

**Registered number: 08514872**

**VUE INTERNATIONAL BIDCO PLC**

**UNAUDITED**

**FINANCIAL STATEMENTS**

**FOR THE 3 MONTHS ENDED 28 FEBRUARY 2019**

VUE INTERNATIONAL BIDCO PLC

INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT (unaudited)  
FOR THE PERIOD ENDED 28 FEBRUARY 2019

	3 Months ended 28 February 2019	3 Months ended 28 February 2018
Note	£000	£000
Revenue	220,859	246,307
Cost of sales	(76,733)	(92,273)
<b>Gross profit</b>	<b>144,126</b>	<b>154,034</b>
<b>Total operating expenses</b>	<b>(115,219)</b>	<b>(116,369)</b>
Analysed between:		
Administrative expenses	(99,974)	(98,924)
Depreciation & amortisation	(13,997)	(14,949)
Separately reported items	(1,248)	(2,496)
<b>Operating profit / (loss)</b>	<b>28,907</b>	<b>37,665</b>
Finance income	94	65
Finance expenses	2 (30,816)	(34,178)
<b>Net finance costs</b>	<b>(30,722)</b>	<b>(34,113)</b>
<b>Loss before income tax</b>	<b>(1,815)</b>	<b>3,552</b>
Taxation	(3,512)	(11,193)
<b>Loss for the period</b>	<b>(5,327)</b>	<b>(7,641)</b>
<b>Attributable to:</b>		
- Owners of the parent	(5,371)	(7,698)
- Non-controlling interests	44	57
	<b>(5,327)</b>	<b>(7,641)</b>

VUE INTERNATIONAL BIDCO PLC

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (unaudited)  
FOR THE PERIOD ENDED 28 FEBRUARY 2019

	<b>3 Months ended 28 February 2019 £000</b>	3 Months ended 28 February 2018 £000
<b>Loss for the period</b>	<b>(5,327)</b>	<b>(7,641)</b>
<b>Items that may subsequently be reclassified to profit or loss</b>		
Translation (loss) / gains on net investments	<b>(6,860)</b>	2,312
<b>Total comprehensive loss for the period</b>	<b>(12,187)</b>	<b>(5,329)</b>
<b>Attributable to:</b>		
- Owners of the parent	<b>(12,231)</b>	<b>(5,385)</b>
- Non-controlling interests	<b>44</b>	<b>57</b>

VUE INTERNATIONAL BIDCO PLC

INTERIM CONDENSED CONSOLIDATED BALANCE SHEET (unaudited)  
AS AT 28 FEBRUARY 2019

	Notes	As at 28 February 2019 £000	As at 30 November 2018 £000
<b>Non-current assets</b>			
Property, plant and equipment	3	298,782	308,202
Goodwill and intangible assets		873,970	878,707
Investments		165	166
Deferred tax asset		30,534	33,594
Trade and other receivables	5	2,865	2,911
<b>Total non-current assets</b>		<b>1,206,316</b>	<b>1,223,580</b>
<b>Current assets</b>			
Inventories	4	4,893	5,423
Trade and other receivables	5	86,874	84,434
Cash and cash equivalents	6	115,211	116,140
<b>Total current assets</b>		<b>206,978</b>	<b>205,997</b>
<b>Total assets</b>		<b>1,413,294</b>	<b>1,429,577</b>
<b>Current liabilities</b>			
Trade and other payables	7	166,105	187,587
Corporate tax payable		4,005	1,708
Interest-bearing loans and other liabilities	8	5,984	6,125
Provisions	9	1,710	1,619
<b>Total current liabilities</b>		<b>177,804</b>	<b>197,039</b>
<b>Non-current liabilities</b>			
Trade and other payables	7	52,040	52,232
Interest-bearing loans and other liabilities	8	1,566,313	1,549,471
Provisions	9	96,000	97,871
Deferred tax liability		3,798	3,335
<b>Total non-current liabilities</b>		<b>1,718,151</b>	<b>1,702,909</b>
<b>Total liabilities</b>		<b>1,895,955</b>	<b>1,899,948</b>
<b>Net liabilities</b>		<b>(482,661)</b>	<b>(470,371)</b>
<b>Equity</b>			
Share capital	10	4,718	4,718
Share based payment reserve		10,274	10,274
Retained losses		(497,743)	(485,512)
<b>Equity attributable to owners of the parent</b>		<b>(482,751)</b>	<b>(470,520)</b>
Non-controlling interests		90	149
<b>Total equity</b>		<b>(482,661)</b>	<b>(470,371)</b>

