

Burned Out

Financial Analysis

Focus Advisory Services

Burned Out
FINANCIAL ANALYSIS

DISCLOSURES

The attached materials are furnished as illustrations for discussion purposes and are based on assumptions which may not reflect future results. No representation or warranty is made as to the accuracy or completeness of the information.

Projections of revenue from the distribution of motion pictures are subject to many variables and changes over time which cannot be accurately predicted as it is dependent upon its acceptance by the public.

The attached materials have not been audited and are not consistent with GAAP.

Burned Out
FINANCIAL ANALYSIS

Finance Plan - Split Rights

US\$000's

Sources

Presale Loan	3,150	30%
Tax Credit Loan	1,575	15%
Equity	5,775	55%

Gross Production Budget	<u>10,500</u>
-------------------------	---------------

Takes - Base Case	6,300	60%
Presales	3,150	
Tax Credit	2,100	20%

Burned Out
FINANCIAL ANALYSIS

Comparable Film Analysis/Box Office Projection

In US\$ 000

Drama, production cost \$5-15mm - 2016 to 2022 ex 2020, 2021

	US BO / Neg	
	Cost	IBO/DBO
Top Third	3.70	0.72
Middle Third	1.28	0.90
Bottom Third	0.29	0.98

Burned Out
FINANCIAL ANALYSIS

Title	Genre	Year	Neg Cost	Domestic Box Office	Int'l Box Office	Total Box Office	DBO/Neg Cost	IBO/DBO
Downton Abbey	Drama	2019	13,000	96,854	95,240	192,094	7.45	0.98
Miracles from Heaven	Drama	2016	13,000	61,705	12,178	73,883	4.75	0.20
Three Billboards Outside Ebbing, Missouri	Drama	2017	12,000	54,514	104,696	159,210	4.54	1.92
Lion	Drama	2016	12,000	51,729	88,574	140,303	4.31	1.71
BlacKkKlansman	Drama	2018	15,000	49,275	44,125	93,400	3.29	0.90
Manchester by the Sea	Drama	2016	8,500	47,695	14,587	62,282	5.61	0.31
Five Feet Apart	Drama	2019	7,000	45,729	45,793	91,522	6.53	1.00
Breakthrough	Drama	2019	14,000	40,713	9,731	50,444	2.91	0.24
Overcomer	Drama	2019	5,000	34,747	3,279	38,026	6.95	0.09
The Favourite	Drama	2018	15,000	34,367	61,551	95,918	2.29	1.79
Everything, Everything	Drama	2017	10,000	34,121	27,500	61,621	3.41	0.81
Wind River	Drama	2017	11,000	33,801	10,116	43,917	3.07	0.30
When the Bough Breaks	Drama	2016	10,000	29,748	911	30,658	2.97	0.03
Moonlight (2016)	Drama	2016	5,000	27,855	25,490	53,345	5.57	0.92
Hell or High Water	Drama	2016	12,000	27,008	7,985	34,993	2.25	0.30
Gifted	Drama	2017	7,000	24,801	18,000	42,801	3.54	0.73
The Disaster Artist	Drama	2017	10,000	21,099	8,700	29,799	2.11	0.41
Proud Mary	Drama	2018	14,000	20,877	876	21,753	1.49	0.04
God's Not Dead 2	Drama	2016	5,000	20,775	2,675	23,450	4.15	0.13
The Peanut Butter Falcon	Drama	2019	6,200	20,457	2,327	22,784	3.30	0.11
Unplanned	Drama	2019	6,000	19,005	2,046	21,051	3.17	0.11
The Choice	Drama	2016	10,000	18,731	4,333	23,064	1.87	0.23
Eye in the Sky	Drama	2016	13,000	18,705	16,555	35,260	1.44	0.89
