secured Revolving Credit Facility under the Credit Agreement through March 31, 2024. The current maturity date of the Senior Secured Revolving Credit Facility is April 22, 2024. Since the financial covenant applicable to the Senior Secured Revolving Credit Facility is tested as of the last day of any fiscal quarter for which financial statements have been (or were required to have been) delivered, the financial covenant has been effectively suspended through maturity of the Senior Secured Revolving Credit Facility. As of September 30, 2023, we were subject to a minimum liquidity requirement of \$100 million as a condition to the financial covenant suspension period under the Credit Agreement.

Our current cash burn rates are not sustainable long-term. In order to achieve net positive operating cash flows and long-term profitability, we believe that operating revenues will need to increase to levels in line with pre-COVID-19 operating revenues. North American box office grosses were down approximately 16% for the nine months ended September 30, 2023, compared to the nine months ended September 30, 2019. Until such time as we are able to achieve positive operating cash flow, it is difficult to estimate our liquidity requirements, future cash burn rates, future operating revenues and attendance levels. Depending on our assumptions regarding the timing and ability to achieve increased levels of operating revenue, the estimates of amounts of required liquidity vary significantly.

There can be no assurance that the operating revenues, attendance levels and other assumptions used to estimate our liquidity requirements and future cash burn rates will be correct, and our ability to be predictive is uncertain due to limited ability to predict studio film release dates, the overall production and theatrical release levels and success of individual titles. Additionally, the effects of labor stoppages, including but not limited to the Writers Guild of America strike that began on May 2, 2023 and ended on September 27, 2023, and the Screen Actors Guild – American Federation of Television and Radio Artists strike that began on July 14, 2023, cannot be reasonably estimated and may have a negative impact on the future film slate for exhibition, the Company's future liquidity and cash burn rates. Further, there can be no assurances that we will be successful in generating the additional liquidity necessary to meet our obligations beyond twelve months from the issuance of these financial statements on terms acceptable to us or at all.

Cash Flows from Operating Activities

Cash flows used in operating activities, as reflected in the condensed consolidated statements of cash flows, were \$137.4 million and \$595.2 million during the nine months ended September 30, 2023 and September 30, 2022, respectively. The improvement in cash flows used in operating activities was primarily due to the increase in attendance and decrease in net loss, decreases in working capital used, and reductions in rent repayments for rent that was deferred during the COVID-19 pandemic, partially offset by increases in cash interest paid during the nine months ended September 30, 2023 compared to the nine months ended September 30, 2022. See Note 2—Leases in the Notes to the Condensed Consolidated Financial Statements in Item 1 of Part I in this Form 10-Q for a summary of the estimated future repayment terms for the remaining \$74.2 million of rentals that were deferred during the COVID-19 pandemic.

Cash Flows from Investing Activities

Cash flows used in investing activities, as reflected in the condensed consolidated statements of cash flows, were \$116.4 million and \$153.7 million during the nine months ended September 30, 2023, and September 30, 2022, respectively. Cash outflows from investing activities include capital expenditures of \$153.5 million and \$129.7 million during the nine months ended September 30, 2023, and September 30, 2022, respectively. During the nine months ended September 30, 2023, cash flows used in investing activities also included proceeds from the sale of our investment in Saudi Cinema Company, LLC of \$30.0 million and proceeds from the disposition of long-term assets of \$8.6 million.

During the nine months ended September 30, 2022, cash flows used in investing activities included investment in Hycroft common stock for \$25.0 million, investment in Hycroft warrants for \$2.9 million, acquisition of theatre assets for \$17.8 million, partially offset by proceeds from the disposition of long-term assets of \$10.8 million and proceeds of \$11.4 million from the sale of securities in conjunction with the liquidation of a non-qualified deferred compensation plan.

We fund the costs of constructing, maintaining, and remodeling our theatres through existing cash balances, cash generated from operations, landlord contributions, or borrowed funds, as necessary. We generally lease our theatres pursuant to long-term non-cancelable operating leases, which may require the developer, who owns the property, to reimburse us for the construction costs. We estimate that our capital expenditures, net of landlord contributions, will be approximately \$175 million to \$225 million for year ended December 31, 2023, to maintain and enhance operations.

Cash Flows from Financing Activities

Cash flows provided by (used in) financing activities, as reflected in the condensed consolidated statements of cash flows, were \$355.3 million and \$(135.5) million during the nine months ended September 30, 2023, and September 30, 2022, respectively. Cash flows provided by financing activities during the nine months ended September 30, 2023, were primarily due to equity issuances of \$492.4 million, net of issuance costs, partially offset by the repurchase of Second Lien Notes due 2026 for \$99.8 million, and taxes paid for restricted unit withholdings of \$14.2 million. See Note 6—Corporate Borrowings and Finance Lease Liabilities and Note 7—Stockholders' Equity in the Notes to the Condensed Consolidated Financial Statements in Item 1 of Part I of this Form 10-Q for further information, including a summary of principal payments required and maturities of corporate borrowings as of September 30, 2023.

Cash flows provided by financing activities during the nine months ended September 30, 2022, was primarily due to principal and premium payments under the First Lien Notes due 2025 of \$534.5 million, principal and premium payments under the First Lien Notes due 2026 of \$325.6 million, principal and premium payments under the First Lien Toggle Notes due 2026 of \$88.1 million, taxes paid for restricted unit withholdings of \$52.2 million, repurchase of Second Lien Notes due 2026 of \$50.0 million, and cash used to pay for deferred financing costs of \$19.3 million, partially offset by the issuance of the First Lien Notes due 2029 of \$950.0 million and net proceeds from AMC Preferred Equity Unit share issuances.

We or our affiliates may, at any time and from time to time, to continue to seek to retire or purchase our outstanding debt through cash purchases and/or exchanges for equity or debt, in open-market purchases, privately negotiated transactions or otherwise. Such repurchases or exchanges, if any will be upon such terms and at such prices as we may determine, and will depend on prevailing market conditions, our liquidity requirements, contractual restrictions and other factors. The amounts involved may be material and to the extent equity is used, dilutive.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

In the ordinary course of business, our financial results are exposed to fluctuations in interest rates and foreign currency exchange rates. In accordance with applicable guidance, we presented a sensitivity analysis showing the potential impact to net income of changes in interest rates and foreign currency exchange rates. For the nine months ended September 30, 2023 and September 30, 2022, our analysis utilized a hypothetical 100 basis-point increase or decrease to the average interest rate on our variable rate debt instruments to illustrate the potential impact to interest expense of changes in interest rates and a hypothetical 100 basis-point increase or decrease to market interest rates on our fixed rate debt instruments to illustrate the potential impact to fair value of changes in interest rates.

Similarly, for the same period, our analysis used a uniform and hypothetical 10% strengthening of the U.S. dollar versus the average exchange rates of applicable currencies to depict the potential impact to net income of changes in foreign exchange rates. These market risk instruments and the potential impacts to the condensed consolidated statements of operations are presented below.

Market risk on variable-rate financial instruments. At September 30, 2023, and September 30, 2022, we maintained Senior Secured Credit Facilities comprised of a \$225.0 million revolving credit facility and \$1,910.0 million of Term Loan due 2026. Borrowings under the Credit Agreement (which governs the Senior Secured Credit Facilities) (as amended through the Thirteenth Amendment to Credit Agreement) bear interest at a rate per annum equal to, at our

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option, either (1) a base rate determined by reference to the highest of (a) 0.50% per annum plus the Federal Funds Effective Rate, (b) the prime rate announced by the Administrative Agent and (c) 1.00% per annum plus Adjusted Term SOFR (as defined below) for a 1-month tenor or (2) Term SOFR plus a credit spread adjustment of 0.11448% per annum, 0.26161% per annum, and 0.42826% per annum for interest periods of one-month, three-months, or six-months or longer, respectively (“Adjusted Term SOFR”) plus (x) in the case of the Senior Secured Term Loans, 2.0% for base rate loans or 3.0% for SOFR loans or (y) in the case of the Senior Secured Revolving Credit Facility, an applicable margin based on the Secured Leverage Ratio (as defined in the Credit Agreement). The rate in effect for the outstanding Senior Secured Term Loan due 2026 was 8.427% per annum at September 30, 2023, and 5.756% per annum at September 30, 2022.

Increases in market interest rates would cause interest expense to increase and earnings before income taxes to decrease. The change in interest expense and earnings before income taxes would be dependent upon the weighted average outstanding borrowings during the reporting period following an increase in market interest rates. At September 30, 2023, we had no variable-rate borrowings outstanding under our revolving credit facilities and had an aggregate principal balance of \$1,910.0 million outstanding under the Term Loan due 2026. A 100-basis point change in market interest rates would have increased or decreased interest expense on the Senior Secured Credit Facilities by \$14.3 million during the nine months ended September 30, 2023.

At September 30, 2022, we had no variable-rate borrowings outstanding under our revolving credit facilities and had an aggregate principal balance of \$1,930.0 million outstanding under the Term Loan due 2026. A 100-basis point change in market interest rates would have increased or decreased interest expense on our Senior Secured Term Loan due 2026 by \$14.5 million during the nine months ended September 30, 2022.

Market risk on fixed-rate financial instruments. Included in long-term corporate borrowings at September 30, 2023 were principal amounts of \$950.0 million of our First Lien Notes due 2029, \$1,124.2 million of our Second Lien Notes due 2026, \$400.0 million of our Odeon Notes due 2027, \$98.3 million of our Notes due 2025, \$51.5 million of our Notes due 2026, \$125.5 million of our Notes due 2027, and £4.0 million (\$4.9 million) of our Sterling Notes due 2024. A 100-basis point change in market interest rates would have caused an increase or (decrease) in the fair value of our fixed rate financial instruments of approximately \$60.1 million and \$(57.7) million, respectively, as of September 30, 2023.

Included in long-term corporate borrowings at September 30, 2022 were principal amounts of \$950.0 million of our First Lien Notes due 2029, \$1,435.5 million of our Second Lien Notes due 2026, \$471.1 million (£147.6 million and €312.2 million) of our Odeon Term Loan due 2023, \$98.3 million of our Notes due 2025, \$55.6 million of our Notes due 2026, \$130.7 million of our Notes due 2027, and £4.0 million (\$4.4 million) of our Sterling Notes due 2024. A 100-basis point change in market interest rates would have caused an increase or (decrease) in the fair value of our fixed rate financial instruments of approximately \$70.9 million and \$(67.7) million, respectively, as of September 30, 2022.

Foreign currency exchange rate risk. We are also exposed to market risk arising from changes in foreign currency exchange rates arising from our International markets operations. International markets revenues and operating expenses are transacted in British Pounds, Euros, Swedish Krona, and Norwegian Krone. U.S. GAAP requires that our subsidiaries use the currency of the primary economic environment in which they operate as their functional currency. If any international subsidiary was to operate in a highly inflationary economy, U.S. GAAP would require that the U.S. dollar be used as the functional currency. Currency fluctuations in the countries in which we operate result in us reporting exchange gains (losses) or foreign currency translation adjustments. Based upon the functional currencies in the International markets as of September 30, 2023, holding everything else constant, a hypothetical 10% increase in foreign currency translation rates to depict the potential impact to net loss of changes in foreign exchange rates would increase the aggregate net loss of our International theatres for the nine months ended September 30, 2023 by approximately \$4.4 million. Based upon the functional currencies in the International markets as of September 30, 2022, holding everything else constant, a hypothetical 10% increase in foreign currency translation rates to depict the potential impact to net loss of changes in foreign exchange rates would increase the aggregate net loss of our International theatres for the nine months ended September 30, 2022 by approximately \$16.5 million.

Our foreign currency translation rates increased by approximately 6.0% for the three months ended September 30, 2023 compared to the three months ended September 30, 2022.

Item 4. Controls and Procedures.

- (a) Evaluation of disclosure controls and procedures.

The Company maintains a set of disclosure controls and procedures designed to ensure that material information required to be disclosed in its filings under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms and that material information is accumulated and communicated to the Company's management, including its Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. The Company's Chief Executive Officer and Chief Financial Officer have evaluated these disclosure controls and procedures as of the end of the period covered by this Quarterly Report on Form 10-Q and have determined that such disclosure controls and procedures were effective.

- (b) Changes in internal control.

There has been no change in our internal control over financial reporting during our most recent calendar quarter that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II—OTHER INFORMATION

Item 1. Legal Proceedings

Reference is made to Note 11—Commitments and Contingencies of the Notes to the Company's Condensed Consolidated Financial Statements in Item 1 of Part I of this Form 10-Q for information on certain litigation to which we are a party.

Item 1A. Risk Factors

Reference is made to Part I Item 1A. Risk Factors in our Annual Report on Form 10-K for the year ended December 31, 2022, which sets forth information relating to important risks and uncertainties that could materially adversely affect our business, financial condition or operating results. Except as set forth below and the updates to liquidity provided herein, there have been no material changes to the risk factors contained in our Annual Report on Form 10-K for the year ended December 31, 2022 and Part II Item 1A. in our Quarterly Report on Form 10-Q for the quarter ended June 30, 2023.

