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

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **May 1, 2023**

AMC ENTERTAINMENT HOLDINGS, INC.
(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other Jurisdiction of
Incorporation)

001-33892
(Commission File Number)

26-0303916
(I.R.S. Employer Identification
Number)

One AMC Way
11500 Ash Street, Leawood, KS 66211
(Address of Principal Executive Offices, including Zip Code)

(913) 213-2000
(Registrant's Telephone Number, including Area Code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

<u>Title of each class</u>	<u>Trading Symbol</u>	<u>Name of each exchange on which registered</u>
Class A common stock	AMC	New York Stock Exchange
AMC Preferred Equity Units, each constituting a depository share representing 1/100th interest in a share of Series A Convertible Participating Preferred Stock	APE	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

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

Item 8.01 Other Events.

As previously reported, on February 20, 2023, two putative stockholder class actions were filed in the Delaware Court of Chancery against certain current and former directors of AMC Entertainment Holdings, Inc. (the “Company”), 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”). The Allegheny Action and Munoz Action were later consolidated and captioned *In re AMC Entertainment Holdings, Inc. Stockholder Litigation*, C.A. No. 2023-0215-MTZ (Del. Ch.) (the “Action”). On April 27, 2023, the parties to the Action entered into a Stipulation and Agreement of Compromise, Settlement, and Release (the “Stipulation”) to resolve the Action. On May 1, 2023, the Court scheduled a hearing for June 29 and 30, 2023 at 9:15 a.m. at the Leonard L. Williams Justice Center, 500 North King Street, Wilmington, Delaware, to, among other things, consider whether to approve the proposed settlement.

Additional information concerning the terms of the settlement, the June 29 and 30, 2023 hearing, and the requirements for making any statements in support of or objecting to the settlement can be found in the Stipulation, the Notice of Pendency of Stockholder Class Action and Proposed Settlement, Settlement Hearing, and Right to Appear, the letter that the Court published to Company stockholders, and the form referenced in the Court’s letter, which are attached hereto as Exhibits 99.1, 99.2, 99.3, and 99.4 and are also available on the Company’s website, at investor.amctheatres.com/newsroom/default.aspx.

Forward-Looking Statements

This Current Report on Form 8-K includes “forward-looking statements” within the meaning of the federal securities laws, including the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. In many cases, these forward-looking statements may be identified by the use of words such as “will,” “may,” “could,” “would,” “should,” “believes,” “expects,” “anticipates,” “estimates,” “intends,” “indicates,” “projects,” “goals,” “objectives,” “targets,” “predicts,” “plans,” “seeks,” and variations of these words and similar expressions. Examples of forward-looking statements include statements we make regarding our expected revenue, net loss, capital expenditure, Adjusted EBITDA and estimate cash and cash equivalent. Any forward-looking statement speaks only as of the date on which it is made. These forward-looking statements may include, among other things, statements related to AMC’s current expectations regarding the performance of its business, financial results, liquidity and capital resources, and the impact to its business and financial condition of, and measures being taken in response to, the COVID-19 virus, and are based on information available at the time the statements are made and/or management’s good faith belief as of that time with respect to future events, and are subject to risks, trends, uncertainties and other facts that could cause actual performance or results to differ materially from those expressed in or suggested by the forward-looking statements. These risks, trends, uncertainties and facts include, but are not limited to: the sufficiency of AMC’s existing cash and cash equivalents and available borrowing capacity; availability of financing upon favorable terms or at all; AMC’s ability to obtain additional liquidity, which if not realized or insufficient to generate the material amounts of additional liquidity that will be required unless it is able to achieve more normalized levels of operating revenues, likely would result with AMC seeking an in-court or out-of-court restructuring of its liabilities; the impact of the COVID-19 virus on AMC, the motion picture exhibition industry, and the economy in general; increased use of alternative film delivery methods or other forms of entertainment; the continued recovery of the North American and international box office; AMC’s significant indebtedness, including its borrowing capacity and its ability to meet its financial maintenance and other covenants and limitations on AMC’s ability to take advantage of certain business opportunities imposed by such covenants; shrinking exclusive theatrical release windows; the seasonality of AMC’s revenue and working capital; intense competition in the geographic areas in which AMC operates; risks relating to impairment losses, including with respect to goodwill and other intangibles, and theatre and other closure charges; motion picture production and performance; general and international economic, political, regulatory and other risks; AMC’s lack of control over distributors of films; limitations on the availability of capital, including on the authorized number of common stock; dilution of voting power through the issuance of preferred stock; AMC’s ability to achieve expected synergies, benefits and performance from its strategic initiatives; AMC’s ability to refinance its indebtedness on favorable terms; AMC’s ability to optimize its theatre circuit; AMC’s ability to recognize interest deduction carryforwards, net operating loss carryforwards, and other tax attributes to reduce future tax liability; supply chain disruptions, labor shortages, increased cost and inflation; the ongoing stockholder litigation preventing AMC from implementing its 1:10 reverse stock split of Class A common stock and conversion of the AMC Preferred Equity Units into Class A common stock; and other factors discussed in the reports AMC has filed with the SEC. Should one or more of these risks, trends, uncertainties, or facts materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those indicated or anticipated by the forward-looking statements contained herein. Accordingly, you are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date they are made. Forward-looking statements should not be read as a guarantee of future performance or results and will not necessarily be accurate indications of the times at, or by, which such performance or results will be achieved. For a detailed discussion of risks, trends and uncertainties facing AMC, see the section entitled “Risk Factors” in AMC’s 2022 Form 10-K for the year ended December 31, 2022 and Form 10-Q for the quarter ended March 31, 2023, each as filed with the SEC, and the risks, trends and uncertainties identified in AMC’s other public filings. AMC does not intend, and undertakes no duty, to update any information contained herein to reflect future events or circumstances, except as required by applicable law.

Item 9.01 Financial Statements and Exhibits

[99.1 Stipulation and Agreement of Compromise, Settlement, and Release.](#)

[99.2 Notice of Pendency of Stockholder Class Action and Proposed Settlement, Settlement Hearing, and Right to Appear.](#)

[99.3 Letter from the Court to Company Stockholders](#)

[99.4 In-Person Settlement Objector Interest Form](#)

104 Cover Page Interactive Data File – The cover page interactive data file does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.

SIGNATURES

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

AMC ENTERTAINMENT HOLDINGS, INC.

Date: May 8, 2023

By: /s/ Kevin M. Connor

Name: Kevin M. Connor

Title: Senior Vice President, General Counsel and Secretary

IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

IN RE AMC ENTERTAINMENT
HOLDINGS, INC.
STOCKHOLDER LITIGATION

CONSOLIDATED
C.A. No. 2023-0215-MTZ

**STIPULATION AND AGREEMENT OF
COMPROMISE, SETTLEMENT, AND RELEASE**

This Stipulation and Agreement of Compromise, Settlement, and Release (with the Exhibits hereto, the "Stipulation," and the settlement contemplated hereby, the "Settlement") in the above-captioned action (the "Action"), filed in the Delaware Court of Chancery (the "Court"), is made and entered into as of April 27, 2023 by and between: (i) Plaintiffs Usbaldo Munoz, Anthony Franchi, and Allegheny County Employees' Retirement System (collectively, "Plaintiffs"), individually and on behalf of the Settlement Class; and (ii) Defendants Adam M. Aron, Denise Clark, Howard W. Koch, Jr., Philip Lader, Gary F. Locke, Kathleen M. Pawlus, Keri Putnam, Anthony J. Saich, Adam J. Sussman, Lee Wittlinger, and AMC Entertainment Holdings, Inc. ("AMC" or the "Company") (collectively, "Defendants," and together with Plaintiffs, the "Parties," and each a "Party"), by and through their respective undersigned counsel, to fully, finally, and forever compromise, resolve, discharge, and settle the Released Claims, with the resulting dismissal of the Action with prejudice, subject to Court approval pursuant to Court of Chancery Rule 23.¹

¹ Capitalized terms have the meanings set forth in the "Definitions" section below or as otherwise defined in this Stipulation.

RECITALS

WHEREAS:

Summary of the Action

A. On August 4, 2022, AMC declared a special dividend of one AMC Preferred Equity Unit (an "AMC Preferred Equity Unit") for each share of AMC Class A common stock (the "Common Stock"). Each AMC Preferred Equity Unit is a depositary share and represents an interest in one 1/100th of a share of the Company's Series A Convertible Participating Preferred Stock (the "Preferred Stock"). Each share of Preferred Stock in turn is potentially convertible into 100 shares of Common Stock. Pursuant to a Deposit Agreement (the "Deposit Agreement") among the Company, Computershare Inc. ("Computershare"), and Computershare Trust Company, N.A. (together with Computershare, the "Depository"), dated August 4, 2022, in the absence of specific instructions from the holders of AMC Preferred Equity Units, the Depository agreed to vote the Preferred Stock proportionately with votes cast pursuant to instructions received from the other holders of AMC Preferred Equity Units.

B. On December 22, 2022, AMC entered into an agreement (the “Antara Agreement”) with Antara Capital, LP (“Antara”) to raise \$110 million of new equity capital through the sale of AMC Preferred Equity Units to Antara. Additionally, AMC announced that it would hold a special meeting of stockholders (the “Special Meeting”) to vote on proposals to amend the Company’s Third Amended and Restated Certificate of Incorporation (the “Certificate”) to: (i) increase the authorized number of shares of Common Stock (the “Share Increase”); and (ii) thereafter effect a 1-to-10 reverse stock split of AMC equity (the “Reverse Stock Split,” and collectively with the “Share Increase,” the “Proposals”). The Proposals would allow for the full conversion of all outstanding AMC Preferred Equity Units into shares of Common Stock (the “Conversion”). Under the terms of the Antara Agreement, Antara agreed to vote its AMC Preferred Equity Units in favor of the Proposals at the Special Meeting.

C. On February 20, 2023, Allegheny County Employees’ Retirement System commenced an action bearing the caption *Allegheny County Employees’ Retirement System v. AMC Entertainment Holdings, Inc., et al.*, C.A. No. 2023-0215-MTZ (the “Allegheny Action”), on behalf of itself and all other similarly situated holders of Common Stock, against certain of the Defendants, asserting claims for breach of fiduciary duty and violation of 8 *Del. C.* § 242(b)(2) in connection with the issuance of the AMC Preferred Equity Units and Proposals, and seeking injunctive relief and money damages in an amount to be determined at trial.

D. Also on February 20, 2023, Usbaldo Munoz and Anthony Franchi commenced an action bearing the caption *Munoz, et al. v. Aron, et al.*, C.A. No. 2023-0216-MTZ (the “Munoz Action”), on behalf of themselves and all other similarly situated holders of Common Stock, against certain of the Defendants, asserting a claim for breach of fiduciary duty in connection with the Proposals, and seeking injunctive relief.

E. On February 27, 2023, the Court entered an Order (the “Status Quo Order”), which, among other things, allowed AMC to hold the Special Meeting but prevented AMC from effectuating the results of the stockholder votes held thereat pending a ruling by the Court on Plaintiffs’ to-be-filed preliminary injunction motion, set a hearing on such motion for April 27, 2023, and expedited the Action.

F. On March 2, 2023, the Court entered an Order consolidating the *Allegheny* Action and the *Munoz* Action for all purposes into the above-captioned Action; appointing Allegheny County Employees’ Retirement System, Usbaldo Munoz, and Anthony Franchi as lead plaintiffs in the Action; appointing the law firms of Bernstein Litowitz Berger & Grossmann LLP, Fields Kupka & Shukurov LLP; and Grant & Eisenhofer P.A. as lead counsel in the Action (“Lead Counsel”); designating the Verified Stockholder Class Action Complaint filed in the *Munoz* Action as the operative complaint in the Action (the “Complaint”); and requiring Lead Counsel to inform the Court whether a claim for violation of 8 *Del. C.* § 242(b)(2) would be included as a basis for Plaintiffs’ to-be-filed preliminary injunction motion. On March 13, 2023, Lead Counsel filed a letter with the Court stating that Plaintiffs would include a claim for violation of 8 *Del. C.* § 242(b)(2) as against AMC in their motion.

G. On March 14, 2023, the Court entered a Stipulation and Order for the Production and Exchange of Confidential and Highly Confidential Information (the “Confidentiality Order”).

H. Also on March 14, 2023, AMC convened the Special Meeting, whereat the Proposals were approved by a majority of Common Stock and Preferred Stock, including Preferred Stock shares corresponding to uninstructed AMC Preferred Equity Units, voting together as a class.

I. Between February and April 2023, the Parties engaged in document discovery: (i) Plaintiffs propounded 21 requests for the production of documents to Defendants and served subpoenas on multiple third-parties; (ii) Plaintiffs obtained and reviewed over 59,000 pages of documents from their discovery requests propounded to Defendants and an additional 3,200 pages of documents from their subpoenas to third-parties; and (iii) Plaintiffs responded to over 26 document requests propounded by Defendants and produced over 3,700 pages of documents.

J. Plaintiffs retained and worked closely with financial and proxy solicitation experts to prepare expert analyses to submit with their anticipated injunction brief. Plaintiffs were also preparing to take six fact depositions and to sit for their own depositions, all to be conducted in an eight-day span, with a fact discovery deadline of April 6, 2023.

K. On March 28, 2023, the Parties participated in a mediation session with former Vice Chancellor Joseph R. Slights III. The Parties engaged in extensive follow-up negotiations over the next several days.

