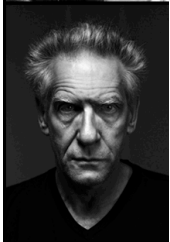
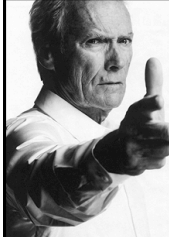
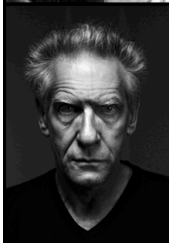
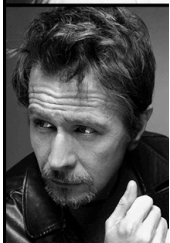
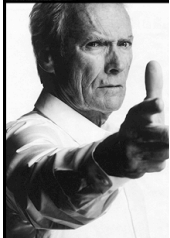


**GRAND
DUCHY
FILMS**





- **CINEMA SICAR, a Luxembourg regulated venture capital investment company, fully owns GRAND DUCHY FILMS.**
- **GRAND DUCHY FILMS invests in a limited number of movies with high commercial potential. European production targeting global distribution forms the core of the portfolio.**
- **GRAND DUCHY FILMS invests in films at each stage of their lifecycle (development, production, local and international distribution). This approach ensures adequate risk diversification.**
- **Investing at different stages of a movie's lifecycle allows for optimising the controls performed at each of these. It also enables maximising profits whilst limiting risks. This targets superior risk-reward patterns.**
- **Key European producers and movie industry professionals support the active management of the fund. They open the gates of magic for you**



- **General Partner:** Cinema Gestion SARL (Supervisory Authority : CSSF)
- **Fund Target size:** € 75 million
- **Closing Period:** May 2015
- **Term:** 5 years + 2 years extension possibility
- **Management Fees:** Total: 1,5% per annum limited to 5 years

Why invest in Films ?

★ The film industry is constantly expending

Demand for films continues to grow worldwide: despite financial crisis, the **international box office** for all films released reached \$34.7 billion in 2012, **up 7.3%** over five years ago. New markets are emerging (Asia, South America) and new technologies (video on demand) offer new revenues and strengthen the film production. The European film production industry is strong and sustainable. **Tickets sold in Europe have grown** from 901 to 942 million (2005 to 2012).

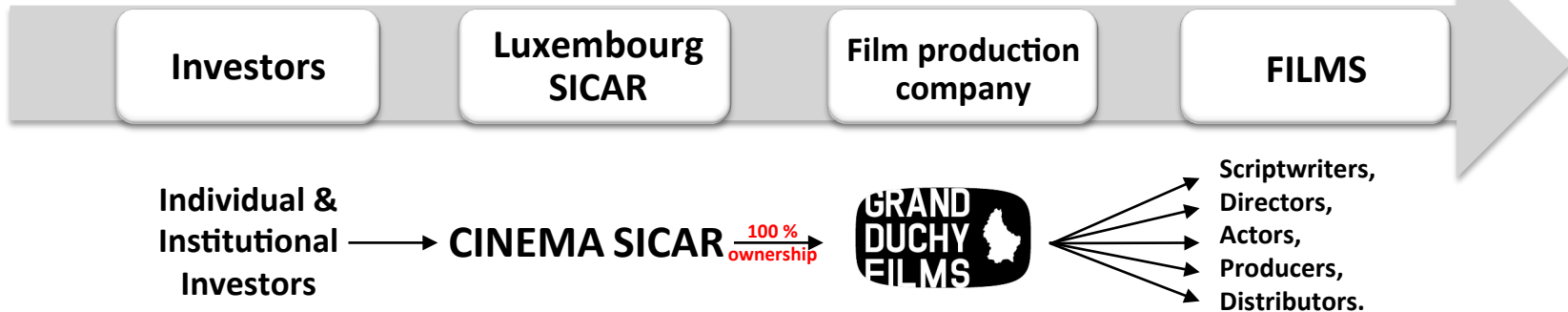
★ Luxembourg

Internet and Video-On-Demand services have revolutionised the film distribution; it has now entered into the global mass retail world. **Luxembourg leads the way**, with global players such as iTunes Europe or Amazon operating from the country. More recently, the newly elected government has re-emphasized the Luxembourg long term commitment towards the movie industry and its very favourable business environment.