There has been significant recent dilution and there may continue to be additional future dilution of our Common Stock, which could adversely affect the market price of shares of our Common Stock.

From January 1, 2020 through November 7, 2023, the outstanding shares of our Common Stock have increased by 193,148,890 shares (on a Reverse Stock Split adjusted basis) in a combination of at-the-market sales, conversion of Series A Convertible Participating Preferred Stock, shareholder litigation settlement, conversion of Class B common stock, conversion of notes, exchanges of notes, transaction fee payments, and equity grant vesting. On March 14, 2023, the Company held the Special Meeting and obtained the requisite stockholder approval for the Charter Amendments and on August 14, 2023 we filed the amendment to our Certificate of Incorporation implementing the Charter Amendments effective as of August 24, 2023. Accordingly, in accordance with the Charter Amendments, we increased the total number of authorized shares of Common Stock from 524,173,073 to 550,000,000 shares of Common Stock and effectuated a reverse stock split at a ratio of one share of Common Stock for every ten shares of Common Stock outstanding. In accordance with the terms of the Certificate of Designations governing the Series A Convertible Participating Preferred Stock, following the effectiveness of the Charter Amendment all outstanding shares of our Series A Convertible Participating Preferred Stock converted into 99,540,642 shares of Common Stock. As of November 7, 2023, there were 198,356,898 shares of Common Stock issued and outstanding. We may issue additional shares of Common Stock to raise cash to bolster our liquidity, to repay, refinance, redeem or refinance indebtedness (including expenses, accrued interest and premium, if any), for working capital, to finance strategic initiatives and future acquisitions or for other purposes. We may also issue preferred equity securities or securities convertible into, or exchangeable for, or that represent the right

to receive, shares of Common Stock or acquire interests in other companies, or other assets by using a combination of cash and shares of Common Stock, or just shares of Common Stock. Additionally, vesting under our equity compensation programs results in the issuance of new shares of Common Stock and shares withheld to cover tax withholding obligations upon vesting remain available for future grants. Any of these events may dilute the ownership interests of current stockholders, reduce our earnings per share or have an adverse effect on the price of our shares of Common Stock.

The market price and trading volume of our shares of Common Stock have experienced, and may continue to experience, extreme volatility, which could cause purchasers of our Common Stock to incur substantial losses.

The market prices and trading volume of our shares of Common Stock have experienced, and may continue to experience, extreme volatility, which could cause purchasers of our Common Stock to incur substantial losses. For example, during 2023, as adjusted for the Reverse Stock Split, the market price of our Common Stock has fluctuated from an intra-day low on the NYSE of \$7.05 per share on September 11, 2023 to an intra-day high on the NYSE of \$85.30 on February 28, 2023. The last reported sale price of our Common Stock on the NYSE on November 7, 2023, was \$10.22 per share. During 2023 to date, daily trading volume ranged from approximately 771,720 to 84,989,600 shares.

We believe that the recent volatility and our current market prices reflect market and trading dynamics unrelated to our underlying business, or macro or industry fundamentals, and we do not know how long these dynamics will last.

Under the circumstances, we caution you against investing in our Common Stock, unless you are prepared to incur the risk of losing all or a substantial portion of your investment.

Extreme fluctuations in the market price of our Common Stock have been accompanied by reports of strong and atypical retail investor interest, including on social media and online forums. The market volatility and trading patterns we have experienced create several risks for investors, including the following:

- the market prices of our Common Stock have experienced and may continue to experience rapid and substantial increases or decreases unrelated to our operating performance or prospects, or macro or industry fundamentals, and substantial increases may be significantly inconsistent with the risks and uncertainties that we continue to face;
- factors in the public trading market for our Common Stock may include the sentiment of retail investors (including as may be expressed on financial trading and other social media sites and online forums), the direct access by retail investors to broadly available trading platforms, the amount and status of short interest in our securities, access to margin debt, trading in options and other derivatives on our Common Stock and any related hedging and other trading factors;
- our market capitalization, as implied by various trading prices, currently reflects valuations that are significantly higher than our market capitalization immediately prior to the COVID-19 pandemic, and to the extent these valuations reflect trading dynamics unrelated to our financial performance or prospects, purchasers of our Common Stock could incur substantial losses if there are declines in market prices driven by a return to earlier valuations;
- to the extent volatility in our Common Stock is caused, or may from time to time be caused, as has widely been reported, by a “short squeeze” in which coordinated trading activity causes a spike in the market price of our Common Stock as traders with a short position make market purchases to avoid or to mitigate potential losses, investors purchase at inflated prices unrelated to our financial performance or prospects, and may thereafter suffer substantial losses as prices decline once the level of short-covering purchases has abated; and
- if the market prices of our Common Stock declines, you may be unable to resell your shares of Common Stock at or above the price at which you acquired them. We cannot assure you that the equity issuance of our Common Stock will not fluctuate or decline significantly in the future, in which case you could incur substantial losses.

We may continue to incur rapid and substantial increases or decreases in the market prices of our Common Stock in the foreseeable future that may not coincide in timing with the disclosure of news or developments by or affecting us. Accordingly, the market price of our shares of Common Stock may fluctuate dramatically, and may decline rapidly, regardless of any developments in our business. Overall, there are various factors, many of which are beyond our control, that could negatively affect the market price of our Common Stock or result in fluctuations in the price or trading volume of our Common Stock, including:

- the ongoing impacts relating to the COVID-19 pandemic on our industry;

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- actual or anticipated variations in our annual or quarterly results of operations, including our earnings estimates and whether we meet market expectations with regard to our earnings;
- our current inability to pay dividends or other distributions;
- publication of research reports by analysts or others about us or the motion picture exhibition industry, which may be unfavorable, inaccurate, inconsistent or not disseminated on a regular basis;
- changes in market interest rates that may cause purchasers of our shares to demand a different yield;
- changes in market valuations of similar companies;
- market reaction to any additional equity, debt or other securities that we may issue in the future, and which may or may not dilute the holdings of our existing stockholders;
- additions or departures of key personnel;
- actions by institutional or significant stockholders;
- short interest in our securities and the market response to such short interest;
- the dramatic increase or decrease in the number of individual holders of our Common Stock and their participation in social media platforms targeted at speculative investing;
- speculation in the press or investment community about our company or industry;
- strategic actions by us or our competitors, such as acquisitions or other investments;
- legislative, administrative, regulatory or other actions affecting our business or our industry, including positions taken by the Internal Revenue Service (“IRS”);
- strategic actions taken by motion picture studios, such as the shuffling of film release dates;
- investigations, proceedings, or litigation that involve or affect us;
- the occurrence of any of the other risk factors included or incorporated by reference in our Annual Report; and
- general market and economic conditions.

Anti-takeover protections in our certificate of incorporation and our bylaws may discourage or prevent a takeover of our Company, even if an acquisition would be beneficial to our stockholders.

Provisions contained in our certificate of incorporation and bylaws, as amended, as well as provisions of the Delaware General Corporation Law delay or make it more difficult to remove incumbent directors or for a third-party to acquire us, even if a takeover would benefit our stockholders. These provisions include:

- a classified board of directors;
- the sole power of a majority of the board of directors to fix the number of directors;
- limitations on the removal of directors;
- the sole power of the board of directors to fill any vacancy on the board of directors, whether such vacancy occurs as a result of an increase in the number of directors or otherwise;
- the ability of our board of directors to designate one or more series of preferred stock and issue shares of preferred stock without stockholder approval; and
- the inability of stockholders to call special meetings.

Our issuance of shares of preferred stock could delay or prevent a change of control of our company. Our board of directors has the authority to cause us to issue, without any further vote or action by the stockholders, up to 50,000,000 shares of preferred stock, par value \$0.01 per share, in one or more series, to designate the number of shares constituting any series, and to fix the rights, preferences, privileges and restrictions thereof, including dividend rights, voting rights, rights and terms of redemption, redemption price or prices and liquidation preferences of such series. The issuance of shares of preferred stock may have the effect of delaying, deferring or preventing a change in control of our company without further action by the stockholders, even where stockholders are offered a premium for their shares. As of

November 7, 2023, 50,000,000 shares of preferred stock are authorized and available for issuance.

Our incorporation under Delaware law, the ability of our board of directors to create and issue a new series of preferred stock or a stockholder rights plan and certain other provisions of our amended and restated certificate of incorporation and amended and restated bylaws, as amended, could impede a merger, takeover or other business combination involving our company or the replacement of our management or discourage a potential investor from making a tender offer for our Common Stock, which, under certain circumstances, could reduce the market value of our Common Stock.

Our business depends on motion picture production and performance and is subject to intense competition, including increases in alternative film delivery methods or other forms of entertainment.

Our ability to operate successfully depends upon the availability, diversity and appeal of motion pictures, our ability to license motion pictures and the performance of such motion pictures in our markets. The most attended films are usually released during the summer and the calendar year-end holidays, making our business seasonal. We license first-run motion pictures, the success of which has increasingly depended on the marketing efforts of the major motion picture studios and the duration of the exclusive theatrical release windows. Poor performance of, or any disruption in the production of these motion pictures (including by reason of a strike or lack of adequate financing), a reduction in the marketing efforts of the major motion picture studios, the choice by distributors to release fewer feature-length movies theatrically, or the choice to release feature-length movies directly to video streaming or PVID platforms, either in lieu of or on the same date as a theatrical release, could hurt our business and results of operations. Conversely, the successful performance of these motion pictures, particularly the sustained success of any one motion picture, or an increase in effective marketing efforts of the major motion picture studios and extension of the exclusive theatrical release windows, may generate positive results for our business and operations in a specific fiscal quarter or year that may not necessarily be indicative of, or comparable to, future results of operations. As movie studios rely on a smaller number of higher grossing “tent pole” films there may be increased pressure for higher film licensing fees. Our loyalty program and certain promotional pricing also may affect performance and increase the cost to license motion pictures relative to revenue for admission. In addition, a change in the type and breadth of movies offered by motion picture studios and the theatrical exclusive release window may adversely affect the demographic base of movie-goers.

Motion picture production is highly dependent on labor that is subject to various collective bargaining agreements. The Writers Guild of America strike that began on May 2, 2023 and ended on September 27, 2023, and the Screen Actors Guild – American Federation of Television and Radio Artists strike that began on July 14, 2023, have halted production, and may delay or otherwise affect the supply, of certain motion pictures. The disruption in film production may also cause delays for currently scheduled film release dates. It is difficult to anticipate the scope and timing of such delays. Such ongoing labor disputes may also effect promotional and marketing activities of certain motion pictures, which may have an adverse impact on attendance. Given the ongoing negotiations and uncertainty as to the extent and the duration of the strikes, it is difficult to predict the full extent of the adverse impact of the strikes on the Company’s business and results of operations in future reporting periods, if any. Studios are party to collective bargaining agreements with a number of other labor unions, and failure to reach timely agreements or renewals of existing agreements may further affect the production and supply of theatrical motion picture content.

Our theatres are subject to varying degrees of competition in the geographic areas in which we operate. Competitors may be multi-national circuits, national circuits, regional circuits or smaller independent exhibitors. Competition among theatre exhibition companies is often intense with respect to attracting patrons, terms for licensing of motion pictures and availability and securing and maintaining desirable locations.

We also compete with other film delivery methods, including video streaming, network, syndicated cable and satellite television, as well as video-on-demand, pay-per-view services, and subscription streaming services. We also compete for the public’s leisure time and disposable income with other forms of entertainment, including sporting events, amusement parks, live music concerts, live theatre, and restaurants. An increase in the popularity of these alternative film delivery methods and other forms of entertainment could reduce attendance at our theatres, limit the prices we can charge for admission and materially adversely affect our business and results of operations.

The Company's current equity incentive plan is expiring in December 2023 and a new equity incentive plan has not been put into place. Without a new equity incentive plan, the Company could experience difficulties retaining and hiring executives due to its inability to issue compensatory equity awards and could experience an adverse impact on its cash flow or adverse accounting consequences from alternative forms of compensation.

The current equity incentive plan of the Company will expire at the end of its 10-year term in December 2023. As required by NYSE rules, the Company intends to ask its stockholders for approval of a new equity incentive plan at its 2024 annual meeting. There can be no guarantee that the stockholders will approve a new plan. The absence of an equity incentive plan may create challenges for executive recruitment and retention. Absent a new plan the Company could issue equity-related awards to be settled in cash. The issuance of such awards may mitigate short-term risks related to executive recruitment and retention, but cash settlements of these awards would negatively impact cash flow and would require the Company to account for these awards based on the fair value of the related equity at the end of each reporting period, giving effect to the portion of services rendered during the requisite service periods. Until such time as the stockholders approve a new equity incentive plan, equity-related awards made to executives would need to be settled in cash. Continued issuance of cash-settled awards may not be sustainable given the Company's cash flow challenges. The cash flow of the Company, while improving, is still negative.