L. On April 2, 2023, following adversarial and arm's-length negotiations, the Parties executed a Term Sheet (the "Term Sheet") reflecting the Parties' agreement-in-principle to settle the Action.

M. This Stipulation (together with the exhibits hereto) reflects the final and binding agreement among the Parties concerning the Settlement and supersedes the Term Sheet.

Plaintiffs' Claims and the Benefits of the Settlement

N. Plaintiffs and Class Counsel believe that the claims asserted in the Action have merit but acknowledge that Defendants had potential defenses thereto, including that the AMC board of directors purportedly had a compelling justification for (i) issuing AMC Preferred Equity Units and (ii) taking steps to convert AMC Preferred Equity Units into shares of Common Stock. Accordingly, Plaintiffs and Class Counsel determined that entering into the Settlement, which contemplates substantial benefits for the Settlement Class and would resolve the claims asserted in the Action on the terms set forth herein, is in the best interests of Settlement Class members. In reaching this determination, Plaintiffs and Class Counsel considered: (i) the attendant risks of continued litigation and the uncertainty of the outcome of the Action; (ii) the probability of success on the merits; (iii) the inherent problems of proof associated with, and possible defenses to, the claims asserted in the Action; (iv) discovery taken in the Action; (v) the desirability of permitting the Settlement to be consummated according to its terms; (vi) the expense and length of continued proceedings necessary to prosecute the Action through a preliminary injunction hearing, trial, and any appeals; and (vii) the terms and conditions of the Settlement and this Stipulation, which Plaintiffs and Class Counsel have concluded are fair, reasonable, and adequate.

O. Based on Class Counsel's review and analysis of the relevant facts, allegations, defenses, and controlling legal principles, Class Counsel believe that the Settlement set forth in this Stipulation is fair, reasonable, and adequate, and confers substantial benefits upon the Settlement Class. Based upon Class Counsel's evaluation, as well as their own evaluations, Plaintiffs have determined that the Settlement is in the best interests of the Settlement Class and have agreed to the terms and conditions set forth in this Stipulation.

Defendants' Denial of Wrongdoing and Liability

P. Defendants deny any and all allegations of wrongdoing, fault, liability, or damages with respect to Plaintiffs' Released Claims, including, but not limited to, any allegations that Defendants have committed any violations of law or breach of any duty owed to holders of AMC Common Stock, that Defendants have acted improperly in any way, or that Defendants have any liability or owe any damages of any kind to Plaintiffs and/or the Settlement Class. Defendants maintain that their conduct was at all times proper, in the best interests of the Company and its stockholders, and in compliance with applicable law. Defendants also deny that the Company's stockholders were harmed by any conduct of Defendants that was alleged, or that could have been alleged, in the Action. Each of Defendants asserts that, at all relevant times, such Defendant acted in good faith and in a manner believed to be in the best interests of the Company and all of its stockholders.

Q. Nevertheless, Defendants have determined to enter into the Settlement on the terms and conditions set forth in this Stipulation solely to put Plaintiffs' Released Claims to rest, finally and forever, without in any way acknowledging any wrongdoing, fault, liability, or damages. For the avoidance of doubt, nothing in this Stipulation or the Settlement shall be construed as an admission by Defendants of any wrongdoing, fault, liability, or damages whatsoever.

NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED, subject to the approval of the Court pursuant to Court of Chancery Rule 23, that the Action shall be fully and finally compromised, settled, and dismissed with prejudice, and that (i) all Plaintiffs' Released Claims shall be completely, fully, finally, and forever compromised, settled, released, discharged, extinguished, and dismissed with prejudice and without costs (except as provided herein) as against all Defendants' Released Persons, and (ii) all Defendants' Released Claims shall be completely, fully, finally, and forever compromised, settled, released, discharged, extinguished, and dismissed with prejudice and without costs (except as provided herein) as against all Plaintiffs' Released Persons, upon and subject to the following terms and conditions of the Settlement:

A. Definitions

1. The following capitalized terms, used in this Stipulation and its Exhibits, shall have the meanings specified below:

a. "Administration Costs" means the costs, fees, and expenses incurred in connection with administering the Settlement, including but not limited to issuing the Settlement Payment to Settlement Class Members.

b. "Allegheny Complaint" means the Verified Class Action Complaint Seeking Declaratory, Injunctive, and Equitable Relief filed in the *Allegheny* Action at Trans. Id. 69181648.

- c. “Class Counsel” means Lead Counsel (*i.e.*, the law firms Bernstein Litowitz Berger & Grossmann LLP, Fields Kupka & Shukurov LLP, and Grant & Eisenhofer P.A.) and Saxena White P.A.
- d. “Class Period” means the period from August 3, 2022 through and including the Settlement Class Time.
- e. “Effective Date” means the first date by which all of the events and conditions specified in Paragraph 17 of this Stipulation have been met and have occurred or have been waived by the Parties in writing.
- f. “Exhibits” means the exhibits attached hereto.
- g. “Fee and Expense Award” means an award to Class Counsel of fees and expenses approved by the Court in accordance with the Settlement (including any incentive fee to any of Plaintiffs), in full satisfaction of any and all claims for attorneys’ fees or expenses that have been, could be, or could have been asserted by Class Counsel or any other counsel for any Settlement Class Member.
- h. “Final” when referring to any judgment or order entered by the Court, means that one of the following has occurred: (i) the time for the filing or noticing of any motion for reconsideration, reargument, appeal, or review of the judgment or order has expired without any such filing or notice; or (ii) the judgment or order has been affirmed in all material respects on an appeal or after reconsideration or other review and is no longer subject to review upon reconsideration, reargument, appeal, or other review, and the time for any petition for reconsideration, reargument, appeal, or review of such judgment or order (or any order affirming it) has expired; provided, however, that any disputes or appeals relating solely to the amount, payment, or allocation of attorneys’ fees and expenses in the Action shall have no effect on finality for purposes of determining the date on which the Order and Final Judgment becomes Final, and shall not prevent, limit, or otherwise affect the Order and Final Judgment.

- i. “Munoz Complaint” means the Verified Stockholder Class Action Complaint filed in the *Munoz* Action at Trans. Id. 69170312.
- j. “Notice” means the Notice of Pendency and Proposed Settlement of Stockholder Class Action, Settlement Hearing, and Right to Appear substantially in the form attached hereto as Exhibit B.
- k. “Notice Costs” means the costs, fees, and expenses incurred in connection with providing notice to the Settlement Class.
- l. “Order and Final Judgment” means the Order and Final Judgment to be entered in the Action substantially in the form attached hereto as Exhibit D, or as modified by agreement of the Parties in writing.
- m. “Person” means any individual, corporation, partnership, limited partnership, limited liability partnership, limited liability company, association, affiliate, joint stock company, investment fund, estate, legal representative trust, unincorporated association, entity, government and any political subdivision thereof, or any other type of business or legal entity.

n. “Released Claims” means the Released Plaintiffs’ Claims and the Released Defendants’ Claims, collectively or individually.

o. “Released Defendants’ Claims” means any and all actions, causes of action, suits, liabilities, claims, rights of action, debts, sums of money, covenants, contracts, controversies, agreements, promises, damages, contributions, indemnities, and demands of every nature and description, whether or not currently asserted, whether known claims or Unknown Claims, suspected, existing, or discoverable, whether arising under federal, state, common, or foreign law, and whether based on contract, tort, statute, law, equity, or otherwise (including, but not limited to, federal and state securities laws), that were or could have been asserted by any of the Released Defendants’ Persons in any court, tribunal, forum, or proceeding, and that are based upon, arise out of, relate to, or involve the commencement, prosecution, defense, mediation, or settlement of the Action, except claims with regard to enforcement of the Settlement or this Stipulation.

p. “Released Defendants’ Persons” means each and all Defendants and any and all of their respective former or current, direct or indirect parents, subsidiaries, affiliates, controlling persons, stockholders, employees, officers, directors, agents, fiduciaries, predecessors, successors, trusts, trustees, trust beneficiaries, family members, spouses, heirs, executors, estates, administrators, assigns, beneficiaries, distributees, foundations, joint ventures, general or limited partners, members, managers, managing members, attorneys, heirs, successors, assigns, insurers, reinsurers, advisors (including without limitation legal, financial, and investment advisors), consultants, other affiliated persons, and representatives, and with respect to each of the foregoing, their respective former or current, direct or indirect parents, subsidiaries, affiliates, controlling persons, employees, officers, directors, agents, fiduciaries, predecessors, successors, trusts, trustees, trust beneficiaries, family members, spouses, heirs, executors, estates, administrators, assigns, beneficiaries, distributees, foundations, joint ventures, general or limited partners, members, managers, managing members, attorneys, heirs, successors, assigns, insurers, reinsurers, advisors (including without limitation legal, financial, and investment advisors), consultants, other affiliated persons, and representatives.

q. “Released Persons” means the Released Plaintiffs’ Persons and the Released Defendants’ Persons, collectively or individually.

r. “Released Plaintiffs’ Claims” means any and all actions, causes of action, suits, liabilities, claims, rights of action, debts, sums of money, covenants, contracts, controversies, agreements, promises, damages, contributions, indemnities, and demands of every nature and description, whether or not currently asserted, whether known claims or Unknown Claims, suspected, existing, or discoverable, whether arising under federal, state, common, or foreign law, and whether based on contract, tort, statute, law, equity, or otherwise (including, but not limited to, federal and state securities laws), that Plaintiffs or any other Settlement Class Member: (i) asserted in the *Allegheny* Complaint or the *Munoz* Complaint; or (ii) ever had, now have, or hereafter can, shall, or may have, directly, representatively, derivatively, or in any other capacity that, in full or part, concern, relate to, arise out of, or are in any way connected to or based upon the allegations, transactions, facts, matters, occurrences, representations, or omissions involved, set forth, or referred to in the Complaints and that relate to the ownership of Common Stock and/or AMC Preferred Equity Units during the Class Period, except claims with regard to enforcement of the Settlement and this Stipulation.

s. “Released Plaintiffs’ Persons” means Plaintiffs, all other Settlement Class Members, and any and all of their respective former or current, direct or indirect parents, subsidiaries, affiliates, controlling persons, stockholders, employees, officers, directors, agents, fiduciaries, predecessors, successors, trusts, trustees, trust beneficiaries, family members, spouses, heirs, executors, estates, administrators, assigns, beneficiaries, distributees, foundations, joint ventures, general or limited partners, members, managers, managing members, attorneys, heirs, successors, assigns, insurers, reinsurers, advisors (including without limitation legal, financial, and investment advisors), consultants, other affiliated persons, and representatives, and with respect to each of the foregoing, their respective former or current, direct or indirect parents, subsidiaries, affiliates, controlling persons, employees, officers, directors, agents, fiduciaries, predecessors, successors, trusts, trustees, trust beneficiaries, family members, spouses, heirs, executors, estates, administrators, assigns, beneficiaries, distributees, foundations, joint ventures, general or limited partners, members, managers, managing members, attorneys, heirs, successors, assigns, insurers, reinsurers, advisors (including without limitation legal, financial, and investment advisors), consultants, other affiliated persons, and representatives.

- t. “Releases” means the releases set forth in Paragraphs 5 and 6 of this Stipulation.
- u. “Scheduling Order” means the Scheduling Order substantially in the form attached hereto as Exhibit A.
- v. “SEC” means the United States Securities and Exchange Commission.
- w. “Settlement Class” means a non-opt-out class for settlement purposes only, and pursuant to Court of Chancery Rules 23(a), 23(b)(1), and 23(b)(2), consisting of all holders of Common Stock during the Class Period, whether beneficial or of record, including the legal representatives, heirs, successors-in-interest, transferees, and assignees of all such foregoing holders, but excluding Defendants.

x. “Settlement Class Member” means a Person who is a member of the Settlement Class.

y. “Settlement Class Time” means the record time, expected to be set as of the close of business on the business day prior to Conversion on which the Reverse Stock Split is effective.

z. “Settlement Hearing” means the hearing to be held by the Court to, among other things: (i) determine whether to finally certify the Settlement Class for settlement purposes only, pursuant to Court of Chancery Rules 23(a), 23(b)(1), and 23(b)(2); (ii) determine whether Plaintiffs and Lead Counsel have adequately represented the Settlement Class, and whether Plaintiffs should be finally appointed as representatives for the Settlement Class and Lead Counsel should be finally appointed as counsel for the Settlement Class; (iii) determine whether the proposed Settlement should be approved as fair, reasonable, and adequate to the Settlement Class and in the best interests of the Settlement Class; (iv) determine whether the Action should be dismissed with prejudice and the Releases provided under this Stipulation should be granted; (v) determine whether the Order and Final Judgment approving the Settlement should be entered and the Status Quo Order lifted; (vi) determine whether and in what amount any Fee and Expense Award should be paid to Class Counsel from Defendants and/or their insurers; (vii) hear and rule on any objections to the Settlement and/or Class Counsel’s application for a Fee and Expense Award; and (viii) consider any other matters that may properly be brought before the Court in connection with the Settlement.

aa. "Settlement Payment" means one share of Common Stock for every 7.5 shares of Common Stock owned by record holders of Common Stock as of the Settlement Class Time (after giving effect to the Reverse Stock Split).

bb. "Summary Notice" means the Summary Notice of Pendency and Proposed Settlement of Stockholder Class Action, Settlement Hearing, and Right to Appear substantially in the form attached hereto as Exhibit C.

cc. "Termination Notice" means written notice of a Party's election of their right to terminate the Settlement and this Stipulation.

dd. "Unknown Claims" means any Released Plaintiffs' Claims which Plaintiffs do not, or any Settlement Class Member does not, know or suspect to exist in his, her, or its favor at the time of the release of such claims, and any Released Defendants' Claims which any Defendant does not know or suspect to exist in his, her, or its favor at the time of the release of such claims, which, if known by him, her, or it, might have affected his, her, or its decision(s) with respect to this Settlement. With respect to any and all Released Claims, the Parties stipulate and agree that, upon the Effective Date, Plaintiffs and Defendants shall expressly waive, and each of the other Settlement Class Members shall be deemed to have waived, and by operation of the Order and Final Judgment shall have expressly waived, any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States, or principle of common law or foreign law, which is similar, comparable, or equivalent to Cal. Civ. Code § 1542, which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

Plaintiffs and Defendants acknowledge, and each of the other Settlement Class Members shall be deemed by operation of law to have acknowledged, that the inclusion of the foregoing waiver was separately bargained for and was a key and material element of the Settlement and was relied upon by each and all of Plaintiffs and Defendants in entering into this Stipulation.

