OUR INTERNAL GOVERNANCE PROCEDURES SUPPORT OUR STRATEGIC PRIORITIES

DEAR SHAREHOLDERS

I am pleased to present the Corporate Governance Statement for 2018.

As mentioned in my Chairman's letter on page 2, the acquisition of Regal Entertainment Group in February 2018 was transformational for the Company. The size of the consideration, and the significant amount of due diligence and scrutiny necessary, required a strong corporate governance framework at Board level, and it is gratifying to report the systems and culture that we have put in place over the years worked well and enabled the transaction to be completed both timeously and efficiently.

Having served as Chairman of Cineworld since its original formation as Cine-UK Limited almost 25 years ago, I am particularly proud to have witnessed another year of growth as I look ahead to my planned retirement in 2020. As announced in January of this year, Alicja Kornasiewicz has been appointed as Deputy Chair, and will become Chair of the Board at the conclusion of the 2020 Annual General Meeting ("AGM"), when I will be stepping down. Alicja joined in 2015 as an Independent Non-Executive Director and has played a valuable role on the Board. She has had a distinguished career in business, finance, politics, and on regulatory bodies, and her experience and background will be an asset to the Company in the years ahead.

In July 2018, it was announced that Renana Teperberg was joining the Board as an Executive Director. Renana has a long history with the business, having joined Cinema City International as a cashier in 1997. Renana progressed to the role of Chief Commercial Officer in 2016 and played a major role in the acquisition of Regal. Renana will lend considerable value and strength to the Board; she has an outstanding track record, and deep experience of the cinema exhibition business.

At the same time, it was announced that Camela Galano, an experienced international film executive based in the US, would join the Board as an Independent Non-Executive Director. Importantly, Camela has excellent contacts and experience in the US, which now represents the majority of the Group's activities.

Following an internal evaluation of the composition and effectiveness of the Board, I am pleased to report that it supported the view that the Board and its Committees are operating efficiently and productively. An external evaluation will be conducted in 2019, in accordance with the UK Corporate Governance Code (the "Code").

A rigorous system of risk management and control is an essential element of good governance. Details of the annual risk review, which took into account the impact of the Regal acquisition, are contained in the Accountability section starting on page 48. The Audit Committee continued its key work in overseeing our internal control and risk management systems, which included a comprehensive review of the effectiveness of our internal audit systems and controls, in accordance with the Code, and more information on this exercise is on page 48. The Remuneration Committee conducted a full review of the Company's Remuneration Policy in the early part of the year, to ensure it remains fit for purpose in the context of our newly enlarged business, and the new Policy was adopted at last year's AGM. Further details of the work of the Remuneration Committee in this area may be found in the Directors' Remuneration Report on pages 55 to 66.

More recently, on 12 March this year, we announced that Julie Southern will not be seeking re-election at the AGM in May and will step down at that point. We thank Julie for her tremendous contribution since her appointment in 2015, and wish her every success for the future. It is planned that Dean Moore will become Chair of the Audit Committee, and Alicja Kornasiewicz will become Chair of the Remuneration Committee, following Julie's departure. Plans for the recruitment of a new Non-Executive Director are under way.

Anthony Bloom
CHAIRMAN
28 March 2019

BOARD STATEMENTS

REQUIREMENT	BOARD STATEMENT
Compliance with the UK Corporate Governance Code	The principal governance rules applying to companies with a premium listing for the year covered by this statement are contained in the Code published by the UK Financial Reporting Council ("FRC") in April 2016 (the "Code"), and a copy is available on its website www.frc.org.uk. For the year ended 31 December 2018, the Board considers that the Company was compliant with the provisions of the Code, save that to ensure the timely execution of the Regal transaction, the Company considered it expedient to convene the general meeting approving the transaction on 14 days' notice in accordance with the authority conferred by shareholders at the annual general meeting in 2017, rather than the 14 working days' notice provided for in the Code.
Going Concern	The Directors consider that the Group has adequate resources to continue in operational existence for at least 12 months from the date of signing these accounts. Thus they continue to adopt the going concern basis in preparing the annual financial statements. In adopting the going concern basis for preparing the financial statements, the Directors have considered the business activities as set out on pages 1 to 35 and the Principal Risks and Uncertainties on pages 22 to 27. The financial position of the Group, its cash flows, liquidity position and borrowing facilities, as well as the Group's objectives, policies and processes for managing capital, are described on pages 31 to 35. Financial risk management objectives, details of financial instruments and hedging activities, and exposure to credit risk and liquidity risk are described in Note 24 to the financial statements.
Viability	The Directors have assessed the viability of the Group over a three year period, taking into account the Group's current position and the potential impact of the principal risks and uncertainties set out on pages 22 to 27. Based on this assessment, and having considered the established controls for the risks, and the available mitigating actions, the Directors confirm that they have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the three year period to 2021. For more information on the viability assessment, please see page 27.
Robust Assessment of Principal Risks	The Directors consider they have undertaken a robust assessment of the principal risks facing the Group, including those that would threaten its business model, future performance, solvency and liquidity. Please refer to pages 22 to 27 for further information on the Company's principal risks and uncertainties, and their impact on the prospects of the Group.
Review of Internal Control and Risk Management	The Directors have carried out a review of internal control and risk management. Please refer to pages 48 and 49 for further information.
Fair, Balanced and Understandable	The Directors consider the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy. Please refer to page 51.

BOARD OF DIRECTORS
At 31 December 2018

Anthony Bloom

Chairman
Date appointed as Chairman: October 2004

Tenure on Board: 14 years 2 months

Independent: No

Committee memberships:
No formal memberships, but has attended all meetings by invitation

Relevant skills, qualifications and experience:
Anthony Bloom joined the Board in October 2004 as Chairman, and has served as Chairman since the business was founded in 1995. He was previously Chairman and Chief Executive of The Premier Group Limited (South Africa) and a director of Barclays Bank (South Africa), South African Breweries and Liberty Life Assurance.

Mr Bloom holds Bachelor of Commerce and Bachelor of Law (cum laude) degrees from the University of Witwatersrand in South Africa and a Masters of Law degree from Harvard Law School. He was a Sloan Fellow at the Stanford Graduate School of Business. In 2002, Mr Bloom was awarded the degree of Doctor of Law (H.C.) by the University of Witwatersrand in recognition of his contribution towards the establishment of a non-racial society in South Africa. Mr Bloom was awarded the 'Lifetime Achievement' award at CinemaCon in Las Vegas in 2019.

Principal external appointments: Non Executive Director London Symphony Orchestra and Non Executive Director TechnoServe, Inc.

Alicja Kornasiewicz

Non-Executive Director and Deputy Chair
Date appointed to Board: May 2015

Tenure on Board: 3 years 7 months

Independent: Yes

Committee memberships: Audit Committee

Relevant skills, qualifications and experience:
Alicja Kornasiewicz joined the Board in May 2015 as an independent Non-Executive Director, and is a member of the Audit Committee. Ms Kornasiewicz brings extensive Central and Eastern Europe financial and political experience to the Board. Previously, she was the Chief Executive Officer of Bank Pekao SA. She was also Head of Investment Banking for Emerging European countries at Unicredit Group and a member of the Executive Committee. Ms Kornasiewicz served as Secretary of State in the Polish Ministry of Treasury from 1997 to 2000. Prior to that she worked for the European Bank for Reconstruction and Development (EBRD). Over the last 20 years she has held a number of supervisory board positions. Ms Kornasiewicz holds a PhD in economics from Poznan University of Economics and graduated from Harvard Business School.

Principal external appointments: Senior Advisor for Investment Banking Division at Morgan Stanley; Non-Executive Director of EuroCash Group.

Moshe (Mooky) Greidinger

Chief Executive Officer
Date appointed to Board: February 2014

Tenure on Board: 4 years 10 months

Independent: No

Committee memberships: None

Relevant skills, qualifications and experience:
Moshe Greidinger joined the Board in February 2014 as Chief Executive Officer. Prior to that he was Chief Executive Officer of Cinema City International ("CCI"). He joined Cinema City in 1976. Since 1984, Mr Greidinger has held executive positions with Cinema City, has served as a Director and Deputy Managing Director of Israel Theatres Limited since 1983, and as Co-Chairman of the Cinema Owners Association in Israel since August 1996. Mr Greidinger is a Non-Executive Director of Global City Holdings B.V. (formerly CCI).

Mr Greidinger achieved the "Exhibitor of the Year Award" at ShoWest in Las Vegas in 2004, "International Exhibitor of the Year Award" at CineEurope, in Amsterdam in 2011, with special recognition for having developed new markets in Central and Eastern Europe, and the "Global Achievement in Exhibition Award" at CinemaCon in Las Vegas in April 2016.

Principal external appointments: Director of Israel Theatres Limited; Co-Chairman of the Cinema Owners Association, Israel; Head of the Board of Trustees, the Hebrew Reali School of Haifa. He is a member of the National Association of Theatre Owners Global Cinema Federation (NATO).

Israel Greidinger

Deputy Chief Executive Officer
Date appointed to Board: February 2014

Tenure on Board: 4 years 10 months

Independent: No

Committee memberships: None

Relevant skills, qualifications and experience:
Israel Greidinger joined the Board in February 2014 as Chief Operating Officer. In August 2014, his role changed to Deputy Chief Executive Officer.

From 1994 until 2014, he worked for Cinema City International ("CCI") and was appointed Chief Financial Officer of CCI in 1995. Mr Greidinger has also served as a Director of Israel Theatres Limited since 1994.

From 1985 to 1992, he was Managing Director of C.A.T.S. Limited (Computerised Automatic Ticket Sales), and from 1992 to 1994, he was President and Chief Executive Officer of Pacer C.A.T.S. Inc.

Principal external appointments: Director of Israel Theatres Limited since 1994; Chairman of the Israeli Friends of Rambam Health Care Campus.

Nisan Cohen

Chief Financial Officer
Date appointed to Board: January 2017

Tenure on Board: 2 years

Independent: No

Committee memberships: None

Relevant skills, qualifications and experience:
Nisan Cohen joined the Board in January 2017 as Chief Financial Officer, and before that had been part of the Cineworld Group for 16 years. Previously, as Vice President of Finance, he led the integration of the finance teams in the Cineworld Group across nine countries after the Cinema City Combination in 2014. More recently, he served as Deputy Chief Financial Officer.

In 2018, Mr Cohen made a major contribution to the successful acquisition of Regal Entertainment Group, including leading the integration of the UK, ROW and US financial teams.

Principal External Appointments: Mr Cohen is a member of The Institute of Certified Public Accountants in Israel.

Renana Teperberg

Chief Commercial Officer
Date appointed to Board: July 2018

Tenure on the Board: 6 months

Independent: No

Committee memberships: None

Relevant skills, qualifications and experience:
Renana Teperberg was appointed to the Board in July 2018, and has been part of the Cineworld Group for over 20 years. Ms Teperberg first joined Cinema City International as a cashier in 1997, while studying for a BA in psychology at the Hebrew University of Jerusalem.

After progressing to General Manager, she moved to the Cinema City International Head Office where she subsequently became Head of Programming and Marketing.

Following the combination with Cineworld, she became Senior Vice President of Commercial and then Chief Commercial Officer in 2016. Recently, Renana played a major role in the acquisition of Regal Entertainment Group.

Renana holds an executive MBA in business management from IDC Herzliya.

Principal External Appointments: Ms Teperberg is a Non-Executive Director of AC JV, LLC (Fathom Events), National Cinema Media, Inc., Digital Cinema Media Limited, and Digital Cinema Distribution Coalition.

Eric (Rick) Senat

Non-Executive Director and Senior Independent Director

Date appointed to Board: July 2010

Tenure on Board: 8 years 5 months

Independent: Yes

Committee memberships: Nomination Committee (Chair) and Remuneration Committee

Relevant skills, qualifications and experience: Rick Senat joined the Board in July 2010 and is Chair of the Nomination Committee and a member of the Remuneration Committee. He is also Senior Independent Director.

Mr Senat has over 40 years' experience in the film industry, joining Warner Bros in 1976 and becoming its Senior Vice-President for Business Affairs in Europe. He retired from Warner Bros after 25 years' service. Mr Senat was also a director of the legendary, and recently revived, film company Hammer Film Productions, and has previously served as Vice Chair of the British Film Institute.

Until recently, he was a partner in the Blair Partnership, a Non-Executive Director of Pottermore Limited and Bank Leumi (UK) plc., and Non-Executive Chairman of the London Film Museum.

Mr Senat is a graduate of University College London and a solicitor.

Principal external appointments: Non-Executive Chairman of Mad Dog Casting Limited.

Camela Galano

Non-Executive Director

Date appointed to Board: July 2018

Tenure on Board: 6 months

Independent: Yes

Committee memberships: None

Relevant skills, qualifications and experience: Camela Galano was appointed to the Board as an independent Non-Executive Director in July 2018.

Camela began her career at New Line Cinema, progressing to the role of President of International Sales, Marketing & Distribution, where she oversaw the international distribution of innumerable titles, including the blockbuster trilogy "The Lord of the Rings".

Subsequently, Camela became the President of International Film Acquisitions for Warner Bros. Following her time at Warner Bros., she served as President of Relativity International, overseeing global sales, marketing and distribution management of Relativity's own titles, acquisitions and third-party releases.

Ms Galano is a longtime member of the Academy of Motion Picture Arts and Sciences, and the British Academy of Film and Television Arts.

Principal External Appointments: Ms Galano is Head of International at Studio8.

Dean Moore

Non-Executive Director

Date appointed to Board: January 2017

Tenure on Board: 2 years

Independent: Yes

Committee memberships: Remuneration Committee (Chair) and Audit Committee

Relevant skills, qualifications and experience: Dean Moore joined the Board in January 2017 as an independent Non-Executive Director. He is Chair of the Remuneration Committee, and a member of the Audit Committee. Previously, he acted as interim Chief Financial Officer, for a period of 10 months, where his mandate was to focus on the Chief Financial Officer succession planning process in respect of current Chief Financial Officer, Nisan Cohen.

Prior to this, Mr Moore worked as Chief Financial Officer of N Brown Group plc for 12 years from 2003 to 2015, before which he was Chief Financial Officer of T&S Stores plc until it was acquired by Tesco plc in early 2003.

From 1996 to 1999 he was Chief Financial Officer of Graham Group plc, and he has held a number of other senior finance positions. Mr Moore is a Chartered Accountant (ICAEW) and graduate of University of Aston (Business Management BSc).

Principal External Appointments: Mr Moore is a Non-Executive Director, Audit Committee Chair, and Senior Independent Director of Volex Plc.

Scott S. Rosenblum

Non-Executive Director

Date appointed to Board: February 2014

Tenure on Board: 4 years 10 months

Independent: No

Committee memberships: Nomination Committee

Relevant skills, qualifications and experience: Scott S. Rosenblum joined the Board in February 2014 as a Non-Independent Non-Executive Director. He is a member of the Nomination Committee.

Prior to his appointment, he was a member of the Supervisory Board of Cinema City International ("CCI"), becoming its Chairman in 2011.

Mr Rosenblum is licensed as a lawyer and is admitted to the New York Bar Association. For the past 28 years, he has been a partner in the law firm of Kramer Levin Naftalis & Frankel LLP, New York, where he was Managing Partner between 1994 and 2000 and a member of the Executive Committee until 2018. Mr. Rosenblum is also Co-Chairman of the Corporate Department.

Mr Rosenblum is a graduate of Dartmouth College and the University of Pennsylvania Law School. He has extensive experience in areas of general corporate and securities law, corporate finance, corporate governance, mergers and acquisitions and joint ventures.

Principal external appointments: Partner since 1991 and Co-Chairman since 2000 of the Corporate Department of Kramer Levin Naftalis & Frankel LLP; Director and advisor to the boards of various public and private companies.

Arni Samuelsson

Non-Executive Director

Date appointed to Board: February 2014

Tenure on Board: 4 years 10 months

Independent: Yes

Committee memberships: Nomination Committee

Relevant skills, qualifications and experience: Arni Samuelsson joined the Board in February 2014 as an independent Non-Executive Director. He is a member of the Nomination Committee.

He has over 40 years of cinema exhibition and film distribution experience, principally through SAMfélagið (Samfilm) – a cinema exhibitor and film distributor in Iceland, of which he has been joint owner and Chief Executive Officer since it was formed in 1975.

Mr Samuelsson has been Chief Executive Officer of Samfilm EHF (SAMfélagið's distribution arm) since 1975, and Chief Executive Officer of SAMcinema (SAMfélagið's cinema arm) since the same year. Prior to this, Mr Samuelsson was a Director and owner of Vikurbaer, a supermarket business in Keflavik, from 1972 until its sale in 1982.

Principal external appointments: Chief Executive Officer of Samfilm EHF (SAMfélagið's distribution arm) since 1975; Chief Executive Officer of SAMcinema (SAMfélagið's cinema arm) since 1975.

Julie Southern

Non-Executive Director

Date appointed to Board: May 2015

Tenure on Board: 3 years 7 months

Independent: Yes

Committee memberships: Audit Committee (Chair) Remuneration Committee

Relevant skills, qualifications and experience: Julie Southern joined the Board in May 2015 as an Independent Non-Executive Director. Julie is Chair of the Audit Committee and a member of the Remuneration Committee.