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

None.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

None.

Item 5. Other Information

Rule 10b5-1 Trading Arrangements

In the third quarter of 2023, no director or officer (as defined in Exchange Act Rule 16a-1(f)) of AMC adopted or terminated a Rule 10b5-1 trading arrangement or non-Rule 10b5-1 trading arrangement for the purchase or sale of securities of the Company, within the meaning of Item 408 of Regulation S-K.

Item 6. Exhibits.

EXHIBIT INDEX

EXHIBIT NUMBER	DESCRIPTION
<u>3.1</u>	<u>Third Amended and Restated Certificate of Incorporation of AMC Entertainment Holdings, Inc. (incorporated by reference from Exhibit 3.1 to the Company's Current Report on Form 8-K (File No. 1-33892) filed on December 23, 2013).</u>
<u>3.2</u>	<u>Certificate of Amendment to the Third Amended and Restated Certificate of Incorporation of AMC Entertainment Holdings, Inc. (incorporated by reference from Exhibit 3.1 to the Company's Current Report on Form 8-K (File No. 1-33892) filed on August 14, 2023).</u>
<u>*3.3</u>	<u>Third Amended and Restated Certificate of Incorporation of AMC Entertainment Holdings, Inc., as amended as of August 24, 2023 (redline version of amended sections).</u>
<u>3.4</u>	<u>Certificate of Elimination of Series A Convertible Participating Preferred Stock (incorporated by reference from Exhibit 3.1 to the Company's Current Report on Form 8-K (File No. 1-33892) filed on August 25, 2023).</u>
<u>+*10.1</u>	<u>Employment Agreement, dated as of August 11, 2023, by and between Ellen Copaken and AMC Entertainment Holdings, Inc.</u>
<u>+*10.2</u>	<u>Fifth Amendment to the AMC Entertainment Holdings, Inc. 2013 Equity Incentive Plan, effective as of August 25, 2023.</u>
<u>*31.1</u>	<u>Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Acts of 2002.</u>
<u>*31.2</u>	<u>Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Acts of 2002.</u>
<u>*32.1</u>	<u>Section 906 Certifications of Adam M. Aron (Chief Executive Officer) and Sean D. Goodman (Chief Financial Officer) furnished in accordance with Securities Act Release 33-8212.</u>
**101.INS	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
**101.SCH	Inline XBRL Taxonomy Extension Schema Document
**101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
**101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
**101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
**101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
**104	Cover Page Interactive Data File (formatted as inline XBRL and contained as Exhibit 101)

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- * Filed or furnished herewith, as applicable.
 ** Submitted electronically with this Report.
 + Management contract, compensatory plan or arrangement.

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 ENTERTAINMENT HOLDINGS, INC.

Date: November 8, 2023

/s/ ADAM M. ARON

Adam M. Aron

Chairman of the Board, Chief Executive Officer and President

Date: November 8, 2023

/s/ SEAN D. GOODMAN

Sean D. Goodman

*Executive Vice President, International Operations, Chief
Financial Officer and Treasurer*

**THIRD AMENDED AND RESTATED
CERTIFICATE OF INCORPORATION
OF
AMC ENTERTAINMENT HOLDINGS, INC.**

AMC Entertainment Holdings, Inc., a corporation organized and existing under the laws of the State of Delaware (hereinafter, the “Corporation”), hereby certifies as follows:

FIRST: The original Certificate of Incorporation of the Corporation was filed with the Secretary of State of the State of Delaware (the “Secretary of State”) on June 6, 2007. An Amended and Restated Certificate of Incorporation was filed with the Secretary of State on June 11, 2007, a Second Amended and Restated Certificate of Incorporation was filed with the Secretary of State on August 30, 2012 and a Certificate of Amendment of the Second Amended and Restated Certificate of Incorporation was filed with the Secretary of State on December 21, 2012.

SECOND: This Third Amended and Restated Certificate of Incorporation has been duly adopted by the board of directors of the Corporation (the “Board of Directors”) and by the stockholders in accordance with Sections 228, 242 and 245 of the Delaware General Corporation Law and amends and restates the provisions of the existing Amended and Restated Certificate of Incorporation of the Corporation.

THIRD: The text of the Second Amended and Restated Certificate of Incorporation of the Corporation is hereby amended and restated in its entirety to read as follows:

**ARTICLE I
NAME**

The name of the Corporation is AMC Entertainment Holdings, Inc. (the “Corporation”).

**ARTICLE II
REGISTERED OFFICE**

The address of the Corporation’s registered office in the State of Delaware is to be located at 1209 Orange Street, Wilmington, New Castle County, Delaware 19801 and the name of its registered agent at such address is The Corporation Trust Company.

**ARTICLE III
PURPOSE**

The purpose or purposes of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of the State of Delaware as the same exists or may hereafter be amended (the “DGCL”).

**ARTICLE IV
CAPITAL STOCK**

A. The total number of shares of capital stock that the Corporation has authority to issue is 600,000,000 shares, consisting of (i) 550,000,000 shares of Class A Common Stock, par value \$0.01 per share (the “Common Stock”) and (ii) 50,000,000 shares of Preferred Stock, par value \$0.01 per share (the “Preferred Stock”).

B. Except as otherwise provided by law or as set forth herein, the shares of stock of the Corporation, regardless of class, may be issued by the Corporation from time to time in such amounts, for such consideration and for such corporate purposes as the Board of Directors may from time to time determine.

C. The Board of Directors is hereby expressly authorized, by resolution or resolutions, to establish, out of the unissued shares of Preferred Stock, one or more series of Preferred Stock and to determine, with respect to each such series, the number of shares constituting such series and the designation of such series, the voting powers (if any) of the shares of such series, and the preferences and relative, participating, optional or other special rights, if any, and any qualifications, limitations or restrictions thereof, of the shares of such series. The powers, preferences and relative, participating, optional and other special rights of each series of Preferred Stock, and the qualifications, limitations or restrictions thereof, if any, may differ from those of any and all other series at any time outstanding.

D. The number of authorized shares of any of the Common Stock or the Preferred Stock may be increased or decreased (but not below the number of shares thereof then outstanding) by the affirmative vote of the holders of a majority in voting power of the stock of the Corporation entitled to vote thereon irrespective of the provisions of Section 242(b)(2) of the DGCL (or any successor provision thereto), and no vote of the holders of any of the Common Stock or the Preferred Stock voting separately as a class shall be required therefor.

E. Each holder of record of Class A Common Stock shall have one vote for each share of Class A Common Stock that is outstanding in his, her or its name on the books of the Corporation and which is entitled to vote. Each holder of record of Class B Common stock shall have three votes for each share of Class B Common Stock that is outstanding in his, her or its name on the books of the Corporation and which is entitled to vote. Except as otherwise provided in this Third Amended and Restated Certificate of Incorporation or by applicable law, the holders of shares of Class A Common Stock and Class B Common Stock shall at all times vote together as one class on all matters submitted to a vote or for the consent of the stockholders of the Corporation.

F. In the election of directors, stockholders shall be entitled to cast for any one candidate no greater number of votes than the number of shares held by such stockholder; no stockholder shall be entitled to cumulate votes on behalf of any candidate. Except as otherwise required by law, holders of record of Common Stock shall not be entitled to vote on any amendment to this Third Amended and Restated Certificate of Incorporation (including any certificate of designations relating to any series of Preferred Stock) that relates solely to the terms of one or more outstanding series of Preferred Stock if the holders of such affected series are entitled, either separately or together with the holders of one or more other such series, to vote thereon pursuant to this Third Amended and Restated Certificate of Incorporation (including any certificate of designations relating to any series of Preferred Stock) or pursuant to the DGCL.

G. Subject to applicable law and rights, if any, of the holders of any outstanding shares of Preferred Stock or any class or series of stock having a preference over or the right to participate with the Common Stock with respect to the payment of dividends, dividends may be declared and paid on the Common Stock at such times and in such amounts as the Board of Directors in its discretion shall determine.

H. Upon the liquidation, dissolution, distribution of assets or winding up of the Corporation, subject to the rights, if any, of the holders of any outstanding series of Preferred Stock or any class or series of stock having a preference over or the right to participate with the Common Stock with respect to the distribution of assets of the Corporation upon such dissolution, liquidation or winding up of the Corporation, the holders of Common Stock shall be entitled to receive the assets of the Corporation available for distribution to its stockholders in proportion to the number of shares held by them.

I. This Third Amended and Restated Certificate of Incorporation shall become effective immediately upon the filing of this Third Amended and Restated Certificate of Incorporation in accordance with the DGCL (such time of effectiveness, the "Effective Time"). Upon the Effective Time, (i) each share of Class A Common Stock, par value \$0.01 per share ("Class A Stock"), if any, of the Corporation issued and outstanding immediately prior to the Effective Time shall be automatically reclassified as and converted into 49.514 validly issued, fully paid and nonassessable shares of Class B Common Stock and (ii) each share of Class N Common Stock and par value \$0.01 per share ("Class N Stock" and, together with the Class A Stock, "Old Common Stock"), if any, of the Corporation issued and outstanding immediately prior to the Effective Time shall be automatically reclassified as and converted

into 49.514 validly issued, fully paid and nonassessable shares of Class A Common Stock (together with the Class B Common Stock, the “New Common Stock”).

J. Each holder of a certificate or certificates that immediately prior to the Effective Time represented outstanding shares of Old Common Stock (the “Old Certificates”, whether one or more) shall be entitled to receive upon surrender of such Old Certificates to the Corporation for cancellation, a certificate or certificates (the “New Certificates”, whether one or more) representing the number of shares of New Common Stock and the right to receive New Certificates pursuant to the provisions hereof, unless such shares are uncertificated. No certificates or scrip representing fractional share interests in New Common Stock will be issued, and no such fractional share interest will entitle the holder thereof to vote, or to any rights of a stockholder of the Corporation. In lieu of any fraction of a share, the Corporation shall pay to the Corporation’s transfer agent (the “Transfer Agent”) or its nominees as soon as practicable after the Effective Time, as agent for the accounts of all holders of Common Stock otherwise entitled to have a fraction of a share issued to them in connection with the stock split, the amount equal to the fair market value of the aggregate of all fractional shares otherwise issuable (the “Fractional Share Amount”). The fair market value shall be determined based upon the price that would be paid by a willing buyer of the assets or shares at issue, in a sale process designed to attract all possible participants and to maximize value. The determination of fair market value shall be made by the Board of Directors.

K. After the Effective Time and the receipt of payment by the Corporation of the Fractional Share Amount, the Transfer Agent shall pay to the stockholders entitled to a fraction of a share their pro rata share of the Fractional Share Amount upon surrender of their Old Certificates. If more than one Old Certificate shall be surrendered at one time for the account of the same stockholder, the number of full shares of New Common Stock for which New Certificates shall be issued, unless such shares are uncertificated, shall be computed on the basis of the aggregate number of shares represented by Old Certificates surrendered. In the event that the holder surrenders Old Certificates after the Effective Time but prior to the date on which the Fractional Share Amount is determined and paid to the Transfer Agent, the Transfer Agent shall carry forward any fractional share of such holder until the Fractional Share Amount is paid to the Transfer Agent. In the event that the Corporation’s Transfer Agent determines that a holder of Old Certificates has not tendered all of his certificates for exchange the Transfer Agent shall carry forward any fractional share until all certificates of the holder have been presented for exchange so that the payment for fractional shares to any one person shall not exceed the value of one share. If any New Certificate is to be issued in a name other than that in which the Old Certificates surrendered for exchange are issued, the Old Certificates so surrendered shall be properly endorsed and otherwise in proper form for transfer, and the person or persons requesting such exchange shall affix any requisite stock transfer stamps to the Old Certificates surrendered, or provide funds for their purchase, or establish to the satisfaction of the Transfer Agent that such taxes are not payable.

L. If the Corporation in any manner subdivides or combines by any split, dividend, reclassification, recapitalization or otherwise, or combines by reverse split, reclassification, recapitalization or otherwise, the outstanding shares of one class of Common Stock, the outstanding shares of the other class of Common Stock will be subdivided or combined in the same manner.

M. Each share of Class B Common Stock shall be convertible into one (1) fully paid and nonassessable share of Class A Common Stock at the option of the holder thereof at any time upon written notice to the Corporation. Before any holder of Class B Common Stock shall be entitled to voluntarily convert any shares of such Class B Common Stock, such holder shall surrender the certificate or certificates therefor (if any), duly endorsed, at the principal corporate office of the Corporation or of any transfer agent for the Class B Common Stock, and shall give written notice to the Corporation at its principal corporate office, of the election to convert the same and shall state therein the name or names (i) in which the certificate or certificates representing the shares of Class A Common Stock into which the shares of Class B Common Stock are so converted are to be issued if such shares are certificated or (ii) in which such shares are to be registered in book entry if such shares are uncertificated. The Corporation shall, as soon as practicable thereafter, issue and deliver at such office to such holder of Class B Common Stock, or to the nominee or nominees of such holder, a certificate or certificates representing the number of shares of Class A Common Stock to which such holder shall be entitled as aforesaid (if such shares are certificated) or, if such shares are uncertificated, register such shares in book-entry form. Such conversion shall be deemed to have been made immediately prior to the close of business on the date of such surrender of the shares of

Class B Common Stock to be converted following or contemporaneously with the written notice of such holder's election to convert required by this section, and the person or persons entitled to receive the shares of Class A Common Stock issuable upon such conversion shall be treated for all purposes as the record holder or holders of such shares of Class A Common Stock as of such date. Each share of Class B Common Stock that is converted pursuant to this section shall be retired by the corporation and shall not be available for reissuance.