VUE INTERNATIONAL BIDCO PLC

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (unaudited)  
FOR THE PERIOD ENDED 28 FEBRUARY 2019

	Share Capital £000	Share Based Payment Reserve £000	Retained Earnings £000	Total £000	Non- controlling interest £000	Total Equity £000
<b>Balance at 30 November 2017</b>	<b>4,718</b>	<b>8,853</b>	<b>(399,052)</b>	<b>(385,481)</b>	<b>147</b>	<b>(385,334)</b>
(Loss)/profit for the period	-	-	(83,110)	(83,110)	127	(82,983)
Other comprehensive income for the period	-	-	(3,350)	(3,350)	-	(3,350)
Total comprehensive (loss)/income for the period	-	-	(86,460)	(86,460)	127	(86,333)
Share based payments	-	1,421	-	1,421	-	1,421
Dividend paid to non-controlling interests	-	-	-	-	(125)	(125)
<b>Balance at 30 November 2018</b>	<b>4,718</b>	<b>10,274</b>	<b>(485,512)</b>	<b>(470,520)</b>	<b>149</b>	<b>(470,371)</b>
(Loss)/profit for the period	-	-	(5,371)	(5,371)	44	(5,327)
Other comprehensive loss for the period	-	-	(6,860)	(6,860)	-	(6,860)
Total comprehensive (loss)/income for the period	-	-	(12,231)	(12,231)	44	(12,187)
Share based payments	-	-	-	-	-	-
Dividend paid to non-controlling interests	-	-	-	-	(103)	(103)
<b>Balance at 28 February 2019</b>	<b>4,718</b>	<b>10,274</b>	<b>(497,743)</b>	<b>(482,751)</b>	<b>90</b>	<b>(482,661)</b>

VUE INTERNATIONAL BIDCO PLC

CONSOLIDATED CASH FLOW STATEMENT (unaudited)  
FOR THE PERIOD ENDED 28 FEBRUARY 2019

		3 Months ended 28 February 2019 £000	3 Months ended 28 February 2018 £000
<b>Net cash inflow / (outflow) from operating activities</b>	<b>11</b>	<b>24,392</b>	<b>48,851</b>
<b>Cash flows from investing activities</b>			
Interest received		94	65
Acquisition of property plant and equipment and Intangibles		(4,175)	(8,114)
<b>Net cash inflow / (outflow) from investing activities</b>		<b>(4,081)</b>	<b>(8,049)</b>
<b>Cash flows from financing activities</b>			
Interest paid		(18,407)	(18,305)
Payment of borrowings		(1,595)	(1,669)
Dividend paid		(103)	(124)
<b>Net cash outflow from financing activities</b>		<b>(20,105)</b>	<b>(20,098)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>		<b>206</b>	<b>20,704</b>
<b>Cash and cash equivalents at the beginning of the period</b>		<b>116,140</b>	<b>116,135</b>
Exchange gains / (losses) on cash and cash equivalents		(1,135)	164
<b>Cash and cash equivalents at the end of the year</b>	<b>6</b>	<b>115,211</b>	<b>137,003</b>

# VUE INTERNATIONAL BIDCO PLC

## NOTES TO THE FINANCIAL STATEMENTS (unaudited)

### 1. BASIS OF PREPARATION

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union and the Companies Act 2006 applicable to companies reporting under IFRS. The Group financial statements comply with Article 4 of the EU IAS Regulation.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies.