Ms Southern has decades of experience as a Chief Financial Officer and Chief Commercial Officer, driving strategy, revenue and commercial planning.

She has worked across multiple industry sectors and sizes of organisation including PwC, WH Smith, Porsche Cars and Virgin Atlantic. Julie is a Chartered Accountant (ICAEW) and graduate of Cambridge University (Economics B.S.)

Principal external appointments: Non-Executive Director and Chair of the Audit Committee at Rentokil-Initial Plc since 2014, a Non-Executive Director and Chair of the Audit Committee at DFS Furniture Plc since 2015 (due to step down on 31 March 2019), a Non-Executive Director and Chair of the Audit Committee at NXP Semiconductors N.V. since 2013, Non-Executive Director, Ocado Group plc; and Non-Executive Director, EasyJet plc.

APPLICATION OF CODE PRINCIPLES

The information below explains how the Company has applied the main principles of the Code. The information required to be disclosed by Disclosure Guidance and Transparency Rule 7.2.6 is set out in the Directors' Report on pages 67 to 72 and is incorporated into this statement by reference.

A LEADERSHIP

A.1 THE ROLE OF THE BOARD

The Board met formally seven times during the year (including a strategy session) and held other meetings on an ad hoc basis as required. There is a clear schedule of matters reserved for the Board, together with delegated authorities throughout the Group.

A.2 DIVISION OF RESPONSIBILITIES

The roles of the Chairman and Chief Executive Officer are clearly defined. The Chairman is responsible for the leadership and effectiveness of the Board and for overseeing the Board's setting of strategy. The Chief Executive Officer is responsible for leading the day-to-day management of the Group and the implementation of the strategy.

A.3 THE CHAIRMAN

The Chairman sets the agendas for the meetings, manages the meeting timetable (in conjunction with the Company Secretary) and facilitates open and constructive dialogue during the meetings.

A.4 THE ROLE OF THE NON-EXECUTIVE DIRECTORS

The Chairman promotes an open and constructive environment in Board meetings and actively invites the Non-Executive Directors' views. The Non-Executive Directors provide objective, rigorous and constructive challenge to management and meet during the year in the absence of the Executive Directors.

B EFFECTIVENESS

B.1 THE COMPOSITION OF THE BOARD

The Nomination Committee is responsible for regularly reviewing the composition of the Board. In making appointments to the Board, the Nomination Committee considers the wide range of skills, knowledge, independence and experience required to maintain an effective Board.

B.2 APPOINTMENTS TO THE BOARD

The appointment of new Directors to the Board is led by the Nomination Committee. Further details of the activities of the Nomination Committee can be found on page 46.

B.3 TIME COMMITMENT

On appointment, Directors are notified of the time commitment expected from them and details are set out in their letters of appointment. External directorships of Executive Directors, which may impact existing time commitments, are discussed and cleared by the Chairman.

B.4 DEVELOPMENT

All Directors receive induction training on joining the Board and, as part of the annual effectiveness evaluation, the development needs of each Director are checked.

B.5 INFORMATION AND SUPPORT

The Chairman, in conjunction with the Company Secretary, ensures that all Board members receive accurate and timely information.

B.6 BOARD AND COMMITTEE PERFORMANCE EVALUATION

The Board and its Committees have this year undertaken an internal evaluation of their respective performances. Details of the evaluation can be found on page 43.

B.7 RE-ELECTION OF DIRECTORS

All Directors are subject to shareholder election or re-election at the AGM.

C ACCOUNTABILITY

C.1 FINANCIAL AND BUSINESS REPORTING

The Strategic Report is set out on pages 1 to 35 and provides information about the performance of the Group, the business model, strategy and principal risks and uncertainties relating to the Group's future prospects.

C.2 RISK MANAGEMENT AND INTERNAL CONTROL

The Board decides the Group's risk appetite and annually reviews the effectiveness of the Group's risk management and internal control systems. The activities of the Audit Committee, which assists the Board with its responsibilities in relation to the management of risk, are summarised on page 51.

C.3 AUDIT COMMITTEE AND AUDITORS

The Board has delegated a number of responsibilities to the Audit Committee, which is responsible for overseeing the Group's financial reporting processes, internal control and Risk Management Framework, the work undertaken by the External Auditor, and the internal audit work of the Risk and Assurance team. The Chair of the Audit Committee provides regular updates to the Board.

D REMUNERATION

D.1 LEVEL AND COMPONENTS OF REMUNERATION

The Remuneration Committee sets levels of remuneration appropriately with a view to ensuring the long-term success of the Company, and structures remuneration so as to link it to both corporate and individual performance, thereby aligning management's interests with those of the shareholders. Benchmarking exercises are carried out as appropriate by external advisors to ensure remuneration levels are appropriate.

D.2 PROCEDURE FOR DEVELOPMENT OF REMUNERATION POLICY AND SETTING REMUNERATION PACKAGES

Details of the work of the Remuneration Committee and the approach to setting the remuneration policy and packages can be found in the Directors' Remuneration Report on pages 55 to 66.

E RELATIONSHIPS WITH SHAREHOLDERS

E.1 SHAREHOLDER ENGAGEMENT AND DIALOGUE

The Board takes an active role in engaging with shareholders. The Board particularly values opportunities to meet with shareholders and the Chairman ensures that the Board is kept informed of shareholder views.

E.2 CONSTRUCTIVE USE OF THE ANNUAL GENERAL MEETING

The AGM provides the Board with an important opportunity to meet with shareholders, who are invited to meet the members of the Board informally following the formal business of the meeting.

MEMBERSHIP OF THE AUDIT, NOMINATION AND REMUNERATION COMMITTEES

Membership of the Audit, Nomination and Remuneration Committees remained the same throughout the financial year, and was as follows:

	Chair	Member	Member
Audit Committee	Julie Southern	Alicja Kornasiewicz	Dean Moore
Nomination Committee	Rick Senat	Scott Rosenblum	Arni Samuelsson
Remuneration Committee	Dean Moore	Rick Senat	Julie Southern

All the Committees remained compliant with the Code as regards their membership during the year. Julie Southern will not be seeking re-election at the AGM in May 2019 and will step down at that point. It is planned that Dean Moore will become Chair of the Audit Committee, and Alicja Kornasiewicz will become Chair of the Remuneration Committee, following Julie's departure.

THE BOARD

The Group is ultimately controlled by the Board of Directors of the Company. The Board is responsible for the overall leadership of the Group and for determining its long-term objectives and commercial strategy to create and deliver strong and sustainable financial performance to enhance shareholder value. In fulfilling its role, the Board ensures that necessary financial and other resources are available to enable the Group's objectives to be met. The basis on which the Board seeks to preserve value over the longer term and the strategy for delivering the objectives is set out in the Strategic Report on pages 1 to 35.

The Board meets regularly in the year for its scheduled meetings and also annually for a strategy session. Ad hoc meetings of the Board take place as required. The meetings follow a formal agenda, which includes matters specifically reserved for decision by the Board. The Board also meets, as and when necessary, to discuss and approve, if appropriate, specific issues. All Directors receive notice of such meetings and are given the opportunity to comment on the issues being discussed if they are unable to attend the meeting.

A schedule of matters specifically reserved for decision by the Board has been agreed and adopted. These matters include: setting Group strategy; approving an annual budget and medium-term forecasts; reviewing operational and financial performance; approving major acquisitions, divestments and capital expenditure; approval of site selection; succession planning; approving appointments to the Board and of the Company Secretary and approving policies relating to Directors' remuneration and contracts.

The Board is supplied on a monthly basis with detailed management accounts and an overview of Group financial and operational information. Regular briefings by the Executive Management Team are given to the Board, to deepen the collective understanding of the business, leading in turn to more effective debate.

GOVERNANCE FRAMEWORK

THE BOARD
Implementation of the Group's long-term strategy

Audit Committee

The Committee assists the Board in discharging its responsibility with regard to financial reporting, the control environment, the work of the External and Internal Auditors, and the Risk and Assurance Team.

Chair: **Julie Southern**

Audit Committee Report **page 50**

Nomination Committee

The Committee is responsible for evaluating the balance of skills, knowledge and experience on the Board, the size, structure and composition of the Board, retirements and appointments of additional and replacement Directors.

Chair: **Rick Senat**

Nomination Committee Report **page 46**

Remuneration Committee

The Committee makes recommendations to the Board for approval of the Group's broad policy for the remuneration of the Chairman, the Executive Directors, the Company Secretary and Senior Management, and for the design of performance related pay schemes and long-term incentive plans.

Chair: **Dean Moore**

Remuneration Committee Report **page 55**

THE ROLES OF THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The posts of Chairman and Chief Executive Officer are separate. The division of responsibility between the Chairman of the Board, Anthony Bloom, and the Chief Executive Officer, Moshe Greidinger, is clearly defined in writing. Further details of the respective responsibilities are set out below.

BOARD COMMITTEES

In accordance with best practice, the Board has appointed three Committees, an Audit Committee, a Nomination Committee, and a Remuneration Committee, to which certain Board functions have been delegated. Each of these Committees has formal written terms of reference which clearly define their responsibilities. The terms of reference of each of the Board's three Committees are available on the Company's website (www.cineworldplc.com/en/about-us/corporate-governance).

ROLES AND RESPONSIBILITIES OF THE DIRECTORS

ROLE	NAME	RESPONSIBILITY
CHAIRMAN	Anthony Bloom	The Chairman, together with the Chief Executive Officer, leads the Board in determination of its strategy having regard to the Group's responsibilities to its shareholders, customers, employees and other stakeholders. He is responsible for organising the business of the Board, ensuring its effectiveness, and setting its agenda. The Chairman also facilitates the effective contribution of Non-Executive Directors and oversees the performance evaluation of the Board and when appropriate, discusses matters with the Non-Executive Directors without the Executive Directors being present.
CHIEF EXECUTIVE OFFICER	Moshe (Mooky) Greidinger	The Chief Executive Officer has direct charge of the Group on a day-to-day basis and is accountable to the Board for the financial and operational performance of the Group. He holds regular meetings with his Executive Management Team.
NON-EXECUTIVE DIRECTORS	Camela Galano, Alicja Kornasiewicz, Dean Moore, Scott S. Rosenblum, Arni Samuelsson, Eric (Rick) Senat, Julie Southern	The Non-Executive Directors provide objective, rigorous and constructive challenge to Management and meet during the year in the absence of the Executive Directors. They play a key role in reviewing proposals, in particular in respect of strategy.
SENIOR INDEPENDENT DIRECTOR	Eric (Rick) Senat	The Senior Independent Director is available to shareholders if they have concerns which contact through the normal channels of Chairman, Chief Executive Officer, Deputy Chief Executive Officer or Chief Financial Officer has failed to resolve or for which contact is inappropriate.
COMPANY SECRETARY	Fiona Smith	The Company Secretary is responsible for advising and supporting the Chairman and the Board on corporate governance matters, ensuring Board procedures are followed and facilitating the good information flow within the Board and the Board-appointed Committees.

ATTENDANCE AT MEETINGS

The number of scheduled Board meetings and Committee meetings attended by each Director during the year was as follows:

		Board (including strategy session)	Audit Committee	Remuneration Committee	Nomination Committee
Number of meetings in year		7	5	4	2
	Independent	Attended	Attended	Attended	Attended
Directors					
Anthony Bloom	No	7/7 (1)	5/5 (2)	4/4 (2)	2/2 (2)
Nisan Cohen	No	6/7	N/A	N/A	N/A
Camela Galano	Yes	3/3 (3)	N/A	N/A	N/A
Israel Greidinger	No	7/7	N/A	N/A	N/A
Moshe Greidinger	No	7/7	N/A	N/A	N/A
Alicja Kornasiewicz	Yes	7/7	5/5	N/A	N/A
Dean Moore	Yes	7/7	5/5	4/4 (1)	N/A
Scott Rosenblum	No	7/7	N/A	N/A	2/2
Arni Samuelsson	Yes	7/7	N/A	N/A	2/2
Rick Senat	Yes	6/7	N/A	3/4	2/2 (1)
Julie Southern	Yes	7/7	5/5 (1)	4/4	N/A
Renana Teperberg	No	3/3 (3)	N/A	N/A	N/A

(1) Chair of Board/Board Committee.

(2) Anthony Bloom, the Chairman of the Company, attended these meetings by invitation.

(3) Camela Galano and Renana Teperberg were appointed as Directors on 19 July 2018. Between 19 July 2018 and the year end, there were only three Board meetings, so they attended the maximum number of Board meetings possible.

DIRECTORS AND DIRECTORS' INDEPENDENCE

At the start of the year, the Board was composed of ten members, five of whom were considered independent. On 19 July 2018, Camela Galano was appointed to the Board as an Independent Non-Executive Director and Renana Teperberg, the Company's Chief Commercial Officer, was appointed to the Board as an Executive Director. At the end of the year, the Board was therefore composed of twelve members, six of whom are considered independent.

For a FTSE 350 company, the Code recommends that at least half the Board of Directors (excluding the Chairman) should comprise non-executive directors determined by the Board to be independent. The Board considers that Camela Galano, Alicja Kornasiewicz, Dean Moore, Arni Samuelsson, Rick Senat and Julie Southern were, for the year (or the portion of the year for which they served as Non-Executive Directors), Independent Non-Executive Directors.

The Board is satisfied that Dean Moore meets the requisite criteria to be considered independent, notwithstanding his previous interim employment within the Group, given the nature of the role he performed in the ten month period from March 2016, where his mandate was to focus on the Chief Financial Officer succession planning process.

Scott Rosenblum is not viewed as independent because of his previous business dealings with the Greidinger family and its interests, and as he is the Global City Theatres B.V. appointee under the Relationship Agreement as described on page 68 of the Directors' Report.

The names of the Directors at the year end, together with their biographical details, are set out on pages 38 to 39.

The terms and conditions of appointment of the Non-Executive Directors are set out in letters of appointment and are made available for inspection by any person at the Company's registered office during normal business hours, and will be available at the AGM. Further details of the letters of appointment of the Non-Executive Directors and the service contracts of the Executive Directors can be found in the Directors' Remuneration Policy (as published in the 2017 Annual Report available on the Company's website).

The Independent Non-Executive Directors bring an objective viewpoint and range of experience to the Group and ensure that no individual or group of individuals is able to dominate the Board's decision-making. They play a key role in reviewing proposals and providing constructive challenge generally and in particular in respect of strategy. They also ensure that appropriate standards are maintained. All the Non-Executive Directors have access to independent legal advice subject to consulting with the Board and following the agreed procedure.

PERFORMANCE EVALUATION

Towards the end of the year, a performance evaluation was carried out in respect of the Board, the Audit, Remuneration and Nomination Committees and each individual Director, including the Chairman. As an external facilitator had been engaged for the 2016 performance evaluation, the Board decided to carry out the exercise without external assistance in 2018. The process adopted involved the completion of assessment questionnaires by each of the Directors and Committee members. The results were then collated by the Company Secretary, and a summary presented to the relevant Committee and the Board. The process was constructive and confirmed that the Board and its Committees are operating effectively.

ELECTION AND RE-ELECTION

All the Directors will be retiring and will be offering themselves for re-election at this year's AGM, apart from Julie Southern who will not be seeking re-election and who will stand down at the conclusion of the AGM. Directors appointed since the last AGM will be offering themselves for election. Biographical details of all the current Directors are set out on pages 38 and 39. In view of the performance evaluation, the Board is satisfied that each Director standing for election or re-election continues to show the necessary commitment and continues to be an effective member of the Board due to his or her skills, expertise and business acumen.

RE-ELECTION OF THE CHAIRMAN

The Board believes that the re-election of Anthony Bloom as Chairman of the Board is in the best interests of shareholders. Anthony has a comprehensive understanding of the Group's business and operations and played a key role in the Company's combination with Cinema City in 2014 and, more recently, the acquisition of Regal. He also brings to the role extensive board-level and chairman experience in a range of companies, sectors and jurisdictions. As announced on 17 January 2019, Alicja Kornasiewicz has been appointed as Deputy Chair, and will become Chair of the Board at the conclusion of the 2020 AGM, following the planned retirement of Anthony Bloom.

CHAIRMAN'S COMMITMENTS

The Chairman performs a limited number of external roles, but the Board is satisfied that these are not such as to interfere with the performance of the Chairman's duties to the Group.

STAKEHOLDER ENGAGEMENT

The Directors value contact with the Company's institutional and private investors. An Annual Report is sent to all new shareholders and is otherwise made available to shareholders via the Company's website unless they have specifically requested that a copy is sent to them. Presentations are given to shareholders and analysts following the announcement of the interim results and the preliminary announcement of the full year results. Trading updates are typically issued in advance of the full year results and the interim results. Separate announcements of all material events are made as necessary.