N. Each share of Class B Common Stock shall (a) automatically, without further action by the holder thereof, be converted into one fully paid and nonassessable share of Class A Common Stock upon the occurrence of a Transfer, other than a Permitted Transfer, of such share of Class B Common Stock, and (b) all shares of Class B Common Stock shall automatically, without further action by any holder thereof, be converted into an identical number of shares of fully paid and nonassessable Class A Common Stock if, on the record date for any meeting of stockholders of the Corporation, Wanda or its affiliates holds less than 30% of the aggregate number of shares of Common Stock then outstanding, as determined by the Board of Directors of the Corporation (a "Conversion Event"). Each outstanding stock certificate that, immediately prior to a Conversion Event, represented one or more shares of Class B Common Stock subject to such Conversion Event shall, upon such Conversion Event, be deemed to represent an equal number of shares of Class A Common Stock, without the need for surrender or exchange thereof. The Corporation shall, upon the request of any holder whose shares of Class B Common Stock have been converted into shares of Class A Common Stock as a result of a Conversion Event and upon surrender by such holder to the Corporation of the outstanding certificate(s) formerly representing such holder's shares of Class B Common Stock (if any), issue and deliver to such holder certificate(s) representing the shares of Class A Common Stock into which such holder's shares of Class B Common Stock were converted as a result of such Conversion Event (if such shares are certificated) or, if such shares are uncertificated, register such shares in book-entry form. Each share of Class B Common Stock that is converted pursuant to this section shall thereupon be retired by the Corporation and shall not be available for reissuance.

O. The Corporation shall at all times reserve and keep available out of its authorized but unissued shares of Class A Common Stock, solely for the purpose of effecting the conversion of the shares of Class B Common Stock, such number of shares of Class A Common Stock as shall from time to time be sufficient to effect the conversion of all outstanding shares of Class B Common Stock into shares of Class A Common Stock.

P. REVERSE SPLIT. Upon the effectiveness of this Certificate of Amendment (the "Effective Time"), the shares of Common Stock issued and outstanding immediately prior to the Effective Time and the shares of Common Stock issued and held in the treasury of the Corporation immediately prior to the Effective Time are reclassified into a smaller number of shares such that every ten (10) shares of Common Stock immediately prior to the Effective Time is reclassified into one (1) share of Common Stock (the "Reverse Stock Split"). No fractional shares of Common Stock will be issued in connection with the Reverse Stock Split. In lieu of any fractional share of Common Stock that a stockholder would otherwise be entitled to receive as a result of the Reverse Stock Split, the Corporation shall arrange for the disposition of fractional interests by causing the transfer agent to (i) aggregate and sell such fractional interests and (ii) allocate and distribute the net proceeds from such sale among the holders of fractional interests as their respective interests appear on the records books of the Corporation.

ARTICLE V BOARD OF DIRECTORS

The following provisions are inserted for the management of the business and for the conduct of the affairs of the Corporation and for the purpose of creating, defining, limiting and regulating the powers of the Corporation and its directors and stockholders:

A. The directors of the Corporation, subject to any rights of the holders of shares of any class or series of Preferred Stock to elect directors, shall be classified with respect to the time for which they severally hold office into three classes, as nearly equal in number as possible. One class's initial term will expire at the first annual meeting of the stockholders following the effectiveness of this Third Amended and Restated Certificate of Incorporation, another class's initial term will expire at the second annual meeting of the stockholders following the effectiveness of this Third Amended and Restated Certificate of Incorporation and another class's initial term will expire at the third annual meeting of stockholders following the effectiveness of this Third Amended and Restated Certificate of

Incorporation, with directors of each class to hold office until their successors are duly elected and qualified; provided that the term of each director shall continue until the election and qualification of a successor and be subject to such director's earlier death, resignation or removal. At each annual meeting of stockholders of the Corporation beginning with the first annual meeting of stockholders following the filing of this Third Amended and Restated Certificate of Incorporation, subject to any rights of the holders of shares of any class or series of Preferred Stock, the successors of the directors whose term expires at that meeting shall be elected to hold office for a term expiring at the annual meeting of stockholders held in the third year following the year of their election. In the case of any increase or decrease, from time to time, in the number of directors of the Corporation, the number of directors in each class shall be apportioned as nearly equal as possible. No decrease in the number of directors shall shorten the term of any incumbent director.

B. The numbers of directors shall be no less than three and no more than 15. Subject to any special rights of any holders of any class or series of Preferred Stock to elect directors, the precise number of directors of the Corporation within the limitations specified in the preceding sentence shall be fixed, and may be altered from time to time, only by resolution of the Board of Directors.

C. Subject to this Article V, the election of directors may be conducted in any manner approved by the officer of the Corporation presiding at a meeting of the stockholders or the directors, as the case may be, at the time when the election is held and need not be by written ballot.

D. Any or all directors of the Corporation (other than the directors, if any, elected by the holders of any series of Preferred Stock, voting separately as one or more series, as the case may be) may be removed at any time either with or without cause by the affirmative vote of holders of at least a majority of the voting power of all the then outstanding shares of stock of the Corporation entitled to vote generally in the election of directors, voting as a single class.

E. Subject to any rights of the holders of shares of any class or series of Preferred Stock, if any, to elect additional directors under specified circumstances, any vacancy in the Board of Directors that results from an increase in the number of directors, from the death, disability, resignation, disqualification, removal of any director or from any other cause shall be filled solely by a majority of the total number of directors then in office, even if less than a quorum, or by a sole remaining director.

F. All corporate powers and authority of the Corporation (except as at the time otherwise provided by law, by this Third Amended and Restated Certificate of Incorporation or by the bylaws of the Corporation) shall be vested in and exercised by the Board of Directors.

ARTICLE VI ACTION BY STOCKHOLDERS

A. Any action required or permitted to be taken at any annual or special meeting of stockholders of the Corporation may be taken without a meeting, without prior notice and without a vote, if a consent or consents in writing, setting forth the action so taken, shall be signed by the holders of outstanding stock of the Corporation having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted and shall be delivered to the Corporation by delivery to its registered office in Delaware, its principal place of business, or to an officer or agent of the Corporation having custody of the book in which proceedings of meetings of stockholders are recorded; provided, however, that if at any time Wanda or its affiliates no longer beneficially owns, in the aggregate, more than 50.0% of the voting power of all the then outstanding shares of stock of the Corporation entitled to vote generally in the election of directors, then any action required or permitted to be taken at any annual or special meeting of stockholders of the Corporation must be effected at a duly called annual or special meeting of such stockholders and may no longer be effected by any consent in writing.

B. Except as otherwise required by law and subject to the rights, if any, of the holders of any series of Preferred Stock, special meetings of the stockholders of the Corporation for any purpose or purposes may be called

at any time pursuant to a resolution of the Board of Directors (and the Chairman of the Board of Directors, the Chief Executive Officer or Secretary of the Corporation shall call the meeting pursuant to such resolution), and special meetings of stockholders of the Corporation may not be called by any other person or persons.

C. The books of the Corporation may (subject to any statutory requirements) be kept outside the State of Delaware as may be designated by the Board of Directors or in the bylaws of the Corporation. Meetings of stockholders may be held within or outside the state of Delaware, as the bylaws of the Corporation may provide.

ARTICLE VII DGCL SECTION 203

The Corporation shall not be governed by Section 203 of the DGCL ("Section 203"), and the restrictions contained in Section 203 shall not apply to the Corporation.

ARTICLE VIII CORPORATE OPPORTUNITIES

To the fullest extent permitted by Section 122(17) of the DGCL and except as may be otherwise expressly agreed in writing by the Corporation and Wanda, the Corporation, on behalf of itself and its subsidiaries, renounces any interest or expectancy of the Corporation and its subsidiaries in, or in being offered an opportunity to participate in, business opportunities, that are from time to time presented to Wanda or any of its respective officers, directors, agents, stockholders, members, partners, affiliates and subsidiaries (other than the Corporation and its subsidiaries), even if the opportunity is one that the Corporation or its subsidiaries might reasonably be deemed to have pursued or had the ability or desire to pursue if granted the opportunity to do so and no such person shall be liable to the Corporation or any of its subsidiaries for breach of any fiduciary or other duty, as a director or officer or otherwise, by reason of the fact that such person pursues or acquires such business opportunity, directs such business opportunity to another person or fails to present such business opportunity, or information regarding such business opportunity, to the Corporation or its subsidiaries unless, in the case of any such person who is a director or officer of the Corporation, such business opportunity is expressly offered to such director or officer in writing solely in his or her capacity as a director or officer of the Corporation. Any person purchasing or otherwise acquiring any interest in any shares of stock of the Corporation shall be deemed to have notice of and consented to the provisions of this Article VIII. Neither the alteration, amendment or repeal of this Article VIII nor the adoption of any provision of this Third Amended and Restated Certificate of Incorporation inconsistent with this Article VIII shall eliminate or reduce the effect of this Article VIII in respect of any business opportunity first identified or any other matter occurring, or any cause of action, suit or claim that, but for this Article VIII, would accrue or arise, prior to such alteration, amendment, repeal or adoption.

ARTICLE IX INDEMNIFICATION; LIMITATION OF LIABILITY

A. The personal liability of the directors for monetary damages for breach of fiduciary duty as a director of the Corporation is hereby eliminated to the fullest extent permitted by the DGCL. Any repeal or modification of this Article IX shall not adversely affect any right or protection of a director of the Corporation existing hereunder with respect to any act or omission occurring prior to such repeal or modification.

B. Each person who was or is a party or is made a party, threatened to be made a party to or is involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (a "Proceeding"), by reason of the fact that he or she, or a person of whom he or she is the legal representative, is or was a director or officer of the Corporation or is or was serving at the request of the Corporation as a director or officer of another corporation, or as its representative in a partnership, joint venture, trust or other enterprise, including service with respect to employee benefit plans (any such person, an "Indemnitee"), whether the basis of such Proceeding is alleged action in an official capacity as a director, officer or representative or in any other capacity while serving as a director, officer or representative, shall be indemnified and held harmless by the Corporation to the fullest extent permitted by the DGCL, as the same exists or may hereafter be amended (but, in the case of any such amendment to the fullest

extent permitted by law, only to the extent that such amendment permits the Corporation to provide broader indemnification rights than said law permitted the Corporation to provide prior to such amendment), against all expenses, liability and loss (including attorneys' fees, judgments, fines, Employee Retirement Income Security Act of 1974, as amended, excise taxes or penalties and amounts paid or to be paid in settlement) reasonably incurred or suffered by him or her in connection therewith and such indemnification shall continue as to an Indemnitee who has ceased to be a director, officer, employee or agent and shall inure to the benefit of his or her heirs, executors, and administrators. Such right shall be a contract right and shall include the right to be paid by the Corporation expenses incurred in defending any such Proceeding in advance of its final disposition; provided, however, if the DGCL requires, the payment of such expenses shall be made only upon delivery to the Corporation of an undertaking, by or on behalf of such person to repay all amounts so advanced if it should be determined ultimately by final judicial decision from which there is no further right to appeal that such person is not entitled to be indemnified under this Article IX or otherwise. Unless otherwise required by law, the burden of proving that the Indemnitee is not entitled to be indemnified or to such advancement of expenses under this Article IX shall be on the Corporation. The Corporation may, by action of the Board, provide indemnification to employees and/or agents with the same scope and effect as the foregoing indemnification of directors and officers. Notwithstanding anything to the contrary in this Article IX and except as provided in paragraph (C) of this Article IX with respect to Proceedings to enforce rights to indemnification, the Corporation shall not be required to indemnify any Indemnitee against expenses incurred in connection with a Proceeding (or part thereof) initiated by such Indemnitee unless the initiation of the Proceeding (or part thereof) was approved by the Board of Directors.

