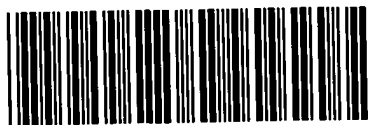

AMC CHANNEL POLAND LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

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AMC CHANNEL POLAND LIMITED

COMPANY INFORMATION

Directors

K W Dickie
R M Stewart (resigned 28 June 2023)
R A Wiltens
T M Prentice (appointed 28 June 2023)

Registered number

06077708

Registered office

33 Broadwick Street
Soho
London
W1F 0DQ

Independent auditor

Grant Thornton UK LLP
Chartered Accountants & Statutory Auditor
30 Finsbury Square
London
EC2A 1AG

AMC CHANNEL POLAND LIMITED

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AMC CHANNEL POLAND LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

The directors present their Strategic Report on AMC Channel Poland Limited ("the company") for the year ended 31 December 2023.

Review of the business

The company operates the AMC Channel. AMC is primarily a movie driven subscription and advertising supported linear television channel which is transmitted with the capability to be received in both standard definition and high definition formats on an encrypted basis with Polish language voice over narration (and/or subtitles) and distributed to subscribers of DTH, cable, ADSL, MMDS and SMATV television systems in Poland.

Results and business review

The results of the company for the year ended 31 December 2023, show a loss before tax of \$869,000 (2022 \$674,000) and net assets of \$4,118,000 (2022: \$2,587,000).

Principal risks and uncertainties

The company's success is dependent on the economic conditions of Poland, as the channel is broadcast on non-terrestrial platforms where viewers pay a subscription fee for additional channels.

The global cost of living crisis, along with the European economic climate and related inflation, has been considered by the directors but does not appear to be having a significant impact on revenue generation and as such is not seen as a significant risk.

Future developments

The key strategy is to increase distribution of the channel in order to increase viewership and therefore broadcasting subscription and advertising revenues.

Key Performance Indicators ('KPIs')

The directors monitor the progress of the company by reference to the following KPIs -

	2023 \$000	2022 \$000	
Turnover	3,711	3,737	Total turnover
Gross profit	1,759	1,680	Turnover less Cost of Sales
Gross profit %	47%	45%	Gross Profit as a % Turnover
Operating loss	864	699	loss before interest and taxes
Return on capital employed	(21%)	(27%)	Operating loss for the year in relation to Shareholders' funds at year end

This report was approved by the board on 16/10/2024 and signed on its behalf.

Tom Prentice

T M Prentice
Director

AMC CHANNEL POLAND LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023**

The directors present their report and the financial statements for the year ended 31 December 2023.

Results and dividends

The loss for the year, after taxation, amounted to \$944,000 (2022: loss \$539,000).

The directors did not recommend the payment of dividend in the year (2022: \$Nil).

Directors

The directors who served during the year were:

K W Dickie
R M Stewart (resigned 28 June 2023)
R A Wiltens
T M Prentice (appointed 28 June 2023)

Directors' responsibilities statement

The directors are responsible for preparing the Strategic report, the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'). 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 and profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Qualifying third party indemnity provisions

Qualifying third party indemnity was in force during the financial year and also at the date of approval of the financial statements. These indemnity policies are held by the ultimate holding company, AMC Networks Inc.

Going Concern

Please refer to note 2.3 of these financial statements for details.

AMC CHANNEL POLAND LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023**

Disclosure of information to auditor

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 16/10/2024 and signed on its behalf.

Tom Prentice

T M Prentice
Director



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AMC CHANNEL POLAND LIMITED

Opinion

We have audited the financial statements of AMC Channel Poland Limited (the 'company') for the year ended 31 December 2023, which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion:

- the financial statements give a true and fair view of the state of the company's affairs as at 31 December 2023 and of its loss for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the company to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the company's business model including effects arising from macro-economic uncertainties such as inflation and geopolitical tensions in the Middle East and Europe, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AMC CHANNEL POLAND LIMITED
(CONTINUED)**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AMC CHANNEL POLAND LIMITED
(CONTINUED)**

Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AMC CHANNEL POLAND LIMITED (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

- We enquired of management concerning the company's policies and procedures relating to:
 - the identification, evaluation and compliance with laws and regulations.
 - the detection and response to the risks of fraud; and
 - the establishment of internal controls to mitigate risks related to fraud or non-compliance with laws and regulations. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or whether they had any knowledge of actual, suspected or alleged fraud.
- We corroborated the results of our enquiries to relevant supporting documentation.
- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant which are directly relevant to specific assertions in the financial statements are those related to the reporting frameworks (FRS 102 and the Companies Act 2006).
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur, by evaluating management's incentives and opportunities for manipulation of the financial statements. This included the evaluation of the risk of management override of controls.
- Our audit procedures involved:
 - evaluation of the design effectiveness of controls that management has in place to prevent and detect fraud.
 - journal entry testing, in particular journal entries relating to management estimates and entries determined to be large or relating to unusual transactions.
 - challenging assumptions and judgements made by management in its significant accounting estimates.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AMC CHANNEL POLAND LIMITED
(CONTINUED)**

- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it;
- In assessing the potential risks of material misstatement, we obtained an understanding of:
 - the entity's operations, including the nature of its objectives and strategies to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risks of material misstatement.
- We did not identify any matters relating to non-compliance with laws and regulations relating to fraud.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Aimee Griffiths

Aimee Griffiths BA FCA
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
London
Date: 16/10/2024

AMC CHANNEL POLAND LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Note	2023 \$000	2022 \$000
Turnover	4	3,711	3,737
Cost of sales		(1,952)	(2,057)
Gross profit		1,759	1,680
Administrative expenses		(2,623)	(2,379)
Operating loss		(864)	(699)
Interest receivable and similar income	8	74	25
Interest payable and expenses	9	(79)	-
Loss before tax		(869)	(674)
Tax on loss	10	(75)	135
Loss for the financial year		(944)	(539)

There were no recognised gains and losses for 2023 or 2022 other than those included in the Statement of comprehensive income.

All results are generated from continuing operations.

The notes on pages 12 to 22 form part of these financial statements.

AMC CHANNEL POLAND LIMITED
REGISTERED NUMBER:06077708

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023

	Note	2023 \$000	2022 \$000
Current assets			
Programme inventory (Including \$1,144k of long term assets, 2022: \$1,006k)		2,325	2,079
Debtors: amounts falling due within one year	11	1,135	889
Cash at bank and in hand		2,643	2,292
		<u>6,103</u>	<u>5,260</u>
Creditors: amounts falling due within one year	12	(1,685)	(2,375)
Net current assets		<u>4,418</u>	<u>2,885</u>
Total assets less current liabilities		<u>4,418</u>	<u>2,885</u>
Provisions for liabilities			
Other provisions	13	(300)	(298)
		<u>(300)</u>	<u>(298)</u>
Net assets		<u><u>4,118</u></u>	<u><u>2,587</u></u>
Capital and reserves			
Called up share capital	14	-	-
Share premium account	15	15,280	12,805
Profit and loss account	15	(11,162)	(10,218)
		<u><u>4,118</u></u>	<u><u>2,587</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 16/10/2024

Tom Prentice

T M Prentice
Director

The notes on pages 12 to 22 form part of these financial statements.

AMC CHANNEL POLAND LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Called up share capital	Share premium account	Profit and loss account	Total equity
	\$000	\$000	\$000	\$000
At 1 January 2023	-	12,805	(10,218)	2,587
Comprehensive income for the year				
Loss for the year	-	-	(944)	(944)
Total comprehensive income for the year	-	-	(944)	(944)
Shares issued during the year	-	2,475	-	2,475
At 31 December 2023	-	15,280	(11,162)	4,118

In November 2023, the company issued 1 ordinary share of \$1 at a premium of \$2,474,939.

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Called up share capital	Share premium account	Profit and loss account	Total equity
	\$000	\$000	\$000	\$000
At 1 January 2022	-	8,557	(9,679)	(1,122)
Comprehensive income for the year				
Loss for the year	-	-	(539)	(539)
Total comprehensive income for the year	-	-	(539)	(539)
Shares issued during the year	-	4,248	-	4,248
At 31 December 2022	-	12,805	(10,218)	2,587

In March 2022, the company issued 1 ordinary share of \$1 at a premium of \$4,248,128.

The notes on pages 12 to 22 form part of these financial statements.

AMC CHANNEL POLAND LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

1. General information

AMC Channel Poland Limited is a private company limited by shares & incorporated in England and Wales. Its registered head office is located at 33 Broadwick Street, Soho, London, W1F 0DQ.

The principal activity of AMC Channel Poland Limited is Television programming and broadcasting activities.

2. Accounting policies**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 3).

The company's presentational and functional currency is US Dollar and all values are rounded to the nearest \$1,000 except when otherwise stated.

The following principal accounting policies have been applied:

2.2 Financial Reporting Standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of AMC Networks Inc. as at 31 December 2023 and these financial statements may be obtained from 11 Penn Plaza, New York, 10001, The United States of America.

AMC CHANNEL POLAND LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

2. Accounting policies (continued)**2.3 Going concern**

The company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic report on page 1.

The financial statements are prepared on a going concern basis which the directors believe to be appropriate for the following reasons.