Paul, Apostle of Christ	Drama	2018	5,000	17,560	5,462	23,023	3.51	0.31
The Whale	Drama	2022	10,000	17,453	36,076	53,529	1.75	2.07
The Good Liar	Drama	2019	10,000	17,040	16,700	33,740	1.70	0.98
The Birth of a Nation	Drama	2016	8,500	15,862	918	16,780	1.87	0.06
Miss Bala	Drama	2019	15,000	15,007	377	15,384	1.00	0.03
If Beale Street Could Talk	Drama	2018	12,000	14,916	5,657	20,573	1.24	0.38
Whiplash	Drama	2014	3,300	14,003	36,348	50,351	4.24	2.60
Jackie	Drama	2016	9,000	13,960	9,710	23,670	1.55	0.70
Before I Fall	Drama	2017	5,000	12,241	4,132	16,373	2.45	0.34
After	Drama	2019	14,000	12,139	57,359	69,498	0.87	4.73
Unforgettable (2017)	Drama	2017	12,000	11,368	6,400	17,768	0.95	0.56
The Beguiled (2017)	Drama	2017	10,000	10,577	16,700	27,277	1.06	1.58
The Best of Enemies	Drama	2019	10,000	10,206	4	10,210	1.02	0.00
Marshall	Drama	2017	12,000	10,051	65	10,116	0.84	0.01
Thank You for Your Service (2017)	Drama	2017	12,000	9,536	459	9,995	0.79	0.05
Can You Ever Forgive Me?	Drama	2018	10,000	8,804	3,638	12,442	0.88	0.41
Loving	Drama	2016	9,000	7,710	298	8,008	0.86	0.04
Same Kind of Different as Me	Drama	2017	6,500	6,424	-	6,424	0.99	0.00
Maudie	Drama	2017	5,600	6,171	3,562	9,733	1.10	0.58
Captain Fantastic	Drama	2016	5,000	5,880	8,985	14,865	1.18	1.53
20th Century Women	Drama	2016	7,000	5,665	4,797	10,461	0.81	0.85
Bleed for This	Drama	2016	6,000	5,084	1,040	6,124	0.85	0.20
Gotti	Drama	2018	10,000	4,343	2,069	6,412	0.43	0.48
The Book of Henry	Drama	2017	10,000	4,288	91	4,379	0.43	0.02
Life Itself (2018)	Drama	2018	10,000	4,103	3,688	7,790	0.41	0.90
Denial	Drama	2016	10,000	4,073	2,129	6,202	0.41	0.52
A United Kingdom	Drama	2017	14,000	3,902	9,917	13,819	0.28	2.54
The Man Who Knew Infinity	Drama	2016	10,000	3,867	8,291	12,158	0.39	2.14
Ben is Back	Drama	2018	13,000	3,703	6,245	9,948	0.28	1.69
Disobedience	Drama	2018	6,000	3,499	4,326	7,825	0.58	1.24
Thoroughbreds	Drama	2018	5,000	3,073	2,112	5,185	0.61	0.69
Anthropoid	Drama	2016	9,000	2,965	113	3,078	0.33	0.04
God Bless the Broken Road	Drama	2018	7,700	2,846	2	2,848	0.37	0.00
Demolition	Drama	2016	10,000	1,979	2,387	4,366	0.20	1.21
A Quiet Passion	Drama	2017	7,300	1,865	1,940	3,805	0.26	1.04
I Saw the Light	Drama	2016	13,000	1,647	121	1,768	0.13	0.07
Churchill	Drama	2017	10,000	1,281	5,443	6,724	0.13	4.25
Lean on Pete	Drama	2018	8,000	1,163	1,275	2,438	0.15	1.10
Wonderstruck	Drama	2017	7,000	1,060	2,221	3,281	0.15	2.10
Mr. Church	Drama	2016	8,000	686	-	686	0.09	0.00
Born to be Blue	Drama	2016	8,500	678	723	1,401	0.08	1.07
American Pastoral	Drama	2016	10,000	544	1,519	2,063	0.05	2.79

	No. of Films	Avg. Budget	Avg. USBO	Avg. IBO	USBO to Neg Cost	IBO/DBO
Top Third	22	10,032	37,073	26,851	3.70	0.72
Middle Third	22	9,268	11,876	10,646	1.28	0.90
Bottom Third	21	9,167	2,698	2,650	0.29	0.98