C. If a claim under this Article IX is not paid in full by the Corporation within thirty days after a written claim has been received by the Corporation, the Indemnitee may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim and if successful, in whole or in part, the Indemnitee shall be entitled to be paid also the expense of prosecuting such claim. It shall be a defense to any such action (other than an action brought to enforce a claim for expenses incurred in defending any Proceeding in advance of its final disposition where the undertaking, if any is required, has been tendered to the Corporation) that the Indemnitee has not met the standards of conduct which make it permissible under the DGCL for the Corporation to indemnify the Indemnitee for the amount claimed, but the burden of proving such defense shall be on the Corporation. Neither the failure of the Corporation (including its Board of Directors, independent legal counsel, or its stockholders) to have made a determination prior to the commencement of such action that indemnification of the Indemnitee is proper in the circumstances because he has met the applicable standard of conduct set forth in the DGCL, nor an actual determination by the Corporation (including its Board of Directors, independent legal counsel, or its stockholders) that the Indemnitee had not met such applicable standard of conduct, shall be a defense to the action or create a presumption that the Indemnitee had not met the applicable standard of conduct.

D. Any amendment, alteration or repeal of this Article IX that adversely affects any right of an Indemnitee or his or her successors shall be prospective only and shall not limit or eliminate any such right with respect to any proceeding involving any occurrence or alleged occurrence of any action or omission to act that took place prior to such amendment or repeal.

E. The rights conferred by this Article IX shall not be exclusive of any other right which such Indemnitees may have or hereafter acquire under any statute, provision, bylaw, agreement, vote of stockholders or disinterested directors or otherwise.

F. The Corporation may maintain insurance, at its expense, to protect itself and any director, officer, or representative against any such expense, liability or loss, whether or not the Corporation would have the power to indemnify him against such expense, liability or loss under the DGCL.

ARTICLE X DEFINITIONS

For purposes of this Third Amended and Restated Certificate of Incorporation:

A. “affiliate” has the same meaning given to that term under Rule 12b-2 promulgated under the Exchange Act.

B. “Exchange Act” means the Securities Exchange Act of 1934, as amended.

C. “Permitted Transfer” shall mean any of the following: (A) any Transfer of shares of Class B Common Stock to a broker or other nominee; provided that the transferor, immediately following such Transfer, retains (1) Voting Control, (2) control over the disposition of such shares, and (3) the economic consequences of ownership of such shares; and (B) any Transfer of shares of Class B Common Stock between or among affiliates of Wanda.

D. “Transfer” of a share of Class B Common Stock shall mean, directly or indirectly, any sale, assignment, transfer, conveyance, hypothecation or other transfer or disposition of such share or any legal or beneficial interest in such share, whether or not for value and whether voluntary or involuntary or by operation of law (including by merger, consolidation or otherwise), including, without limitation, the transfer of, or entering into a binding agreement with respect to, Voting Control over such share, by proxy or otherwise. A “Transfer” shall also be deemed to have occurred with respect to a share of Class B Common Stock if such share of Class B Common Stock is beneficially held by a Person that is not Wanda or its affiliates for any reason.

E. “Voting Control” shall mean, with respect to a share of Class B Common Stock, the power (whether exclusive or shared) to vote or direct the voting of such share by proxy, voting agreement or otherwise.

F. “Wanda” means Dalian Wanda Group Co., Ltd, company organized under the laws of the People’s Republic of China.

ARTICLE XI AMENDMENT

A. The Corporation reserves the right to amend, alter, change or repeal any provision contained in this Third Amended and Restated Certificate of Incorporation in the manner now or hereafter prescribed by the DGCL, and all rights conferred upon stockholders herein are granted subject to this reservation.

B. In furtherance and not in limitation of the power conferred upon the Board of Directors by law, the Board of Directors shall have the power without the assent or vote of the stockholders to adopt, amend, alter or repeal the bylaws of the Corporation.

IN WITNESS WHEREOF, the undersigned has caused this Third Amended and Restated Certificate of Incorporation to be executed by a duly authorized officer of the Corporation, this 17th day of December, 2013.

AMC ENTERTAINMENT HOLDINGS, INC.

By: /s/ Kevin M. Connor

Name: Kevin M. Connor

Title: Senior Vice President,
General Counsel and Secretary

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (this “Agreement”) is made and entered into this **11th day of August, 2023**, by and between AMC Entertainment Holdings, Inc., a Delaware corporation (the “Company”), and **Ellen Copaken** (the “Officer”).

RECITALS

THE PARTIES ENTER THIS AGREEMENT on the basis of the following facts, understandings and intentions:

A. The Company desires to obtain the services of the Officer on the terms and conditions set forth in this Agreement.

B. This Agreement shall govern the employment relationship between the Officer and the Company and supersedes and negates all previous agreements with respect to such relationship.

C. The Officer desires to be employed by the Company on the terms and conditions set forth in this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the above recitals incorporated herein and the mutual covenants and promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby expressly acknowledged, the parties agree as follows:

1. Retention and Duties.

1.1 Retention. The Company does hereby hire, engage and employ the Officer beginning on the date first set forth above (the “Effective Date”), and concluding on the last day of the Period of Employment (as such term is defined in Section 2) on the terms and conditions expressly set forth in this Agreement. The Officer does hereby accept and agree to such hiring, engagement and employment, on the terms and conditions expressly set forth in this Agreement. Officer’s employer of record will be Company’s wholly owned subsidiary, American Multi-Cinema, Inc.

1.2 Duties. During the Period of Employment, the Officer shall serve the Company as its **Senior Vice President, Marketing** and shall have the powers, authorities, duties and obligations of management usually vested in such position of a company of a similar size and similar nature as the Company, and such other powers, authorities, duties and obligations commensurate with such position as the Company’s Board of Directors (the “Board”) or the Company’s Chief Executive Officer may assign from time to time, all subject to the directives of the Board and the corporate policies of the Company as they are in effect from time to time throughout the Period of Employment (including, without limitation, the Company’s business conduct and ethics policies, as they may change from time to time).

1.3 No Other Employment; Minimum Time Commitment. During the Period of Employment, the Officer shall (i) devote substantially all of the Officer’s business time, energy and skill to the performance of the Officer’s duties for the Company, (ii) perform

such duties in a faithful, effective and efficient manner to the best of her abilities, and (iii) hold no other employment. The Officer's service on the boards of directors (or similar body) of other for-profit business entities is subject to the approval of the Board or the Company's Chief Executive Officer. The Company shall have the right to require the Officer to resign from any board or similar body (including, without limitation, any association, corporate, civic or charitable board or similar body) on which she may then serve if the Board or the Company's Chief Executive Officer reasonably determines that the Officer's service on such board or body interferes with the effective discharge of the Officer's duties and responsibilities to the Company or that any business related to such service is then in competition with any business of the Company or any of its Affiliates (as such term is defined in Section 5.5), successors or assigns.

1.4 No Breach of Contract. The Officer hereby represents to the Company that: (i) the execution and delivery of this Agreement by the Officer and the Company and the performance by the Officer of the Officer's duties hereunder do not and shall not constitute a breach of, conflict with, or otherwise contravene or cause a default under, the terms of any other agreement or policy to which the Officer is a party or otherwise bound or any judgment, order or decree to which the Officer is subject; (ii) the Officer has no information (including, without limitation, confidential information and trade secrets) relating to any other Person (as such term is defined in Section 5.5) which would prevent, or be violated by, the Officer entering into this Agreement or carrying out her duties hereunder; (iii) the Officer is not bound by any employment, consulting, non-compete, confidentiality, trade secret or similar agreement with any other Person; and (iv) the Officer understands the Company will rely upon the accuracy and truth of the representations and warranties of the Officer set forth herein and the Officer consents to such reliance.

1.5 Location. The Officer's principal place of employment shall be in Leawood, Kansas. The Officer agrees that she will be regularly present at that office. The Officer acknowledges that she will be required to travel from time to time in the course of performing her duties for the Company.

2. Period of Employment. The "Period of Employment" shall be a period of two (2) years commencing on the Effective Date and ending at the close of business on the second anniversary of the Effective Date (the "Termination Date"); provided, however, that this Agreement shall be automatically renewed, and the Period of Employment shall be automatically extended, for one (1) additional year on the Termination Date and each anniversary of the Termination Date thereafter. The term "Period of Employment" shall include any extension thereof pursuant to the preceding sentence. Notwithstanding the foregoing, the Period of Employment is subject to earlier termination as provided below in this Agreement.

3. Compensation.

3.1 Base Salary. During the Period of Employment, the Company shall pay the Officer a base salary (the "Base Salary"), which shall be paid in accordance with the Company's regular payroll practices in effect from time to time, but not less frequently than monthly. The Officer's Base Salary shall be at an annualized rate of **four hundred twenty-five thousand dollars (\$425,000)**. The Board (or a committee thereof) will review the Officer's rate of Base Salary on an annual basis and may, in its sole discretion, increase (but not decrease) the rate then in effect.

3.2 Incentive Bonus. The Officer shall be eligible to receive an incentive bonus for each fiscal year of the Company that occurs during the Period of Employment ("Incentive Bonus");

provided, that the Officer must be employed by the Company at the end of the fiscal year in order to be eligible for an Incentive Bonus with respect to that fiscal year. If the Officer is not so employed at such time, she shall not be considered to have “earned” any Incentive Bonus with respect to the fiscal year in question. Any Incentive Bonus shall be paid to the Officer in the immediately following fiscal year at the same time that the Company pays its annual bonuses to officers generally. The Officer’s target Incentive Bonus amount for a particular fiscal year of the Company shall be determined by the Company in its sole discretion, based on performance objectives (which may include corporate, business unit or division, financial, strategic, individual or other objectives) established with respect to that particular fiscal year by Company.

3.3 Long Term Incentives. The Officer will be considered for long term incentive awards on terms and conditions established by the Board.

3.4 Clawback. Notwithstanding any other provisions in this Agreement to the contrary, any incentive-based compensation or any other compensation paid to the Officer pursuant to this Agreement or any other agreement or arrangement with the Company which is subject to recovery under any law, government regulation or stock exchange listing requirement, will be subject to such deductions and clawback as may be required to be made pursuant to such law, government regulation or stock exchange listing requirement (or any policy adopted by the Company (whether in existence as of the Effective Date or later adopted) pursuant to any such law, government regulation or stock exchange listing requirement or otherwise).

4. Benefits.

4.1 Retirement, Welfare and Fringe Benefits. During the Period of Employment, the Officer shall be entitled to participate in all retirement and welfare benefit plans and programs, and fringe benefit plans and programs, made available by the Company to the Company’s executive officers generally, in accordance with the eligibility and participation provisions of such plans and as such plans or programs may be in effect from time to time.

4.2 Reimbursement of Business Expenses. The Officer is authorized to incur reasonable expenses in carrying out the Officer’s duties for the Company under this Agreement and shall be entitled to reimbursement for all reasonable business expenses that the Officer incurs during the Period of Employment in connection with carrying out the Officer’s duties for the Company, subject to the Company’s expense reimbursement policies and any pre-approval policies in effect from time to time.

4.3 Vacation and Other Leave. During the Period of Employment, the Officer’s annual rate of vacation accrual shall conform with Company’s vacation policies in effect from time to time. The Officer shall also be entitled to all other holiday and leave pay generally available to other Officers of the Company.

5. Termination.

5.1 Termination by the Company. The Officer’s employment by the Company, and the Period of Employment, may be terminated at any time by the Company: (i) with Cause (as such term is defined in Section 5.5), or (ii) without Cause, or (iii) in the event of the Officer’s death, or (iv) in the event that the Board determines in good faith that the Officer has a Disability (as such term is defined in Section 5.5).

5.2 Termination by the Officer. The Officer's employment by the Company, and the Period of Employment, may be terminated by the Officer with no less than ninety (90) days' advance written notice to the Company (such notice to be delivered in accordance with Section 16); provided, however, that in the case of a termination with Good Reason, the Officer may provide immediate written notice of termination once the applicable cure period (as contemplated by the definition of Good Reason) has lapsed if the Company has not reasonably cured the circumstances that gave rise to the basis for the termination with Good Reason.

5.3 Benefits Upon Termination. If the Officer's employment by the Company is terminated during the Period of Employment for any reason by the Company or by the Officer (in any case, the date that the Officer's employment by the Company terminates is referred to as the "Severance Date"), the Company shall have no further obligation to make or provide to the Officer, and the Officer shall have no further right to receive or obtain from the Company, any payments or benefits except as follows:

(a) The Company shall pay the Officer (or, in the event of her death, the Officer's estate) any Accrued Obligations (as such term is defined in Section 5.5);

(b) If, during the Period of Employment, the Officer's employment with the Company terminates as a result of an Involuntary Termination, the Company shall pay the Officer (in addition to the Accrued Obligations), subject to tax withholding and other authorized deductions, an amount equal to one (1) times her annualized Base Salary. Such amount is referred to hereinafter as the "Severance Benefit." Subject to Section 5.8(a), the Company shall pay the Severance Benefit to the Officer in substantially equal installments in accordance with the Company's standard payroll practices over a period of twelve (12) consecutive months, with the first installment payable on the last day of the month following the month in which the Officer's Separation from Service (as such term is defined in Section 5.5) occurs.