In addition to the Chief Executive Officer, Deputy Chief Executive Officer and Chief Financial Officer, who have regular contact with shareholders, the Chairman and Senior Independent Director are available to meet with shareholders as and when required. Additionally, the Chief Executive Officer, Deputy Chief Executive Officer and Chief Financial Officer provide focal points for shareholders' enquiries and dialogue throughout the year. The whole Board is kept up to date at its regular meetings with the views of shareholders and analysts and it receives reports on changes in the Company's share register and market movements.

The Board uses the AGM to communicate with private and institutional investors and welcomes their participation. The Chairman aims to ensure that the Chairs of the Audit Committee, Remuneration Committee and Nomination Committee are available at the AGM to answer questions, and that all Directors attend.

The Company's website (www.cineworldplc.com) provides an overview of the business. Major Group announcements are available on the website and new announcements are published without delay. All major announcements are approved by the Chairman and Executive Directors and circulated to the Board prior to issue. The Group also has internal and external checks to guard against unauthorised release of information.

ENGAGING WITH OUR STAKEHOLDERS AND RESPONDING TO THEIR NEEDS

EMPLOYEES

Nurturing talent is a key part of our people strategy and, in support of our growth strategy, we are proud that over the last 12 months more than 50% of cinema management positions were filled by internal applicants.

WIDER COMMUNITY

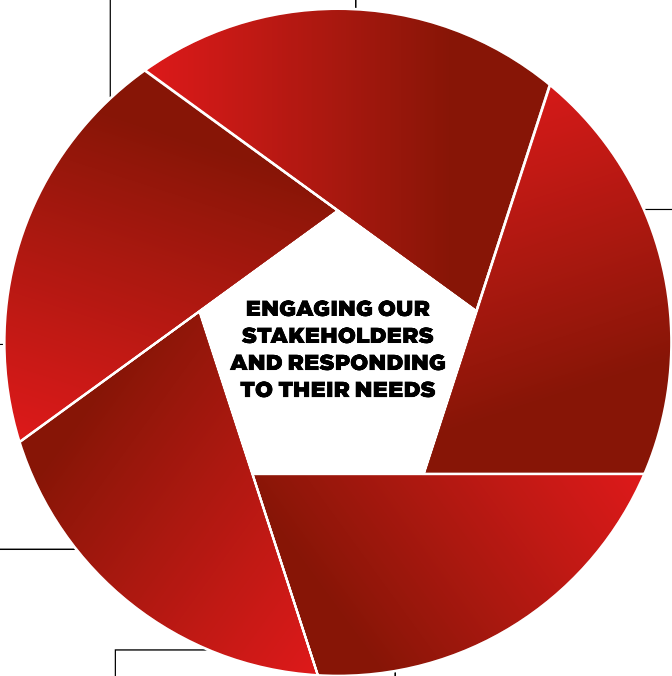
Our work with charities, schools, and community groups across all our territories is very important to us. We are involved with a wide range of activities including working with distributors on charity screenings, providing free shows for organisations and working closely with local schools.

SHAREHOLDERS

The Chief Executive Officer, Deputy Chief Executive Officer, and Chief Financial Officer provide focal points for shareholders' enquiries and dialogue throughout the year. The Board uses the AGM to communicate with private and institutional investors.

CUSTOMERS

Our customers are key to our success. We focus on ensuring that they have a positive experience every time to increase the likelihood of repeat visits.



INDUSTRY BODIES

We work closely with industry bodies throughout our territories.

ENVIRONMENT

Being a multisite business, the Group is conscious of its total energy consumption and amount of waste materials generated, and is actively working on reducing both.

SUPPLIERS

We work hard at developing and maintaining good relationships with a range of film studios and distributors. Strong relationships with our principal retail suppliers enable us to work together on promotions that help drive retail sales.

"It has been a busy year for the Committee, involving a number of important developments in the composition of our Board. Finding a successor for the Chairmanship was one of our key tasks."

Chair	Rick Senat
Committee members	Scott Rosenblum Arni Samuelsson
Number of scheduled meetings held in 2018	2
The Company Secretary acts as Secretary to the Committee	

DEAR SHAREHOLDERS

I am pleased to present our report on the Nomination Committee and its activities during the year.

It has been a busy year for the Committee, involving a number of important developments in the composition of our Board. Finding a successor for the Chairmanship was one of our key tasks and, in January of this year, we announced that Alicja Kornasiewicz has been appointed as Deputy Chair, and will become Chair of the Board at the conclusion of the 2020 AGM, when current Chairman, Anthony Bloom, will be stepping down.

The process was carefully planned and, with the help of external advisors, the Committee thoroughly considered the attributes required for such an important leadership role, especially taking into account the new challenges and changes to the business as it embarks on its next chapter following the Regal acquisition. A number of candidates were interviewed by me, and my fellow Committee members.

Following the extensive review process, it was decided that Alicja was the outstanding candidate, with an exceptional background, and remarkable business acumen. The Committee wishes Alicja every success going forward, and would also like to acknowledge the exceptional value, dedication, and stewardship of outgoing Chairman, Anthony Bloom.

In addition, in July 2018, we announced the appointment of Camela Galano and Renana Teperberg to the Board as Independent Non-Executive Director and Executive Director respectively. Renana has a long history with the business, and will no doubt lend considerable value and strength to the Board. Camela is an experienced international film executive, with valuable experience and knowledge of the US market.

On 12 March 2019, we announced that Julie Southern will not be seeking re-election at the AGM in May and will step down at that point. Dean Moore will become Chair of the Audit Committee, and Alicja Kornasiewicz will become Chair of the Remuneration Committee, following Julie's departure. Plans for the recruitment of a new Non-Executive Director are under way, a process that will be led by the Nomination Committee.

More details of our diversity policy may be found on page 47, however I am pleased to note that the Company received a positive rating in the 2018 Hampton-Alexander Review, which reviews the pipeline of female talent below Board level.

Rick Senat
CHAIRMAN OF THE NOMINATION COMMITTEE

COMPOSITION
During the year, the Committee comprised three Non-Executive Directors (namely Rick Senat (Chair), Scott Rosenblum, and Arni Samuelsson). While Rick Senat and Arni Samuelsson are considered to be independent, Scott Rosenblum is not. The majority of the Committee are independent as required by the Code.

THE ROLE, RESPONSIBILITIES AND ACTIVITIES OF THE NOMINATION COMMITTEE
The Committee assists the Board in discharging its responsibilities relating to the composition of the Board. It is responsible for evaluating the balance of skills, knowledge and experience on the Board, the size, structure and composition of the Board, retirements and appointments of additional and replacement Directors, and the independence of Directors, and it makes appropriate recommendations to the Board on such matters. It is also responsible for ensuring that Directors have sufficient time to discharge their duties on appointment, and thereafter, with such matters being specifically addressed in the letters of appointment of the Non-Executive Directors. The terms of reference of the Committee are available on the Company's website (www.cineworldplc.com/en/about-us/corporate-governance).

The Committee met for two scheduled meetings during the financial year and held a number of additional meetings as required on an ad hoc basis, including in relation to succession planning for the Chairmanship.

Due to the important role that the Directors play in the success of the Group, the Chairman is invited to attend meetings, and does so, except when his own position or his successor is being discussed.

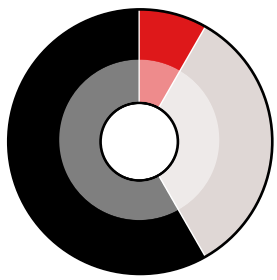
During the year the Committee reviewed its own performance, reviewed the structure of the Board and the three Committees, and discussed succession and diversity issues.

BOARD DIVERSITY POLICY
While the Committee considers diversity to be important when reviewing the composition of the Board and possible new appointees, it believes that the single most important factor is to identify, recruit and retain the people it considers, on merit, to be the best candidates for each particular role. It is not currently in favour of setting specific targets for Board representation to be achieved by particular dates. As part of the process of recruiting new Directors, it has agreed that candidates from a wide variety of backgrounds, including different ethnic backgrounds, should be considered and, where reasonably possible, shortlists should comprise candidates of different genders.

RECRUITMENT PROCESS FOR BOARD DIRECTORS
It was announced on 19 July 2018 that Renana Teperberg, the Company's Chief Commercial Officer, had been appointed to the Board as an Executive Director. It was also announced that Camela Galano had been appointed to the Board as an Independent Non-Executive Director. With regard to the appointment of Camela, the services of an external search agency were not required, as Camela was nominated by an internal source. This initial nomination was followed by a rigorous and independent interview process, led by the Nomination Committee. With regard to the recruitment process for the Chairmanship, Board advisers AGM Transitions were engaged. AGM Transitions has no connection with the Company, other than the succession planning advice which it has provided to the Company over the past three years.

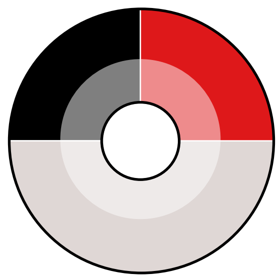
THE RIGHT SKILLS AND EXPERIENCE
All Directors have a good understanding of the markets, countries, regulatory and risk management frameworks within which the Group operates, as well as the technology it uses. The biographies of the Directors highlight the skills and experience each Director brings to the Board.

Balance of the Board(1)



Chairman	1
Executive Directors	4
Non-Executive Directors	7

Length of tenure of Non-Executive Directors(1)



0-2 years	2
3-6 years	4
7 years+	2

(1) As at 31 December 2018.

ACCOUNTABILITY, AUDIT AND FINANCIAL

The Board is responsible for the preparation of the Annual Report and ensuring that the financial statements present a fair, balanced and understandable assessment of the Group's financial position and prospects. The detailed work to ensure this, and to substantiate the fair, balanced and understandable statement, is undertaken by the Audit Committee.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board has overall responsibility for establishing, monitoring and maintaining an effective system of risk management and internal control. These systems provide reasonable assurance that the Group's assets are safeguarded and that material financial errors and irregularities are prevented or detected with a minimum of delay. The Group approach is implemented using the principles of the Three Lines of Defence model, as illustrated in the diagram below.

During the year, the Board has directly, and through delegated authority to the Executive Management Team and the Audit Committee, overseen and reviewed the performance and evolution of the approach to risk management and internal control.

The ongoing review and evaluation of risk management and internal control is undertaken by the Risk and Assurance team whose key responsibilities are:

— Risk Management

— Internal Audit

— Fraud Detection and Loss Prevention

— Insurance

The Board confirms that, in accordance with the Code:

— there is an ongoing and robust process for identifying, evaluating and managing the principal risks faced by the Group (for more details please see Principal Risks and Uncertainties on pages 22 to 27);

— the Company's systems of risk management and internal control have been in place for the year under review, are regularly reviewed by the Executive Directors and the Board, and are deemed to be effective with no significant weaknesses identified; and

— the systems comply with the FRC guidance on risk management, internal control and related financial business reporting.

RISK MANAGEMENT

The Board, supported by the Audit Committee and the Executive Management Team, has overall responsibility for implementing an effective risk management approach. The Group approach is governed by its Risk Management Framework (which has been updated to incorporate the acquisition of Regal) that sets out the policy, oversight structure, accountability and processes for monitoring and reporting of risk within the Group, and facilitates the following objectives for risk management:

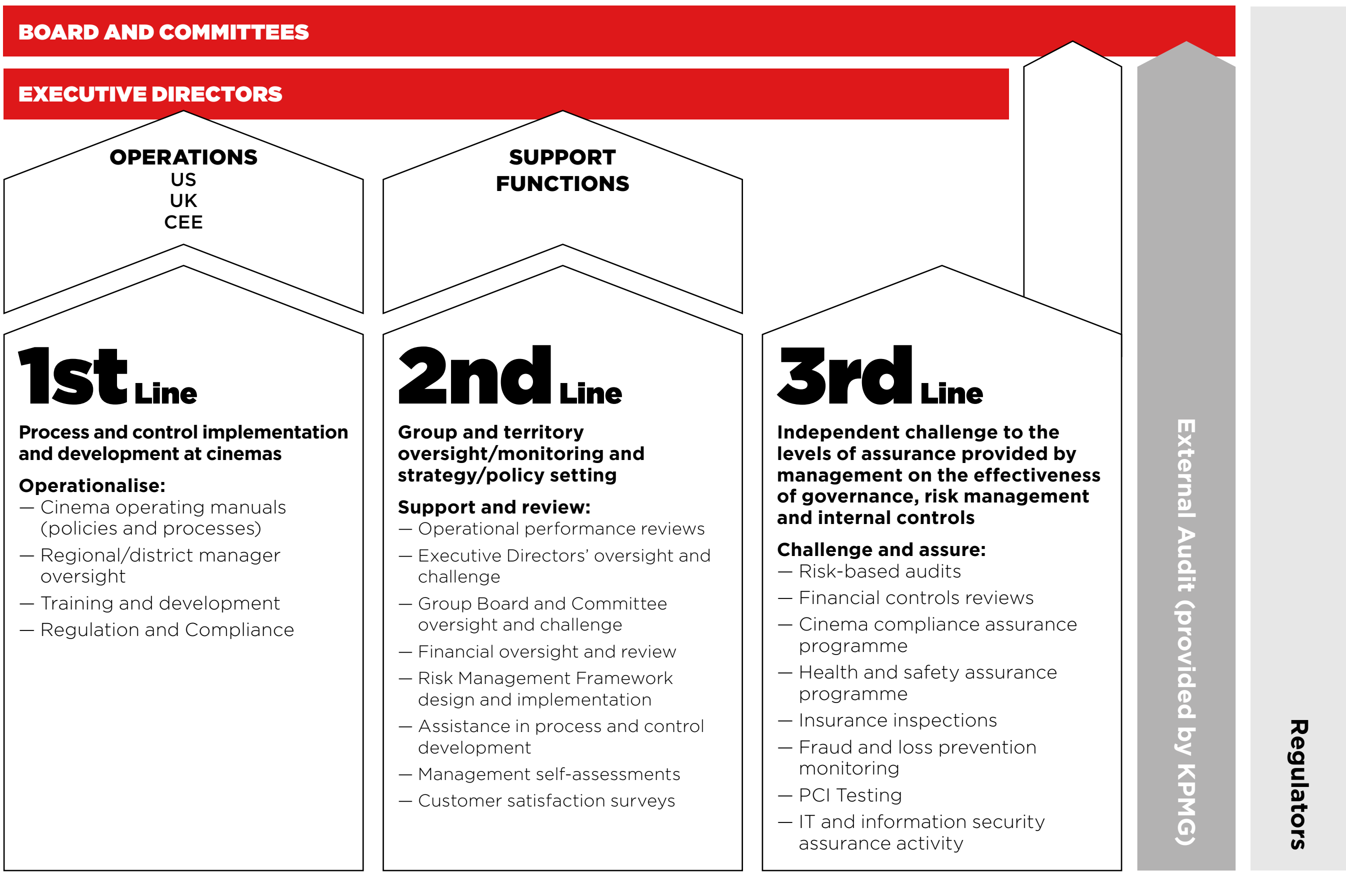
— to identify, measure, control and report on business risk that would potentially undermine the achievement of the Group strategic objectives, both strategically and operationally, through appropriate analysis and assessment criteria;

— to better allocate effort and resources for the management of key and emerging risks;

— to drive business improvements and improve intelligence for key decision-making; and

— to support and develop the Company's reputation as a well governed and trusted organisation.

OUR THREE LINES OF DEFENCE



The application of the key components of the Risk Management Framework have been as follows:

Oversight structure and accountability – The risk management oversight and accountability structure (which is in the process of being fully embedded in the US) has ensured that risk consideration is from both a "top-down" and "bottom-up" perspective. The Group maintains a Principal Risk Register as well as operational risk registers for support functions, cinema operations and specific projects.

Ongoing process – At each level the risk assessment process is based on five key steps:

1. Risk identification (using cause and effect analysis)
2. Assessment of inherent risk severity
3. Identification of existing controls and assessment of effectiveness
4. Assessment of residual risk severity
5. Development and implementation of risk mitigation

Details of the Group's principal risks and how they are being managed or mitigated are provided on pages 22 to 27.

As part of this process, risk appetite is considered by the Board annually for each of the principal risks, allowing the Board to clearly set out the nature and extent of the risk the Group is willing to accept, and the level of investment in control in pursuit of the Group's strategic objectives.

Escalation, monitoring and reporting – A clear escalation policy is in place to ensure changes to risk exposure are notified up through the governance structure as required. Risk leads are identified for all risks and have the responsibility for ongoing monitoring of the effectiveness of current controls and the progress against the implementation of further mitigating actions.

There is a cycle of ongoing monitoring and reporting activities in place with risk information being presented to the Board and Audit Committee.

Culture – To support embedding the application of the Risk Management Framework into the culture and behaviours of the Group, ongoing training and communication have been delivered by the Risk and Assurance team.

INTERNAL CONTROL

Whilst the Board has overall responsibility for the Group's system of internal control and for reviewing its effectiveness, it has delegated responsibility for the operation of the system of internal control to the Executive Management Team. The detailed review of internal control has been delegated to the Audit Committee. Senior Management within each part of the Group are responsible for internal control and risk management within their own area and for ensuring compliance with the Group's policies and procedures.

