

# AMC Entertainment Holdings

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## AMC Entertainment secures lifeline investment but bankruptcy risk still looms

AMC Entertainment Holdings Inc (NYSE:AMC) said it has secured a lifeline investment of US\$100m from private equity group Mudrick Capital, however, the cash injection is still well short of the amount the cinema chain said it needs to stay afloat through 2021.

Last Friday, the company, which owns the Odeon cinema chain in the UK alongside its US operations, said it will need a minimum of US\$750m of additional liquidity to fund its operations through 2021 and is currently considering selling shares and renegotiating its rents to avoid going bust.

### READ: Cinema operators set to be collateral damage in Warner Bros and Disney streaming wars

Mudrick will also receive 22m shares in the company through the conversion of US\$100m of debt into stock.

At the end of November, AMC said it had around US\$320m in cash, a sum it expects to be depleted by January as the coronavirus (COVID-19) pandemic continues to ravage the entertainment sector and force cinemas to close their doors. AMC reported previously that attendance at its US movie theatres fell 92% year-on-year between October 1 and November 30.

The problem is likely to be compounded by the decision of film studios to more seriously consider releasing films directly to their consumers through their streaming platforms, depriving cinema operators of the content they need to lure moviegoers back in once the pandemic subsides.

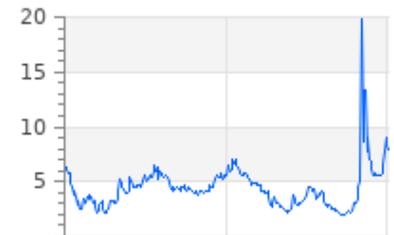
Warner Bros found itself singled out for criticism by AMC in its fundraising announcement, as the company said its troubles have been "exacerbated" by the studio's decision to release its entire 2021 film schedule onto its HBO Max streaming service rather than in theatres.

AMC shares were 1.5% higher at US\$3.98 in pre-market trading in New York on Monday.

**Price:** 8.01

**Market Cap:** \$2.72 billion

### 1 Year Share Price Graph



February 2020 August 2020 February 2021

### Share Information

**Code:** AMC

**Listing:** NYSE

<b>52 week</b>	<b>High</b>	<b>Low</b>
	19.9	1.92

**Sector:** Leisure, gaming and gambling

**Website:** [www.amctheatres.com](http://www.amctheatres.com)

### Company Synopsis:

AMC (NYSE: AMC) is the largest movie exhibition company in the U. S. , in Europe and throughout the world with 1,014 theatres and 11,169 screens across the globe. AMC operates among the most productive theatres in the United States' top markets, having the #1 or #2 market share positions in 22 of the 25 largest metropolitan areas of the United States, including the top three markets (NY, LA, Chicago).

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