

# Cineworld screens a 'number' of proposals as it looks to exit bankruptcy protection

Crisis-hit Cineworld says it has received a "number" of proposals for some or all of its business but none of them involve an all-cash bid for the entire company.

The world's second-largest cinema chain, which filed for US bankruptcy protection in September to try to restructure its debt and strengthen its balance sheet, said it also remained in talks with several current stakeholders on a possible reorganisation.

It added that either route would be unlikely to provide any recovery for shareholders.

[Cineworld](#) said that it now expected to emerge from the Chapter 11 bankruptcy protection in the first half of this year.

"Whilst the discussions suggest that there is a route to the company emerging from the Chapter 11 cases, in light of the level of existing debt that is expected to be released under any plan, the company does not believe that there will be sufficient creditor support for a plan that contemplates any recovery for equity interests," it said in a statement.

The chain and the wider industry have been plagued with a slow recovery in audience numbers since pandemic lockdowns shuttered cinemas.

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Cineworld, however, was also the architect of an own goal.

While aggressive expansion ahead of the public health emergency – including a \$3.6bn deal to buy Regal in 2017 – meant it became the world’s second-biggest chain, the buying spree combined with the COVID revenue hit to batter its finances.

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Image:

Vue cinema

Shares – already hammered by the prospect of being wiped out – fell by more than 40% to just above 2p on the company’s latest update.

Sky News revealed earlier this month that [Vue](#), with support from two funds, would be among the bidders in the auction process.

Cineworld was known to prefer a complete sale of its assets in that event.

The identity of other prospective bidders is unclear though Cineworld denied in January claims by the owner of rival Odeon that they had held talks over the sale of cinemas.

Walid Koudmani, chief market analyst at online investment platform XTB.com, said of the Cineworld share price tumble: "While it has proposed a deadline of 10 April for final bids, it remains to be seen if it will be able to pay shareholders adequately as it is over \$6bn in debt.

"Furthermore, this only adds to the negative sentiment surrounding the business as the share price is down over 90% since last year."