The Audit Committee has oversight of the programme of assurance activities to allow for its ongoing review of the effectiveness of internal control. The delivery of this assurance programme is undertaken by the Risk and Assurance team, which is supported by specialist advisors as required.

Details of the activities the Audit Committee during 2018 are set out on pages 50 to 53.

Internal audit – The internal audit plan is a combination of Group-wide risk-based reviews (providing assurance over the key controls relied upon for the principal risks), financial controls testing and additional specific reviews requested by management. The Risk and Assurance team has been supported by PwC for the UK and ROW and LBMC for the US to deliver the plan.

Cinema compliance – The Cinema Compliance programme has operated across the Group with reviews being undertaken to understand the application of the key controls within the operational procedures in the areas of cash, retail, payroll/HR and operations.

Each cinema in the UK and ROW has been risk assessed based on financial, operational and management information to determine which cinemas would be included in the audit programme for the year. For the US, the Group approach is in the process of being embedded.

Quarterly management reporting of key themes and trends help support the Group to make continued improvements.

In addition to the programme of on-site reviews conducted by the Risk and Assurance team, an annual self-assessment audit is undertaken by each cinema in the UK and ROW.

Fraud detection and loss prevention – To support the Group in fraud detection and loss prevention, ongoing analysis of our key data sources is undertaken to swiftly identify any irregular transaction activity that could indicate instances of fraud, loss or failure of procedural compliance. Specialist software to support the analysis is in place in the UK and is in the process of being rolled out across the Group.

External audit – The External Auditor provides a supplementary, independent and autonomous perspective on those areas of the internal control system which it assesses in the course of its work. Its findings are reported to the Audit Committee.

Operational controls – The Executive Directors, on a day-to-day basis, are involved in reviewing the key operations of the business through their interaction with their Senior Management teams across the Group and their discussions on operational performance and delivery.

Financial control – The Group has internal control and risk management arrangements in relation to the Group's financial reporting processes and the preparation of its consolidated accounts. The arrangements include procedures to ensure the maintenance of records which accurately and fairly reflect transactions, to enable the preparation of financial statements in accordance with International Financial Reporting Standards as adopted by the EU or FRS 101, as appropriate, with reasonable assurance, and that require reported data to be reviewed and reconciled, with appropriate monitoring internally and by the Audit Committee.

Ongoing financial performance is monitored through regular reporting to the Executive Directors and monthly reporting to the Board. Capital investment and all revenue expenditure is regulated by a budgetary process and authorisation levels, with post-investment and period end reviews as required. A comprehensive budgeting system allows managers to submit detailed budgets which are reviewed and amended by the Executive Directors prior to submission to the Board for approval.

Other assurance activities – A programme of health and safety/food safety audits (delivered by outsourced providers) takes place in each of the countries.

As a result of the introduction of GDPR in the year, additional assurance activity focused on reviewing the maturity of the Group in the application of the regulation has been undertaken.

In line with our requirements under PCI, an independent security assessor provided a report on our compliance.

Policies and procedures – The Group has in place a range of governance related policies which are regularly reviewed and communicated to employees. These include Whistleblowing, Gifts and Hospitality, and Health and Safety. For more details of the Group's policies see the Resources and Relationships section on pages 28 to 30.

"The Committee has had an important focus this year, following the fundamental changes to the Group flowing from the Regal acquisition."

Chair	Julie Southern
Commitee members	Alicja Kornasiewicz Dean Moore
Number of scheduled meetings held in 2018	5
The Company Secretary acts as Secretary to the Committee	

DEAR SHAREHOLDERS

I am pleased to present this report on the activities of the Audit Committee for 2018.

The Committee has had an important focus this year, following the fundamental changes to the Group flowing from the Regal acquisition. As a Committee, it has been important to refresh our view of our role in the context of the new Group, to fully understand the changes to our areas of responsibility and focus, in particular in relation to internal controls, systems, and risk management.

The existing structural strength of the assurance framework and risk management systems, involving the Group Finance Team, the Risk and Assurance Team, the external auditor, and the supporting Management teams across the Group's territories, meant that we were well-positioned to expand processes and procedures to cover the new US element of the business. Indeed, the strength of the Group team and the ability of the UK and US teams to work productively together was demonstrated by the successful extension of the existing US Enterprise Resource Planning (ERP) system across the UK business, a substantial project that completed in the early part of 2019.

In order to continue the evolution in our approach to Internal Audit, towards the end of 2018 we undertook a tender exercise to find a partner to support the Risk and Assurance Team in the delivery of internal audit plans for the coming three years. As a result of the exercise, the Group has decided to appoint BDO as our Internal Audit supplier, working with the Team to ensure the Audit Committee receives the requisite assurance on the effectiveness of risk management and internal control within the business.

As is further described in the Accountability section on pages 48 to 49, a significant amount of work has been dedicated to embedding Group processes and procedures across Regal, in addition to our ongoing review work to ensure our systems of risk management and internal control remain sufficiently robust.

Following on from the review work carried out by the Committee in respect of the acquisition itself, we spent a significant amount of time in 2018 reviewing the work of the External Auditor and Management on acquisition accounting. Indeed, a number of the work-streams emanating from the work on acquisition accounting directly link with the Committee's consideration of areas of significant risk in relation to the financial statements, and the development of our understanding of how these would be addressed. More information on how we considered and assessed these areas is set out on pages 52 to 53.

In addition, we have spent time preparing for the implementation of new accounting standards, in particular IFRS 16, and monitoring the preparatory work being carried out by the Management team in this regard. Further details may be found on page 98. The Committee will continue to monitor this project, to ensure a smooth transition to the new rules.

Lastly, on 12 March 2019, it was announced that I will be stepping down as a Board Director and Chair of the Audit Committee at the conclusion of the AGM in May 2019. Dean Moore, who is currently a member of the Committee, will become Chair of the Audit Committee when I step down. I wish Dean and the Committee every success for the future.

Julie Southern
CHAIR OF THE AUDIT COMMITTEE

COMPOSITION

For the duration of the year, the Committee comprised three Independent Non-Executive Directors, namely Julie Southern (Chair), Alicja Kornasiewicz, and Dean Moore. Both Julie and Dean are Chartered Accountants, and are considered by the Board to have recent and relevant financial experience. The Committee as a whole is considered to have competence relevant to the sector in which the Company operates.

As announced on 12 March, Julie Southern will not be seeking re-election at the 2019 AGM, and will step down at the conclusion of the meeting. It is planned that Dean Moore will become Chair of the Audit Committee following Julie's departure.

The Chairman, the Chief Executive Officer, the Deputy Chief Executive Officer, the Chief Financial Officer, other Directors and Senior Executives, the Head of Risk and Assurance, the Internal Auditor and the External Auditor may be invited to attend meetings, but are not members.

THE ROLE, RESPONSIBILITIES AND ACTIVITIES OF THE AUDIT COMMITTEE

The Committee has a clear set of responsibilities that are set out in its terms of reference, which are available on the Company's website (www.cineworldplc.com/en/about-us/corporate-governance). The Committee assists the Board in discharging its responsibilities with regard to financial reporting, the control environment, the work of the External and Internal Auditors, and the Risk and Assurance team, including:

— monitoring the financial reporting process;

— reviewing the integrity of the Annual and Interim Reports, including reviewing significant financial judgements therein;

— reviewing the Group's risk assessment process, the output of that assessment and the associated risk management systems;

— reviewing the effectiveness of the Group's internal controls;

— considering the scope of the Internal and External Auditors' activities, and the work of the Risk and Assurance team, their reports and their effectiveness;

— reviewing and monitoring the extent of the non-audit work undertaken by the External Auditor; and

— advising on the appointment of the External Auditor.

The ultimate responsibility for reviewing and approving the Annual and Interim Reports remains with the Board.

WHAT THE COMMITTEE DID IN 2018

The Committee met five times during the year, during which time it:

— monitored the financial reporting process and reviewed the interim and annual financial statements (including the preliminary announcement) with particular reference to accounting policies, principal risks and uncertainties, together with significant estimates and financial reporting judgements and the disclosures made therein;

— considered the interim results and the Annual Report and Accounts in the context of the requirement that they are fair, balanced and understandable, by reviewing papers prepared by management with regard to this principle. This included reviewing the documents to ensure that the description of the business agrees with the Committee's own understanding, the risks reflect the issues that concern the Group, the discussion of performance properly reflects the relevant period, and there is a clear link between all the areas of disclosure;

— received and discussed (in the absence of management, where appropriate) reports from the External Auditor in respect of its review of the interim results, the internal audit plan for the year and the results of the annual audit. These reports included the scope for the interim review and annual audit, the approach to be adopted by the External Auditor to evaluate and conclude on key areas of the audit, its assessment of materiality, the terms of engagement and raising awareness to the Committee of the likely impact of future changes to regulation and accounting standards;

— monitored the performance of the Risk and Assurance team (including input from PwC), and reviewed the effectiveness of the Group's internal financial controls together with its broader internal control and Risk Management Framework, to ensure consistent and appropriate financial controls across the Group;

— considered the combined Prospectus and Circular in relation to the acquisition of Regal and, following the completion of the transaction in February 2018, monitored the acquisition accounting work of Management and the External Auditor;

— reviewed the accounting papers provided by management on the upcoming changes to IFRS accounting standards and their potential impact on the Group's financial statements;

— monitored the implementation of the Group's internal audit plan for 2018, including further embedding the Risk Management Framework, the risk-based assurance plan for the financial control environment, and the Group-wide cinema compliance programme;

— reviewed the results of non-financial audits (including food hygiene and fire safety) and where applicable agreed enhancements to procedures and reviewed remedial actions;

— made recommendations to the Board with regard to continuing the appointment and remuneration of the External Auditor, oversaw the Group's relations with the External Auditor, determined its independence and monitored the effectiveness of the audit process;

— discussed the requirements for a longer-term viability statement and the related assessment work to enable the Board to make such a statement;

— continued to monitor the ongoing requirements regarding audit tender; and

— reviewed the Committee's terms of reference and carried out a performance evaluation as required by the Code. The results of the evaluation confirmed that the Committee is performing satisfactorily and providing strong support to the Board.

GOING CONCERN

In recommending the adoption of the going concern basis for preparing the financial statements, the Committee considered the business activities, as well as the Group's principal risks and uncertainties, as set out on pages 22 to 27, the financial position of the Group, its cash flows, liquidity position, and borrowing facilities, as well as the Group's objectives, policies and processes for managing capital, as described on pages 31 to 35 and the financial risk management objectives, details of financial instruments and hedging activities, and exposures to credit risk and liquidity risk as set out in Note 24 to the financial statements.

VIABILITY

Part of the Committee's work in the year has been to discuss and consider the requirement under the Code for a longer-term viability statement, and the related assessment work needed in order to enable the Directors to make such a statement. The Directors' Viability Statement, together with details of the assessment work, is set out on page 27 (with a summary on page 37, "Board Statements").

SIGNIFICANT ISSUES CONSIDERED IN RELATION TO THE FINANCIAL STATEMENTS

During the year the Committee, management and the External Auditor considered and concluded what the significant risks and issues were in relation to the financial statements and how these would be addressed. In relation to the 2018 Group financial statements, following the acquisition of Regal, additional significant risks have been identified which are outlined as follows:

ACQUISITION ACCOUNTING FOR REGAL

On 28 February 2018, the Group completed the acquisition of Regal Entertainment Group by means of an acquisition of the entire issued, and to be issued share capital of Regal.

An exercise to identify and establish the fair value of the total net identifiable assets of the acquired business was undertaken (purchase price allocation "PPA") with the preliminary results presented in the 2018 Interim Report. Given the complex nature of the valuation exercise, and the judgemental nature of assumptions (which were sensitive to change), the fair value assessments were presented on a provisional basis in the Interim Report. This exercise was refined and finalised during the second half of the year. The refinements made impacted the fair value of property, plant and equipment ("PPE") and onerous lease provisions most significantly. The process resulted in a final goodwill recognised of $4,625.8m.

Full details of the assessed fair values are discussed further in Note 18 to the financial statements. Based on the Committee's enquiries of management and the review of work performed by external valuation experts, the Committee satisfied itself that:

— the fair value of the acquired total net identifiable assets (with particular reference to the identification and valuation of intangible assets, PPE fair value assessments and the accounting for investments) was consistent with the advice received from external experts;

— the fair value exercise was thorough and included all categories of assets and liabilities (including all lease contracts, revenue contracts and provisions);

— management have performed a detailed balance sheet review and are satisfied that the classification of assets and liabilities is correct and that recognition is appropriate; and

— the subjectivity of the valuation process, including the extent of fair value adjustments, was appropriately disclosed in the annual financial statements.

ACCOUNTING FOR JOINT ARRANGEMENTS

As part of the Regal acquisition the Group acquired a significant share in Digital Cinema Implementation Partners ("DCIP"), a joint arrangement with other US exhibitors set up to collect and administrate Virtual Print Fee ("VPF") income received from studios to compensate exhibitors for their investment in digital projection equipment. Through a long term leasing arrangement with DCIP, the exhibitors retain control over the projection equipment it has acquired. In addition, the Group determined that under the terms of the leasing arrangements and the associated minimum rental charges expected to be made, it has a joint obligation for the debt taken out by DCIP to finance the acquisition of the projection equipment.

Under the requirements of IFRS 11 "Joint Arrangements" management had to assess whether the joint arrangement agreement in relation DCIP should be accounted for as a joint venture or as a joint operation. Management prepared an analysis of the DCIP arrangement against IFRS 11 which was presented to the Committee. Based on the Committee's review and discussions with management and the external auditors we concurred that, with joint control over the material assets and liabilities of DCIP, it should classified as a joint operation. Further details of this arrangement can be found in Note 13 to the Financial Statements.

The Group also acquired the National Cinema Media ("NCM") joint arrangement as part of the Regal acquisition. Within the NCM arrangement the advertising contract requires an estimate in respect of its fair value to the Group. In estimating the fair value management have made a number of key assumptions, being the fair value of advertising revenue per attendance and the level of attendance over the contract period. Management have presented their methodology, assumptions and rationale to the Committee. The Committee has satisfied itself that the approach applied was appropriate, the assumptions reasonable and adequate disclosure around the valuation has been provided in the financial statements, including sensitivity analysis. Further details can be found in Note 12 to the Financial Statements.

VALUATION OF PROPERTY, PLANT AND EQUIPMENT

As detailed in Note 10 to the financial statements, there is a significant inherent risk that elements of the Group's considerable PPE balances may prove to be irrecoverable, due to fluctuations in the underlying performance of cinemas or one-off events. Given the number of factors involved in predicting the performance of cinema sites operated by the Group, in multiple countries, this gives rise to an element of judgement being applied to the potential level of impairments to be recognised on a cash generating unit ("CGU") basis, predominantly at cinema site level.

At each Balance Sheet date, management prepares an assessment which estimates the value in use of the CGUs to which the tangible fixed assets are allocated. Where individual sites' cash flows are not considered independent from one another, mainly due to strategic or managerial decisions being made across more than one site, they may be combined into a single CGU.

The resulting calculation is sensitive to the assumptions in respect of future cash flows and the discount rate applied. The main assumptions over growth rates, the impact of one-off events, expected cost increases and discount rates are updated to reflect management's best estimate. When considering the appropriateness of the discount rate, management assess the territory specific discount rates, and ensure that they are updated for current market information and the Group's current leverage.

At the year end management prepared their valuation models for the Committee's consideration, together with their proposed site impairments, and drew the Committee's attention to any specific judgements taken within the models, including focusing particularly on one site in Israel with a large carrying value, which is expected to mature over a longer period than most of the Group's sites. Management confirmed to the Committee that they have applied a consistent Group-wide methodology in the preparation of the valuation models. The Committee satisfied itself that the approach was appropriate, the assumptions reasonable and the impairments proposed were complete and accurate. The Committee also satisfied itself through enquiry of management and review of the Board papers that all significant events which may have impacted on the valuation of PPE had been appropriately captured in management's assumptions and reflected in the valuation models and that appropriate disclosures, including in relation to sensitivities, had been included in the financial statements.

EXTERNAL AUDIT

The Committee reviews the appointment of the External Auditor each year before the cycle of audit commences and in deciding whether to renew the appointment takes note of the quality of the service received, the proposed fees and the Auditor's independence. Management and all members of the Committee are consulted during the process. Further details of these processes are set out below.

EFFECTIVENESS

During the year, the Committee evaluated the performance and objectivity of KPMG and reviewed its effectiveness as External Auditor. The effectiveness of the 2017 audit was assessed by reference to the following:

— the effectiveness of the lead audit, engagement partner, including the support provided to the Committee;

— the planning and scope of the audit including identification of areas of audit risk and communication of any changes to the plan, and changes in perceived audit risks;

— the quality of communication with the Committee, including the regular reports on accounting matters, governance and control;

— the competence with which the External Auditor handled key accounting and audit judgements and communication of those to management and the Committee;

— KPMG's reputation and standing, including its independence and objectivity and its internal quality procedures; and

— the quality of the formal report to shareholders.