### 2. FINANCE EXPENSES

	<b>3 Months ended 28 February 2019 £000</b>	3 Months ended 28 February 2018 £000
Senior secured notes and bank loans	12,642	12,728
Amortisation of capitalised issue costs	70	70
Shareholder loan interest	21,346	19,231
Interest on obligations under finance leases	633	784
Unwinding of discount factor on provisions	74	474
Foreign exchange (gains) / losses	(3,949)	891
	<u>30,816</u>	<u>34,178</u>

### 3. PROPERTY, PLANT AND EQUIPMENT

	<b>As at 28 February 2019 £000</b>	As at 30 November 2018 £000
Opening net book value	308,202	335,438
Additions	4,994	29,533
Disposals	(7)	(218)
Depreciation	(13,066)	(54,063)
Impairment charge	-	(1,181)
Foreign exchange gain	(1,339)	(1,050)
Fair value adjustments	(2)	(7)
Transfers to intangibles	-	(250)
<b>Closing net book value</b>	<u>298,782</u>	<u>308,202</u>

### 4. INVENTORIES

	<b>As at 28 February 2019 £000</b>	As at 30 November 2018 £000
Finished goods and goods for resale	<u>4,893</u>	<u>5,423</u>

VUE INTERNATIONAL BIDCO PLC

NOTES TO THE FINANCIAL STATEMENTS (unaudited)

5. TRADE AND OTHER RECEIVABLES

	As at 28 February 2019 £000	As at 30 November 2018 £000
Trade receivables	33,457	39,190
Allowance for doubtful debts	(4,304)	(4,365)
Amounts receivable from parent undertakings	21,792	19,261
Other receivables	17,055	12,471
Prepayments	21,739	20,788
<b>Total</b>	<b>89,739</b>	<b>87,345</b>
Current	86,874	84,434
Non-current	2,865	2,911
<b>Total</b>	<b>89,739</b>	<b>87,345</b>

6. CASH AND CASH EQUIVALENTS

	As at 28 February 2019 £000	As at 30 November 2018 £000
Cash - unrestricted	109,919	110,797
Cash - restricted	5,292	5,343
	<b>115,211</b>	<b>116,140</b>

7. TRADE AND OTHER PAYABLES

	As at 28 February 2019 £000	As at 30 November 2018 £000
Trade payables	37,124	49,722
Accrued expenses	76,850	85,206
Other payables	7,889	11,761
Taxation and social security	2,260	1,844
Deferred income	94,022	91,286
<b>Total</b>	<b>218,145</b>	<b>239,819</b>
Current	166,105	187,587
Non-current	52,040	52,232
<b>Total</b>	<b>218,145</b>	<b>239,819</b>



VUE INTERNATIONAL BIDCO PLC

NOTES TO THE FINANCIAL STATEMENTS (unaudited)

8. BORROWINGS

	<b>As at 28 February 2019 £000</b>	<b>As at 30 November 2018 £000</b>
<b>Non-current</b>		
Interest-bearing loans and bank borrowings	<b>1,546,956</b>	1,528,501
Finance lease liabilities	<b>19,357</b>	20,970
<b>Total</b>	<b><u>1,566,313</u></b>	<u>1,549,471</u>
<b>Current</b>		
Finance lease liabilities	<b>5,984</b>	6,125
<b>Total</b>	<b><u>5,984</u></b>	<u>6,125</u>
<b>Interest-bearing loans and other liabilities</b>	<b><u>1,572,297</u></b>	<u>1,555,596</u>

The terms and conditions of outstanding loans were as follows:

	<b>Current</b>		<b>Non-Current</b>		<b>Total</b>	
	<b>28 February 2019 £000</b>	<b>30 November 2018 £000</b>	<b>28 February 2019 £000</b>	<b>30 November 2018 £000</b>	<b>28 February 2019 £000</b>	<b>30 November 2018 £000</b>
Senior secured note - £300m	-	-	<b>297,983</b>	297,648	<b>297,983</b>	297,648
Senior secured note - €360m	-	-	<b>310,632</b>	312,974	<b>310,632</b>	312,974
Senior secured loan - €120m	-	-	<b>103,169</b>	104,085	<b>103,169</b>	104,085
External loans	-	-	<b>562</b>	601	<b>562</b>	601
Shareholder loan notes	-	-	<b>834,744</b>	813,398	<b>834,744</b>	813,398
<b>Total</b>	-	-	<b>1,547,090</b>	1,528,706	<b>1,547,090</b>	1,528,706
<b>Less:</b>						
Capitalised issues costs	-	-	<b>(134)</b>	(205)	<b>(134)</b>	(205)
<b>Total interest bearing loans and borrowings</b>	-	-	<b>1,546,956</b>	1,528,501	<b>1,546,956</b>	1,528,501
Finance lease liabilities	<b>5,984</b>	6,125	<b>19,357</b>	20,970	<b>25,341</b>	27,095
<b>Total interest bearing loans and borrowings</b>	<b>5,984</b>	6,125	<b>1,566,313</b>	1,549,471	<b>1,572,297</b>	1,555,596

## VUE INTERNATIONAL BIDCO PLC

### NOTES TO THE FINANCIAL STATEMENTS (unaudited)

#### 8. BORROWINGS (Continued)

##### Senior Secured Notes

Senior secured floating rate Euro denominated notes of €290m were issued on 18 July 2013 with a termination date of 15 July 2020. Interest is floating at three month EURIBOR plus a margin of 525 bps. Interest is payable on a quarterly basis. An Original Issue Discount fee of €1.6m (£1.3m) was paid on the date of issue of the notes.

A further €70m issue of the senior secured floating rate Euro denominated notes occurred on 11 November 2014 with the same terms as the previous notes. The termination date is 15 July 2020. Interest is floating at three month EURIBOR plus a margin of 525 bps and is payable on a quarterly basis. An Original Issue Discount fee of €1.9m (£1.4m) was paid on the date of issue of the notes.

Senior secured fixed rate Sterling denominated notes of £300m were issued on 18 July 2013 with a termination date of 15 July 2020. Interest is fixed at 7.875% and payable on a semi-annual basis.

A senior secured floating rate Euro denominated term loan of €120m was issued on 29 July 2016. Interest is floating at three month EURIBOR plus a margin of 550 bps. Interest is payable on a quarterly basis. An Original Issue Discount fee of €0.6m (£0.5m) was paid on the date of issue of the loan. This loan is repayable on 29 July 2023.

##### Revolving credit facility

The Group is able to draw on a £60m multicurrency revolving credit and overdraft facility with Lloyds Bank plc. This facility is partially utilised to provide landlord guarantees for our Italian business. At 28 February 2019 there were no working capital drawings on the facility (2018: nil). The facility is available until 8 January 2020. The facility bears interest at LIBOR, EURIBOR, CIBOR (Denmark) or WIBOR (Poland) depending on the currency drawn down plus a margin of 3.50%.

Costs incurred in obtaining the revolving credit facility are capitalised and are allocated to the Consolidated Income Statement over the life of the related debt facility. At 28 February 2019 the unamortised issue costs were £0.1m (2018: £0.2m).

##### Shareholder loan notes

Shareholder loans bear interest of 11.0% and have a termination date of 9 August 2033. Early repayment can be requested but not before the termination of the senior secured notes. Interest roll up and capital is repayable on the termination date.

##### Security

The senior secured notes and revolving credit facility are secured by cross guarantees and charges over certain of the Group's shares and assets.

##### Capitalised issue costs

Costs incurred in issuing the senior debt and the credit facility are capitalised and are allocated to the Consolidated income statement over the life of the related debt facility. At 28 February 2019 borrowings are stated net of unamortised issue costs of £6.2m (2018: £7.3m).