B. Settlement Consideration

2. In consideration for the full and final release, settlement, dismissal, and discharge of any and all of the Released Plaintiffs' Claims against the Released Defendants' Persons, upon entry of the Order and Final Judgment, AMC, on behalf of Defendants, shall, promptly following the Conversion, issue the Settlement Payment to the record holders of Common Stock as of the Settlement Class Time (after giving effect to the Reverse Stock Split). No fractional shares of Common Stock will be issued as part of the Settlement Payment. Record holders who would otherwise be entitled to receive a fractional share of the Settlement Payment will receive a cash payment in lieu thereof in the same manner as will be provided in connection with the Reverse Stock Split. For beneficial holders who hold through banks, brokers, or other nominees, these banks, brokers, or other nominees may have different procedures for processing the Settlement Payment and handling fractional shares.

C. Administration of Settlement Payment

3. Upon entry of the Order and Final Judgement, AMC will have the sole responsibility for issuing the Settlement Payment to record holders of Common Stock pursuant to Paragraph 2 above, and shall be solely responsible for any and all Administration Costs in connection with the Settlement, regardless of whether the Court approves the Settlement or the Effective Date of the Settlement fails to occur, and in no event shall Plaintiffs or their counsel be responsible for any Administration Costs. Given that the Settlement Payment consists of stock, as opposed to cash, Defendants will inform the Court at least thirty (30) calendar days prior to the Settlement Hearing if they intend to issue the shares of Common Stock comprising the Settlement Payment in reliance on Section 3(a)(10) of Securities Act of 1933 (the "Securities Act"), which exempts such securities from registration under the Securities Act.

D. Scope of the Settlement

4. Upon entry of the Order and Final Judgment, the Status Quo Order shall be immediately lifted and the Action shall be dismissed in its entirety and with prejudice. Plaintiffs and Defendants shall each bear his, her, or its own fees, costs, and expenses, except as expressly provided in Paragraphs 19-20 of this Stipulation; provided, however, that nothing herein shall affect Defendants' rights to, and claims for, advancement or indemnity of their legal fees, costs, and expenses in connection with the Action, the Settlement, or any of the Released Plaintiffs' Claims, nor any claims that Defendants may have against their respective insurers, co-insurers, or reinsurers.

5. Upon the Effective Date, Plaintiffs and each of the other Settlement Class Members, on behalf of themselves and any and all of their respective predecessors, successors, representatives, trustees, executors, administrators, estates, heirs, transferees, and assigns, in their capacities as such only, and any other person or entity purporting to claim through or on behalf of them in such capacity only, by operation of the Order and Final Judgment and to the fullest extent permitted by law, shall completely, fully, finally, and forever release, relinquish, settle, and discharge the Released Plaintiffs' Claims as against the Released Defendants' Persons, and shall forever be barred and enjoined from commencing, instigating, or prosecuting any of the Released Plaintiffs' Claims against any of the Released Defendants' Persons.

6. Upon the Effective Date, Defendants, on behalf of themselves and any and all of their respective predecessors, successors, representatives, trustees, executors, administrators, estates, heirs, transferees, and assigns, in their capacities as such only, and any other person or entity purporting to claim through or on behalf of them in such capacity only, by operation of the Order and Final Judgment and to the fullest extent permitted by law, shall completely, fully, finally, and forever release, relinquish, settle, and discharge the Released Defendants' Claims as against the Released Plaintiffs' Persons, and shall forever be barred and enjoined from commencing, instituting, or prosecuting any of the Released Defendants' Claims against any of the Released Plaintiffs' Persons.

E. Settlement Class Certification

7. Solely for the purposes of the Settlement and for no other purpose, the Parties agree to: (i) certification of the Action as a non-opt-out class action pursuant to Court of Chancery Rules 23(a), 23(b)(1), and (b)(2) on behalf of the Settlement Class; (ii) appointment of Plaintiffs as representatives for the Settlement Class; and (iii) appointment of Class Counsel as counsel for the Settlement Class.

8. The certification of the Settlement Class shall be binding only with respect to the Settlement and this Stipulation. In the event that the Settlement or this Stipulation is terminated pursuant to its terms or the Effective Date otherwise fails to occur, the certification of the Settlement Class shall be deemed vacated, and the Action shall proceed as though the Settlement Class had never been certified.

F. Submission of the Settlement to the Court for Approval

9. As soon as practicable after this Stipulation has been executed, the Parties shall jointly submit this Stipulation, together with its Exhibits, to the Court, and shall jointly apply to the Court for entry of the Scheduling Order.

10. In accordance with the Scheduling Order, AMC, on behalf of Defendants, shall provide notice of the Settlement to Settlement Class Members as follows: (i) file with the SEC a Current Report on Form 8-K describing the Settlement and stating where stockholders can locate this Stipulation and the Notice on AMC's website; (ii) post a copy of this Stipulation and the Notice on AMC's website, which shall remain on AMC's website through the Effective Date or termination of the Settlement; (iii) transmit the Summary Notice once over the *PR Newswire*; and (iv) post a notice regarding the Settlement on AMC's Twitter account in substantially the following form:

AMC has recently reached an agreement to settle a putative stockholder class action concerning the proposed conversion of AMC Preferred Equity Units into Common Stock and reverse stock split. The settlement agreement and settlement notice can be located on AMC's website at this address: [insert address once available]. AMC stockholders who are class members have the right to object to the settlement and the deadline to do so is [insert date once available].

Lead Counsel will also post a copy of this Stipulation and the Notice on their respective websites, which shall remain on their websites through the Effective Date or termination of the Settlement, and also post links to this Stipulation and the Notice on their social media accounts on a weekly basis during the notice period.

11. The Company shall assume all administrative responsibility for and will pay any and all Notice Costs, regardless of the form or manner of notice ordered by the Court and regardless of whether the Court approves the Settlement or the Effective Date of the Settlement fails to occur, and in no event shall Plaintiffs or their counsel be responsible for any Notice Costs.

12. The Parties and their respective attorneys agree to use their individual and collective best efforts to obtain Court approval of the Settlement as soon as practicable and to effect, take, or cause to be taken all actions, and to do, or cause to be done, all things reasonably necessary, proper, or advisable under applicable laws, regulations, and agreements to consummate and make effective, as promptly as practicable, the Settlement provided for in this Stipulation and the dismissal of the Action with prejudice. The Parties and their respective attorneys agree to cooperate fully in seeking the Court's approval of the Settlement and this Stipulation, and to use their best efforts to effect the consummation of the Settlement.

13. If the Settlement embodied in this Stipulation is approved by the Court, the Parties shall request that the Court enter the Order and Final Judgment.

G. Stay Pending Court Approval

14. The Parties hereby agree to stay all proceedings in the Action, to file no further actions against the Released Persons asserting any Released Claims, and to stay and not to initiate any and all other proceedings other than those incident to the Settlement itself, pending the occurrence of the Effective Date. The Parties' (and any third-parties') respective deadlines to respond to any filed or served pleadings, motions, or discovery requests are extended indefinitely. Any Party may inform the recipient of any subpoenas issued in connection with the Action (regardless of which Party issued the subpoena) that the proceedings in the Action are stayed pending approval of the Settlement and entry of the Order and Final Judgment.

15. The Parties agree to use their best efforts to seek the stay and dismissal of, and to oppose entry of any interim or final relief in favor of, any Settlement Class Member, in any other proceedings against any of Defendants or any other of the Released Defendants' Persons that challenge the Settlement or otherwise assert a Released Plaintiffs' Claim against any of the Released Defendants' Persons.

16. Notwithstanding Paragraphs 14 and 15 above, nothing herein shall in any way impair or restrict the rights of any Party to defend this Stipulation or the Settlement or to otherwise respond in the event any Person objects to this Stipulation, the Settlement, the Order and Final Judgment, or the Fee and Expense Award.

H. Conditions of Settlement

17. The Effective Date of the Settlement shall be deemed to occur on the occurrence or written waiver of the Parties of all of the following events, which events the Parties shall use their best efforts to achieve:

a. the Court's certification of the Settlement Class as a non-opt-out settlement class;

b. the Court's entry of the Order and Final Judgment, including the Releases set forth herein and the dismissal with prejudice of the Action without the award of any damages, costs, or fees and expenses, except as provided for in this Stipulation; and

c. the Order and Final Judgment becoming Final.

18. Upon the occurrence of the Effective Date, the Releases provided under this Stipulation shall be effective.

I. Attorneys' Fees and Expenses

19. Class Counsel intend to petition the Court for a Fee and Expense Award, which application will be wholly inclusive of any request for attorneys' fees and expenses on behalf of any Settlement Class Member or his, her, or its counsel in connection with the Settlement. Class Counsel further intend to seek Court approval of incentive awards to Plaintiffs of up to and including \$5,000 each, to be paid to Plaintiffs solely out of any Fee and Expense Award by the Court to Class Counsel.

20. Defendants shall pay or cause their insurers to pay the total Fee and Expense Award, as awarded by the Court, to Bernstein Litowitz Berger & Grossmann LLP within twenty (20) calendar days of the later of: (i) an award by the Court of the Fee and Expense Award; or (ii) receipt by the Company from Bernstein Litowitz Berger & Grossmann LLP of (a) complete wire transfer instructions, including the name and telephone number of a person with knowledge of, and who can verbally confirm, such instructions, and (b) a completed Form W-9 to the Company, notwithstanding any objections or appeals of the Settlement or the Fee and Expense Award or any collateral attack thereon, subject to Lead Counsel's obligation to return such amount, in whole or in part, if the Settlement is terminated pursuant to the terms of this Stipulation or if, as a result of any appeal or further proceedings on remand, or successful collateral attack, the Fee and Expense Award is reduced or reversed and such order reducing or reversing the award has become Final. Lead Counsel shall make the appropriate refund or repayment in full no later than fifteen (15) business days after: (i) receiving from Defendants a notice of termination of the Settlement pursuant to the terms of this Stipulation; or (ii) any order reducing, reversing, or otherwise modifying the Fee and Expense Award has become Final.

21. This Stipulation, the Settlement, the Order and Final Judgment, and whether the Order and Final Judgment becomes Final, are not conditioned upon the approval of any Fee and Expense Award, either at all or in any particular amount, by the Court. The Fee and Expense Award may be considered separately from this Stipulation and the proposed Settlement. Any disapproval or modification of the Fee and Expense Award by the Court or on appeal shall not (i) affect or delay the enforceability of this Stipulation or the Settlement, (ii) provide any Party the right to terminate the Settlement, (iii) affect or delay the binding effect or finality of the Order and Final Judgment or the Releases, or (iv) prevent the occurrence of the Effective Date.

22. Class Counsel warrants that no portion of any Fee and Expense Award shall be paid to Plaintiffs or any Settlement Class Member, except as approved by the Court.

23. Lead Counsel shall be responsible for allocating and paying any portion of the Fee and Expense Award to any other counsel. The Released Defendants' Persons shall not have any liability to any counsel for any Settlement Class Member for any claimed attorneys' fees and expenses in connection with the Action or the Settlement, except as provided in this Stipulation.

J. Termination of Settlement; Effect of Termination

24. Plaintiffs (as a Plaintiff group that unanimously agrees amongst themselves) and Defendants (as a Defendant group that unanimously agrees amongst themselves) shall each have the right to terminate the Settlement and this Stipulation by providing a Termination Notice to the other parties to this Stipulation within thirty (30) calendar days of: (i) the Court's refusal to enter the Scheduling Order in any material respect and such refusal decision has become final; (ii) the Court's refusal to approve this Stipulation, the Settlement, or any part of it that materially affects any Party's rights or obligations hereunder and such refusal decision has become Final; (iii) the Court's declining to enter the Order and Final Judgment in any material respect; or (iv) the date upon which the Order and Final Judgment is modified or reversed in any material respect by an appellate court and such order modifying or reversing the Order and Final Judgment has become Final. For the avoidance of doubt, the Parties stipulate and agree that the Court's refusal to lift the Status Quo Order in the Order and Final Judgment or any change to the scope or substance of the Releases provided for in this Stipulation and the Settlement would constitute a material change that gives rise to each of the Parties' rights to terminate this Stipulation and the Settlement. Neither a modification nor a reversal on appeal of any Fee and Expense Award shall be deemed a material modification of the Order and Final Judgment or this Stipulation.