Further, at the conclusion of each year's audit, the Committee discusses the performance of the External Auditor with the Executive Directors and relevant senior finance managers considering areas such as the quality of the audit team, business understanding, audit approach and management. Where appropriate, actions are agreed against points raised and subsequently monitored for progress. There were no significant findings from the evaluation this year.

After taking into account all of the above factors, the Committee concluded that the External Auditor was effective. In addition, the Committee is satisfied that it has sufficient oversight of the External Auditor and its independence and objectivity is not compromised due to the safeguards in place.

INDEPENDENCE, APPOINTMENT AND TENDER

The Committee last conducted a tender process in February 2016 and, following that process, decided to recommend to the Board that KPMG be reappointed as External Auditor.

The Company will continue to comply with the relevant tendering and auditor rotation requirements applicable under UK and EU regulations, which require the next external audit tender to occur by 2026. In addition, the External Auditor will be required to rotate the audit partner responsible for the Group audit every five years and, as a result, the current lead audit partner will be required to change in 2021. The Committee continues to review the auditor appointment and the need to tender the audit.

The External Auditor is also required to periodically assess whether, in its professional opinion, it is independent and confirm this to the Committee. KPMG has provided this confirmation. In addition, the Company considers it has complied with the Competition and Markets Authority's Statutory Audit Services Order.

NON-AUDIT SERVICES

The Committee considers the independence of the External Auditor on an ongoing basis and has established policies to consider the appropriateness or otherwise of appointing the External Auditor to perform non-audit services. In particular, under its terms of reference, all non-audit work and the associated fees need to be approved by the Committee if the value of such work is likely to be greater than £30,000.

The only non-audit service subject to Audit Committee approval provided by KPMG to the Group during 2018 related to its review of the Group's interim statement, for which fees of £0.06m were agreed.

The Committee is satisfied that the above work was best undertaken by KPMG and that its objectivity and independence as auditor has not been impaired by reason of this further work. An analysis of audit and non-audit fees may be found in Note 5 to the financial statements.

INSURANCE

It is not practical or possible to insure against every risk to the fullest extent. The Group has in place an insurance programme to help protect it against certain insurable risks. The portfolio of insurance policies is kept under regular review with the Company's insurance broker to ensure that the policies are appropriate to the Group's activities and exposures taking into account cost, and the likelihood and magnitude of the risks involved.

COMPOSITION

For the duration of the year, the Company's Remuneration Committee comprised three independent Non-Executive Directors, namely Dean Moore (Chair), Rick Senat, and Julie Southern. As announced on 12 March 2019, it is planned that Alicja Kornasiewicz will become Chair of the Remuneration Committee at the conclusion of the 2019 AGM. The Committee met for four scheduled meetings during the year and, in addition, held a number of ad hoc meetings to deal with specific issues.

ROLES AND RESPONSIBILITIES

The activities of the Committee are covered in the Directors' Remuneration Report on pages 55 to 66, and are incorporated into this Corporate Governance Statement by reference.

The Committee assists the Board in determining its responsibilities in relation to remuneration, including making recommendations to the Board on the Group's policy on executive remuneration, determining the individual remuneration and benefits package of each of the Executive Directors, and monitoring and approving the remuneration of Senior Management below Board level.

The Committee appointed PwC as external advisers in September 2017 and took advice from them during the year. PwC has no other connections with Cineworld except the provision internal audit support to the Risk and Assurance Team.

The Committee is comfortable that the PwC engagement partner and team that provide remuneration advice to the Committee do not have connections with the Company that may impair their independence. On appointment as advisors, the Committee reviewed the potential for conflicts of interest and judged that there were no conflicts or potential conflicts arising. The Company receives advice in relation to the Remuneration Policy and its implementation in respect of the Chairman, Executive Directors, Company Secretary and Senior Management.

The terms of engagement with PwC are available on request from the Company Secretary.

The Chief Executive Officer is consulted on the remuneration packages of the other senior executives and attends discussions by invitation except when his own position is being discussed. Given the essential part remuneration plays in the success of the Group, the Chairman of the Board is also invited to attend meetings of the Committee and does so except when his own remuneration is being considered. The Committee does not deal with the fees paid to the Non-Executive Directors. The report of the Remuneration Committee is set out on pages 55 to 66.

The terms of reference of the Committee are available on the Company's website (www.cineworldplc.com/en/about-us/corporate-governance).

By order of the Board

Anthony Bloom
CHAIRMAN
28 March 2019

SUPPORTING SUSTAINABLE LONG-TERM VALUE CREATION

"The Group delivered a successful year of trading in 2018… the Remuneration Policy is fundamental to the delivery of the Company's ongoing strategic objectives and provides key incentives and support for sustainable long-term value creation."

ANNUAL STATEMENT

DEAR SHAREHOLDERS

As Chair of Cineworld's Remuneration Committee (the "Committee"), I am pleased to present our Remuneration Report for the year to 31 December 2018.

2018 PERFORMANCE AND REMUNERATION

The Group delivered a successful year of trading in 2018 with total revenue increasing to $4,119.1m and Adjusted EBITDA up to $925.4m. The decisions in relation to executive remuneration outcomes made by the Committee were taken in the context of this performance and the successful acquisition of Regal towards the beginning of the year. Annual bonuses for the Executive Directors which, in line with the new Directors' Remuneration Policy, are based on a matrix of Group Adjusted EBITDA performance against budget, the achievement of stretching individual objectives, and the delivery of synergy benefits as a result of the Regal acquisition, paid out at the level of 91% of the maximum opportunity for each of the Executive Directors. As earnings per share ("EPS") performance targets for the Performance Share Plan ("PSP") were reached in full over the three year period 2016–2018, 100% of the awards made in 2016 will vest.

REMUNERATION POLICY AND STRATEGIC ALIGNMENT OF PAY

As you will recall, we updated our Remuneration Policy at the 2018 AGM, in large part to take account of the newly enlarged Group, which has changed fundamentally not just in scale, but in complexity, owing to the transformative $5.8 billion acquisition of the Regal Entertainment Group in February 2018. The review of our Policy also took into account developing market practice, and feedback received through a detailed round of consultation and engagement with shareholders.

The Committee has carefully noted and considered the viewpoints of shareholders in respect of the Policy. Reflecting on this, the Committee remains confident, particularly in light of the strong business performance over the last year including delivering in respect of the synergy targets, that the amendments to the Policy were appropriate given the significant increase in size and complexity of the business, and the consequential increase in the responsibilities of the Executive Directors. The Board believes that the Policy is fundamental to the delivery of the Company's ongoing strategic objectives, and that it provides key support for sustainable long-term value creation for the Group.

An 'At a Glance' summary on page 57 sets out the key elements of the Policy, describes how it was implemented in 2018, and illustrates the linkage between strategy, payments to directors, and short and long-term business performance. The full Policy can be viewed on the Company's website at www.cineworldplc.com/en/investors/reports-and-presentations/yr-2018. More information regarding application of the Policy in 2018, and the intended implementation in 2019, may be found on pages 57 to 66.

ACTIVITIES OVER THE YEAR

The Remuneration Committee met for four scheduled meetings during 2018 and its key activities were as follows:

	Jan 2018	March 2018	May 2018	November 2018
Overall remuneration				
Considering the remuneration arrangements across the Group		✓		✓
Determining the salary increases to be awarded to Executive Directors and Senior Management Team		✓	✓	
Annual bonus				
Deciding the targets for the annual bonus scheme	✓	✓		
Determining bonus payments to be awarded, including for the wider workforce		✓		✓
LTIP				
Making awards under the 2017 Long Term Incentive Plan ("LTIP")		✓		
Approving vesting of awards under the 2007 Performance Share Plan ("PSP") and the 2010 Company Share Option Plan ("CSOP")		✓		
Consideration of Rights Issue Adjustments to Share Schemes		✓		
Governance				
Reviewing the 2018 AGM voting figures and considering the views of shareholders			✓	
Review and Update of Committee Terms of Reference				✓
Committee Evaluation				✓
Review of Directors' Remuneration Report and Policy	✓	✓		
Agreeing Forward Looking Agenda				✓
Review of Gender Pay reporting outcomes		✓		
Consideration of proposed revisions to the UK Corporate Governance Code				✓

UK CORPORATE GOVERNANCE CODE

The Committee is currently considering and planning for the requirements of the new UK Corporate Governance Code 2018 (the "Code") which has applied since 1 January 2019, and against which we will report next year. We note our increased duties in respect of the wider workforce and employees at levels below Board level, and are carefully analysing our approach to the revised provisions.

As part of our initial review of the Code requirements in relation to executive remuneration, the Committee has determined that a two year post-vesting holding period will apply to all future LTIP awards to Executive Directors, including those to be made in 2019.

The Committee will also review the LTIP rules to ensure sufficient discretion to override formulaic outcomes is available, and will amend the rules if necessary to achieve this. In addition, the pension contributions for incoming Executive Directors will be set with consideration to the pension provision for the wider workforce, as well as market practice, at that time.

Furthermore, the Committee will consider its policy on post-cessation shareholding requirements over the coming year.

THIS REPORT

This report has been prepared in accordance with the Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013, the UKLA Listing Rules and the 2016 Code.

It is split into two parts:

— This Annual Statement, together with an "At a Glance" section in respect of the Policy and its implementation; and

— The Annual Report on Remuneration, which sets out payments made to the Directors and details the link between Company performance and remuneration for the 2018 financial year. The Annual Report on Remuneration, together with this Statement, is subject to an advisory shareholder vote at the AGM on 15 May 2019.

The Committee has always aimed to be clear and transparent in matters of remuneration, and we hope that this report continues this approach. Should you have any queries or comments on this report, or more generally in relation to the Company's remuneration, then please do not hesitate to contact me via the Company Secretary.

I hope that you find this report informative, and I look forward to your continued support at the Company's AGM.

Dean Moore
CHAIR OF THE REMUNERATION COMMITTEE
28 March 2019

AT A GLANCE

SUMMARY OF REMUNERATION POLICY

The Directors' Remuneration Policy (the "Policy") was approved by shareholders at the AGM on 16 May 2018 and became effective from that date.

The table below summarises the current Policy, and how this was implemented in 2018. The full Policy is detailed in the 2017 Annual Report, which can be found in the "Investors" section under "Reports and Presentations" on the Company's website.

OUR STRATEGY

- Provide the best cinema experience – to give our customers a choice of how to watch a movie, with a variety of retail offerings, all underpinned by the best customer service
- Expand and enhance our estate – to provide consistent, high quality, modern cinemas
- Be technological leaders in the industry – to offer the latest audio and visual technology
- Drive value for shareholders – by delivering our growth plans in an efficient and effective way

	Element of reward			
	Base salary, pension, benefits	Annual bonus	LTIP	Shareholding requirement
Purpose	To provide a core level of remuneration and market competitive benefits to enable the Group to attract and retain skilled, high-calibre executives to deliver its strategy.	To incentivise the annual delivery of financial and operational targets.	To encourage sustainable profitability over a period of time aligned to the overall objective of achieving sustainable growth.	To provide alignment between Executive Directors and shareholders.

	2018	2019	2020	2021	2022	2023	Key features of Policy	Implementation of Policy in 2018	Link to strategy
Base salary, pension and other benefits							Salaries may be adjusted and any increase will ordinarily be in line with those across the Group. Employer pension contribution up to 20% of base salary. Executives may opt out of the Group pension scheme and instead receive a cash pension allowance. Market competitive benefits including provision of a company car or car allowance, private mileage, life insurance, permanent health insurance and private medical insurance.	Salaries for Executive Directors were increased to the following amounts with effect from 28 February 2018: CEO – £630,000 Deputy CEO – £505,000 CFO – £395,000 The CCO was appointed to the Board in July 2018 with a base salary of £395,000. Pension contributions were paid at the levels of 20% to the CEO and the Deputy CEO and 14.8% to the CFO and CCO.	
Annual bonus							Maximum opportunity of 150% of salary. Two thirds of the bonus is based on Adjusted EBITDA and personal performance. One third of the bonus is based on performance against strategic targets. Any bonus earned up to 100% of salary will be paid in cash; any bonus earned above 100% of salary will be deferred into shares for a period of two years. Discretion to apply malus provisions.	Maximum opportunity of 150% of salary for the CEO and Deputy CEO and 100% of salary for the CFO and CCO. Two thirds of the bonus is based on a matrix of Adjusted EBITDA targets and individual strategic objectives, with none of this element payable if a minimum of 90% of budgeted Adjusted EBITDA is not achieved. All of this element is payable if 110% of budgeted Adjusted EBITDA and exceptional performance is achieved. For FY18 and FY19 the strategic targets are based on the delivery of synergy benefits as a result of the Regal acquisition.	
LTIP							Normal maximum opportunity equal to 200% of base salary. Vesting subject to EPS growth performance over a three year performance period and reviewed annually to ensure the targets are sufficiently stretching in light of both internal and external performance expectations. Clawback provisions apply.	Vesting linked to EPS growth performance. 25% of the award will vest at threshold performance. 100% of the award will vest at stretch performance. On vesting, participants will receive dividend equivalents in the form of additional shares or a cash sum.	
Shareholding requirements							Each Executive Director is expected to build up a shareholding equal to 150% of their base salary.	Executive Directors are expected to retain 50% of any shares they acquire under the PSP or LTIP or on exercise of options until such a holding has been built up.	
Cineworld Group Sharesave Scheme							Maximum level is consistent for Executives and staff and is in line with the limit under legislation (currently £500 per month).	No Executive Directors have participated in the Sharesave Scheme. Under the Scheme, employees are eligible to acquire Cineworld shares at a discount of up to 20% of the market value at grant if they enter into a three year savings contract.	

Malus and clawback

The Remuneration Committee reserves the discretion to apply malus and clawback provisions in circumstances of misconduct or misstatement of financial results. The malus provision applies to annual bonus awards, while clawback applies to both annual bonus awards for a period of two years post-vesting.

Consideration of wider employee pay

Whilst the Company does not formally consult employees in relation to the Remuneration Policy, thorough consideration is given to the wider workforce when setting executive pay and ensuring appropriate alignment with executives.

ANNUAL REPORT ON REMUNERATION

THE REMUNERATION COMMITTEE AND ITS ROLE

The Company's Remuneration Committee comprises Dean Moore, Julie Southern and Rick Senat, who are all considered to be independent. The Chair of the Committee is Dean Moore. Alicja Kornasiewicz will join the Committee as Chair from the date of the AGM.

The Committee's principal responsibilities are to:

— make recommendations to the Board for approval of the Group's broad policy for the remuneration of the Chairman, the Executive Directors, the Company Secretary, and Senior Management;

— determine the specific remuneration packages of the Chairman, the Executive Directors, the Company Secretary and Senior Management;

— approve the terms of the service agreements of the Executive Directors, the Company Secretary and Senior Management; and

— approve the design of, and determine the targets for, any performance related pay schemes and LTIPs.

The full terms of reference of the Committee are available on the Company's website (www.cineworldplc.com–about-us/en/corporate-governance). The terms are reviewed annually.

The Committee met for four scheduled meetings during the period and details of the members' attendance record is set out on page 42. In addition to the four scheduled meetings, the Committee met for a number of ad hoc meetings.

REMUNERATION COMMITTEE ADVISORS

The Company continued to receive advice from PwC during the year in relation to the Remuneration Policy and its implementation in respect of the Chairman, Executive Directors, Company Secretary and Senior Management. PwC was appointed by the Remuneration Committee in September 2017 following a competitive selection process. The terms of engagement are available on request from the Company Secretary. PwC attended four scheduled meetings during the year at the request of the Committee. PwC's fees for advice to the Committee were £84,200.

As founder members of the Remuneration Consultants Group, PwC operates under the Voluntary Code of Conduct in relation to executive remuneration consulting in the UK. Additionally as a member firm of the ICAEW, PwC complies with the ICAEW's ethical guidelines. As a result, PwC operates under rigorous rules on independence, compliance and quality assurance.

PwC has no other connections with Cineworld except in respect of internal audit support provided to the Company's Risk and Assurance Team. The Committee is satisfied that the advice provided by PwC is objective and independent, and is comfortable that the PwC engagement partner and team that provide remuneration advice to the Committee do not have connections with the Company that may impair their independence. On appointment as advisors, the Committee reviewed the potential for conflicts of interest and judged that there were no conflicts or potential conflicts arising.

The Committee also received assistance from the Chairman of the Company (Anthony Bloom), the Chief Executive Officer (Moshe Greidinger), the Deputy Chief Executive Officer (Israel Greidinger), the Chief Financial Officer (Nisan Cohen), the Senior Vice President of Human Resources (Tara Rooney) and the Company Secretary (Fiona Smith), although they did not participate in discussions relating to the setting of their own remuneration. The Committee also consulted with the Chief Executive Officer and received recommendations from him in respect of changes to remuneration packages for Senior Management.

BOARD CHANGES IN 2018

Renana Teperberg and Camela Galano were appointed to the Board on 19 July 2018. Renana Teperberg was appointed as an Executive Director and is the Chief Commercial Officer of the Company. Camela Galano was appointed as an Independent Non-Executive Director.

REMUNERATION FOR 2018

This section covers the reporting period from 1 January 2018 to 31 December 2018 and provides details of the implementation of the Company's Remuneration Policy during the period.