##### External loans

External loans relate to loans from the German Federal Film Fund (FFA). These loans have a variety of maturity dates with the last due to be repaid in 2022.

VUE INTERNATIONAL BIDCO PLC

NOTES TO THE FINANCIAL STATEMENTS (unaudited)

9. PROVISIONS

	As at 28 February 2019 £000	As at 30 November 2018 £000
<b>Analysis of total provisions</b>		
Current	1,710	1,619
Non-current	96,000	97,871
	<u>97,710</u>	<u>99,490</u>

	Property provisions £000	Jubilee retirement £000	Other provisions £000	Total £000
At 30 November 2018	95,810	2,061	1,619	99,490
Additions during the year	-	36	113	149
Utilised / Released during the year	(1,784)	(111)	-	(1,895)
Unwound during the year	74	-	-	74
Foreign exchange gains	(70)	(16)	(22)	(108)
<b>At 28 February 2019</b>	<u>94,030</u>	<u>1,970</u>	<u>1,710</u>	<u>97,710</u>

10. SHARE CAPITAL

	As at 28 February 2019 £000	As at 30 November 2018 £000
<b>Allotted, issued and fully paid</b>		
4,718,100 Ordinary shares of £1.00 each	<u>4,718</u>	<u>4,718</u>

11. CASH GENERATED FROM OPERATIONS

	3 Months ended 28 February 2019 £000	3 Months ended 28 February 2018 £000
<b>Loss for the year</b>	(5,327)	(7,892)
Adjustment for:		
Income tax expenses	3,512	11,193
Net finance costs	30,722	34,113
Gain on disposal of tangible fixed assets	8	73
Depreciation	13,051	14,149
Amortisation of intangible assets	946	800
Other non-cash items	(3,101)	(1,472)
<b>Operating cash flows before movements in working capital</b>	<u>39,811</u>	<u>50,964</u>
Decrease / (Increase) in inventories	493	275
Increase in trade and other receivables	(26)	(538)
Decrease in trade and other payables	(14,343)	(296)
<b>Cash generated from operations</b>	<u>25,935</u>	<u>50,405</u>
Income taxes paid	(1,543)	(1,554)
<b>Net cash (outflow) / inflow from operating activities</b>	<u>24,392</u>	<u>48,851</u>

## VUE INTERNATIONAL BIDCO PLC

### NOTES TO THE FINANCIAL STATEMENTS (unaudited)

#### 12. ANALYSIS OF CHANGES IN NET DEBT

	30 November 2018 £000	Cash flow movements £000	Foreign Exchange movements £000	Interest charges £000	Other non- cash movements £000	28 February 2019 £000
Cash and cash equivalents	116,140	206	(1,135)	-	-	115,211
Shareholder loan notes	(813,398)	-	-	(21,346)	-	(834,744)
Senior secured notes and loans	(714,707)	12,241	4,031	(12,241)	(1,108)	(711,784)
Unamortised capitalised bank fees	205	-	-	-	(71)	134
Finance lease liabilities	(27,095)	2,142	245	(633)	-	(25,341)
External loans	(601)	33	6	-	-	(562)
<b>Total</b>	<b>(1,439,456)</b>	<b>14,622</b>	<b>3,147</b>	<b>(34,220)</b>	<b>(1,179)</b>	<b>(1,457,086)</b>

#### 13. TAXATION

Income tax is recognised based on management's best estimate of the annual income tax rate expected for the financial period.

#### 14. FINANCIAL RISK MANAGEMENT

The interim condensed consolidated financial statements do not include the financial risk management information and disclosures required in annual financial statements. A description of major risk factors considered by the Group can be found in the audited annual report and financial statements of Vue International Bidco plc for the period to 30 November 2018, a copy of which is available on the group website (<http://vue-international.com/index.php/investor-relations/reports-presentations>).