★ A film is a valuable and profitable asset

Movies generate **sizeable cash flows** at each phase of their lifecycle. These start from the first ticket sale to last until the copyright is definitively sold. They span over theatres' ticket sales, DVD retail sales, VOD and TV broadcasting. With most of revenues known in advance thanks to contractual arrangements, a movie can easily be valued at its fair value

Structuring the fund



LEGAL ADVISOR:
Dr Pierre-Alexandre Delagardelle

DEPOSITARY BANK :
NATIXIS Luxembourg

AUDITOR:
ARTEMIS Audit

CINEMA SICAR, S.C.A., is a Luxembourg regulated investment company in risk capital (société d'investissement en capital à risque). It is incorporated as a partnership limited by shares (société en commandite par actions). Its registered office is at 25A boulevard Royal, L-2449 Luxembourg.

It is represented by its general partner, CINEMA GESTION S.à r.l., a Luxembourg private limited liability company (société à responsabilité limitée). The latter's registered office is also at 25A boulevard Royal, L-2449 Luxembourg, and is represented by its Board of managers.

GRAND DUCY FILMS is a movie production company fully owned by CINEMA SICAR, S.C.A. to invest in movies.

Movie financing takes place in 3 steps:

- development of the original idea & preparation for the shootings
- production (i.e. making the movie)
- distribution (theatres, DVD, TCV, VOD, Internet based streaming...)

Development

(Concept, script, talent)

Term : 2 or 3 years

Co-development contract

Investments :

From €50 000 to €200 000

ROI :

- 125% risk rewards
- Copyright (Pari passu)

Production

(pre to post production)

Term : 1 or 2 years

Co-production contract
& sales agreement

Investments :

From €100 000 to €5 000 000

ROI :

- 120% risk rewards
- copyright (Pari passu)

Distribution

(cinema, broadcast, digital, dvd)

Term : 6 – 12 months

Distribution agreement

Investments :

From €500 000 to €1 000 000

ROI :

- 125% risk rewards
- copyright (Pari passu)

Creating value by implementing a rigorous financial model



An active advisor and arranger, involved in all stages of the movies' lifecycle, GRAND DUCHY FILMS aims at:

- Creating a first class rights' portfolio (the fund's assets);
- First rank cashing in of movies' revenues;
- Strengthening financial independence and cost controls by direct investment at the development stage

Development

(10% of AuM)

- Potential market analysis
- Marketing & promotion strategy
- Sales estimates
- Key roles' overview (script, casting, director...)

Production

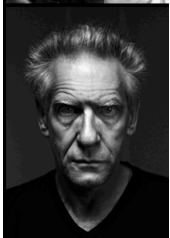
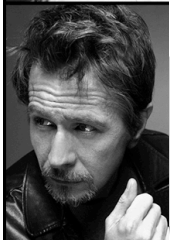
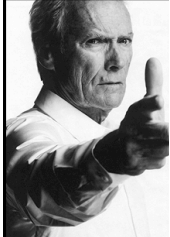
(40% of AuM)

- Budgeting & Cost control
- Timeline control (shooting, edition...)
- Marketing materials and actions, press relations
- Overrun management