(For purposes of clarity, each such installment shall equal the applicable fraction of the aggregate Severance Benefit. For example, if such installments were to be made on a monthly basis, each installment would equal 1/12th of the Severance Benefit.)

(c) Notwithstanding the foregoing provisions of this Section 5.3, if the Officer breaches his obligations under Section 6 or under any other agreement that imposes restrictions with respect to the Officer's activities at any time, from and after the date of such breach and not in any way in limitation of any right or remedy otherwise available to the Company, the Officer will no longer be entitled to, and the Company will no longer be obligated to pay, any remaining unpaid portion of the Severance Benefit; provided that, if the Officer provides the release contemplated by Section 5.4, in no event shall the Officer be entitled to a Severance Benefit payment of less than \$5,000, which amount the parties agree is good and adequate consideration, standing alone, for the Officer's release contemplated by Section 5.4.

(d) The foregoing provisions of this Section 5.3 shall not affect: (i) the Officer's receipt of any benefits otherwise due terminated employees under group insurance coverage consistent with the terms of an applicable Company welfare benefit plan; (ii) the Officer's rights to continued health coverage under COBRA; (iii) the Officer's receipt of benefits otherwise due in accordance with the terms of the Company's 401(k) plan (if any); or (iv) the Officer's rights (if any) to stock options or other equity-based awards or incentive previously granted, which shall be governed by the terms of the applicable equity incentive plan and award documents.

5.4 Release; Exclusive Remedy.

(a) This Section 5.4 shall apply notwithstanding anything else contained in this Agreement. As a condition precedent to payment of the Severance Benefit, the Officer shall, prior to the last day of the month following the month in which Executive's Separation from Service (as such term is defined in Section 5.5) occurs, provide the Company and its Affiliates with a valid, executed general release agreement in a form acceptable to the Company (which form shall be substantially in the same form as that attached hereto as Exhibit A), and such release agreement shall have not been revoked or remain revocable by the Officer pursuant to any revocation rights afforded by applicable law.

(b) The Officer agrees that the payments and benefits contemplated by Section 5.3 shall constitute the exclusive and sole remedy for any termination of his employment and the Officer covenants not to assert or pursue any other remedies, at law or in equity, with respect to any termination of employment. The Officer agrees to resign, on the Severance Date, as an officer and director of the Company and any Affiliate of the Company, and as a fiduciary of any benefit plan of the Company or any Affiliate of the Company, and to promptly execute and provide to the Company any further documentation, as requested by the Company, to confirm such resignation.

5.5 Certain Defined Terms.

(a) As used herein, "Accrued Obligations" means:

- (i) any Base Salary that had accrued but had not been paid on or before the Severance Date;
- (ii) any Incentive Bonus for a completed fiscal year that has not yet been paid, to the extent the Officer is eligible for any such Incentive Bonus for such fiscal year; and
- (iii) any reimbursement due to the Officer pursuant to Section 4.2 for expenses reasonably incurred by the Officer on or before the Severance Date and documented and pre-approved, to the extent applicable, in accordance with the Company's expense reimbursement policies in effect at the applicable time.

(b) As used herein, "Affiliate" of the Company means a Person that directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the Company. As used in this definition, the term "control," including the correlative terms "controlling," "controlled by" and "under common control with," means the possession, directly or indirectly, of the power to direct or cause the direction of management or policies (whether through ownership of securities or any partnership or other ownership interest, by contract or otherwise) of a Person.

(c) As used herein, "Cause" shall mean, as reasonably determined by the Board (excluding the Officer, if he is then a member of the Board) or Company's Chief Executive Officer based on the information then known to it, that one or more of the following has occurred:

- (i) the Officer has committed a felony (under the laws of the United States or any relevant state, or a similar crime or offense under the applicable laws of any relevant foreign jurisdiction);

(ii) the Officer has engaged in acts of fraud, dishonesty, gross negligence or other misconduct including abuse of controlled substances, that is injurious to the Company, its Affiliates or any of their customers, clients or employees;

(iii) the Officer willfully fails to perform or uphold his duties under this Agreement and/or willfully fails to comply with reasonable directives of the Board or Company's Chief Executive Officer, in either case, that is not remedied by the Officer within fifteen (15) days after written notice thereof has been delivered to the Officer; or

(iv) any breach by the Officer of any provision of Section 6, or any material breach by the Officer of any other contract he is a party to with the Company or any of its Affiliates including the code of ethics or another material written policy.

(d) As used herein, "Good Reason" shall mean a termination of the Officer's employment by means of resignation by the Officer after the occurrence (without the Officer's consent) of any one or more of the following conditions:

(i) a material diminution in the Officer's rate of Base Salary;

(ii) a material diminution in the Officer's authority, duties, or responsibilities;

(iii) a material change in the geographic location of the Officer's principal office with the Company (for this purpose, in no event shall a relocation of such office to a new location that is not more than fifty (50) miles from the current location of the Company's executive offices constitute a "material change"); or

(iv) a material breach by the Company of this Agreement;

provided, however, that any such condition or conditions, as applicable, shall not constitute grounds for a termination with Good Reason unless (x) the Officer provides written notice to the Company of the condition claimed to constitute grounds for a termination with Good Reason within thirty (30) days after the initial existence of such condition(s) (such notice to be delivered in accordance with Section 16), and (y) the Company fails to remedy such condition(s) within thirty (30) days of receiving such written notice thereof; and (z) the termination of the Officer's employment with the Company shall not constitute a termination with Good Reason unless such termination occurs not more than one hundred and twenty (120) days following the initial existence of the condition claimed to constitute grounds for a termination with Good Reason.

(e) As used herein, "Disability" shall mean a physical or mental impairment which, as reasonably determined by the Board, renders the Officer unable to perform the essential functions of his employment with the Company, even with reasonable accommodation that does not impose an undue hardship on the Company, for more than 90 days in any 180-day period, unless a longer period is required by federal or state law, in which case that longer period would apply.

(f) As used herein, "Involuntary Termination" shall mean (i) a termination of the Officer's employment by the Company without Cause (and other than due to Officer's death or in connection with a good faith determination by the Board that the Officer has a Disability), or (ii) a termination with Good Reason.

(g) As used herein, the term “Person” shall be construed broadly and shall include, without limitation, an individual, a partnership, a limited liability company, a corporation, an association, a joint stock company, a trust, a joint venture, an unincorporated organization and a governmental entity or any department, agency or political subdivision thereof.

(h) As used herein, a “Separation from Service” occurs when the Officer dies, retires, or otherwise has a termination of employment with the Company that constitutes a “separation from service” within the meaning of Treasury Regulation Section 1.409A-1(h)(1), without regard to the optional alternative definitions available thereunder.

5.6 Notice of Termination. Any termination of the Officer’s employment under this Agreement shall be communicated by written notice of termination from the terminating party to the other party. This notice of termination must be delivered in accordance with Section 16 and must indicate the specific provision(s) of this Agreement relied upon in effecting the termination.

5.7 Limitation on Benefits.

(a) To the extent that any payment, benefit or distribution of any type to or for the benefit of the Officer by the Company or any of its Affiliates, whether paid or payable, provided or to be provided, or distributed or distributable pursuant to the terms of this Agreement or otherwise (including, without limitation, any accelerated vesting of stock options or other equity-based awards or incentives) (collectively, the “Total Payments”) would be subject to the excise tax imposed under Section 4999 of the Internal Revenue Code of 1986, as amended (the “Code”), then the Company shall submit for the vote of the stockholders of the Company (the “Stockholders”) the payments to the Officer in a manner that complies with the requirements of Section 280G(b)(5)(B) of the Code and the Treasury Regulations promulgated thereunder. It shall be a prerequisite to the Company’s obligations under this Section 5.7(a) that the Officer shall have executed a valid waiver in a form reasonably satisfactory to the Company and sufficient to enable the Stockholders’ approval to have the effect that no payments to the Officer would be subject to the excise tax under Section 4999 of the Code. If the exemption described in Section 280G(b)(5)(B) of the Code and the Treasury Regulations promulgated thereunder does not apply, then the procedures set forth in Section 5.7(b) and Section 5.7(c) hereof shall apply.

(b) Notwithstanding anything contained in this Agreement to the contrary, to the extent that the Total Payments would be subject to Section 4999 of the Code, then the Total Payments shall be reduced (but not below zero) so that the maximum amount of the Total Payments (after reduction) shall be one dollar (\$1.00) less than the amount which would cause the Total Payments to be subject to the excise tax imposed by Section 4999 of the Code. Unless the Officer shall have given prior written notice to the Company to effectuate a reduction in the Total Payments that complies with the requirements of Section 409A of the Code to avoid the imputation of any tax, penalty or interest thereunder, the Company shall reduce or eliminate the Total Payments by first reducing or eliminating any cash severance benefits (with the payments to be made furthest in the future being reduced first), then by reducing or eliminating any accelerated vesting of stock options or similar awards, then by reducing or eliminating any other remaining Total Payments. The preceding provisions of this Section 5.7(b) shall take precedence over the provisions of any other plan, arrangement or agreement governing the Officer’s rights and entitlements to any benefits or compensation.

(c) Any determination that Total Payments to the Officer must be reduced or eliminated in accordance with Section 5.7(b) and the assumptions to be utilized in arriving at such determination, shall be made by the Board in the exercise of its reasonable, good faith discretion based upon the advice of such professional advisors it may deem appropriate in the circumstances. As a result of the uncertainty in the application of Section 4999 of the Code at the time of the initial determination by the Board hereunder, it is possible that Total Payments to the Officer which will not have been made by the Company should have been made (“Underpayment”). If an Underpayment has occurred, the amount of any such Underpayment shall be promptly paid by the Company to or for the benefit of the Officer. In the event that any Total Payment made to the Officer shall be determined to otherwise result in the imposition of any tax under Section 4999 of the Code, then the Officer shall promptly repay to the Company the amount of any such Underpayment together with interest on such amount (at the same rate as is applied to determine the present value of payments under Section 280G of the Code or any successor thereto), from the date the reimbursable payment was received by the Officer to the date the same is repaid to the Company.

5.8 Section 409A.

(a) If the Officer is a “specified employee” within the meaning of Treasury Regulation Section 1.409A-1(i) as of the date of the Officer’s Separation from Service and the Severance Benefit or any other amount payable under this Agreement constitutes deferred compensation within the meaning of Section 409A of the Code, the Officer shall not be entitled to such Severance Benefit or other amount until the earlier of (i) the date which is six (6) months after his Separation from Service for any reason other than death, or (ii) the date of the Officer’s death. The provisions of this paragraph shall apply only if, and to the extent, required to avoid the imputation of any tax, penalty or interest pursuant to Section 409A of the Code after taking into account all applicable exemptions available thereunder. Any amounts otherwise payable to the Officer upon or in the six (6) month period following the Officer’s Separation from Service that are not so paid by reason of this Section 5.8(a) shall be paid (without interest) as soon as practicable (and in all events within thirty (30) days) after the date that is six (6) months after the Officer’s Separation from Service (or, if earlier, as soon as practicable, and in all events within thirty (30) days, after the date of the Officer’s death).

(b) It is intended that any amounts payable under this Agreement and the Company’s and the Officer’s exercise of authority or discretion hereunder shall comply with and avoid the imputation of any tax, penalty or interest under Section 409A of the Code. This Agreement shall be construed and interpreted consistent with that intent. Nothing contained herein is intended to provide a guarantee of tax treatment to the Officer. For purposes of Section 409A of the Code, the Officer’s right to receive installment payments pursuant to Section 5.3(b) shall be treated as a right to receive a series of separate and distinct payments.

6. Protective Covenants.

6.1 Confidential Information; Inventions.

(a) The Officer shall not disclose or use at any time, either during the Period of Employment or thereafter, any confidential information (as defined below) of which the Officer is or becomes aware, whether or not such information is developed by her, except to the extent that such disclosure or use is directly related to and required by the Officer’s

performance in good faith of duties for the Company. The Officer will take all appropriate steps to safeguard confidential information in her possession and to protect it against disclosure, misuse, espionage, loss and theft. The Officer shall deliver to the Company at the termination of the Period of Employment, or at any time the Company may request, all memoranda, notes, plans, records, reports, computer tapes and software and other documents and data (and copies thereof) relating to the confidential information or the Work Product (as hereinafter defined) of the business of the Company or any of its Affiliates which the Officer may then possess or have under his control. Notwithstanding the foregoing, the Officer may truthfully respond to a lawful and valid subpoena or other legal process, but shall give the Company the earliest possible notice thereof, shall, as much in advance of the return date as possible, make available to the Company and its counsel the documents and other information sought, and shall assist the Company and such counsel in resisting or otherwise responding to such process.