Single Total Figure Table (audited information)

The table below gives a single figure for the total remuneration and breakdown for each Executive and Non-Executive Director in respect of the 2018 financial year. Comparative figures for the 2017 financial year have also been provided.

	Financial year	Base salary and fees £000	Benefits[1] £000	Annual Bonus £000	PSP £000	Pension £000	Total £000
Executive Directors							
Moshe Greidinger	2018	621	58	861	1,092[2]	124	2,756
	2017	571	78	448	1,135[7]	114	2,346
Israel Greidinger	2018	486	78	690	745[2]	97	2,096
	2017	389	84	306	774[7]	78	1,631
Nisan Cohen[3]	2018	378	5	360	54[2]	56	853
	2017	281	43	129	22[7]	42	517
Renana Teperberg[4]	2018	179	2	163	57[2]	26	427
	2017	–	–	–	–	–	–
Non-Executive Directors							
Anthony Bloom	2018	182	–	–	–	–	182
	2017	175	–	–	–	–	175
Dean Moore[3]	2018	72	–	–	–	–	72
	2017	58	–	–	–	–	58
Alicja Kornasiewicz	2018	52	–	–	–	–	52
	2017	50	–	–	–	–	50
Martina King[6]	2018	–	–	–	–	–	–
	2017	2	–	–	–	–	2
Scott Rosenblum	2018	52	–	–	–	–	52
	2017	50	–	–	–	–	50
Arni Samuelsson	2018	52	–	–	–	–	52
	2017	50	–	–	–	–	50
Rick Senat	2018	67	–	–	–	–	67
	2017	65	–	–	–	–	65
Julie Southern	2018	72	–	–	–	–	72
	2017	70	–	–	–	–	70
Camela Galano[4]	2018	26	–	–	–	–	26
	2017	–	–	–	–	–	–

Notes:

(1) See page 60 for details of the other benefits provided to the Executive Directors.

(2) The value of PSP shares vesting in respect of the period has been calculated using a share price of £2.824 being the average price for the last three months of the period (as the PSP will not vest until 18 April 2019, and includes payment of a cash sum equivalent to the dividends that would have been paid on the vested shares in respect of dividend record dates occurring between grant and vesting. Currently, the dividend equivalent payment to Moshe Greidinger would amount to £86,941, the dividend equivalent payment to Israel Greidinger would amount to £59,277, the dividend equivalent payment to Nisan Cohen would amount to £4,331, and the dividend equivalent payment to Renana Teperberg would amount to £4,552. Further details of these awards are set out on page 65.

(3) Nisan Cohen and Dean Moore were appointed to the Board on 11 January 2017.

(4) Renana Teperberg and Camela Galano were appointed to the Board on 19 July 2018. Figures for Renana Tepeberg's remuneration in the table above in respect of salary, benefits, pension, and bonus have been pro-rated to reflect the portion of the year for which Renana was a Director. The figure for the value of the PSP shares vesting has not been pro-rated.

(5) Fees for Non-Executive Directors in 2017 were paid as outlined in last year's Directors' Remuneration Report. However, the total fees paid to Non-Executive Directors for 2015 – 17 exceeded the limit in the Articles of Association at that time. As a result, a portion of Non-Executive Director fees were waived in 2018 to offset this amount, and the figures in the table above reflect the actual fees paid during the year. The Articles of Association have been amended to reflect a higher limit going forward.

(6) Martina King left the Board on 11 January 2017.

(7) Details of the actual gains made are set out on page 65. The actual figures set out in the table above differ from those included in the 2017 Annual Report as last year an estimated value of £6.349 per share was used to calculate the theoretical gain, as the awards had not yet vested. The figures above reflect the share price of £2.574 on the date of vesting, 23 April 2018, adjusted to reflect the February 2018 rights issue.

Base Salary (audited information)
The base salaries of the Executive Directors are usually reviewed on an annual basis. As described in the Policy, the Committee compares the Group's remuneration packages for its Executive Directors and employees with those for Directors and employees of similar seniority in companies whose activities are broadly comparable with those of the Group. It also takes into account the progress made by the Group, contractual considerations, and salary increases across the rest of the Group.

To reflect the substantial increase in the scale and complexity of the Group as a result of the Regal acquisition and the pursuant responsibilities of the Executive Directors, as well as the CFO's progression in role since his appointment, the Executive Directors' base salaries were increased with effect from 28 February 2018 (being the date of the acquisition of Regal) as set out in the table below.

Average salaries across the Group were increased by 2.5%.

Salary levels as at the end of the financial period were:

Moshe Greidinger	£630,000 p.a.(1)
Israel Greidinger	£505,000 p.a.(1)
Nisan Cohen	£395,000 p.a.
Renana Teperberg	£395,000 p.a.

(1) Part of Moshe Greidinger's and Israel Greidinger's salaries are paid in Israel to enable social security and government healthcare deductions to be made.

Pension (audited information)
Executive Directors are invited to participate in a Group Personal Pension Plan, which is a money purchase plan, or alternatively may receive a pension allowance in cash. The Executive Directors have elected not to participate in this scheme and instead receive a cash pension allowance. For 2018 this was 20% of salary for the CEO and Deputy CEO, and 14.8% of salary for the CFO and CCO.

Company pension contributions/allowances for the period were:

	£000
Moshe Greidinger	124
Israel Greidinger	97
Nisan Cohen	56
Renana Teperberg	26

Figures in respect of Renana Teperberg's pension reflect her entitlement for the portion of the year for which she was a Director.

Other Benefits (audited information)
Benefits in kind for Executive Directors comprised the provision of a company car or car allowance, private mileage, life insurance, permanent health insurance and private medical cover.

Benefit	Moshe Greidinger	Israel Greidinger	Nisan Cohen	Renana Teperberg
Car/car allowance	£14,000	£14,000	–	–
Permanent health insurance/private medical cover	£2,602	£1,676	£2,602	£1,176
Life assurance	£1,164	£22,180	£2,873	£1,299
Disturbance allowance	£40,000	£40,000	–	–

Israel Greidinger and Moshe Greidinger both received a disturbance allowance of £40,000 for the period as, under the terms of their employment contracts, they are required to spend a sufficient and proportionate amount of time at the Company's head office in Brentford, Greater London. Figures in respect of Renana Teperberg's health and life insurance reflect her entitlement for the portion of the year for which she was a Director.

Annual Bonus (audited information)
Annual bonus opportunity for the Executive Directors in the year was a maximum of 150% of base salary for the CEO and Deputy CEO and 100% of base salary for the CFO and CCO. As described in the Policy, two thirds of the annual bonus for the year was determined by a matrix of Adjusted EBITDA compared to budget, and the achievement of specified individual objectives. The choice of these measures reflects the Committee's belief that incentive compensation should be tied both to the overall performance of the Group and to those areas of the business that the relevant individual can directly influence. The weighting between the Group's financial performance and personal performance for this element of the annual bonus was circa 80%:20%. The remaining third of the annual bonus for the year was determined based on the delivery of synergy benefits as a result of the Regal acquisition, measured through the Adjusted EBITDA synergies delivered during 2018. The Committee retains the absolute discretion to apply "malus" and "clawback" by reducing or withholding annual bonus payments from the formulaic outcome based on Adjusted EBITDA performance (for example, in the event of misconduct or misstatement of financial results).

PERSONAL OBJECTIVES
The individual performance element for the CEO, Deputy CEO, CFO and CCO for 2018 focused on the strategic growth agenda of the Group.

For the CEO and Deputy CEO, emphasis was placed initially on the successful completion of the acquisition of Regal in February 2018 and, thereafter, on the continued integration work in relation to the Regal business. In addition, objectives focused on the successful opening of new cinemas on time and on budget, the efficient implementation of the Group's construction and renovation programme, with particular emphasis on the US estate, identifying potential new cinema sites and implementing technological advances appropriate to the industry. Further, the CEO was tasked with maintaining strong staff morale and commitment. In addition, the Deputy CEO also focused on the efficient functioning of the Group IT and cyber-security systems and, together with the CFO, reduction of net debt.

For the CFO, objectives also included managing all aspects of investor relations, ensuring that robust and appropriate financial controls and systems are maintained across the Group, and ensuring timely reporting to key stakeholders. Objectives also covered the monitoring of the newly enlarged Group's financial Key Performance Indicators, based on the Group's strategy. Focus areas for the CCO included leading commercial activity across the Group, managing key relationships with major suppliers, and leading the Group Film and Marketing departments.

Performance Against Objectives

The Committee judged the individual objectives to have been achieved at the top level out of five for the Executive Directors. In making this assessment, the Committee considered a number of factors, including the successful completion of Regal, the positive progression of the integration plans, and the delivery of the integration benefits at a level greater than originally expected, at a faster pace.

The opening of 13 new sites (108 screens) during the year, taking the Group to 9,518 screens at 31 December 2018, and the new agreements signed with IMAX (55 screens), 4DX (80 screens) and ScreenX (100 screens) were also taken into account. Additional factors were the positive progression of the refurbishment programme across the estate, creating high quality, next generation cinemas with the latest audio and visual technology, the reduction of net debt, and the successful implementation of key IT systems Group-wide.

As part of the assessment process, the Committee took recommendations from the Chairman in respect of the CEO and Deputy CEO, and from the CEO and Deputy CEO in respect of the CCO and CFO respectively.

The table below shows the 2018 annual bonus targets and performance achieved against them.

	Adjusted EBITDA performance	EBITDA synergies delivered	Individual performance	Threshold bonus opportunity (£000)	Maximum bonus opportunity (£000)	Bonus paid % of maximum	Bonus paid % of salary	Bonus paid £000
Moshe Greidinger	105% of budgeted Adjusted EBITDA achieved	100% of maximum Adjusted EBITDA synergies target achieved	Above and Beyond	192	945	91%	137%	861
Israel Greidinger			Above and Beyond	154	758	91%	137%	690
Nisan Cohen			Above and Beyond	80	395	91%	91%	360
Renana Teperberg*			Above and Beyond	80	395	91%	91%	360

* The bonus figure of £163,000 for Renana Teperberg as reported in the Single Total Figure Table on page 59 has been pro-rated to reflect the portion of 2018 during which Renana served as a Director. The table above shows the full amount of the bonus.

The Adjusted EBITDA synergy benefit target for FY18 of $40m was achieved in full. As a result, the maximum bonus was payable under this element.

The Cineworld Group Performance Share Plan ("PSP") (audited information)

Awards Vesting Following the End of the Performance Period Ending 31 December 2018

Awards under the PSP made in April 2016 are due to vest on 18 April 2019. The performance condition applicable to these awards is summarised below:

EPS growth performance	Vesting level
Less than 6% p.a.	Nil
6% p.a.	30%
12% p.a.	100%
Between 6% and 12% p.a.	Straight-line basis

The Adjusted diluted EPS figure for the year represented compound average annual growth of 17.3% on a pro forma basis, compared to the base year, with the result that the level of vesting for this award was 100%.

No performance conditions apply to Nisan Cohen and Renana Teperberg's PSP awards granted in 2016 since these were granted before they became Directors. The number and value of shares that will vest to each of the Executive Directors is set out on page 65 of this report.

Awards Made in the Year

Awards were made to the Executive Directors under the LTIP in April 2018. The vesting of these awards will be based on Cineworld's three year EPS growth performance, as summarised in the table below:

EPS growth performance	Vesting level
Less than 8% p.a.	Nil
8% p.a.	25%
15% p.a.	100%
Between 8% and 15% p.a.	Straight-line basis

The number and value of share options under the PSP which were awarded to the Executive Directors and vested during the period are set out on page 65 of this report.

Non-Executive Directors' Fees (audited information)
The table below sets out the fees payable to Non-Executive Directors:

Position held	Fees as at 1 January 2018	Fees as at 31 December 2018[1]
Chairman	£175,000 p.a.	£215,000 p.a.
Senior Independent Director	£10,000 p.a.	£10,000 p.a.
Non-Executive Director (base fee)	£50,000 p.a.	£57,500 p.a.
Audit Committee Chair	£20,000 p.a.	£20,000 p.a.
Remuneration Committee Chair	£10,000 p.a.	£20,000 p.a.
Nomination Committee Chair	£5,000 p.a.	£10,000 p.a
Committee member	£Nil	£Nil

(1) Non-Executive Directors' fees were increased with effect from 28 February 2018 (being the date of the acquisition of Regal), with the exception of the Remuneration Committee Chair fee, which increased with effect from 15 November 2018. Fees for Non-Executive Directors in 2017 were paid as outlined in last year's Directors' Remuneration Report. However, the total fees paid to Non-Executive Directors for 2015 – 17 exceeded the limit in the Articles of Association at that time. As a result, a portion of Non-Executive Director fees were waived in 2018 to offset this amount, and the figures in the table above reflect the actual fees paid during the year. The Articles of Association have been amended to reflect a higher limit going forward.

The Non-Executive Directors do not receive any share options, bonuses or other performance related payments, nor do they receive any pension entitlement or other benefits apart from expenses in relation to travel costs to attend Cineworld Board meetings, including related sustenance and accommodation.

Loss of Office Payments (audited information)
There were no loss of office payments during the financial year.

Payments to Past Directors
Philip Bowcock left the Company on 31 October 2015. A total of 48,242 shares vested under the PSP on 23 April 2018, adjusted to take account of the February 2018 rights issue. The value of this award based on the realised share price on the date of exercising (10 May 2018) was £135,789.07 including payment of a cash sum equivalent to the dividends that would have been paid on the vested shares in respect of dividend record dates occurring between grant and vesting (£10,649.32).

External Appointments
Moshe and Israel Greidinger are both directors of Israel Theatres Limited. In relation to these roles, they did not receive any fees. None of the Executive Directors receive any fees in relation to external non-executive roles (as set out in their biographies on pages 38 to 39).

Directors' Shareholdings at 31 December 2018 (audited information)

	Ordinary shares at 31 December 2018	Share options subject to performance conditions at 31 December 2018[1]
Executive Directors		
Moshe Greidinger	383,930,992[2]	1,141,237
Israel Greidinger	383,676,680[2]	836,470
Nisan Cohen	23,703	308,172[4]
Renana Teperberg	63,854	309,078[4]
Non-Executive Directors		
Anthony Bloom	5,208,006[3]	–
Camela Galano	–	–
Alicja Kornasiewicz	75,000	–
Dean Moore	15,000	–
Scott Rosenblum	84,385	–
Arni Samuelsson	–	–
Rick Senat	269,370	–
Julie Southern	–	–

(1) Relates to unvested awards under the PSP. This figure includes awards made in 2016, 2017 and 2018 as the vesting of the 2016 awards described above will not happen until 18 April 2019 and has been adjusted to take account of the February 2019 rights issue.

(2) Includes ordinary shares held by Global City Theatres B.V ("Major Shareholder"). Shares in the Major Shareholder are held in trust for the benefit of the children of Moshe Greidinger and Israel Greidinger.

(3) Shares are held by a nominee for trusts of which Anthony Bloom is one of the potential discretionary beneficiaries.

(4) No performance conditions apply to Nisan Cohen and Renana Teperberg's PSP awards granted in 2016 as these were granted before they became Directors.

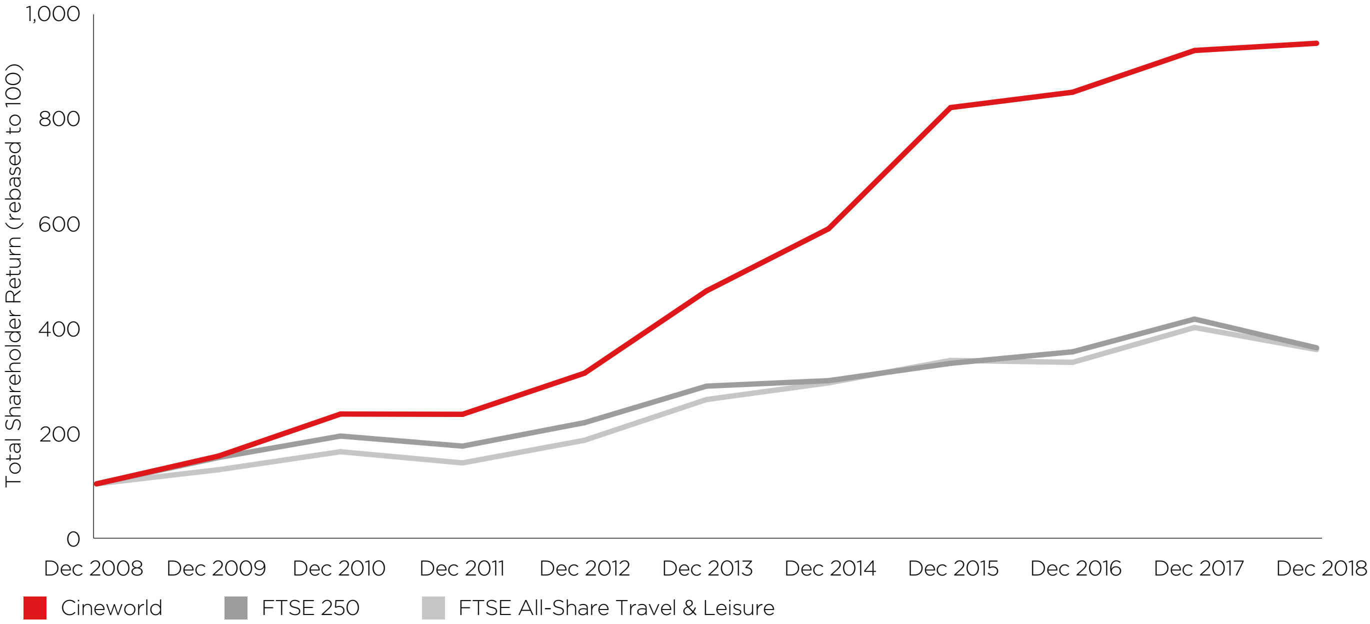
The interests of Directors and their connected persons in ordinary shares as at 31 December 2018, including any interests in shares and share options provisionally granted under the PSP or LTIP are presented above.