Distribution

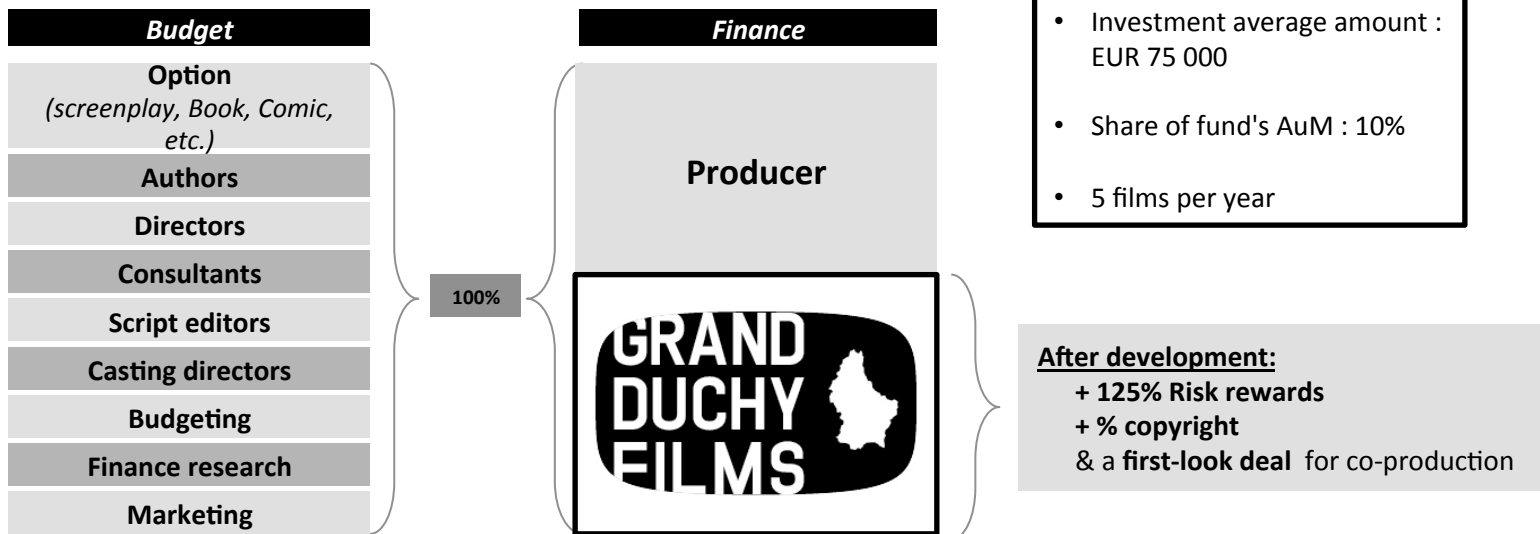
(50% of AuM)

- Evaluation of potential acquisitions
- Global marketing strategy & execution
- Delivery
- P&A



Grand Duchy will finance 30% to 75% of film development alongside experienced producers, directors & scriptwriters.

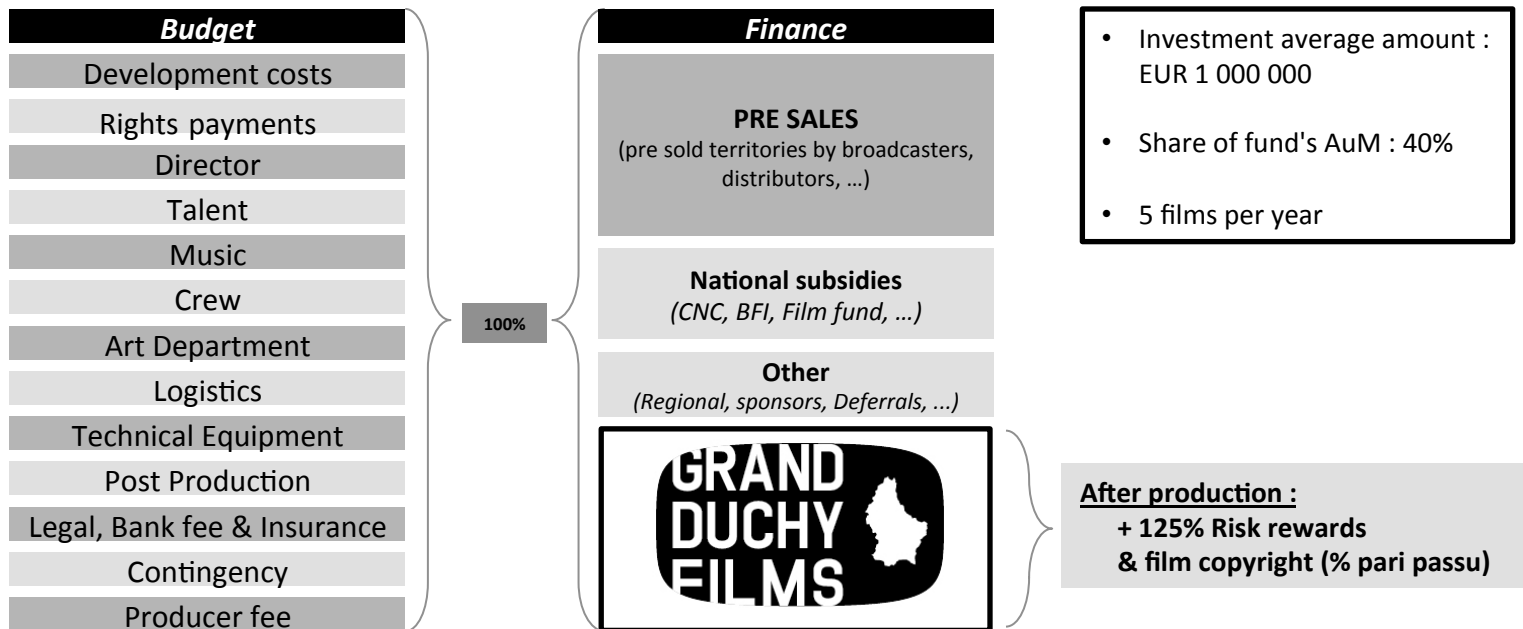
In exchange, Grand Duchy will be recouping its investment with a 25% premium as soon as the film goes into production. Also the fund will have 5% on the film revenues with a first look deal to invest in the film production.