(b) As used in this Agreement, the term “Confidential Information” means information that is not generally known to the public and that is used, developed or obtained by the Company or its Affiliates in connection with their respective businesses, including, but not limited to, information, observations and data obtained by the Officer while employed by the Company or any predecessors thereof (including those obtained prior to the Effective Date) concerning (i) the business or affairs of the Company or its Affiliates (or such predecessors), (ii) products or services, (iii) fees, costs, compensation and pricing structures, (iv) designs, (v) analyses, (vi) drawings, photographs and reports, (vii) computer software, including operating systems, applications and program listings, (viii) flow charts, manuals and documentation, (ix) data bases, (x) accounting and business methods, (xi) inventions, devices, new developments, methods and processes, whether patentable or unpatentable and whether or not reduced to practice, (xii) customers and clients and customer or client lists, (xiii) other copyrightable works, (xiv) all production methods, processes, technology and trade secrets, and (xv) all similar and related information in whatever form. Confidential Information will not include any information that has been published (other than a disclosure by the Officer in breach of this Agreement) in a form generally available to the public prior to the date the Officer proposes to disclose or use such information. Confidential Information will not be deemed to have been published merely because individual portions of the information have been separately published, but only if all material features comprising such information have been published in combination.

(c) As used in this Agreement, the term “Work Product” means all inventions, innovations, improvements, technical information, systems, software developments, methods, designs, analyses, drawings, reports, service marks, trademarks, trade names, logos and all similar or related information (whether patentable or unpatentable, copyrightable, registerable as a trademark, reduced to writing, or otherwise) which relates to the Company’s or any of its Affiliates’ actual or anticipated business, research and development or existing or future products or services and which are conceived, developed or made by the Officer (whether or not during usual business hours, whether or not by the use of the facilities of the Company or any of its Affiliates, and whether or not alone or in conjunction with any other person) while employed by the Company (including those conceived, developed or made prior to the Effective Date) together with all patent applications, letters patent, trademark, trade name and service mark applications or registrations, copyrights and reissues thereof that may be granted for or upon any of the foregoing. All Work Product that the Officer may have discovered, invented or originated during his employment by the Company or any of its Affiliates prior to the Effective Date, that he may discover, invent or originate during the Period of Employment or at any time

in the period of twelve (12) months after the Severance Date, shall be the exclusive property of the Company and its Affiliates, as applicable, and Officer hereby assigns all of Officer's right, title and interest in and to such Work Product to the Company or its applicable Affiliate, including all intellectual property rights therein. Officer shall promptly disclose all Work Product to the Company, shall execute at the request of the Company any assignments or other documents the Company may deem necessary to protect or perfect its (or any of its Affiliates', as applicable) rights therein, and shall assist the Company (or any of its Affiliates, as applicable), at the Company's expense, in obtaining, defending and enforcing the Company's (or any of its Affiliates', as applicable) rights therein. The Officer hereby appoints the Company as his attorney-in-fact to execute on his behalf any assignments or other documents deemed necessary by the Company to protect or perfect the Company's (and any of its Affiliates', as applicable) rights to any Work Product.

6.2 Restriction on Competition. The Officer agrees that if the Officer were to become employed by, or substantially involved in, the business of a competitor of the Company or any of its Affiliates during the twelve (12) months following the Severance Date, it would be very difficult for the Officer not to rely on or use the Company's and its Affiliates' trade secrets and confidential information. Thus, to avoid the inevitable disclosure of the Company's and its Affiliates' trade secrets and confidential information, and to protect such trade secrets and confidential information and the Company's and its Affiliates' relationships and goodwill with customers, during the Period of Employment and for a period of twelve (12) months after the Severance Date, the Officer will not directly or indirectly through any other Person engage in, enter the employ of, render any services to, have any ownership interest in, nor participate in the financing, operation, management or control of, any Competing Business. For purposes of this Agreement, the phrase "directly or indirectly through any other Person engage in" shall include, without limitation, any direct or indirect ownership or profit participation interest in such enterprise, whether as an owner, stockholder, member, partner, joint venturer or otherwise, and shall include any direct or indirect participation in such enterprise as an employee, consultant, director, officer, licensor of technology or otherwise. For purposes of this Agreement, "Competing Business" means a Person anywhere in the continental United States or elsewhere in the world where the Company or any of its Affiliates engage in business, or reasonably anticipate engaging in business, on the Severance Date (the "Restricted Area") that at any time during the Period of Employment has competed, or at any time during the twelve (12) month period following the Severance Date competes, with the Company or any of its Affiliates in any of its or their businesses, including, without limitation, theatrical exhibition, digital cinema, internet ticketing and virtual box office for theatrical exhibitions, IMAX or other three dimensional screened entertainment, pre-show content, cinema or lobby advertising products, meeting and event services or special in-theater events. Nothing herein shall prohibit the Officer from (i) being a passive owner of not more than 2% of the outstanding stock of any class of a corporation that is publicly traded, so long as the Officer has no active participation in the business of such corporation, (ii) providing services to a Person otherwise engaged in a Competing Business, provided the Officer provides no services to any business operated, managed or controlled by such Person that causes such Person to constitute a Competing Business, or (iii) providing services to a Person the business or businesses of which are unrelated to theatrical exhibition.

6.3 Non-Solicitation of Employees and Consultants. During the Period of Employment and for a period of twelve (12) months after the Severance Date, the Officer will not directly or indirectly through any other Person (i) induce or attempt to induce any employee or independent contractor of the Company or any Affiliate of the Company to leave the

employ or service, as applicable, of the Company or such Affiliate, or in any way interfere with the relationship between the Company or any such Affiliate, on the one hand, and any employee or independent contractor thereof, on the other hand, or (ii) hire any person who was an employee of the Company or any Affiliate of the Company until twelve (12) months after such individual's employment relationship with the Company or such Affiliate has been terminated.

- 6.4 Non-Solicitation of Customers.** During the Period of Employment and for a period of twelve (12) months after the Severance Date, the Officer will not directly or indirectly through any other Person influence or attempt to influence customers, vendors, suppliers, licensors, lessors, joint venturers, associates, consultants, agents, or partners of the Company or any Affiliate of the Company to divert their business away from the Company or such Affiliate, and the Officer will not otherwise interfere with, disrupt or attempt to disrupt the business relationships, contractual or otherwise, between the Company or any Affiliate of the Company, on the one hand, and any of its or their customers, suppliers, vendors, lessors, licensors, joint venturers, associates, officers, employees, consultants, managers, partners, members or investors, on the other hand.
- 6.5 Nondisparagement.** For the Period of Employment and five years thereafter, the Officer and the Company (acting through any of its executive officers or directors), acknowledge and agree that neither party will defame, disparage or publicly criticize, directly or through another Person, the services, business or reputation of the Company or any of its officers, directors, partners, employees, Affiliates or agents, on the one hand, or the Officer, on the other, in either a professional or personal manner.
- 6.6 Understanding of Covenants.** The Officer acknowledges that, in the course of his employment with the Company and/or its Affiliates and their predecessors, he has become familiar, or will become familiar, with the Company's and its Affiliates' and their predecessors' trade secrets and with other confidential and proprietary information concerning the Company, its Affiliates and their respective predecessors and that his services have been and will be of special, unique and extraordinary value to the Company and its Affiliates. The Officer agrees that the foregoing covenants set forth in this Section 6 (together, the "Restrictive Covenants") are reasonable and necessary to protect the Company's and its Affiliates' trade secrets and other confidential and proprietary information, good will, stable workforce, and customer relations.

Without limiting the generality of the Officer's agreement in the preceding paragraph, the Officer (i) represents that he is familiar with and has carefully considered the Restrictive Covenants, (ii) represents that he is fully aware of his obligations hereunder, (iii) agrees to the reasonableness of the length of time, scope and geographic coverage, as applicable, of the Restrictive Covenants, (iv) agrees that the Company and its Affiliates currently conducts business throughout the Restricted Area, and (v) agrees that the Restrictive Covenants will continue in effect for the applicable periods set forth above in this Section 6 regardless of whether the Officer is then entitled to receive severance pay or benefits from the Company.

The Officer understands that the Restrictive Covenants may limit his ability to earn a livelihood in a business similar to the business of the Company and any of its Affiliates, but he nevertheless believes that he has received and will receive sufficient consideration and other benefits as an employee of the Company and as otherwise provided hereunder or as described in the recitals hereto to clearly justify such restrictions which, in any event (given his education, skills and ability), the Officer does not believe would prevent her from otherwise earning a living. The Officer agrees that the Restrictive

Covenants do not confer a benefit upon the Company disproportionate to the detriment of the Officer.

- 6.7 Enforcement.** The Officer agrees that the Officer's services are unique and that he has access to Confidential Information and Work Product. Accordingly, the Officer agrees that a breach by the Officer of any of the covenants in this Section 6 would cause immediate and irreparable harm to the Company that would be difficult or impossible to measure, and that damages to the Company for any such injury would therefore be an inadequate remedy for any such breach.

Therefore, the Officer agrees that in the event of any breach or threatened breach of any provision of this Section 6 or any similar provision, the Company shall be entitled, in addition to and without limitation upon all other remedies the Company may have under this Agreement, at law or otherwise, to obtain specific performance, injunctive relief and/or other appropriate relief (without posting any bond or deposit) in order to enforce or prevent any violations of the provisions of this Section 6 or any similar provision, as the case may be, and/or require the Officer to account for and pay over to the Company all compensation, profits, moneys, accruals, increments or other benefits derived from or received as a result of any transactions constituting a breach of this Section 6 or any similar provision, as the case may be, if and when final judgment of a court of competent jurisdiction or arbitrator is so entered against the Officer. The Officer further agrees that for the applicable period of time any Restrictive Covenant is in effect following the Severance Date, as determined pursuant to the foregoing provisions of this Section 6, such period of time shall be extended by the same amount of time that Officer is in breach of any Restrictive Covenant. Any action to enforce this Agreement pursuant to this Section 6.7 shall be instituted in the United States Federal Court for the District of Kansas or the courts of the State of Kansas located in Johnson County, Kansas, and each party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action or proceeding. Service of process, summons, notice or other document by mail to such party's address set forth herein shall be effective service of process for any suit, action or other proceeding brought in any such court. The parties irrevocably and unconditionally waive any objection to the laying of venue of any suit, action or any proceeding in such courts and irrevocably waive and agree not to plead or claim in any such court that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum.

- 6.8** The Officer agrees to execute any additional documentation as may reasonably be requested by the Company in furtherance of the enforcement of any Restrictive Covenant.

- 7. Withholding Taxes.** Notwithstanding anything else herein to the contrary, the Company may withhold (or cause there to be withheld, as the case may be) from any amounts otherwise due or payable under or pursuant to this Agreement such federal, state and local income, employment, or other taxes as may be required to be withheld pursuant to any applicable law or regulation.

8. Successors and Assigns.

- 8.1** This Agreement is personal to the Officer and without the prior written consent of the Company shall not be assignable by the Officer otherwise than by will or the laws of descent and distribution. This Agreement shall inure to the benefit of and be enforceable by the Officer's legal representatives.

- 8.2** This Agreement shall inure to the benefit of and be binding upon the Company and its successors and assigns. As used in this Agreement, "Company" shall mean the Company as hereinbefore defined and any assignee or successor to all or substantially all of the

Company's assets, as applicable, which assumes this Agreement by operation of law or otherwise.

9. **Number and Gender; Examples.** Where the context requires, the singular shall include the plural, the plural shall include the singular, and any gender shall include all other genders. Where specific language is used to clarify by example a general statement contained herein, such specific language shall not be deemed to modify, limit or restrict in any manner the construction of the general statement to which it relates.
10. **Section Headings.** The section headings of, and titles of paragraphs and subparagraphs contained in, this Agreement are for the purpose of convenience only, and they neither form a part of this Agreement nor are they to be used in the construction or interpretation thereof.
11. **Governing Law; Arbitration; Waiver of Jury Trial.**
- 11.1 THIS AGREEMENT WILL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF DELAWARE, WITHOUT GIVING EFFECT TO ANY CHOICE OF LAW OR CONFLICTING PROVISION OR RULE (WHETHER OF THE STATE OF DELAWARE OR ANY OTHER JURISDICTION) THAT WOULD CAUSE THE LAWS OF ANY JURISDICTION OTHER THAN THE STATE OF DELAWARE TO BE APPLIED. IN FURTHERANCE OF THE FOREGOING, THE INTERNAL LAW OF THE STATE OF DELAWARE WILL CONTROL THE INTERPRETATION AND CONSTRUCTION OF THIS AGREEMENT, EVEN IF UNDER SUCH JURISDICTION'S CHOICE OF LAW OR CONFLICT OF LAW ANALYSIS, THE SUBSTANTIVE LAW OF SOME OTHER JURISDICTION WOULD ORDINARILY APPLY.
- 11.2 Except for the limited purpose provided in Section 6.7, any legal dispute related to this Agreement and/or any claim related to this Agreement, or breach thereof, shall, in lieu of being submitted to a court of law, be submitted to arbitration, in accordance with the applicable dispute resolution procedures of the American Arbitration Association. The award of the arbitrator shall be final and binding upon the parties. The parties hereto agree that (i) one arbitrator shall be selected pursuant to the rules and procedures of the American Arbitration Association, (ii) the arbitrator shall have the power to award injunctive relief or to direct specific performance, (iii) each of the parties, unless otherwise required by applicable law, shall bear its own attorneys' fees, costs and expenses and an equal share of the arbitrator's and administrative fees of arbitration and the arbitrator shall award to the prevailing party a sum equal to that party's share of the arbitrator's and administrative fees of arbitration, and (iv) the arbitration shall be conducted in Johnson County, Kansas. Nothing in this Section 11 shall be construed as providing the Officer a cause of action, remedy or procedure that the Officer would not otherwise have under this Agreement or the law.
- 11.3 EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS AGREEMENT.
12. **Severability.** It is the desire and intent of the parties hereto that the provisions of this Agreement be enforced to the fullest extent permissible under the laws and public policies applied in each jurisdiction in which enforcement is sought. Accordingly, if any particular provision of this Agreement shall be adjudicated by an arbitrator or court of competent jurisdiction to be invalid, prohibited or unenforceable under any present or future law, and if the rights and obligations of any party under this Agreement will not be materially and adversely affected thereby, such provision,

as to such jurisdiction, shall be ineffective, without invalidating the remaining provisions of this Agreement or affecting the validity or enforceability of such provision in any other jurisdiction, and to this end the provisions of this Agreement are declared to be severable; furthermore, in lieu of such invalid or unenforceable provision there will be added automatically as a part of this Agreement, a legal, valid and enforceable provision as similar in terms to such invalid or unenforceable provision as may be possible. Notwithstanding the foregoing, if such provision could be more narrowly drawn (as to geographic scope, period of duration or otherwise) so as not to be invalid, prohibited or unenforceable in such jurisdiction, it shall, as to such jurisdiction, be so narrowly drawn, without invalidating the remaining provisions of this Agreement or affecting the validity or enforceability of such provision in any other jurisdiction.