25. In the event that the Settlement is terminated pursuant to the terms of the preceding Paragraph 24 of this Stipulation or the Effective Date otherwise fails to occur for any other reason, then (i) the Settlement and this Stipulation (other than this Paragraph 25 and Paragraphs 8, 10, 20, 26, 45, and 46 of this Stipulation) shall be canceled and terminated; (ii) any judgment entered in the Action and any related orders entered by the Court shall in all events be treated as vacated, *nunc pro tunc*; (iii) the Releases provided under the Settlement shall be null and void; (iv) the fact of, and negotiations and other discussions leading to, the Settlement shall not be admissible in any proceeding before any court or tribunal; (v) all proceedings in the Action shall revert to their status as of immediately prior to the execution of the Term Sheet on April 2, 2023, and no materials created by or received from any Party that were used in, obtained during, or related to the Settlement discussions shall be admissible for any purpose in any court or tribunal, or used, absent consent from the disclosing party, for any other purpose or in any other capacity, except to the extent that such materials are otherwise required to be produced during discovery in the Action or in any other litigation; and (vi) the Parties shall proceed in all respects as if the Settlement and this Stipulation (other than this Paragraph 25 and Paragraphs 8, 10, 20, 26, 45, and 46 of this Stipulation) had not been entered into by the Parties.

K. No Admission of Liability

26. It is expressly understood and agreed that neither the Settlement nor any act or omission in connection therewith is intended or shall be deemed or argued to be evidence of or to constitute an admission or concession by: (i) Defendants as to (a) the truth of any fact alleged by Plaintiffs, (b) the validity of any claims or other issues raised, or which might be or might have been raised, in the Action or in any other litigation, (c) the deficiency of any defense that has been or could have been asserted in the Action or in any other litigation, or (d) any wrongdoing, fault, or liability of any kind by any of them, which each of them expressly denies; or (ii) Plaintiffs that any of their claims are without merit, that any of Defendants had meritorious defenses, or that damages recoverable from Defendants under the Complaint would not have exceeded the Settlement Payment as provided in Paragraph 2.

27. The Released Persons may file this Stipulation and/or the Order and Final Judgment in any action that has been or may be brought against them in order to support a claim or defense based on principles of *res judicata*, collateral estoppel, release, good faith settlement, judgment bar or reduction, or any other theory of claim preclusion or issue preclusion or similar defense or counterclaim or in connection with any insurance litigation.

L. Miscellaneous Provisions

28. The Parties and their respective counsel agree to cooperate fully with one another to obtain (and, if necessary, defend on appeal) all necessary approvals of the Court required of this Stipulation, and to use best efforts to promptly agree upon and execute all such other documentation as may be reasonably required to obtain final approval by the Court of the Settlement.

29. AMC warrants that, as to the issuance of the Settlement Payment, at the time of entering into this Stipulation and at the time of the issuance of the Settlement Payment, it was able to pay its then-current liabilities when they became due, and the Settlement Payment required to be made by AMC will not render it unable to pay its current liabilities when they become due. This representation is made by AMC and not by its counsel.

30. In the event of the entry of a final order of a court of competent jurisdiction determining the issuance of the Settlement Payment or any portion thereof by AMC to be a preference, voidable transfer, fraudulent transfer or similar transaction and any portion of the Settlement Payment is required to be returned, and equivalent settlement consideration is not provided by others, then, at the election of Plaintiffs, Plaintiffs and Defendants shall jointly move the Court to vacate and set aside the Releases given and the Order and Final Judgment entered in favor of Defendants and the other Released Persons pursuant to this Stipulation, in which event the Releases and the Order and Final Judgment shall be null and void, and the Parties shall be restored to their respective positions in the litigation as provided in Paragraph 25 above.

31. This Stipulation shall be deemed to have been mutually prepared by the Parties and shall not be construed against any of them by reason of authorship.
32. The Parties agree that in the event of any breach of this Stipulation, all of the Parties' rights and remedies at law, equity, or otherwise are expressly reserved.
33. This Stipulation may be executed in one or more counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same document. Any signature to this Stipulation by means of facsimile or other electronic means shall be treated in all manner and respects as an original signature, and shall be considered to have the same binding legal effect as if it were the original signed version thereof and without any necessity for delivery of the original signed signature pages in order for this to constitute a binding agreement.
34. The headings herein are used for the purpose of convenience only and are not meant to have legal effect.
35. If any deadline set forth in this Stipulation or the Exhibits hereto falls on a Saturday, Sunday, or legal holiday, that deadline will be continued to the next business day.

36. Each counsel or other person executing this Stipulation on behalf of any Party warrants that he or she has the full authority to bind his or her principal to this Stipulation.

37. Plaintiffs represent and warrant that none of the Released Plaintiffs' Claims have been assigned, encumbered, or in any manner transferred, in whole or in part.

38. This Stipulation shall not be modified or amended, nor shall any provision of this Stipulation be deemed waived, unless such modification, amendment, or waiver is in writing and executed by or on behalf of all of the Parties (or their successors-in-interest).

39. Any failure by any Party to insist upon the strict performance by any other Party of any of the provisions of this Stipulation shall not be deemed a waiver of any of the provisions hereof, and such Party, notwithstanding such failure, shall have the right thereafter to insist upon the strict performance of any and all of the provisions of this Stipulation to be performed by such other Party. Waiver by any Party of any breach of this Stipulation by any other Party shall not be deemed a waiver of any other prior or subsequent breach of this Stipulation, and failure by any Party to assert any claim for breach of this Stipulation shall not be deemed to be a waiver as to that or any other breach and will not preclude any Party from seeking to remedy a breach and enforce the terms of this Stipulation.

40. This Stipulation is and shall be binding upon, and shall inure to the benefit of, the Parties (and, in the case of the Releases, all Released Persons as third-party beneficiaries), and their respective predecessors, predecessors-in-interest, successors, successors-in-interest, legal representatives, trustees, executors, administrators, estates, heirs, transferees, and assigns, including, without limitation, any corporation or other entity with which any Party hereto may merge, reorganize, or otherwise consolidate.

41. Notwithstanding the entry of the Order and Final Judgment, the Court shall retain jurisdiction with respect to the implementation, enforcement, and interpretation of the terms of this Stipulation and the Settlement, and all of the Parties submit to the jurisdiction of the Court for all matters relating to the administration, enforcement, and consummation of the Settlement and the implementation, enforcement, and interpretation of this Stipulation. Each of the Parties (i) consents to personal jurisdiction in any such action (but no other action) brought in the Court, (ii) consents to service of process on such Party by email to its undersigned counsel, and (iii) waives any objection to venue in the Court and any claim that the Court is an inconvenient forum.

42. The construction and interpretation of this Stipulation, and any and all disputes arising out of or relating in any way to this Stipulation, shall be governed by and construed in accordance with the laws of the State of Delaware and without regard to the laws that might otherwise govern under principles of conflicts of law applicable hereto. Any action arising under or to enforce this Stipulation or any portion hereof, shall be commenced and maintained only in the Court.

43. Without further order of the Court, the Parties may agree to reasonable extensions of time to carry out any of the provisions of this Stipulation.

44. Except as otherwise provided herein, each Party shall bear its own costs.

45. Whether or not this Stipulation is approved by the Court, the Settlement is consummated, or the Effective Date occurs, the Parties and their respective counsel shall use their best efforts to keep all negotiations, discussions, acts performed, agreements, drafts, documents signed, and proceedings in connection with this Stipulation confidential.

46. All agreements made and orders entered during the course of this Action relating to the confidentiality of information, including, without limitation, the Confidentiality Order, shall survive the Settlement and entry of the Order and Final Judgment.

47. This Stipulation and the Exhibits (Exhibit A: [Proposed] Scheduling Order With Respect to Notice and Settlement Hearing; Exhibit B: Notice of Pendency and Proposed Settlement of Stockholder Class Action, Settlement Hearing, and Right to Appear; Exhibit C: Summary Notice of Pendency and Proposed Settlement of Stockholder Class Action, Settlement Hearing, and Right to Appear; and Exhibit D: [Proposed] Order and Final Judgment) constitute the entire agreement among the Parties concerning the Settlement. The Exhibits are incorporated by reference as if set forth herein verbatim, and the terms of all Exhibits are expressly made part of this Stipulation; provided, however, that if there exists a conflict or inconsistency between the terms of this Stipulation and the terms of any Exhibit, the terms of the Stipulation shall prevail.

48. The Parties intend this Stipulation and the Settlement to be a final and complete resolution of all disputes asserted or which could be asserted by Plaintiffs and any other Settlement Class Members against the Released Defendants' Persons with respect to the Released Plaintiffs' Claims. Accordingly, the Parties and their respective counsel agree not to assert in any forum that this Action was brought by Plaintiffs or defended by Defendants in bad faith or without a reasonable basis. The Parties represent and agree that the terms of the Settlement reached between Plaintiffs and Defendants were negotiated at arm's length and in good faith by Plaintiffs and Defendants and reflect a settlement that was reached voluntarily based upon adequate information and sufficient discovery and after consultation with experienced legal counsel.

49. While retaining their right to deny that the claims asserted in the Action were meritorious, Defendants and their respective counsel, in any statement made to any media representative (whether or not for attribution) will not assert that the Action was commenced or prosecuted in bad faith, nor will they deny that the Action was commenced and prosecuted in good faith and is being settled voluntarily after consultation with competent legal counsel. In all events, the Parties and their respective counsel shall not make any accusations of wrongful or actionable conduct by any Party concerning the prosecution, defense, and resolution of the Action, and shall not otherwise suggest that the Settlement constitutes an admission of any claim or defense alleged.

50. No opinion or advice concerning the tax consequences of the proposed Settlement to individual Settlement Class Members is being given or will be given by the Parties or their respective counsel; nor is any representation or warranty in this regard made by virtue of this Stipulation. Each Settlement Class Member's tax obligations, and the determination thereof, are the sole responsibility of the Settlement Class Member, and it is understood that the tax consequences may vary depending on the particular circumstances of each individual Settlement Class Member.

IN WITNESS WHEREOF, the Parties, through their undersigned counsel, have executed this Stipulation effective as of April 27, 2023.

Of Counsel:

BERNSTEIN LITOWITZ BERGER & GROSSMANN LLP

Mark Lebovitch
Jeroen van Kwawegen
Edward Timlin
Sara Swartzwelder
1251 Avenue of the Americas
New York, NY 10020
(212) 554-1400

FIELDS KUPKA & SHUKUROV LLP

William J. Fields
Christopher J. Kupka
Samir Shukurov
1441 Broadway, 6th Floor #6161
New York, NY 10018
(212) 231-1500

SAXENA WHITE P.A.

David Wales
10 Bank Street, 8th Floor
White Plains, NY 10606
(914) 437-8551

– and –

Adam Warden
7777 Glades Road, Suite 300
Boca Raton, FL 33434
(561) 394-3399

BERNSTEIN LITOWITZ BERGER & GROSSMANN LLP

By: /s/ Daniel E. Meyer
Gregory V. Varallo (#2242)
Daniel E. Meyer (#6876)
500 Delaware Avenue, Suite 901
Wilmington, DE 19801
(302) 364-3601

GRANT & EISENHOFER P.A.

By: /s/ Michael J. Barry
Michael J. Barry (#4368)
Kelly L. Tucker (#6382)
Jason M. Avellino (#5821)
123 Justison Street, 7th Floor
Wilmington, DE 19801
(302) 622-7000

SAXENA WHITE P.A.

By: /s/ Thomas Curry
Thomas Curry (#5877)
824 N. Market Street, Suite 1003
Wilmington, DE 19801
(302) 485-0483

Attorneys for Plaintiffs

Of Counsel:

John A. Neuwirth
Joshua S. Amsel
Matthew S. Connors (#5598)
Tanner S. Stanley

WEIL, GOTSHAL & MANGES LLP

767 Fifth Avenue
New York, NY 10153
(212) 310-8000

RICHARDS, LAYTON & FINGER, P.A.

/s/ Kevin M. Gallagher

Raymond J. DiCamillo (#3188)
Kevin M. Gallagher (#5337)
Matthew Murphy (#5938)
Edmond S. Kim (#6835)
Adriane M. Kappauf (#7073)
One Rodney Square
920 N. King Street
Wilmington, DE 19801
(302) 651-7700

Attorneys for Defendants Adam M. Aron, Denise Clark, Howard W. Koch, Jr., Philip Lader, Gary F. Locke, Kathleen M. Pawlus, Keri Putnam, Anthony J. Saich, Adam J. Sussman, Lee Wittlinger, and AMC Entertainment Holdings, Inc.

IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

IN RE AMC ENTERTAINMENT HOLDINGS, INC.
STOCKHOLDER LITIGATION

CONSOLIDATED
C.A. No. 2023-0215-MTZ

**NOTICE OF PENDENCY OF STOCKHOLDER
CLASS ACTION AND PROPOSED SETTLEMENT,
SETTLEMENT HEARING, AND RIGHT TO APPEAR**

The Delaware Court of Chancery authorized this Notice.
This is not a solicitation from a lawyer.

NOTICE OF PENDENCY OF CLASS ACTION: If you were a record holder or beneficial owner of AMC Entertainment Holdings, Inc. (“AMC” or the “Company”) Class A common stock (NYSE: “AMC”) (“Common Stock”) between August 3, 2022, through and including the record time on the business day prior to the Conversion, as defined below, on which the Reverse Stock Split, as defined below, is effective, please be advised that your rights will be affected by the above-captioned stockholder class action (the “Action”) pending in the Court of Chancery of the State of Delaware (the “Court”).