INVESTMENT IN PRODUCTION

Grand Duchy will finance +/- 30% of the film budget. alongside producers and international distributors (sales agent).

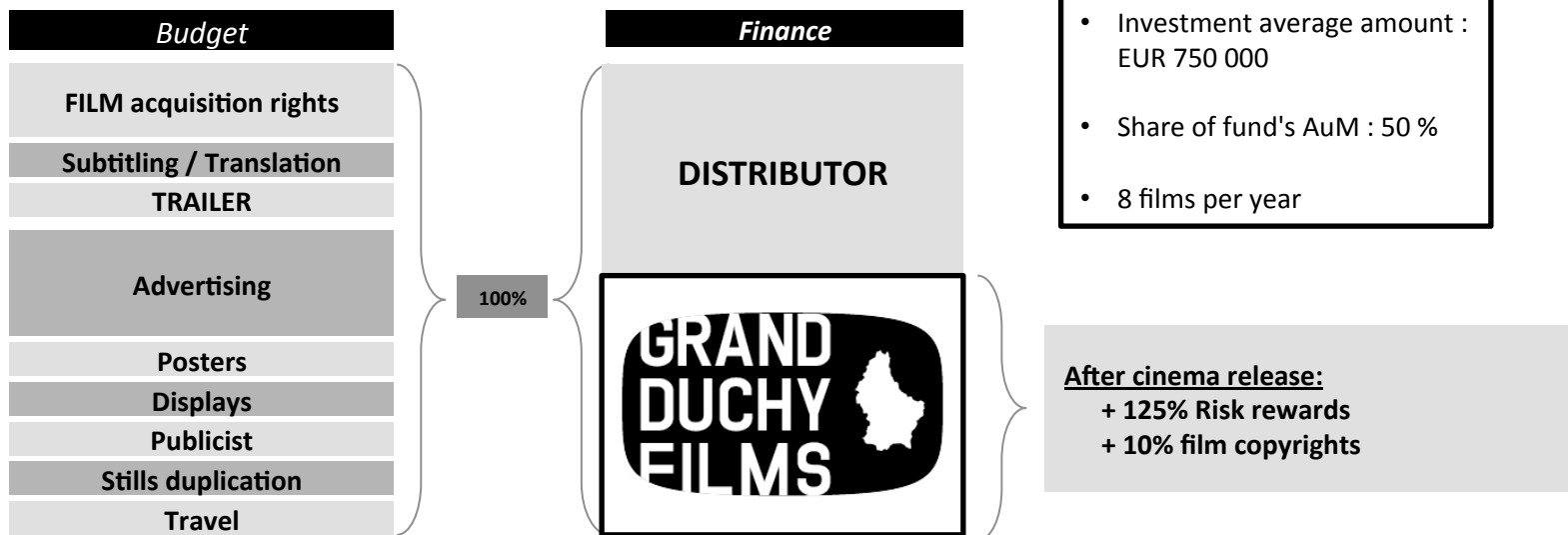
In exchange, Grand Duchy will recoup **first** its investment with a **25% premium** on each film sales and with **copyrights on the film** revenue (pari passu).