13. **Entire Agreement.** This Agreement embodies the entire agreement of the parties hereto respecting the matters within its scope. This Agreement supersedes all prior and contemporaneous agreements of the parties hereto that directly or indirectly bears upon the subject matter hereof, including, without limitation, any term sheet prepared in connection herewith. Any prior negotiations, correspondence, agreements, proposals or understandings relating to the subject matter hereof shall be deemed to have been merged into this Agreement, and to the extent inconsistent herewith, such negotiations, correspondence, agreements, proposals, or understandings shall be deemed to be of no force or effect. There are no representations, warranties, or agreements, whether express or implied, or oral or written, with respect to the subject matter hereof, except as expressly set forth herein. Notwithstanding the foregoing integration provisions, the Officer acknowledges having received and read the Company's code of ethics and agrees to conduct herself in accordance therewith as in effect from time to time.
14. **Modifications.** This Agreement may not be amended, modified or changed (in whole or in part), except by a formal, definitive written agreement expressly referring to this Agreement, which agreement is executed by both of the parties hereto.
15. **Waiver.** Neither the failure nor any delay on the part of a party to exercise any right, remedy, power or privilege under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege preclude any other or further exercise of the same or of any right, remedy, power or privilege, nor shall any waiver of any right, remedy, power or privilege with respect to any occurrence be construed as a waiver of such right, remedy, power or privilege with respect to any other occurrence. No waiver shall be effective unless it is in writing and is signed by the party asserted to have granted such waiver.
16. **Notices.** Any notice provided for in this Agreement must be in writing and must be either personally delivered, transmitted via telecopier, mailed by first class mail (postage prepaid and return receipt requested) or sent by reputable overnight courier service (charges prepaid) to the recipient at the address below indicated or at such other address or to the attention of such other person as the recipient party has specified by prior written notice to the sending party. Notices will be deemed to have been given hereunder and received when delivered personally, when received if transmitted via telecopier, five days after deposit in the U.S. mail and one day after deposit on a weekday with a reputable overnight courier service.

if to the Company:

AMC Entertainment Holdings, Inc.
11500 Ash Street
Leawood, KS 66211
Facsimile: 913-213-2059
Attn: Chief Executive Officer
General Counsel

if to the Officer, to the address most recently on file in the payroll records of the Company.

17. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original as against any party whose signature appears thereon, and all of which together shall constitute one and the same instrument. This Agreement shall become binding when one or more counterparts hereof, individually or taken together, shall bear the signatures of all of the parties reflected hereon as the signatories. Photographic copies of such signed counterparts may be used in lieu of the originals for any purpose.
18. **Legal Counsel; Mutual Drafting.** Each party recognizes that this is a legally binding contract and acknowledges and agrees that they have had the opportunity to consult with legal counsel of their choice. Each party has cooperated in the drafting, negotiation and preparation of this Agreement. Hence, in any construction to be made of this Agreement, the same shall not be construed against either party on the basis of that party being the drafter of such language. The Officer agrees and acknowledges that he has read and understands this Agreement, is entering into it freely and voluntarily, and has been advised to seek counsel prior to entering into this Agreement and has had ample opportunity to do so.

THIS AGREEMENT CONTAINS A BINDING ARBITRATION PROVISION WHICH MAY BE ENFORCED BY THE PARTIES.

[The remainder of this page has intentionally been left blank.]

IN WITNESS WHEREOF, the Company and the Officer have executed this Agreement as of the day and year first set forth above.

“COMPANY”

AMC Entertainment Holdings, Inc.

By: /s/ Carla Chavarria
Carla Chavarria

“OFFICER”

/s/ Ellen Copaken
Ellen Copaken

FORM OF RELEASE¹

1. Release by Officer. _____ (the “Officer”), on her own behalf, on behalf of any entities he/she controls and on behalf of her descendants, dependents, heirs, executors, administrators, assigns and successors, and each of them, hereby acknowledges full and complete satisfaction of and releases and discharges and covenants not to sue AMC ENTERTAINMENT HOLDINGS, INC. , a Delaware corporation (the “Company”), its divisions, subsidiaries, parents, or affiliated corporations, and each of its and their employees, officers and directors, past and present, and each of them, as well as its assignees and successors (individually and collectively, “Company Releasees”), from and with respect to any and all claims, agreements, obligations, demands and causes of action, known or unknown, suspected or unsuspected, arising out of or in any way connected, in whole or in part, with the Officer’s employment, the termination thereof, or any other relationship with or interest in the Company, including without limiting the generality of the foregoing, any claim for severance pay, profit sharing, bonus or similar benefit, pension, retirement, life insurance, health or medical insurance or any other fringe benefit, or disability, or any other claims, agreements, obligations, demands and causes of action, known or unknown, suspected or unsuspected, resulting from or arising out of, in whole or in part, any act or omission by or on the part of Company Releasees committed or omitted prior to the date of this release agreement (this “Agreement”), including, without limiting the generality of the foregoing, any claim under Title VII of the Civil Rights Act of 1964, the Americans with Disabilities Act, the Family and Medical Leave Act, or any other federal, state or local law, regulation or ordinance; provided, however, that the foregoing release does not apply to any obligation of the Company to the Officer pursuant to the benefits due to the Officer in connection with the execution and delivery of this Release Agreement pursuant to her employment agreement with _____ dated as of _____, 20__ by and between the Company and the Officer. In addition, this release does not cover any claim that cannot be released as a matter of applicable law.

2. Waiver of Civil Code Section 1542. This Agreement is intended to be effective as a general release of and bar to each and every claim, agreement, obligation, demand and cause of action hereinabove specified (collectively, the “Claims”). Accordingly, the Officer hereby expressly waives any rights and benefits conferred by Section 1542 of the California Civil Code as to the Claims. Section 1542 of the California Civil Code provides:

“A GENERAL RELEASE DOES NOT EXTEND TO A CLAIM WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.”

The Officer acknowledges that he/she later may discover claims, demands, causes of action or facts in addition to or different from those which the Officer now knows or believes to exist with respect to the subject matter of this Agreement and which, if known or suspected at the time of executing this Agreement, may have materially affected its terms. Nevertheless, the Officer hereby waives, as to the Claims, any claims, demands, and causes of action that might arise as a result of such different or additional claims, demands, causes of action or facts.

¹Subject to revision to the extent advisable based on changes in law or legal interpretation.

3. ADEA Waiver. The Officer expressly acknowledges and agrees that by entering into this Agreement, he/she is waiving any and all rights or claims that he may have arising under the Age Discrimination in Employment Act of 1967, as amended, which have arisen on or before the date of execution of this Agreement. The Officer further expressly acknowledges and agrees that:

- (a) In return for this Agreement, he/she will receive consideration beyond that to which he/she would have been entitled had he/she not entered into this Agreement;
- (b) He/She is hereby advised in writing by this Agreement to consult with an attorney before signing this Agreement;
- (c) He/She was given a copy of this Agreement on [_____, 20__] and informed that he/she had twenty-one (21) days within which to consider the Agreement; and
- (d) He/She was informed that he/she has seven (7) days following the date of execution of the Agreement in which to revoke the Agreement.

4. No Transferred Claims. The Officer represents and warrants to the Company that he/she has not heretofore assigned or transferred to any person other than the Company any released matter or any part or portion thereof.²

The undersigned has read and understands the consequences of this Agreement and voluntarily signs it. The undersigned declares under penalty of perjury under the laws of the State of [Delaware] that the foregoing is true and correct.

EXECUTED this _____ day of _____ 20__, at _____ County, [State].

“Officer”

Name

Acknowledged and agreed:

AMC ENTERTAINMENT HOLDINGS, INC.,
on behalf of itself and its divisions, subsidiaries, parents, and
affiliated companies, past and present, and each of them

By: _____

Name:

Title:

² If requested by the Company, the Officer shall provide a separate release from the Officer’s spouse at the time of execution.

**FIFTH AMENDMENT
TO THE
AMC ENTERTAINMENT HOLDINGS, INC.
2013 EQUITY INCENTIVE PLAN**

THIS FIFTH AMENDMENT (this “Amendment”) is effective as of August 25, 2023, for the purpose of amending that certain AMC Entertainment Holdings, Inc. (the “Company”) 2013 Equity Incentive Plan adopted as of December 23, 2013 (as amended from time to time, the “Plan”). Capitalized terms used in this Amendment shall have the same meanings given to them in the Plan unless otherwise indicated.

1. Amendment.

(a) The definition of “Common Stock” in Section 2 of the Plan is hereby amended to read in its entirety as follows:

“*Common Stock*” means the Company’s Class A common stock, par value \$0.01 per share.

(b) Section 2 of the Plan is hereby amended to delete the following definitions:

“*AMC Preferred Equity Unit*” means a depositary share that represents an interest in one one-hundredth (1/100th) of a share of Preferred Stock and is designed to have the same economic and voting rights as a share of the Company’s Class A common stock.

“*Preferred Stock*” means the Company’s Series A Convertible Participating Preferred Stock, par value \$0.01, with the preferences, limitations, voting powers and relative rights as set forth in the Certificate of Designation filed with the Secretary of the State of Delaware on August 4, 2022.

(c) Section 4.1 of the Plan is hereby amended to read in its entirety as follows:

“*Number of Shares Reserved*. Subject to adjustment as provided in Section 4.5 hereof, as of August 25, 2023, the remaining number of shares of Class A common stock that are reserved for issuance under the Plan shall be 952,815 (the “Share Reserve”). Each share of Common Stock subject to an Award shall reduce the Share Reserve by one share; provided that Awards that are required to be paid in cash pursuant to their terms shall not reduce the Share Reserve. Any shares of Common Stock delivered under the Plan shall consist of authorized and unissued shares or treasury shares.”

2. Miscellaneous.

Except as amended hereby, the Plan remains in full force and effect.

CERTIFICATIONS

I, Adam M. Aron, certify that:

1. I have reviewed this quarterly report on Form 10-Q of AMC Entertainment Holdings, 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: November 8, 2023

/s/ ADAM M. ARON

Adam M. Aron

Chairman of the Board, Chief Executive Officer and President

CERTIFICATIONS

I, Sean D. Goodman, certify that:

1. I have reviewed this quarterly report on Form 10-Q of AMC Entertainment Holdings, 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: November 8, 2023

/s/ SEAN D. GOODMAN

Sean D. Goodman
*Executive Vice President, International Operations, Chief
Financial Officer and Treasurer*

CERTIFICATION OF PERIODIC REPORT

The undersigned Chairman of the Board, Chief Executive Officer and President and Executive Vice President, International Operations, Chief Financial Officer and Treasurer of AMC Entertainment Holdings, Inc. (the “Company”), each hereby certifies, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that:

- (1) the Quarterly Report on Form 10-Q of the Company for the quarter ended September 30, 2023 (the “Report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a) or 78o(d)); and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: November 8, 2023

/s/ ADAM M. ARON

Adam M. Aron

*Chairman of the Board, Chief Executive Officer and
President*

/s/ SEAN D. GOODMAN

Sean D. Goodman

*Executive Vice President, International Operations, Chief
Financial Officer and Treasurer*