The directors considered that the most recent economic forecasts has not had a significant impact on the company's business. The directors have prepared forecasts covering a period of 12 months from the date of approval of these financial statements. These forecasts are dependent on funding from the group and the group not recalling amounts due to them during the 12 month period from the date of approval of these financial statements.

The directors have also received confirmation from the ultimate parent company that the amounts due to the fellow group companies will not be recalled during the forecast period.

As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

2.4 Foreign currency translation**Functional and presentation currency**

The company's functional and presentational currency is USD.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of comprehensive income.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of comprehensive income within 'other operating income'.

AMC CHANNEL POLAND LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

2. Accounting policies (continued)

2.5 Turnover

Turnover represents the amounts (excluding the value added tax) derived from the provision of services to customers.

Turnover is recognised on transmission.

2.6 Interest receivable and interest payable

Interest payable and similar charges include interest payable and net foreign exchange losses that are recognised in the Statement of comprehensive income.

Other interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains.

Interest income and interest payable are recognised in the Statement of comprehensive income as they accrue. Foreign currency gains and losses are reported on a net basis.

2.7 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

AMC CHANNEL POLAND LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

2. Accounting policies (continued)**2.8 Programme inventory and amortisation**

Programme inventory comprises fees paid and payable for film licenses, film distribution rights and broadcasting rights for television programmes. Programme inventory is stated at cost less any provision for impairment, less accumulated amortisation.

Amortisation is provided to write off the cost of the programme inventory over the period of the licence.

The company periodically reviews the programming usefulness of its licensed and owned original programme rights based on a series of factors, ratings, type and quality of programme material, standard and practices and fitness for exhibition through various forms of distribution. If it is determined that film or programme rights have limited, or no, future programming usefulness a write-off of the unamortised cost is included in Cost of sales.

2.9 Debtors

Short-term debtors are measured at transaction price, less any impairment.

2.10 Cash and cash equivalents

Cash is represented by cash in hand.

2.11 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.12 Provisions for liabilities

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of comprehensive income in the year that the company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

2.13 Financial instruments

The company has elected to apply the provisions of Section 11 "Basic Financial Instruments" of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's Statement of financial position when the company becomes party to the contractual provisions of the instrument.

AMC CHANNEL POLAND LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

2. Accounting policies (continued)**2.13 Financial instruments (continued)**

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables, cash and bank balances, are initially measured at their transaction price including transaction costs and are subsequently carried at their amortised cost using the effective interest method, less any provision for impairment.

Discounting is omitted where the effect of discounting is immaterial. The company's cash and cash equivalents, trade and most other receivables due within the operating cycle fall into this category of financial instruments.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting date.

Financial assets are impaired when events, subsequent to their initial recognition, indicate the estimated future cash flows derived from the financial asset(s) have been adversely impacted. The impairment loss will be the difference between the current carrying amount and the present value of the future cash flows at the asset(s) original effective interest rate.

If there is a favourable change in relation to the events surrounding the impairment loss then the impairment can be reviewed for possible reversal. The reversal will not cause the current carrying amount to exceed the original carrying amount had the impairment not been recognised. The impairment reversal is recognised in the profit or loss.

Financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after the deduction of all its liabilities.

Basic financial liabilities, which include trade and other payables are initially measured at their transaction price after transaction costs. When this constitutes a financing transaction, whereby the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Discounting is omitted where the effect of discounting is immaterial.

Debt instruments are subsequently carried at their amortised cost using the effective interest rate method.

Financial liabilities (continued)

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if the payment is due within one year. If not, they represent non-current liabilities. Trade payables are initially recognised at their transaction price and subsequently are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

AMC CHANNEL POLAND LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

2. Accounting policies (continued)**2.13 Financial instruments (continued)****Derecognition of financial assets**

Financial assets are derecognised when their contractual right to future cash flow expire, or are settled, or when the company transfers the asset and substantially all the risks and rewards of ownership to another party. If significant risks and rewards of ownership are retained after the transfer to another party, then the company will continue to recognise the value of the portion of the risks and rewards retained.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements- (other than those-involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following sets out the key assumptions concerning the future and key sources of estimation and uncertainty at the Statement of financial position date that may cause material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Music Rights provision

Provisions are recognised in the period when it becomes probable there will be a future outflow of funds resulting from past operations or events which can be reasonably estimated. The timing of recognition requires the application of judgement to existing facts and circumstances, which can be subject to change.

For the year ended 31 December 2023 the Performance Music Rights provision was estimated by management using an approach based on prior independent professional advice as well as management's own judgement based on the historic data and industry knowledge.