INVESTMENT IN DISTRIBUTION

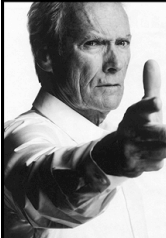
Grand Duchy will finance alongside local distribution companies up to 75% of film distribution budget in France, Benelux, Germany and UK.

In exchange, Grand Duchy will be recouping first its investment with a 25% premium as soon as the film goes into the local cinemas. Also the fund may have when applicable 10% on the film copyright.





Christian Denizon

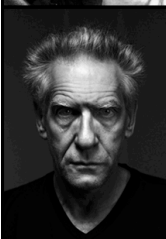


CEO of FINEXIS SA, a regulated Luxembourg management company and central administration for investment funds & companies.




David Grumbach

CEO of BAC FILMS



Bac Films is one of the leading European labels for independent film for over 25 years, BAC Films specializes in the development, financing, production, and distribution of cutting edge independent films from around the world.



Bac released over 450 films since 1996, won 8 PALMES d'OR and worked with some of the world's most talented and distinguished filmmakers such the Coen brothers, Quentin Tarantino, David Lynch, Jim Jarmusch, Wim Wenders, Stephen Frears, Nanni Moretti and Carlos Reygadas.

500+ films produced, sold and distributed

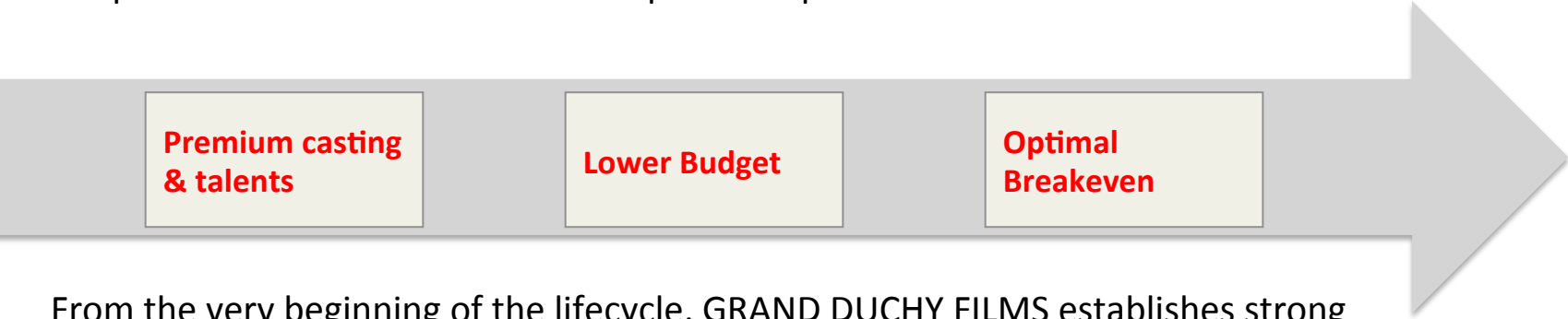
The team represents top European producers, sales agents and distributors who have been established over the last 25 years. The Fund enables this successful team to enlarge their commercial success by **proactively** creating a **union of experience and network** that will develop, produce and distribute films such as our previous films :

PULP FICTION
CHOCOLAT
WHAT WOMEN WANT
MULHOLLAND DRIVE
LIFE IS BEAUTIFUL
KIRIKOU AND THE SORCERESS
BUENA VISTA SOCIAL CLUB
....



Controlling costs and improving traditional efficiency ratios are key to the optimisation of current movie financing models.

Financing Tier 2 budget movies with a sound sales potential and premium talents allows to halve production costs. This maximises potential profits.



**Premium casting
& talents**

Lower Budget

**Optimal
Breakeven**

From the very beginning of the lifecycle, GRAND DUCHY FILMS establishes strong partnerships with the producers. We support them financially and technically, ensuring optimally efficient use of the capital invested.

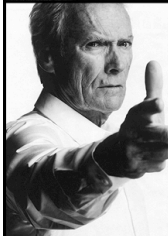
We help lowering the breakeven of a production, to the very best interest of all stakeholders.



Christian Denizon

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