NOTICE OF SETTLEMENT: Please also be advised that (i) Lead Plaintiffs Allegheny County Employees’ Retirement System, Usbaldo Munoz, and Anthony Franchi (collectively, “Plaintiffs”), on behalf of themselves and the Settlement Class (defined and described in greater detail in Paragraph 29 below), (ii) Defendants Adam M. Aron, Denise Clark, Howard W. Koch, Jr., Philip Lader, Gary F. Locke, Kathleen M. Pawlus, Keri Putnam, Anthony J. Saich, Adam J. Sussman, Lee Wittlinger, and AMC (collectively, “Defendants” and, together with Plaintiffs, the “Parties”) have reached a proposed settlement (the “Settlement”), pursuant to which, promptly following approval by the Court, AMC will effect the Reverse Stock Split and Conversion, and issue to the record holders of Common Stock as of the record time, expected to be set as of the close of business in accordance with any New York Stock Exchange and/or Depository Trust Company requirements or policies, on the business day prior to Conversion on which the Reverse Stock Split is effective, one share of Common Stock for every 7.5 shares of Common Stock owned by such holders (after giving effect to the Reverse Stock Split and with a payment of cash in lieu of fractional shares) (the “Settlement Payment”).

The Company and Defendants have agreed to take all necessary action so that the Reverse Stock Split, Conversion and Settlement Payment take place as soon as practicable following the entry of a Final Order and Judgment resolving this Action. The shares and cash comprising the Settlement Payment will be distributed to stockholders of record, and should appear in the accounts of beneficial holders of AMC Common Stock promptly thereafter in accordance with the practices and policies of each beneficial holder's broker or nominee.

As described in greater detail below, the Settlement Payment will be calculated based on the number of shares of Common Stock then outstanding. The proposed Settlement, if approved, will resolve all claims in the Action against Defendants.

PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY.

This Notice explains how Settlement Class Members (defined below) will be affected by the Settlement. The following table provides a brief summary of the rights you have as a Settlement Class Member and the relevant deadlines, which are described in greater detail later in this Notice.¹

SETTLEMENT CLASS MEMBERS' LEGAL RIGHTS IN THE SETTLEMENT:	
RECEIVE A PAYMENT FROM THE SETTLEMENT. SETTLEMENT CLASS MEMBERS DO NOT NEED TO SUBMIT A CLAIM FORM.	If you are a member of the Settlement Class (defined in Paragraph 29 below) and you hold Common Stock as of the Settlement Class Time, as defined below, you may be eligible to receive the Settlement Payment. Settlement Class Members who hold Common Stock as of the Settlement Class Time do not need to submit a claim form to receive the Settlement Payment if the Settlement is approved by the Court. Your shares (or cash in lieu of fractional shares) from the Settlement will be paid to record holders directly and should appear in the brokerage accounts of beneficial holders promptly thereafter, in accordance with the practices and policies of each beneficial holder's broker or nominee. <i>See</i> Paragraphs 29–31 below for further discussion.

¹ Any capitalized terms used in this Notice that are not otherwise defined in this Notice have the meanings given to them in the Stipulation and Agreement of Compromise, Settlement, and Release, dated April 27, 2023 (the "Stipulation"). A copy of the Stipulation is available at the "Investor Relations" section of AMC's website, investor.amctheatres.com/newsroom/default.aspx.

**SETTLEMENT CLASS MEMBERS' LEGAL RIGHTS IN
THE SETTLEMENT:**

OBJECT TO THE SETTLEMENT BY SUBMITTING A WRITTEN OBJECTION SO THAT IT IS *RECEIVED* NO LATER THAN MAY 31, 2023.

If you are a member of the Settlement Class and would like to object to the proposed Settlement, Lead Counsel's application for an award of attorneys' fees and litigation expenses, and/or Lead Counsel's application for incentive awards to Plaintiffs, you may write to Lead Counsel and explain the reasons for your objection. *See* Paragraphs 63–68 below for details.

ATTEND A HEARING ON JUNE 29-30, 2023 AT LEONARD L. WILLIAMS JUSTICE CENTER, AT 500 NORTH KING STREET, WILMINGTON, DELAWARE, AND SUBMIT THE COURT'S FORM TO ATTEND THE SETTLEMENT HEARING TO THE REGISTER IN CHANCERY BY MAY 31, 2023.

Submit the form attached to the letter the Court intends to publish to AMC stockholders with specific instructions regarding the Settlement Hearing with the Register in Chancery by May 31, 2023. If you submit a written objection, you may (but you do not have to) attend the hearing and, at the discretion of the Court, speak to the Court about your objection. *See* Paragraphs 63–68 below for details.

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WHAT IS THE PURPOSE OF THIS NOTICE?

1. The purpose of this Notice is to explain the lawsuit, the parties' respective reasons for settling, the terms of the proposed Settlement, and how the proposed Settlement affects Settlement Class Members and other AMC equity holders' legal rights.

2. This lawsuit is a class action lawsuit. In a class action, a lawsuit is filed on behalf of a large group of people, known as a "class." This class action lawsuit was brought on behalf of the holders of AMC Common Stock between August 3, 2022, through and including the record time on the business day prior to the Conversion on which the Reverse Stock Split is effective.

3. To litigate class actions, a class is represented by specific representative members of the class known as the "Lead Plaintiffs." Plaintiffs Allegheny County Employees' Retirement System, Usbaldo Munoz, and Anthony Franchi are Lead Plaintiffs in this lawsuit. As used in this Notice and other documents concerning the Settlement, the term "Plaintiffs" refers to these three Lead Plaintiffs. Each of the three Lead Plaintiffs own shares of AMC Common Stock and are members of the Settlement Class. Except for potential incentive awards, which are described below in Paragraph 56, Plaintiffs have not received and will not receive any additional compensation for serving as Lead Plaintiffs beyond what they are entitled to as members of the Settlement Class—*i.e.*, one share of Common Stock for every 7.5 shares of Common Stock they owned as of the Settlement Class Time (after giving effect to the Reverse Stock Split). In other words, they will be treated the same as all other members of the Settlement Class.

4. In addition, because this lawsuit is a class action, any settlement must be approved by the Court and Settlement Class Members are entitled to comment or object before the Court considers whether to approve the proposed Settlement. Please see Paragraphs 63–68 below for details about how to comment or object.

5. This Notice is being disseminated to you because you may be a member of the Settlement Class. Settlement Class Members have the right to know their options, as well as how the Action and the proposed Settlement generally affects their legal rights, before the Court rules on the proposed Settlement.

6. The Court has scheduled a hearing to, among other things, consider the fairness, reasonableness, and adequacy of the proposed Settlement and the application by Lead Counsel for an award of attorneys’ fees and expenses (the “Settlement Hearing”). Please see Paragraphs 58–62 below for details about the Settlement Hearing, including the location, date, and time of the hearing.

7. The publication of this Notice is not an expression by the Court of any findings of fact or any opinion concerning the merits of any claim in the Action. The Court has not yet decided whether to approve the Settlement.

PLEASE NOTE: Only Settlement Class Members will be entitled to receive the Settlement Payment pursuant to the proposed Settlement.

WHAT IS THIS CASE ABOUT? WHAT HAS HAPPENED SO FAR?
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THE FOLLOWING DESCRIPTION OF THE ACTION AND THE SETTLEMENT HAS BEEN PREPARED BY COUNSEL FOR THE PARTIES. THE COURT HAS MADE NO FINDINGS WITH RESPECT TO SUCH MATTERS AND THIS NOTICE IS NOT AN EXPRESSION OR STATEMENT BY THE COURT OF FINDINGS OF FACT.

8. On August 4, 2022, AMC declared a special dividend of one AMC Preferred Equity Unit (an “APE”; NYSE: “APE”)² for each share of Common Stock. Each APE is a depositary receipt representing an interest in 1/100th of a share of the Company’s Series A Convertible Participating Preferred Stock (the “Preferred Stock”). Each share of Preferred Stock, in turn, is potentially convertible into 100 shares of Common Stock. At the time of the distribution of the APEs to all holders of Common Stock, the Company generally expected that the APEs and the Common Stock would trade at comparable prices, such that the market price of the Common Stock would temporarily decline to account for the existence of the APEs, but the total dollar value to anyone holding onto their APEs and their Common Stock would be comparable to the prior total value of holding Common Stock alone.

9. Pursuant to a Deposit Agreement (the “Deposit Agreement”) dated August 4, 2022, between the Company, on one hand, and Computershare Inc. (“Computershare”) and Computershare Trust Company, N.A. (together with Computershare, the “Depository”), on the other hand, providing that in the absence of specific voting instructions from holders of APEs, the Depository agreed to vote the Preferred Stock proportionately with votes cast pursuant to instructions received from the other holders of APEs. Plaintiffs alleged that this provision in the Deposit Agreement gave the APEs enhanced voting rights, as each APE vote cast had a *pro rata* effect as to how the voting power of absent APEs would be allocated.

10. On August 22, 2022, APEs began trading on the NYSE under the symbol “APE.” The APEs did not trade in parity with the Common Stock. After the initial distribution of APEs to holders of Common Stock, AMC sold additional APEs to market participants through an at-the-market program.

11. On December 22, 2022, AMC entered into an agreement (the “Antara Agreement”) with Antara Capital, LP (“Antara”) to raise \$110 million of new equity capital through the sale of APEs to Antara.

12. Concurrently, AMC announced that it would hold a special meeting of stockholders (the “Special Meeting”) to vote on proposals to amend the Company’s Third Amended and Restated Certificate of Incorporation (the “Certificate”) to: (i) increase the authorized number of shares of Common Stock from approximately 524 million to 550 million shares authorized (the “Share Increase”); and (ii) thereafter effect a 1-for-10 reverse stock split of AMC equity (the “Reverse Stock Split,” and collectively with the Share Increase, the “Proposals”). Upon approval, the Proposals would allow for, following the Reverse Stock Split, the full conversion of all outstanding APEs into shares of Common Stock, with each APE convertible to 1/10th of a share of Common Stock (the “Conversion”). Under the terms of the Antara Agreement, Antara agreed to vote its APEs in favor of the Proposals at the Special Meeting.

² In the Stipulation and other settlement papers, APEs are referred to as “AMC Preferred Equity Units.”

13. On February 20, 2023, Allegheny County Employees' Retirement System filed a class action lawsuit bearing the caption *Allegheny County Employees' Retirement System v. AMC Entertainment Holdings, Inc., et al.*, C.A. No. 2023-0215-MTZ (the "Allegheny Action"), on behalf of itself and all other similarly situated holders of Common Stock (effectively all holders of Common Stock except for Defendants), against certain of the Defendants, asserting claims for breach of fiduciary duty and violation of 8 *Del. C.* § 242(b)(2) in connection with the issuance of the APEs and Proposals, and seeking injunctive relief and money damages in an amount to be determined at trial.

14. Also on February 20, 2023, after conducting a books and records examination pursuant to 8 *Del. C.* § 220, Usbaldo Munoz and Anthony Franchi commenced an action bearing the caption *Munoz, et al. v. Aron, et al.*, C.A. No. 2023-0216-MTZ (the "Munoz Action"), on behalf of themselves and all other similarly situated holders of Common Stock (effectively all holders of Common Stock except for Defendants), against certain of the Defendants, asserting a claim for breach of fiduciary duty in connection with the Proposals and seeking injunctive relief prior to the effectuation of the Proposals.

15. On February 27, 2023, the Court entered an Order (the "Status Quo Order"), which, among other things, allowed AMC to hold the Special Meeting but prevented AMC from effectuating the Proposals, if approved, pending a ruling by the Court on Plaintiffs' to-be-filed preliminary injunction motion, set a hearing on Plaintiffs' preliminary injunction motion for April 27, 2023, and expedited discovery in the Action.

16. On March 2, 2023, the Court entered an Order consolidating the *Allegheny Action* and the *Munoz Action* into the above-captioned Action; appointing Allegheny County Employees' Retirement System, Usbaldo Munoz, and Anthony Franchi as lead plaintiffs in the Action; appointing the law firms of Bernstein Litowitz Berger & Grossmann LLP, Fields Kupka & Shukurov LLP, and Grant & Eisenhofer P.A. as lead counsel in the Action ("Lead Counsel"); designating the Verified Stockholder Class Action Complaint filed in the *Munoz Action* as the operative complaint in the Action (the "Complaint"); and requiring Lead Counsel to inform the Court whether a claim for violation of 8 *Del. C.* § 242(b)(2) would be included as a basis for Plaintiffs' to-be-filed preliminary injunction motion. On March 13, 2023, Lead Counsel filed a letter with the Court stating that Plaintiffs intended at that time to include a claim for an alleged violation of 8 *Del. C.* § 242(b)(2) as against AMC in their motion.

17. On March 14, 2023, the Court entered a Stipulation and Order for the Production and Exchange of Confidential and Highly Confidential Information (the “Confidentiality Order”).

18. Also on March 14, 2023, AMC convened the Special Meeting, at which the Proposals were approved by a majority of Common Stock and Preferred Stock, voting together as a class, including Preferred Stock shares corresponding to uninstructed APEs in the same proportion as instructed APEs, as provided in the Deposit Agreement.

19. Between February and April 2023, the Parties engaged in document discovery: (i) Plaintiffs served 21 requests for the production of documents to Defendants and served subpoenas on multiple third parties; (ii) Plaintiffs obtained and reviewed over 59,000 pages of documents produced by Defendants and an additional 3,200 pages of documents produced by third parties; and (iii) Plaintiffs responded to over 26 document requests served by Defendants and produced over 3,700 pages of documents.