As described in the Policy, each Executive Director is expected to build up, over a period of time, a holding in shares equal to 150% of their base salary.

Executive Directors	Shareholding guidelines (% of 2018 salary)	Shares owned outright (at 31 December 2018)	Current shareholding (% of salary as at 31 December 2018)	Guidelines met
Moshe Greidinger	150%	799,272	334%	Yes
Israel Greidinger	150%	544,960	284%	Yes
Nisan Cohen	150%	23,703	16%	Building
Renana Teperberg	150%	63,854	43%	Building

Ten-Year Total Shareholder Return Performance and CEO Pay

The graph below compares the Company's Total Shareholder Return performance against the FTSE 250 and FTSE All-Share Travel & Leisure indices over the past ten financial years. The Remuneration Committee believes these to be the most appropriate comparators as Cineworld is a member of both indices.



Financial year	CEO single figure of total remuneration £000[1]	Bonus as proportion of maximum opportunity	LTI vesting as proportion of maximum opportunity
2018	£2,756	91%	100%
2017	£2,346	79%	100%
2016	£2,973[2]	79%	100%
2015	£1,213	87%	–[3]
2014	£1,440	76%	100%
2013	£1,326	41%	81%
2012	£1,258	60%	99%
2011	£1,252	68%	100%
2010	£1,212	82%	100%
2009	£858	85%	–

(1) Up to 2013 these figures solely relate to Stephen Wiener who was CEO up to and including 27 February 2014. For 2014, it represents a combination of two months of Stephen Wiener and ten months of Moshe Greidinger who both held the office of CEO during 2014.

(2) The increase in the CEO single figure between 2015 and 2016 primarily relates to the first vesting of a PSP award to the CEO since appointment. The value of this award vesting increased due to the significant increase in the Company's share price over the vesting period.

(3) Moshe Greidinger, CEO, did not have an LTIP which vested in this year. For those who did, the proportion was 100%.

Percentage Increase in CEO Remuneration

The percentage changes in the value of salary, non-pension benefits and bonus between 2017 and 2018 for the CEO and employees generally are set out in the table below:

	CEO[(1)]	Employees[(2)]
Salary	9.0%	2.5%
Non-pension benefits	(25.6%)	2%
Annual bonus	92%	8.3%

(1) The increases in respect of salary and bonus are reflective of the revised payments and bonus opportunity under the new Policy, which was updated in 2018 to take account of the substantial increase in the scale and complexity of the Group as a result of the Regal acquisition, and the significant increase in Mr Greidinger's responsibilities.

(2) The figures reflect increases for UK-based monthly salaried employees excluding the Senior Management group. This group has been selected as the UK is the country in which the CEO spends a significant proportion of his time.

Relative Importance of Spend on Pay

The table below shows figures for people costs, shareholder dividends and a number of other significant distributions of turnover that the Committee considers to be relevant in order to provide context to the relevant importance of pay spend:

	2018	2017	% change
Directors' remuneration costs	**£6.7m**	£5.1m	31.4%
Staff and employee costs	**$507.6m**	$162.9m	211.6%
Corporation tax paid	**$55.5m**	$15.4m	260.6%
Dividends paid	**$122.8m**	$69.7m	76.2%
Retained earnings	**$3,174.3m**	$214.5m	1,379.9%

Figures in the table above are set out in USD to align with the figures as stated in the Financial Statements, except for the Directors' Remuneration figures, which are set out in Sterling to align with the figures contained in the Single Total Figure Table on page 59.

Shareholder Voting Results from 2018 AGM

The Directors' Annual Report on Remuneration and the Remuneration Policy were subject to a shareholder vote at the AGM on 16 May 2018, the results of which were as follows:

Remuneration Report	Number of votes	% of votes cast
For	1,007,068,767	90.85%
Discretionary	161,841	0.01%
Against	101,216,125	9.13%
Total votes cast	1,108,446,733	100%
Votes withheld[(1)]	19,142,196	–

(1) A vote withheld is not counted as a vote in law.

Remuneration Policy	Number of votes	% of votes cast
For	732,830,243	65.54%
Discretionary	161,539	0.01%
Against	385,117,781	34.44%
Total votes cast	1,118,109,563	100%
Votes withheld[(1)]	9,479,366	–

(1) A vote withheld is not counted as a vote in law.

Share and Share Option Awards Granted and Vesting During the Year (audited information)
Awards or grants were made under the Company's Share and Share Option Schemes as follows:

PSP: Awards consisting of nil cost options over shares were granted to the CEO, Deputy CEO, CFO and CCO equivalent in value to 200%, 200%, 150% and 150% of their base salaries respectively on 23 April 2018 which will become exercisable after three years. Details of the awards are set out below. Awards are subject to continued employment and the achievement of the performance conditions as set out on page 61.

Awards granted or vesting during the year:

Cineworld Group Performance Share Plan

Details of awards made and vesting during the period are set out below. All figures have been adjusted for the February 2018 rights issue:

Name of Director	At 1 January 2018	Awarded during year	Vested during year	Exercised during year	Lapsed during year	At 31 December 2018	Exercise price	Market value at date of exercise(1)	Exercise period(2)	Gain(3)
Current Directors										
Moshe Greidinger	1,060,003	487,238(4)	406,004	406,004	–	1,141,237	£Nil	£2.594	6 months	£1,142,800
Israel Greidinger	722,726	390,564(4)	276,820	276,820	–	836,470	£Nil	£2.594	6 months	£779,179
				21,317			£Nil	£2.273	11 months(5)	£60,480
Nisan Cohen	86,804	229,118(4)	7,750	7,750	–	308,172	£Nil	£2.594	6 months	£21,814
Renana Teperberg	101,219	229,118(4)	21,259	21,259	–	309,078	£Nil	£2.594	6 months	£59,839
Past Directors										
Philip Bowcock	48,242	–	48,242	48,242	–	–	£Nil	£2.594	6 months	£135,789

(1) This was the price per share received in respect of those shares which were sold.

(2) Subject to satisfaction of the relevant performance conditions (details of which, for the awards made in 2018, are set out on page 61).

(3) The gain has been calculated using the realised share price on the date of exercising and includes payment of a cash sum equivalent to the dividends that would have been paid on the vested shares in respect of dividend record dates occurring between grant and vesting. The dividend equivalent payments amounted to £61,108 for Israel Greidinger, £89,625 for Moshe Greidinger, £1,711 for Nisan Cohen, £4,693 for Renana Teperberg and £10,649 for Philip Bowcock.

(4) Mid-market closing price of a Cineworld Group plc share on 20 April 2018 was £2.586. The face value of the awards to Israel Greidinger, Moshe Greidinger, Nisan Cohen and Renana Teperberg were £1,010,000, £1,260,000, £592,500 and £592,500 respectively. All awards were granted as nil cost options.

(5) Due to regulatory restrictions imposed as a result of the Regal acquisition, the Committee agreed to extend the excercise period for Nisan Cohen until after the end of the closed period. The awards were excercised in January 2018 as reported by RNS announcement at the time.

Details of the awards vesting in April 2019:

Name of Director	Date awarded	Number awarded(1)	Vesting date	Number vesting	Number lapsing	Exercise price	Exercise period
Moshe Greidinger	18 April 2016	355,994	18 April 2019	355,994	0	£Nil	18/04/2019 – 17/10/2019
Israel Greidinger	18 April 2016	242,722	18 April 2019	242,722	0	£Nil	18/04/2019 – 17/10/2019
Nisan Cohen(2)	18 April 2016	17,735	18 April 2019	17,735	0	£Nil	18/04/2019 – 17/10/2019
Renana Teperberg(2)	18 April 2016	18,641	18 April 2019	18,641	0	£Nil	18/04/2019 – 17/10/2019

(1) Number awarded has been adjusted for February 2018 rights issue.

(2) Nisan Cohen and Renana Teperberg's PSP awards granted in 2016 are not subject to the EPS performance conditions.

Cineworld Group Company Share Option Plan

No Director was granted an option during the period and no options vested during the period.

No Director, past or present, holds a CSOP option which will vest in the 2019 financial year.

Cineworld Group Sharesave Scheme

No Directors currently participate in the Company's Sharesave Scheme.

IMPLEMENTATION OF POLICY IN 2019

The Remuneration Committee intends to implement the Policy for 2019 as set out below.

For the 2019 financial year the salaries and other benefits of the Executive Directors will be reviewed in the usual manner, with any salary increases being effective from 1 July 2019.

The maximum annual bonus opportunity will be 150% of salary for the CEO and Deputy CEO and 100% of salary for the CFO and CCO.

In line with the Policy, two-thirds of the bonus will be based on performance against Adjusted EBITDA targets and individual strategic objectives, with the remaining third being based on strategic targets, which for the 2019 financial year will be based on the delivery of synergy benefits as a result of the Regal acquisition.

Bonus payments will be subject to Committee discretion to apply "malus" and, following payment, the Committee will retain the discretion to "claw back" bonuses in the case of misconduct or misstatement of financial results.

The face value of awards granted under the LTIP in 2019 will be 200% of salary for the CEO and Deputy CEO and 150% of salary for the CFO and CCO. The calibration of targets for these awards is set out in the table below.

EPS growth performance	Vesting level
Less than 8% p.a.	Nil
8% p.a.	25%
15% p.a.	100%
Between 8% and 15% p.a.	Straight-line basis

In considering the appropriate calibration of targets, the Committee has taken into account both the internal business plan and external analyst estimates based on the enlarged Group following the acquisition of Regal. The Committee believes that the growth targets are stretching and, if they are achieved, a significant amount of value will have been created for shareholders. Given the international nature of the Group, the Committee continues to believe that UK retail price index inflation is a less directly relevant factor and will therefore express the targets as absolute growth levels.

As with the 2018 awards, in addition to the EPS performance condition, the Committee, in its absolute discretion, will need to be satisfied that an award holder has performed their duties at a satisfactory level over the three years from date of grant in order for awards to vest. The Committee, therefore, will retain the absolute discretion to apply "malus" to unvested awards, by reducing or withholding vesting. Following vesting, the Committee will also retain the discretion to claw back LTIP shares in the case of misconduct or misstatement of financial result.

In addition, a two year post-vesting holding period will apply to the 2019 awards for Executive Directors, bringing the total period from grant to release to five years, in line with the Code requirement.

INCORPORATION BY REFERENCE

The sections "The Remuneration Committee and its Role" and "Remuneration Committee Advisors" also form part of the Corporate Governance Statement, and are incorporated into that statement by reference.

By order of the Board

Dean Moore
CHAIR OF THE REMUNERATION COMMITTEE
28 March 2019

DIRECTORS' REPORT

The Directors present their Annual Report and the audited financial statements for the year ended 31 December 2018. The comparative period is the year ended 31 December 2017.

MANAGEMENT REPORT

This Directors' Report, together with the Strategic Report on pages 1 to 35, form the Management Report for the purposes of rule 4.1.8R of the Disclosure Guidance and Transparency Rules.

INFORMATION CONTAINED ELSEWHERE IN THE ANNUAL REPORT

Information required to be part of this Directors' Report and certain other information can be found elsewhere in the Annual Report as indicated in the table below, and is incorporated into this Report by reference.

Information	Location in Annual Report
Audit Tendering	Pages 53 and 72
Corporate Governance Statement	Pages 36 to 54
Diversity, Human Rights and Our People	Pages 28 to 30 (Resources and Relationships)
Directors' Biographies	Pages 38 and 39
Financial instruments: Information on the Group's financial risk management objectives and policies, and its exposure to credit risk, liquidity risk, interest rate risk and foreign currency risk	Note 24, Page 125
Going Concern Statement	Page 37
Key Performance Indicators	Pages 14 and 15
An indication of likely future developments in the business affecting the Company	Pages 1 to 35 (Strategic Report)
Statement of Directors' Responsibilities in respect of the Annual Report and Financial Statements	Page 73
Viability Statement	Pages 27 and 37

FORWARD-LOOKING STATEMENTS

Certain statements in this Annual Report are forward-looking and so involve risk and uncertainty because they relate to events, and depend on circumstances, that will occur in the future. Therefore, results and developments can differ materially from those anticipated. The forward-looking statements reflect knowledge and information available at the date of preparation of this Annual Report, and the Group undertakes no obligation to update these forward-looking statements. Nothing in this Annual Report should be construed as a profit forecast.

RESULTS AND DIVIDENDS

The results for the Group for the year ended 31 December 2018 are presented under International Financial Reporting Standards ("IFRSs") as adopted by the EU and applicable law. However, the Group has elected to prepare its financial statements in accordance with UK Accounting Standards, including FRS 101 "Reduced Disclosure Framework". The results for the year are set out in the Consolidated Statement of Profit or Loss on page 83.

During the year the Company announced that for financial periods beginning on or after 1 January 2018, the Company would change the presentation currency in which the Group presents its consolidated financial results from pounds sterling to US dollars. As a consequence of the change, dividends are now declared in US dollars. The default payment currency for dividends has remained pounds sterling, unless shareholders elect for payments to be made in US dollars.

An interim dividend of 4.85 cents per share was paid on 5 October 2018. The Directors are recommending a final dividend of 10.15 cents per share which, if approved by the shareholders at the Annual General Meeting ("AGM"), will be paid on 5 July 2019 to shareholders on the register on 14 June 2019. As announced on 14 March 2019, going forward, the Board is proposing to pay four interim dividends for each financial year. Payments in relation to the first three quarters of the year will be equal to 25% of the full year dividend of the prior year, with the final interim payment reflective of the Group's full year earnings performance and resulting in a full year dividend payment aligned with the Group's pay-out ratio. Details of the first, second and third interim dividend payment for 2019 are set out on page 123.

REGAL ACQUISITION AND RIGHTS ISSUE

On 5 December 2017, the Group announced the proposed acquisition of Regal by means of an acquisition of the entire issued, and to be issued, share capital of Regal. The acquisition completed on 28 February 2018 and was settled in cash, funded by a fully underwritten rights issue and committed debt facilities. More details may be found on page 35 in the Financial Review.

At the General Meeting held on 2 February 2018, shareholders approved the acquisition of Regal, and approved the allotment of up to 1,095,662,872 ordinary shares in the Company in relation to the rights issue.

FINANCIAL RISK MANAGEMENT

The Board regularly reviews the financial requirements of the Group and the risks associated therewith. Full details are set out in Note 24 to the financial statements, and are incorporated into this Directors' Report by reference.

FUNDING AND LIQUIDITY

The financial position of the Group, its cash flows, liquidity position and borrowing facilities are described in the Financial Review on pages 31 to 35. In addition, Note 24 to the financial statements includes the Group's objectives, policies and processes for managing its capital, its financial risk management objectives, details of its financial instruments and hedging activities, and its exposures to credit risk and liquidity risk. Such sections are incorporated into this Directors' Report by reference.

INTERNATIONAL OPERATIONS AND BRANCHES

At the year end, the Group had operations in the UK, US, Jersey, Ireland, Poland, Israel, Hungary, Czech Republic, Bulgaria, Romania and Slovakia.

SUBSTANTIAL SHAREHOLDINGS

At 31 December 2018, the Group had been notified, pursuant to the Disclosure Guidance and Transparency Rules, of the following interests in the voting rights of the Company. Notifications confirming a party's interest has gone below the threshold notification level have not been included:

Shareholder	Voting rights	% of total voting rights(1)	Nature of holding
Global City Holdings B.V.(2)	383,131,720	27.97	Indirect
Aggregate of Standard Life Aberdeen Plc (affiliated investment management entities)	77,922,792	5.69	Indirect
Morgan Stanley	55,790,004	4.07	Indirect
Polaris Capital Management LLC	54,810,732	3.99	Indirect
Aviva plc and its subsidiaries	46,223,433	3.37	Direct and Indirect

(1) Percentages are stated as at the time of notification. The total number of voting rights at 31 December 2018 was 1,371,163,021.

(2) Shares are held by Global City Theatres B.V., a wholly owned subsidiary of Global City Holdings B.V. ("GCH"). Shares in GCH are held in trust for the benefit of the children of Moshe Greidinger and Israel Greidinger.