The Music Rights provision for the year 31 December 2023 was estimated as \$299,620 (2022: \$298,217).

AMC CHANNEL POLAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

4. Turnover

	2023 \$000	2022 \$000
By activity		
Broadcasting	2,743	2,853
Television Advertising	968	884
	<u>3,711</u>	<u>3,737</u>
	2023 \$000	2022 \$000
By geographical market		
Poland	<u>3,711</u>	<u>3,737</u>

5. Expenses and auditor's remuneration

	2023 \$000	2022 \$000
Included in loss are the following:		
Amortisation of programme licences	1,178	1,382
Management charge	<u>2,031</u>	<u>1,853</u>
Auditor remuneration:		
Audit of these financial statements	27	24
Other services	<u>3</u>	<u>2</u>
	<u>30</u>	<u>26</u>

6. Staff numbers and costs

No staff are employed by the company, therefore no costs have been incurred by the company (2022: \$Nil).

AMC CHANNEL POLAND LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

7. Directors' remuneration

	2023	2022
	\$000	\$000
Directors' emoluments	51	66
Long term incentive schemes	16	25
Company contributions to defined contribution pension schemes	2	1
	69	92

The directors remuneration for the UK Group has been paid by Zonemedia Management Limited.

The aggregate of remuneration and amounts receivable under long term incentive schemes of the highest paid director was \$31,363 (2022: \$30,709).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to \$468 (2022: \$220).

The number of board members in respect of whose qualifying services shares were received or receivable under long term incentive schemes was 3 (2022: 3).

8. Interest receivable and similar income

	2023	2022
	\$000	\$000
Other interest receivable	74	25

9. Interest payable and similar expenses

	2023	2022
	\$000	\$000
Net foreign exchange loss	79	-

AMC CHANNEL POLAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

10. Taxation

	2023 \$000	2022 \$000
Corporation tax		
UK corporation tax on losses for the year	(47)	(286)
Foreign tax suffered	122	151
Total current tax	<u>75</u>	<u>(135)</u>
Taxation on loss on ordinary activities	<u>75</u>	<u>(135)</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2022: *lower than*) the standard rate of corporation tax in the UK of 23.52% (2022: 19%). The differences are explained below:

	2023 \$000	2022 \$000
Loss on ordinary activities before tax	<u>(869)</u>	<u>(674)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 23.52% (2022: 19%)	(204)	(128)
Effects of:		
Group relief for no payment	233	157
Effects of overseas tax rates	46	(164)
Total tax charge/(credit) for the year	<u>75</u>	<u>(135)</u>

Factors that may affect future tax charges

The Finance Act 2021 was substantively enacted in May 2021 and has increased the corporation tax rate from 19% to 25% with effect from 1 April 2023 on profits over £250,000. The rate for small profits under £50,000 will remain at 19%. When the company's profits fall between £50,000 and £250,000, the lower and upper limits, it will be able to claim an amount of marginal relief providing a gradual increase in corporation tax rate. The deferred taxation balances have been measured using the rates expected to apply in the reporting periods when the timing differences reverse.

AMC CHANNEL POLAND LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

11. Debtors

	2023	2022
	\$000	\$000
Trade debtors	687	399
Amounts owed by group undertakings	-	40
Other tax and social security	11	16
Prepayments and accrued income	437	434
	1,135	889

Amounts owed by group undertakings are interest free and repayable on demand.

12. Creditors: Amounts falling due within one year

	2023	2022
	\$000	\$000
Trade creditors	191	237
Amounts owed to group undertakings	897	1,810
Accruals and deferred income	597	328
	1,685	2,375

Amounts owed to group undertakings are interest free and repayable on demand.

AMC CHANNEL POLAND LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

13. Provisions

	Music rights provision \$000
At 1 January 2023	298
Charged to profit or loss	97
Released within year	(95)
At 31 December 2023	300

14. Share capital

	2023	2022
	\$	\$
Allotted, called up and fully paid		
104 (2022: 103) Ordinary shares of \$1.00 each	201	200

In November 2023, the company issued 1 ordinary share of \$1 at a premium of \$2,474,939.

There is a single class of ordinary shares. There are no restrictions on dividends and the repayment of capital.

15. Reserves**Share premium account**

Includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

Profit and loss account

Includes all current & prior periods retained profits & losses.

16. Ultimate parent company and parent company of larger group

The company is a subsidiary undertaking of AMC Networks International Broadcasting Limited, a company registered in England and Wales.

The ultimate parent undertaking at 31 December 2023 was AMC Networks Inc., a company incorporated in the US. The consolidated accounts of this group can be obtained from 11 Penn Plaza, New York, 10001, The United States of America.

The ultimate controlling party is the Dolan family.