20. During this time period, Plaintiffs retained and worked closely with financial and proxy solicitation experts to prepare expert analyses to submit with their anticipated injunction brief. Plaintiffs were also preparing to take six fact depositions and to sit for their own depositions, all to be conducted in an eight-day span, with a fact discovery deadline of April 6, 2023.

21. On March 28, 2023, the Parties participated in a mediation session with former Vice Chancellor Joseph R. Slights III. The Parties engaged in extensive follow-up negotiations over the next several days.

22. On April 2, 2023, following adversarial and arm’s-length negotiations, the Parties executed a Term Sheet (the “Term Sheet”) reflecting the Parties’ agreement-in-principle to settle the Action.

23. The Stipulation (together with the exhibits hereto) reflects the final and binding agreement among the Parties concerning the Settlement and supersedes the Term Sheet.

24. On May 1, 2023, the Court entered the Scheduling Order in connection with the Settlement which, among other things, authorized this Notice to be provided to Settlement Class Members and scheduled the Settlement Hearing to consider whether to grant final approval of the Settlement.

25. This lawsuit involves the alleged breach of fiduciary duty for allegedly violating the voting rights of holders of Common Stock and the alleged violation of 8 *Del. C.* § 242(b)(2) in connection with the issuance of the APEs and the Board's approval of the Proposals, which are issues of Delaware law. The proposed Settlement, if approved, will resolve all claims in this lawsuit.

WHAT ARE THE TERMS OF THE SETTLEMENT?

26. If the proposed Settlement is approved, AMC will promptly effect the Conversion and issue to the record holders of Common Stock as of the Settlement Class Time one share of Common Stock for every 7.5 shares of Common Stock owned by such holders (after giving effect to the Reverse Stock Split). If the share issuance would result in such record holders receiving a fraction of a share of Common Stock, AMC will arrange for a cash payment in lieu of a fractional share by causing its transfer agent to (i) aggregate and sell such fractional interests and (ii) allocate and distribute the net cash proceeds from such sale among the holders of fractional interests as their respective interests appear on the records books of AMC. For beneficial holders who hold through banks, brokers, or other nominees, these banks, brokers, or other nominees may have different procedures for processing the Settlement Payment and handling fractional shares.

27. If the Settlement is approved, holders of Common Stock as of the Settlement Class Time, regardless of whether they hold any APEs at the time, will receive additional shares of Common Stock for every 7.5 shares of Common Stock they hold and will therefore hold more relative equity in the Company than they did prior to the Conversion and Reverse Split.

HOW DO I KNOW WHETHER I AM AFFECTED BY THE SETTLEMENT?

28. If you are a member of the Settlement Class, you are subject to, and may be entitled to a share issuance as a result of, the Settlement if it is approved by the Court.

29. The “Settlement Class” means all holders of AMC Common Stock between August 3, 2022, through and including the Settlement Class Time, whether beneficial or of record, including the legal representatives, heirs, successors-in-interest, transferees, and assignees of all such foregoing holders, but excluding Defendants. “Settlement Class Time” means the record time, expected to be set as of the close of business in accordance with any New York Stock Exchange and/or Depository Trust Company requirements or policies, on the business day prior to Conversion on which the Reverse Stock Split is effective. Put slightly differently, if you owned AMC Common Stock between August 3, 2022, through and including the time after the Reverse Stock Split is effected, but before the Conversion, you are a member of the Settlement Class.

30. Only record holders of Common Stock as of the “Settlement Class Time” will be entitled to a Settlement Payment. The Settlement Class Time is set as of a time such that the Reverse Stock Split, distribution of the Settlement Payment, and the Conversion can be accomplished by AMC nearly contemporaneously. In other words, the Settlement Payment goes to the record holders of Common Stock when the corporate actions at issue in the Action are effected.

31. Defendants are excluded from the Settlement Class.

WHAT ARE THE PARTIES’ REASONS FOR THE SETTLEMENT?

32. Plaintiffs brought their claims in good faith and continue to believe that their claims have merit but, based upon Plaintiffs and Lead Counsel’s investigation and consideration of the risks of continued litigation and the relative costs and benefits to the Settlement Class of continuing the Action, Plaintiffs and Lead Counsel have determined that the Settlement is fair, reasonable, adequate, and in the best interests of the Settlement Class.

33. In assessing the proposed Settlement, Lead Counsel believes it is important to consider what this lawsuit challenged, what it could realistically have achieved, and what it was not expected to achieve. From before filing the lawsuit through the sending of this Notice, Lead Counsel have reviewed extensive documents produced in this lawsuit and other evidence, and participated in substantive mediation sessions with counsel for the Defendants overseen by former Vice Chancellor Slight. The process leading to the Settlement heavily informs their conclusion that the proposed Settlement is not only fair and reasonable, but the best realistically available outcome for members of the Class.

34. In assessing Lead Plaintiffs' request for injunctive relief, the Court would have to consider three elements: (i) Plaintiffs' likelihood of success on the merits of their claims; (ii) irreparable harm; and (iii) the balancing of the equities among all affected constituents.

35. Lead Plaintiffs believe that although the issuance of the APEs themselves – and particularly later sales of APEs – caused significant dilution to holders of Common Stock, that harm was not likely to be remedied through this lawsuit. Lead Plaintiffs were primarily seeking to enjoin the filing of a Certificate of Amendment to the AMC Certificate that was provisionally approved at the March 14, 2023 Special Meeting.

36. ***Even if Plaintiffs could show a likelihood of success on the merits of their claims for injunctive relief and irreparable harm with respect to the filing of the Certificate of Amendment, Lead Counsel determined that it was unlikely that the Court would invalidate the APEs themselves.*** Among other things, holders of Common Stock who never sold their APEs since the Distribution would not suffer dilution of the value of their equity when the Conversion took place, but a significant number (and potentially a majority) of the APEs had been purchased by *bona fide* purchasers for value from holders of Common Stock or the Company through the at-the-market sales program. In assessing any balancing of the equities, the Court would likely consider the harm to third party good faith purchasers of APEs from invalidating the security itself.

37. In this regard, the primary basis to seek to invalidate the APEs entirely had been a claim under Section 242(b)(2) of the Delaware General Corporation Law. As will be detailed further in Lead Plaintiffs' expected Brief in Support of Final Approval of the Settlement, the underlying facts and recent case law caused Lead Counsel to believe that while the way in which Defendants employed the APEs through the Antara Agreement to effect the Proposals was, in Lead Plaintiffs' and Lead Counsel's view, inequitable, the APEs issuance was not likely to be voided. This is because, under Section 242(b)(2), a separate vote of a class of stockholders is only required where the issuance of a different series would adversely impact a "special right" of the former class. A recent decision from the Delaware Court of Chancery held that, under longstanding Delaware precedent, Section 242(b)(2) requires any such "special right" to be expressly granted in a corporation's certificate of incorporation. One firm among Lead Counsel represents the plaintiffs in the recent decision and has recently appealed that decision to the Delaware Supreme Court. That appeal remains pending. Here, AMC's certificate of incorporation did not grant voting rights solely and exclusively to holders of Common Stock. Moreover, AMC's certificate of incorporation expressly granted AMC's Board the ability to issue preferred shares with voting rights, and, in fact, AMC previously had an outstanding class of shares that had voting rights superior to the Common Stock. For these reasons, as will be more fully explained in Plaintiffs' brief in support of the settlement, any claim challenging the validity of the issuance of the preferred shares that underlie the APEs under Section 242(b)(2) was unlikely to succeed.

38. In addition, and taking into account Lead Plaintiffs' and Lead Counsel's firm belief that the use of the APEs in the Antara Agreement to effect the Proposals was inequitable and a likely breach of fiduciary duty, Lead Plaintiffs and Lead Counsel nevertheless determined that the most appropriate way to benefit the Settlement Class through this lawsuit was to achieve meaningful additional consideration for the Settlement Class members in the form of the issuance of new shares concurrent with the Conversion and Reverse Stock Split. Lead Plaintiffs contend that one of the principal problems with the way Defendants sought to effect the Proposals was that the outstanding shares of Common Stock would not represent a majority of the total voting power eligible to vote at the meeting, and holders of Common Stock were not receiving any additional consideration in connection with effecting the Proposals. In lieu of permanently enjoining the Proposals, which Plaintiffs concluded could cause serious harm to the Company and the Settlement Class in general, the proposed Settlement achieves significant additional consideration to the Settlement Class, thus mitigating what Lead Plaintiffs contend was the harm from the way in which the APEs were used in the Antara Agreement.

39. One of the principal affirmative defenses to the specific type of fiduciary duty claim brought by Plaintiffs (a so-called "*Blasius* claim") is when a board of directors shows a compelling justification for their actions. Here, Defendants' counsel asserted, among other things, that AMC had a compelling business need to raise additional capital in order to pay down outstanding debt obligations. Plaintiffs and Lead Counsel understood that AMC has a significant need to raise additional capital and that continued litigation, whether or not a permanent injunction were obtained, could risk the long-term health of AMC, which in turn would cause material harm to the members of the Settlement Class. Based on this conclusion, as well as the general risks in litigation, Plaintiffs and Lead Counsel became concerned that continued litigation, even if successful from a legal standpoint, might result in no actual recovery for the Settlement Class. Accordingly, Plaintiffs and Lead Counsel entered into the proposed Settlement, which provides for significant monetary value to the Settlement Class that recompenses in part the alleged dilution that the Settlement Class suffered as a result of the creation of the APEs (even though invalidating the APEs was determined to be an unlikely outcome of continued litigation) and as a result of the Conversion of APEs into AMC Common Stock. Because the APEs trade at market prices below the Common Stock, Lead Counsel believes that the Conversion will result in the Common Stock price declining and APE price rising to an unknown meeting point or range. The Reverse Stock Split will reduce the total number of shares outstanding, but should, Lead Counsel believes, also cause a proportionate increase in the market trading price of the post-Reverse Stock Split Common Stock. Based on an analysis performed by Lead Counsel and their financial advisors, using April 28, 2023 stock prices and assuming that the Reverse Stock Split and Conversion occurred, Lead Counsel believes that the value of the Settlement Payment would be approximately \$124.9 million. Please note that is merely an estimate of the final value of the Settlement Payment because its final value cannot be determined without knowing the stock prices of AMC and APE at the time the Reverse Stock Split and Conversion occur. If, as Lead Counsel hope, the market perceives the Settlement positively because it permits AMC to raise capital, pay down debt, and thus improve its financial position, the value of the proposed Settlement could increase as the Company's market capitalization reflects such improved position.

40. Defendants, to avoid the burden, expense, disruption, and distraction of further litigation, and without admitting the validity of any allegations made by Plaintiffs in their complaints, or any liability with respect thereto, have concluded that it is desirable that the claims against them be settled on the terms reflected in the Stipulation.

41. Defendants have denied, and continue to deny, each and all of the claims and contentions alleged by Plaintiffs in the Complaint, including any and all allegations of wrongdoing, allegations of liability, and the existence of any damages. Without limiting the generality of the foregoing, Defendants have denied, and continue to deny, that they have committed any breach of fiduciary duty, in any way acted inequitably, or violated any statutory duty whatsoever, and each Defendant expressly maintains that he, she, or it has diligently and scrupulously complied with his, her, or its contractual, statutory, fiduciary, and other legal duties and is entering into the Stipulation and the Settlement to eliminate the burden, expense, disruption, and distraction inherent in further litigation. Defendants also assert that they acted properly and in accordance with the law, including with respect to the issuance of the APEs, the Antara Agreement, and the Proposals given AMC's compelling need to raise capital.

42. Each of the Parties recognizes and acknowledges, however, that the Action has been brought by Plaintiffs in good faith and defended by Defendants in good faith and that the Action is being voluntarily settled with the advice of counsel.

HOW MUCH WILL MY PAYMENT FROM THE SETTLEMENT BE?
HOW WILL I RECEIVE MY PAYMENT?

43. **Please Note:** If you are eligible to receive a payment from the Settlement Payment, you do not have to submit a claim form to receive your payment.

44. If the proposed Settlement is approved, AMC will promptly effect the Conversion and issue to the record holders of Common Stock as of the Settlement Class Time one share of Common Stock for every 7.5 shares of Common Stock owned by such holders (after giving effect to the Reverse Stock Split and taking into account cash payments in lieu of fractional shares). For a detailed explanation as to what this sentence means in practice, *see* Paragraphs 29–31, and 45.

45. No fractional shares of Common Stock will be issued as part of the Settlement Payment. Settlement Class Members who would otherwise be entitled to receive a fractional share of the Settlement Payment will receive a cash payment in lieu thereof in the same manner as will be provided in connection with the Reverse Stock Split, as described above in Paragraph 26. In other words, Settlement Class Members entitled to payment will receive one share of Common Stock for every 7.5 shares of Common Stock they owned as of the Settlement Class Time and will receive cash for the remaining shares of Common Stock they own that add up to less than 7.5 shares.

46. AMC will promptly issue the Settlement Payment once, and if, the proposed Settlement is approved by the Court.

47. As noted above, the Settlement Payment will be issued to record holders of Common Stock as of the Settlement Class Time; that is, the time after the Reverse Stock Split has effected but immediately before the APEs are converted into Common Stock. In order to effect the Conversion, Settlement Payment, and Reverse Stock Split at the earliest possible time, the Company may make conditional filings with the NYSE prior to the Settlement Hearing, so that if the proposed Settlement is approved, the Company can effect these transactions as promptly as possible thereafter.