The following notifications were received in the period from 1 January 2019 up to the latest practicable date:

Shareholder	Voting rights	% of total voting rights(1)	Nature of holding
Polaris Capital Management LLC	54,923,544	4.01	Indirect
Morgan Stanley	48,514,260	3.54	Indirect

MAJOR SHAREHOLDER VOTING ARRANGEMENTS

Global City Theatres B.V. ("GCT") is interested in aggregate in 28% of the rights to vote at general meetings of the Company. The Company and GCT entered into a relationship agreement dated 5 December 2017 to regulate the relationship between them. This agreement replaced the agreement between Global City Holdings and the Company of 10 January 2014 and is on the same terms as the previous relationship agreement. Under the relationship agreement, the parties acknowledge that the Group is capable of carrying on business independently, and that all arrangements between the Company and GCT will be on arm's length terms. The relationship agreement contains a requirement (where reasonably practical) to consult with and consider the reasonable views of the Chairman or Senior Independent Director of the Company prior to a disposal of ordinary shares in the Company.

SHARE CAPITAL AND CONTROL

The Company has only one class of share capital formed of ordinary shares. All shares forming part of the ordinary share capital have the same rights and each carries one vote. Details of the share capital, and changes in it over the year, are shown in Note 23 to the financial statements.

The holders of ordinary shares are entitled to receive Company reports and accounts, to attend and speak at general meetings of the Company, to appoint proxies and to exercise voting rights.

There are no restrictions on transfers of, or limitations on the holding of, ordinary shares and there is also no requirement of any prior approval of any transfers other than (i) those which may be applicable from time to time under existing laws or regulation or, (ii) if a person with an interest in 0.25% of the issued share capital held in certificated form has been served with a disclosure notice and fails to respond with the required information concerning interests in that share capital.

No ordinary shares carry any special rights with regard to control of the Company. Except as stated in the paragraph directly above and the Major Shareholder Voting Arrangements section above, there are no restrictions on voting rights attaching to the ordinary shares and the Company is not aware of any known agreements between shareholders that restrict the transfer of voting rights attached to ordinary shares. No treasury shares are held by the Company and no shares are held by any trustee in connection with any share scheme operated by the Group.

On 20 February 2018, the Company announced the results of the 4 for 1 rights issue at 157 pence per New Ordinary Share. The Company received valid acceptances in respect of 1,055,322,013 New Ordinary Shares, representing approximately 96.31 per cent of the total number of New Ordinary Shares offered to qualifying shareholders pursuant to the rights issue. Further details of the rights issue may be found in Note 23 on page 123.

In June 2018, the Company carried out a capital reduction, as authorised by Shareholders at the AGM in May 2018. Details of the capital reduction may be found in Note 23 on page 123 to the financial statements.

ARTICLES OF ASSOCIATION

The Company's Articles of Association ("Articles"), together with English law, define the Board's powers. Changes to the Articles must be approved by shareholders in accordance with the Articles themselves and legislation in force at the relevant time. The last changes were approved by shareholders at the AGM held on 16 May 2018.

CHANGE OF CONTROL

There are no significant agreements which take effect, alter or terminate in the event of a change of control of the Company except that under its current banking arrangements, a change of control may trigger a right for lenders to require early repayment of all sums outstanding.

No Director or employee is contractually entitled to compensation for loss of office or employment as a result of a change in control; however, provisions in the Company's share schemes may cause options or awards granted to employees to vest on a change of control.

ISSUE OF NEW SHARES AND AUTHORITY TO PURCHASE SHARES

At the AGM held on 16 May 2018, shareholders gave authority for the allotment of shares up to an aggregate nominal value of £4,565,438.25 subject to certain conditions. This authority will expire at the 2019 AGM of the Company or on 15 August 2019, whichever is earlier.

Between 1 January 2018 and 31 December 2018, a total of 1,097,247,303 shares were issued, including in respect of the February 2018 rights issue. Further details of the 1,097,247,303 shares issued in this period are set out in Note 23 to the financial statements.

At the AGM held on 16 May 2018, shareholders gave authority for the purchase of up to 136,963,146 ordinary shares in the Company for cancellation or placing into treasury. No shares have been acquired under this authority.

The Board proposes to seek shareholder approval at the AGM to renew both the Company's authority to issue new shares and its authority to purchase its own ordinary shares for cancellation or placing in treasury. Details of the proposed resolutions are set out in the Notice of AGM (the "AGM circular") dispatched or made available to shareholders with the Annual Report and Accounts (or on notification of its availability).

DIRECTORS' INTERESTS AT YEAR END

	Ordinary shares held directly		Ordinary shares held by companies in which a Director has a beneficial interest or is connected	
Director	31 December 2017	**31 December 2018**	31 December 2017	**31 December 2018**
Anthony Bloom	–	**–**	2,208,006(1)	**5,208,006(1)**
Nisan Cohen	–	**23,703**		
Camela Galano(3)	–	**–**	–	**–**
Israel Greidinger	81,310	**544,960**	76,626,344(2)	**383,131,720(2)**
Moshe Greidinger	119,254	**799,272**	76,626,344(2)	**383,131,720(2)**
Alicja Kornasiewicz	–	**75,000**	–	**–**
Dean Moore	–	**15,000**	–	**–**
Scott Rosenblum	16,877	**84,385**	–	**–**
Arni Samuelsson	–	**–**	–	**–**
Rick Senat	53,874	**269,370**		
Julie Southern	–	**–**	–	**–**
Renana Teperberg(3)	–	**63,854**	–	**–**

(1) Shares are held by a nominee for trusts of which Anthony Bloom is one of the potential discretionary beneficiaries.

(2) Shares are held by Global City Theatres B.V., a wholly owned subsidiary of Global City Holdings B.V. ("GCH"). Shares in GCH are held in trust for the benefit of the children of Moshe Greidinger and Israel Greidinger.

(3) Camela Galano and Renana Teperberg joined the Board on 19 July 2018.

DIRECTORS' INTERESTS AT THE LATEST PRACTICABLE DATE

Director	Ordinary shares held directly	Ordinary shares held by companies in which a Director has a beneficial interest or is connected
Anthony Bloom	–	5,208,006[(1)]
Nisan Cohen	**23,703**	–
Camela Galano[(3)]	–	–
Israel Greidinger	**544,960**	383,131,720[(2)]
Moshe Greidinger	**799,272**	383,131,720[(2)]
Alicja Kornasiewicz	**75,000**	–
Dean Moore	**15,000**	–
Scott Rosenblum	**84,385**	–
Arni Samuelsson	–	–
Rick Senat	**269,370**	–
Julie Southern	–	–
Renana Teperberg[(3)]	**63,854**	–

(1) Shares are held by a nominee for trusts of which Anthony Bloom is one of the potential discretionary beneficiaries.

(2) Shares are held by Global City Theatres B.V., a wholly owned subsidiary of Global City Holdings B.V. ("GCH"). GCH is owned by trusts for the benefit of the children of Moshe Greidinger and Israel Greidinger.

(3) Camela Galano and Renana Teperberg joined the Board on 19 July 2018.

The Directors who held office at the end of the financial year had interests in the ordinary shares of the Company at the beginning and end of the year under review as set out in the table above.

Details of the interests in the ordinary shares of the Company arising under the Group's share option schemes are set out in the Remuneration Report on page 62. No rights to subscribe for shares in or debentures of other Group companies were granted to any of the Directors or their immediate families, or exercised by them, during the year. None of the Directors had any discloseable interest in the shares of Group companies other than the Company.

APPOINTMENT AND REPLACEMENT OF DIRECTORS

The appointment and replacement of directors is governed by the Company's Articles, the UK Corporate Governance Code (the "Code"), the Companies Act 2006 and related legislation. All directors intending to continue in office seek election or re-election by shareholders at each AGM. The Articles may be amended by a special resolution of the shareholders.

Following the Board evaluation process undertaken in 2018, the Board is satisfied that each Director standing for re-election or election continues to show the necessary commitment, and to be an effective member of the Board due to their skills, expertise and business acumen.

Under the terms of the relationship agreement between the Company and GCT (described further in the Major Shareholder Voting Arrangements section above), GCT has the right to appoint one Non-Executive Director (but only if none of Moshe Greidinger, Israel Greidinger and Scott Rosenblum are on the Board) for so long as it holds at least 10% of the voting rights in the Company.

Details of the Directors' remuneration, are set out in the Directors' Remuneration Report on pages 55 to 66 and information on their service contracts are set out in the Remuneration Policy contained in the 2017 Annual Report and Accounts.

CONFLICTS OF INTEREST

The Articles permit the Board to consider and, if it sees fit, authorise situations where a Director has an interest that conflicts, or may possibly conflict, with the interests of the Company. There is in place a formal system for the Board to consider authorising such conflicts whereby the Directors who have no interest in the matter decide whether to authorise the conflict. In deciding whether to authorise the conflict, the non-conflicted Directors are required to act in the way which they consider would be most likely to promote the success of the Company for the benefit of all shareholders and they may, and do, impose conditions to be attached to such authorisations. The Board believes that the arrangements for reporting and considering such conflicts operate effectively.

DIRECTORS' INTERESTS IN CONTRACTS

The Group has a number of property lease agreements in place with Global City Holdings B.V. ("GCH") (and/or its subsidiary undertakings). Further details of the amounts paid under these agreements can be found in Note 27 to the financial statements. Shares in GCH are held in trust for the benefit of the children of Moshe Greidinger and Israel Greidinger.

None of the Directors has a material interest in any contract of significance to which the Company or a subsidiary was a party during the financial year, other than as disclosed above, in their service contracts or letters of appointment described in the Directors' Remuneration Report, in Note 27 to the financial statements and in the Remuneration Policy contained in the 2017 Annual Report and Accounts.

DIRECTORS' AND OFFICERS' INSURANCE AND INDEMNITY

The Company maintains insurance cover for all Directors and Officers of Group companies against liabilities which may be incurred by them while acting as Directors and Officers.

As at the date of this report, indemnities are in force under which the Company has agreed to indemnify the Directors as permitted by law and by the Articles against liabilities they may incur in the execution of their duties as Directors of the Company.

POLITICAL DONATIONS

The Group's policy, which it has followed, is to make no donations to political parties.

EMPLOYEES

The policy is to recruit, employ and develop staff on the basis of the suitability of their qualifications and experience, regardless of sex, marital status, race, nationality, age, sexual orientation or religion. It is Group policy to give full and fair consideration to applications for employment from disabled people, having regard to their particular abilities and aptitudes. Full consideration is given to continuing the employment of staff who become disabled, including considering them for other reasonable positions and arranging appropriate training.

The health, welfare and development of the Group's employees remain a priority. With the intent of attracting, recruiting, developing and retaining key employees. Cineworld maintains a number of policies and procedures for the benefit of its employees, which are available to all employees across the Group. Continuing education, training and development are important to ensure the future success of the Group and employee development is encouraged through appropriate training. The Group supports individuals who wish to obtain appropriate further education qualifications and reimburses tuition fees up to a specified level.

Regular and open communication between management and employees is essential for motivating the workforce. Briefings are held regularly to provide updates on the Group's business and to provide opportunity for questions and feedback. The Group encourages the involvement of employees in its performance through the operation of bonus schemes throughout the Group.

ENVIRONMENTAL MATTERS AND GREENHOUSE GAS EMISSIONS

Due to the acquisition of Regal in February 2018, Cineworld's 2018 greenhouse gas ("GHG") emissions have more than doubled from 2017. The US business now accounts for 65% of Cineworld's 2018 carbon footprint. Excluding Regal, Cineworld's GHG emissions have reduced 1% from 2017. This section provides the GHG emission data and supporting information required by the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013. Information on the Group's environmental policies are summarised in the Resources and Relationships section on pages 28 to 30.

ORGANISATIONAL BOUNDARY

The organisational boundary used for the Company's GHG reporting is operational control.

REPORTING SCOPE

The Company is reporting on emissions covered by scopes 1 and 2 (comprising electricity, gas, and fugitive F-gas emissions) from global operations.

As well as scope 1 and 2 emissions figures, additional "outside of scope" emissions are included for owned transport to account for biofuel additions. Scope 3 well-to-tank (for all fuels) and transmission and distribution (from electricity) emissions are also included.

EMISSIONS INCLUDED

Mandatory emissions sources as specified by the Environmental Reporting Guidelines published by the Department for Environment, Food and Rural Affairs ("Defra") have been included in this report (see also "Estimates and Exclusions" below).

Table 1 shows Defra's stated mandatory areas for reporting and how the stated categories apply to the Group.

TABLE 1: REPORTING REQUIREMENTS

Ref	Defra requirement	Relevance
A1	Fuel combustion (stationary)	Natural gas (heating)
A2	Fuel combustion (mobile)	Owned transport (fleet)
B	Facility operation: process emissions	N/A
B	Facility operation: fugitive emissions	F-gases: refrigeration and air conditioning
C	Purchased electricity, heat, steam, cooling	Electricity only

GHG EMISSIONS DATA

The GHG emissions for the Group for the 12 month period to 30 September 2018 are shown in Table 2 below in tonnes of carbon dioxide equivalent (tCO_2e).

TABLE 2: 2018 GHG EMISSIONS

Ref	Category	tCO_2e 2018	tCO_2e 2017
A1	Fuel combustion (stationary)	44,865	20,127
A2	Fuel combustion (mobile)	1,830	1,911
B	Facility operation	5,334	347
C	Purchased electricity	358,344	121,722
Total		410,373	144,107
Total excluding Regal[1]		142,455	144,107

(1) In February 2018, Cineworld acquired Regal. This data shows the comparison between 2017 and 2018 emissions figures excluding the impact of Regal.

ESTIMATES AND EXCLUSIONS

This report sets out GHG emissions from Cineworld Group plc's global operations from 1 October 2017 to 30 September 2018. This is a new reporting period for Cineworld. Previously, emissions were reported on a calendar year basis. The revised reporting period has been implemented to allow accurate data to be used and reduce the use of estimated data.

Polish gas data was captured in local currency and converted into kWh. This affects less than 1% of total emissions.

Some estimates were used to fill gaps in our transport fuel use data, electricity/gas consumption and F-gas data in non-UK sites. This amounts to less than 1% of total emissions.

EMISSIONS INTENSITY

The chosen carbon intensity measure is financial turnover. This was chosen due to ready availability of the data. The value for the year was 99.63 tonnes CO_2e per $1m turnover.

For comparison, 2017's emissions were 144,107 tonnes CO_2e at an intensity of 125.63 tonnes CO_2e per $1m turnover (using corrected figures).

METHODOLOGY AND EMISSIONS FACTORS

This report was calculated using the methodology set out in Defra's updated greenhouse gas reporting guidance, Environmental Reporting Guidelines (ref. PB 13944), issued by Defra in June 2013. Emissions factors are taken from the Department for Business, Energy and Industrial Strategy's June 2018 update.

Emissions factors for fuels use scope 3 well-to-tank upstream additions to account for emissions from sourcing and processing fuel. Owned transport emissions include outside of scope additions for biogenic additions. Electricity emissions include transmission and distribution losses.

ANNUAL GENERAL MEETING

The Notice convening the AGM, to be held at the Cineworld Cinema in Wandsworth, Southside Shopping Centre, Wandsworth High Street, London SW18 4TF at 10.30am on 15 May 2019, is contained in the AGM circular. Details of all the resolutions to be proposed are set out in the AGM circular.

AUDITOR AND TENDER

Following the audit tender process in 2016, KPMG LLP was reappointed as External Auditor. The Company will continue to comply with the relevant tendering and auditor rotation requirements applicable under UK and EU regulations.

DISCLOSURE OF INFORMATION TO AUDITOR

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

By order of the Board

F Smith
COMPANY SECRETARY
Cineworld Group Plc

28 March 2019

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Brentford
TW8 9AG

Registered: England No: 5212407

STATEMENT OF DIRECTORS' RESPONSIBILITIES

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ANNUAL REPORT AND THE FINANCIAL STATEMENTS

The Directors are responsible for preparing the Annual Report and the Group and parent Company financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Group and parent Company financial statements for each financial year. Under that law they are required to prepare the Group financial statements in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRSs as adopted by the EU") and applicable law and have elected to prepare the parent Company financial statements in accordance with UK accounting standards, including FRS 101 *Reduced Disclosure Framework*.

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

— select suitable accounting policies and then apply them consistently;

— make judgements and estimates that are reasonable, relevant, reliable and prudent;

— for the Group financial statements, state whether they have been prepared in accordance with IFRSs as adopted by the EU;

— for the parent Company financial statements, state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the parent Company financial statements;

— assess the Group and parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and

— use the going concern basis of accounting unless they either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the parent Company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a Strategic Report, Directors' Report, Directors' Remuneration Report and Corporate Governance Statement that complies with that law and those regulations.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

RESPONSIBILITY STATEMENT OF THE DIRECTORS IN RESPECT OF THE ANNUAL FINANCIAL REPORT

We confirm that to the best of our knowledge:

— the financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole; and

— the Strategic Report includes a fair review of the development and performance of the business and the position of the issuer and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

We consider the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy.

Moshe Greidinger
CHIEF EXECUTIVE OFFICER
28 March 2019