48. To give an illustration, if the proposed Settlement is approved, AMC will, after providing required notices in accordance with NYSE rules, effect the Reverse Stock Split, then take a snapshot of all the record holders of Common Stock, expected to be as of the close of business on the business day such Reverse Stock Split is effected, and then on the following business day convert APEs into Common Stock. Record holders of Common Stock as of the Settlement Class Time will be issued the Settlement Payment directly, promptly following Conversion. Beneficial holders of Common Stock will be issued the Settlement Payment through their nominee, in accordance with the procedures of their nominee, including with respect to any fractional interest or cash in lieu thereof. For the avoidance of doubt, the Settlement Payment will only be paid directly to the record holders of Common Stock. Investors who hold both Common Stock and APEs will only be paid the Settlement Payment based on their Common Stock holdings. Investors who only hold APEs will not be entitled to the Settlement Payment pursuant to the Settlement.

49. All holders of Common Stock as of the Settlement Class Time, except Defendants, are members of the Settlement Class.

50. Please note that merely being a member of the Settlement Class does not mean you are entitled to the Settlement Payment.

<p>WHAT WILL HAPPEN IF THE SETTLEMENT IS APPROVED? WHAT CLAIMS WILL THE SETTLEMENT RELEASE?</p>

51. If the Settlement is approved, the Court will enter an Order and Final Judgment (the “Judgment”). Pursuant to the Judgment, upon the Effective Date of the Settlement, the Action will be dismissed with prejudice and the following releases will occur:

a. **Release of Claims by Plaintiffs and Settlement Class Members:** Upon the Effective Date, Plaintiffs and each of the other Settlement Class Members, on behalf of themselves and any and all of their respective predecessors, successors, representatives, trustees, executors, administrators, estates, heirs, transferees, and assigns, in their capacities as such only, and any other person or entity purporting to claim through or on behalf of them in such capacity only, by operation of the Order and Final Judgment and to the fullest extent permitted by law, shall completely, fully, finally, and forever release, relinquish, settle, and discharge the Released Plaintiffs’ Claims (defined below) as against the Released Defendants’ Persons (defined below), and shall forever be barred and enjoined from commencing, instigating, or prosecuting any of the Released Plaintiffs’ Claims against any of the Released Defendants’ Persons.

“Released Plaintiffs’ Claims” means any and all actions, causes of action, suits, liabilities, claims, rights of action, debts, sums of money, covenants, contracts, controversies, agreements, promises, damages, contributions, indemnities, and demands of every nature and description, whether or not currently asserted, whether known claims or Unknown Claims, suspected, existing, or discoverable, whether arising under federal, state, common, or foreign law, and whether based on contract, tort, statute, law, equity, or otherwise (including, but not limited to, federal and state securities laws), that Plaintiffs or any other Settlement Class Member: (i) asserted in the *Allegheny* Complaint or the *Munoz* Complaint; or (ii) ever had, now have, or hereafter can, shall, or may have, directly, representatively, derivatively, or in any other capacity that, in full or part, concern, relate to, arise out of, or are in any way connected to or based upon the allegations, transactions, facts, matters, occurrences, representations, or omissions involved, set forth, or referred to in the Complaints and that relate to the ownership of Common Stock and/or AMC Preferred Equity Units during the Class Period, except claims with regard to enforcement of the Settlement and the Stipulation.

“Released Defendants’ Persons” means each and all Defendants and any and all of their respective former or current, direct or indirect parents, subsidiaries, affiliates, controlling persons, stockholders, employees, officers, directors, agents, fiduciaries, predecessors, successors, trusts, trustees, trust beneficiaries, family members, spouses, heirs, executors, estates, administrators, assigns, beneficiaries, distributees, foundations, joint ventures, general or limited partners, members, managers, managing members, attorneys, heirs, successors, assigns, insurers, reinsurers, advisors (including without limitation legal, financial, and investment advisors), consultants, other affiliated persons, and representatives, and with respect to each of the foregoing, their respective former or current, direct or indirect parents, subsidiaries, affiliates, controlling persons, employees, officers, directors, agents, fiduciaries, predecessors, successors, trusts, trustees, trust beneficiaries, family members, spouses, heirs, executors, estates, administrators, assigns, beneficiaries, distributees, foundations, joint ventures, general or limited partners, members, managers, managing members, attorneys, heirs, successors, assigns, insurers, reinsurers, advisors (including without limitation legal, financial, and investment advisors), consultants, other affiliated persons, and representatives.

b. **Release of Claims by Defendants:** Defendants, on behalf of themselves and any and all of their respective predecessors, successors, representatives, trustees, executors, administrators, estates, heirs, transferees, and assigns, in their capacities as such only, and any other person or entity purporting to claim through or on behalf of them in such capacity only, by operation of the Order and Final Judgment and to the fullest extent permitted by law, shall completely, fully, finally, and forever release, relinquish, settle, and discharge the Released Defendants' Claims (defined below) as against the Released Plaintiffs' Persons (defined below), and shall forever be barred and enjoined from commencing, instituting, or prosecuting any of the Released Defendants' Claims against any of the Released Plaintiffs' Persons.

"Released Defendants' Claims" means any and all actions, causes of action, suits, liabilities, claims, rights of action, debts, sums of money, covenants, contracts, controversies, agreements, promises, damages, contributions, indemnities, and demands of every nature and description, whether or not currently asserted, whether known claims or Unknown Claims, suspected, existing, or discoverable, whether arising under federal, state, common, or foreign law, and whether based on contract, tort, statute, law, equity, or otherwise (including, but not limited to, federal and state securities laws), that were or could have been asserted by any of the Released Defendants' Persons in any court, tribunal, forum, or proceeding, and that are based upon, arise out of, relate to, or involve the commencement, prosecution, defense, mediation, or settlement of the Action, except claims with regard to enforcement of the Settlement or the Stipulation.

"Released Plaintiffs' Persons" means Plaintiffs, all other Settlement Class Members, and any and all of their respective former or current, direct or indirect parents, subsidiaries, affiliates, controlling persons, stockholders, employees, officers, directors, agents, fiduciaries, predecessors, successors, trusts, trustees, trust beneficiaries, family members, spouses, heirs, executors, estates, administrators, assigns, beneficiaries, distributees, foundations, joint ventures, general or limited partners, members, managers, managing members, attorneys, heirs, successors, assigns, insurers, reinsurers, advisors (including without limitation legal, financial, and investment advisors), consultants, other affiliated persons, and representatives, and with respect to each of the foregoing, their respective former or current, direct or indirect parents, subsidiaries, affiliates, controlling persons, employees, officers, directors, agents, fiduciaries, predecessors, successors, trusts, trustees, trust beneficiaries, family members, spouses, heirs, executors, estates, administrators, assigns, beneficiaries, distributees, foundations, joint ventures, general or limited partners, members, managers, managing members, attorneys, heirs, successors, assigns, insurers, reinsurers, advisors (including without limitation legal, financial, and investment advisors), consultants, other affiliated persons, and representatives.

c. Certain General Definitions Related to the Released Claims:

“Person” means any individual, corporation, partnership, limited partnership, limited liability partnership, limited liability company, association, affiliate, joint stock company, investment fund, estate, legal representative trust, unincorporated association, entity, government and any political subdivision thereof, or any other type of business or legal entity.

“Unknown Claims” means any Released Plaintiffs’ Claims which Plaintiffs do not, or any Settlement Class Member does not, know or suspect to exist in his, her, or its favor at the time of the release of such claims, and any Released Defendants’ Claims which any Defendant does not know or suspect to exist in his, her, or its favor at the time of the release of such claims, which, if known by him, her, or it, might have affected his, her, or its decision(s) with respect to this Settlement. With respect to any and all Released Claims, the Parties stipulate and agree that, upon the Effective Date, Plaintiffs and Defendants shall expressly waive, and each of the other Settlement Class Members shall be deemed to have waived, and by operation of the Order and Final Judgment shall have expressly waived, any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States, or principle of common law or foreign law, which is similar, comparable, or equivalent to Cal. Civ. Code § 1542, which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

Plaintiffs and Defendants acknowledge, and each of the other Settlement Class Members shall be deemed by operation of law to have acknowledged, that the inclusion of the foregoing waiver was separately bargained for and was a key and material element of the Settlement and was relied upon by each and all of Plaintiffs and Defendants in entering into the Stipulation.

HOW WILL THE ATTORNEYS BE PAID?

52. Lead Counsel have not received any payment for their services in pursuing the claims asserted in the Action, nor have Lead Counsel been reimbursed for their out-of-pocket expenses. Lead Counsel invested their own resources pursuing the claims asserted on a contingency basis, meaning they would only recover their expenses and be compensated for their time if they created benefits through this litigation.

53. Before final approval of the Settlement, Lead Counsel will apply to the Court for an award of attorneys' fees and reimbursement of expenses. Lead Counsel has not determined the amount of legal fees and litigation expenses they will ultimately seek, but agree that, in the aggregate, such fees and expenses will not exceed \$20 million.

54. Regardless of whether or not the Parties reach agreement as to the amount of the fees and expenses sought by Lead Counsel, ***it is the Court's decision*** to determine the amount of any award for attorneys' fees and expenses. Any Court-approved fee and expense award will be paid by Defendants and/or their insurers ***and will not affect the amount of the Settlement Payment provided if the Settlement is approved.*** Members of the Settlement Class are not personally liable for any such fees or expenses. Properly submitted objections can include as a basis for the objection the amount of requested fees and expenses.

55. No portion of any fee and expense award shall be paid to Plaintiffs or any Settlement Class Member, except for incentive awards or other such payments as may be approved by the Court.

56. Lead Counsel intend to seek Court approval of incentive awards to Plaintiffs of up to and including \$5,000 each, to be paid to Plaintiffs solely out of any fee and expense award awarded by the Court to Lead Counsel. In other words, the Plaintiffs' incentive awards, if approved, would be taken out of any Court-approved award of attorneys' fees and expenses to Lead Counsel. If approved, this would be the only payment made to Plaintiffs beyond what they are entitled to as members of the Settlement Class. Lead Counsel believe that an incentive award to Plaintiffs is appropriate to compensate them for the substantial time and effort that Plaintiffs put into pursuing this litigation. If the Court denies an incentive award, then Plaintiffs will receive no payment beyond what they are entitled to as members of the Settlement Class.

57. The proposed Settlement is not conditioned on any fee and expense award to Lead Counsel or the award of any incentive award. The Court may approve the proposed Settlement without ruling on any fee and expense award to Lead Counsel or the award of any incentive award to Plaintiffs.

WHEN AND WHERE WILL THE SETTLEMENT HEARING BE HELD?
DO I HAVE THE RIGHT TO APPEAR AT THE SETTLEMENT HEARING?
MAY I OBJECT TO THE SETTLEMENT AND SPEAK AT THE HEARING IF I DON'T LIKE THE SETTLEMENT?

58. The Settlement Hearing is where the Court will review the proposed Settlement.

59. Settlement Class Members do not need to attend the Settlement Hearing. The Court will consider any submission made in accordance with the provisions below even if a Settlement Class Member does not attend the Settlement Hearing. Settlement Class Members can recover from the Settlement without attending the Settlement Hearing.

60. The Court will consider the Settlement and all matters related to the Settlement at the Settlement Hearing to be held before Vice Chancellor Morgan T. Zurn on **June 29-30, 2023, at the Leonard L. Williams Justice Center, at 500 North King Street, Wilmington, Delaware**, which hearing is scheduled to be held in person at the courthouse but, in the Court's discretion, can be changed to be held remotely such as by telephone or videoconference.

61. At the Settlement Hearing, the Court will, among other things:

- i. determine whether the proposed Settlement is fair, reasonable, and adequate to the Settlement Class;
- ii. determine whether a Judgment, substantially in the form attached as Exhibit D to the Stipulation, should be entered dismissing the Action with prejudice as against Defendants and lifting the Status Quo Order;

- iii. determine whether the application by Lead Counsel for an award of attorneys' fees and expenses and incentive awards should be approved;
- iv. hear and rule on any objections to the proposed Settlement, Lead Counsel's application for an award of attorneys' fees and expenses, and/or Lead Counsel's application for incentive awards to Plaintiffs; and
- v. consider any other matters that may properly be brought before the Court in connection with the proposed Settlement.

62. **Please Note:** The date and time of the Settlement Hearing may change. Such changes may occur without written notice to Settlement Class Members. If such a change occurs, the Parties will do their best to alert the Settlement Class Members of the change, but you are encouraged to monitor the Court's docket, the "Investor Relations" section of AMC's website, investor.amctheatres.com/newsroom/default.aspx, and Lead Counsel's websites, blblaw.com, gelaw.com and fksfirm.com. You may also confirm the date and time of the Settlement Hearing by contacting Lead Counsel as indicated in Paragraph 63 below.

63. Any Settlement Member may object to or support the Settlement, Lead Counsel's application for an award of attorneys' fees and expenses, and/or Lead Counsel's application for incentive awards to Plaintiffs. In so doing, however, any Objector or Supporter must, **on or before May 31, 2023**, do each of the following things:

- i. serve any such written statement in support or objection at the following address by email, by hand, by first-class U.S. mail, or by express service:

By electronic mail to:
AMCSettlementObjections@blblaw.com

By mail to:
AMC Investor Submissions
c/o John Mills, Esq.
Bernstein Litowitz Berger & Grossmann LLP
1251 Avenue of the Americas
New York, NY 10020;

- ii. meet the requirements identified in Paragraph 64 below; and

iii. if Objectors wish to speak at the Settlement Hearing, return the form attached to the letter the Court intends to publish to AMC stockholders with specific instructions regarding the Settlement Hearing with the Register in Chancery at the following address:

Register in Chancery
Court of Chancery of the State of Delaware
New Castle County
Leonard L. Williams Justice Center
500 North King Street
Wilmington, Delaware 19801

All supporting papers should be submitted with the original letter of support or objection, and no witnesses other than Objectors will be permitted at the Settlement Hearing. It is preferable for any Objector or Supporter to email any materials that he, she, or it wishes the Court to consider. Mr. Mills or his colleagues will furnish the Special Master appointed by the Court in this Action and counsel for each of the Parties with copies of any and all statements in support or objections that come into their possession as soon as possible and, in any event, within 24 hours of receiving them.

64. Any objections, statements of support, filings, and other submissions must include the following five things:

i. state that the objection or statement of support is being filed with respect to *In re AMC Entertainment Holdings, Inc. Stockholder Litigation*, Consolidated C.A. No. 2023-0215-MTZ;

ii. state the name, address, and telephone number of the Objector or Supporter and, if represented by counsel, the name, address, and telephone number of his, her, or its counsel;

iii. be signed (either by hand or electronically) by the Objector or Supporter;

iv. contain a specific, written statement of the objection(s) or statement of support and the specific reason(s) for the objection(s) or statement of support, including any filings the Objector or Supporter wishes to bring to the Court's attention; and

v. include documentation sufficient to prove that the Objector or Supporter is a member of the Settlement Class (*i.e.*, held shares of AMC Common Stock between August 3, 2022, through and including the date the objection or statement of support is made).

65. Documentation establishing that an Objector or Supporter is a member of the Settlement Class may consist of copies of an official brokerage account statement, a screen shot of an official brokerage account, or an authorized statement from the Objector's or Supporter's broker containing the transactional and holding information found in an account statement. Lead Counsel may request that the Objector or Supporter submit additional information or documentation sufficient to prove that the Objector or Supporter is a Settlement Class Member.

66. Anonymous letters are not sufficient objections and make it impossible for the Parties to know whether the letter is from a member of the Settlement Class.

67. You may file a written objection without having to appear at the Settlement Hearing. You may not, however, speak to the Court at the Settlement Hearing to present your objection (if the Court indicates you shall be heard) unless you first file and serve a written objection in accordance with the procedures described in Paragraphs 63–66, unless the Court orders otherwise.

68. You are not required to hire an attorney to represent you in making written objections or in appearing at the Settlement Hearing. However, if you decide to hire an attorney, it will be at your own expense, and that attorney must file a notice of appearance with the Court and serve it in accordance with Paragraph 63(i) above so that the notice is *received* on or before May 31, 2023.

69. Unless the Court orders otherwise, any Settlement Class Member who does not object in the manner described above will be deemed to have waived any objection (including the right to appeal) and shall be forever foreclosed from making any objection to the proposed Settlement, Lead Counsel's application for an award of attorneys' fees and litigation expenses, Lead Counsel's application for incentive awards to Plaintiffs, or any other matter related to the Settlement or the Action, and will otherwise be bound by the Judgment to be entered and the Releases to be given. In other words, the Settlement Hearing is your last opportunity to be heard if the proposed Settlement is approved.

70. Settlement Class Members do not need to appear at the Settlement Hearing or take any other action to indicate their approval.

CAN I SEE THE COURT FILE? WHOM SHOULD I CONTACT
IF I HAVE QUESTIONS?

71. This Notice contains only a summary of the terms of the proposed Settlement. For more detailed information about the matters involved in the Action, please review the papers on file in the Action, including the Stipulation, which may be inspected during regular office hours at the Office of the Register in Chancery in the Court of Chancery of the State of Delaware, New Castle County, Leonard L. Williams Justice Center, 500 North King Street, Wilmington, Delaware 19801.

72. Alternatively, copies of the Stipulation, the Complaint, Settlement Briefs, the Special Master's report and recommendations, and any related orders entered by the Court will be posted on the Court's docket, and online at the "Investor Relations" section of AMC's website, investor.amctheatres.com/newsroom/default.aspx, and Lead Counsel's websites, blbglaw.com, gelaw.com and fksfirm.com, or you can reach out to Lead Counsel at AMCSettlementObjections@blbglaw.com.

73. If you have questions regarding the proposed Settlement, you may contact Lead Counsel at AMCSettlementObjections@blbglaw.com.

74. Any Objector who has properly objected to the proposed Settlement and intends to speak at the Settlement Hearing should review the letter the Court intends to publish to AMC stockholders with specific instructions regarding the Settlement Hearing and return the form referenced in that letter to the Register in Chancery. The Court's letter and the form to return to the Register in Chancery will be posted on the Court's docket, the "Investor Relations" section of AMC's website, and Lead Counsel's websites, blbglaw.com, gelaw.com and fksfirm.com, or you can reach out to Lead Counsel at AMCSettlementObjections@blbglaw.com.

**DO NOT CALL OR WRITE THE COURT OR THE OFFICE OF
THE REGISTER IN CHANCERY REGARDING THIS NOTICE.**

Dated: May 5, 2023

BY ORDER OF THE COURT

COURT OF CHANCERY
OF THE
STATE OF DELAWAREMORGAN T. ZURN
VICE CHANCELLORLEONARD L. WILLIAMS JUSTICE CENTER
500 N. KING STREET, SUITE 11400
WILMINGTON, DELAWARE 19801-3734RE: *In re AMC Entertainment Holdings, Inc. Stockholder Litigation,*
Consol. Civil Action No. 2023-0215-MTZ

Dear AMC Stockholders:

Along with this letter, you have received notice of a proposed settlement in the above-captioned case (the "Notice"). This Court must approve the settlement after a settlement hearing in order for the parties to implement its terms. Presently, the Court and the parties intend to hold the settlement hearing on **June 29 and 30, 2023**. I write to provide more details on the timeline and the hearing, and instructions you must follow if you intend to object to the settlement and appear at the hearing. This letter explains that the Court will not be issuing a ruling on the settlement at the hearing, but will be issuing a written decision at a later date. Nothing in this letter is intended to alter the contents of the Notice, and to the extent there is a conflict between this letter and the Notice, the Notice controls.

Presentation of the Settlement for Approval

The plaintiffs will file an opening brief in support of the proposed settlement with the Court on **May 4, 2023**. The defendants may, but are not required to, file an opening brief as well. In addition to appearing on the docket, the brief will be posted on the Investor Relations page on AMC Entertainment Holdings, Inc.'s ("AMC") website. Briefs in support of a proposed settlement typically set forth the reasons the parties believe the settlement should be approved.

AMC common stockholders who can provide adequate proof of stock ownership have the right to submit a written objection to the terms of the settlement. Previous submissions to the Court will not be considered as objections to the settlement, because the terms of the proposed settlement were not previously disclosed. ***Objections that pre-date the Notice will not be considered.*** Stockholders may wish to wait to read the briefing in support of the settlement before deciding whether to object to ensure the opportunity to address those arguments.

Objections must comply with the following requirements to be considered:

- **Objections must be submitted to the plaintiffs' counsel—not the Court.** The Court will not accept any objections to the settlement. The plaintiffs' counsel will provide the Special Master and the Court with all objections they receive. Objectors should not include filing fees.
 - Objections must be submitted to the plaintiffs' counsel as directed in the Notice:
 - By electronic mail to:
AMCSettlementObjections@blbglaw.com
 - OR by mail to:
AMC Investor Submissions
c/o John Mills, Esq.
Bernstein Litowitz Berger & Grossman LLP
1251 Avenue of the Americas
New York, NY 10020
 - Objections must be received by **May 31, 2023**.
 - Objections must be under the stockholder's real and full name.
 - Objections must be accompanied by documentary evidence of beneficial ownership of AMC common stock. Such evidence must show the stockholder's full name and can comprise copies of an official brokerage account statement, a screen shot of an official brokerage account, or an authorized statement from the stockholder's broker containing the transactional and holding information found in an account statement.
 - Objections must set forth the legal basis for the objection.
 - Each stockholder may submit only one objection, which should contain all of the grounds for which that stockholder objects to the settlement. If a stockholder submits more than one objection, the Special Master and the Court will only consider the first objection the plaintiffs' counsel receives.
-

Stockholders should not feel compelled to submit letters of support. The parties to the proposed settlement will explain why they think the Court should approve it. That said, letters of support must also follow the instructions above.

The plaintiffs' counsel will transmit the objections to the Special Master appointed to review them and make recommendations to the Court. No stockholder should contact the Special Master or send any materials directly to the Special Master. For more information about the Special Master, please refer to the Court's April 24, 2023, letter, and April 25, 2023, order.¹

The plaintiffs and defendants may file briefs responding to any or all objections by **June 7, 2023**. The plaintiffs' counsel will file on the docket any objections they received on the docket on or before this date. Any responsive briefs filed by the plaintiffs or defendants will be posted on the docket and on the Investor Relations page of AMC's website.

Depending on the number of objections, the Special Master will file a report and recommendations on the objections no later than **June 21, 2023**. The report will be posted on the docket and on the Investor Relations page of AMC's website.

Any AMC stockholder who timely objected consistent with the procedures set forth above, and who disagrees with the Special Master's report and recommendation on their objection, may file exceptions to that report with the Court. ***Exceptions to the Special Master's report should be filed with the Court, not sent to the plaintiffs' counsel.*** Exceptions must be received and docketed by **June 28, 2023** for the Court to consider them. For instructions on how to submit exceptions, and the required filing fee, please refer to the Register in Chancery's April 14, 2023, letter.² Correspondence that does not comport with these instructions will not be considered.

The Settlement Hearing

On **June 29 and 30, 2023**, the Court will hear from the parties and any objectors who wish to supplement their written objections with an oral presentation. The Court will provide public access to the hearing in two forms: an overflow courtroom with a video feed, and a listen-only telephone line. Priority in the overflow room will be given to confirmed objectors who are going to speak, and credentialed media. If the overflow room fills to capacity, anyone unable to obtain a seat must leave the courthouse. The Court will file the dial-in information for the listen-only telephone line on the docket before the hearing.

¹ Docket Item ("D.I.") 143, D.I. 149.

² D.I. 91.

Stockholders that submit a written objection also have the right to speak at the settlement hearing. You do not need to appear in person for your written objection to receive full consideration by the Special Master and the Court. Because counsel to the parties to the settlement will be advocating for its approval, it is not an efficient use of judicial resources for stockholders to speak at the hearing in support of the settlement. Only stockholders who object to the proposed settlement may supplement their compliant written objections in person.

If you wish to supplement your objection by appearing in person, you must complete and return the enclosed form to the Court at the following address:

Register in Chancery
Court of Chancery of the State of Delaware
New Castle County Leonard L. Williams Justice Center
500 North King Street Wilmington, Delaware 19801

The form must be completed with your real and full name. It must be received by **May 31, 2023**. The Court will not docket these forms, but the information they contain will be shared with Court staff and Delaware Capitol Police to aid in the orderly administration of the settlement hearing. The Court will not accept any additional documentary materials with the form or at the hearing.

Objectors who have submitted both a written objection to the plaintiffs' counsel, and the completed form to the Court, will be seated in the overflow courtroom, be escorted into the primary courtroom one at a time for their oral presentation, and be escorted back to the overflow room for the rest of the hearing. The primary courtroom will be limited to the Court, its staff, counsel, and one objector at a time.

The Court will not rule on the terms of the settlement at the settlement hearing. The Court will provide its ruling in a written opinion that will be filed on the docket and on the Court's website.

Sincerely,

/s/ Morgan T. Zurn

Vice Chancellor

MTZ/ms

cc: All Counsel of Record, via *File & ServeXpress*
Corinne Elise Amato, Esq., via email



All written objections accompanied by proof of stock ownership and submitted to Plaintiffs' counsel will be considered by the Court, even if the stockholder does not attend the settlement hearing to object in-person.

Only stockholders planning to attend the settlement hearing in-person to supplement their written objection with an oral statement under oath are required to fill out this form.

In-Person Settlement Objector Interest Form

Date	Stockholder Name [First Name, Middle Initial, Last Name]	
In Re AMC Entertainment Holdings, Inc. Stockholder Litigation	Consolidated C.A. No. 2023-0215-MTZ	
Case Caption	Case Number	

Objector Information

Phone Number	Email Address	
Address		
City	State	ZIP Code

Objector Affirmations

Please indicate "yes" or "no" and sign to affirm.

	Yes	No
I own AMC common stock.	<input type="checkbox"/>	<input type="checkbox"/>
I have submitted a compliant written objection to Plaintiffs' counsel, which states the basis for my objection and any support thereof, between the dates of May 3, 2023 and May 31, 2023 .	<input type="checkbox"/>	<input type="checkbox"/>
I have attached to my compliant written objection mandatory proof of my AMC common stock ownership in the form of copies of an official brokerage account statement, a screen shot of an official brokerage account, or an authorized statement from my broker showing my name containing the transactional and holding information found in an account statement.	<input type="checkbox"/>	<input type="checkbox"/>
I will attend the June 29 and 30, 2023 settlement hearing at the Leonard L. Williams Justice Center, 500 North King Street, Wilmington, Delaware to supplement my written objection orally and under oath.	<input type="checkbox"/>	<input type="checkbox"/>
I understand that each of the above statements must be true, and I must send this form to the below address in order to be eligible to object in person at the settlement hearing.	<input type="checkbox"/>	<input type="checkbox"/>

Stockholder Signature	Date
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* Written objections not accompanied by proof of stock ownership will not be considered.