Burned Out
FINANCIAL ANALYSIS

At Source Ultimates

US\$000's

	Low Case	Base Case	Upside Case	
US Box Office	\$3,000	\$13,400	\$38,900	
International Box Office	\$3,000	\$12,100	\$28,000	
US Theatrical Revenue	1,370	6,048	18,260	
US P&A Costs	(8,450)	(11,300)	(19,880)	
US Theatrical Contribution	<u>(7,080)</u>	<u>(5,252)</u>	<u>(1,621)</u>	
US Non-Theatrical Revenue	91	403	1,166	
US Home Video Revenue (EST, TVOD, physical)	3,605	7,400	12,100	
US Home Video Costs	(790)	(1,710)	(2,920)	
US Home Video Contribution	<u>2,815</u>	<u>5,690</u>	<u>9,180</u>	
US TV, SVOD and AVOD	2,488	9,711	18,840	
US Distribution Fees	(1,133)	(3,534)	(7,555)	15.0%
US Residuals & Misc. Costs	(430)	(1,490)	(2,900)	
US Overages	0	5,528	17,110	
Company Share of US Overages	0	5,528	17,110	100.0%
Int'l MG's (net of deposits)	4,725	6,300	7,308	
Int'l Overages	0	0	0	
Sales Agency Fees	(236)	(315)	(365)	5.0%
Int'l Residuals	(425)	(567)	(658)	
CAM Fees + WH Taxes	(47)	(63)	(73)	1.0%
Net Int'l Contribution	<u>4,016</u>	<u>5,355</u>	<u>6,212</u>	
Tax Credit Receipts	2,100	2,100	2,100	
WW Net Receipts/Avail for Senior Loan Repayment	<u>6,116</u>	<u>12,983</u>	<u>25,422</u>	
Production Loan Repayment	(4,725)	(4,725)	(4,725)	
Available for Equity Recoupment	<u>1,391</u>	<u>8,258</u>	<u>20,697</u>	
Equity Recoupment up to 120%	(1,391)	(6,930)	(6,930)	100.0%
Available for Net Profits	0	1,328	13,767	120.0%
Equity Share of Profits	0	664	6,884	50.0%
Producer/Talent Share of Profits	0	664	6,884	50.0%
<i>Undiscounted ROI excluding library value</i>	24.1%	131.5%	239.2%	
<i>IRR excluding library value</i>	-75.9%	16.0%	66.3%	
Int'l MGs to Production Budget	45%	60%	70%	

Burned Out
FINANCIAL ANALYSIS

Base Annual Case Cash Flow

US\$000's	\$13,440	Ultimates	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Thereafter
US Box Office			0	6,048	0	0	0	0	0	0
US Theatrical Revenue	6,048		0	403	0	0	0	0	0	0
US Non-Theatrical	403		0	7,400	1,110	148	148	74	0	0
US Home Video Revenue (EST, TVOD, physical)	7,400		0	9,711	0	7,748	648	648	216	236
US TV, SVOD and AVOD	9,711									
US Receipts	23,562		0	12,371	8,858	796	796	290	216	236
US Distribution Fees	(3,534)	15.0%	0	(1,856)	(1,329)	(119)	(119)	(43)	(32)	(35)
US Recoupment of Distribution Costs	(14,500)		0	(10,516)	(3,696)	(103)	(103)	(42)	(19)	(21)
US Overages	5,528		0	0	3,833	573	573	204	165	180
Company Share of US Overages	5,528	100.0%	0	0	3,833	573	573	204	165	180
Int'l MG's (net of deposits)	6,300		0	6,300	0	0	0	0	0	0
Int'l Overages	0		0	0	0	0	0	0	0	0
Sales Agency Fee	(315)	5.0%	0	(315)	0	0	0	0	0	0
Int'l Residuals	(567)		0	(567)	0	0	0	0	0	0
CAM Fees + WH Taxes	(63)	1.0%	0	(63)	0	0	0	0	0	0
Net Int'l Contribution	5,355		0	5,355	0	0	0	0	0	0
Tax Credit Receipts	2,100		0	2,100	0	0	0	0	0	0
WW Net Receipts /Available for Loan Repayment	12,983		0	7,455	3,833	573	573	204	165	180
Production Loans Repayment	(4,725)		0	(4,725)	0	0	0	0	0	0
Available for Equity Recoupment	8,258		0	2,730	3,833	573	573	204	165	180
Equity Recoupment	(6,930)	100.0%	0	(2,730)	(3,833)	(367)	0	0	0	0
Available for Net Profits	1,328		0	0	0	206	573	204	165	180
Equity Share of Net Profits	664	50%	0	0	0	103	286	102	82	90
Producer/Talent Share of Net Profits	664	50%	0	0	0	103	286	102	82	90
Equity Net Cash Flow	1,819		(5,775)	2,730	3,833	470	286	102	82	90
<i>Undiscounted ROI excluding library value</i>	131.5%									
<i>IRR excluding library value</i>	16.0%									

Burned Out
FINANCIAL ANALYSIS

Upside Annual Case Cash Flow

US\$000's			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Thereafter
US Box Office	\$38,850									
		Ultimates								
US Theatrical Revenue	18,260		0	18,260	0	0	0	0	0	0
US Non-Theatrical	1,166		0	1,166	0	0	0	0	0	0
US Home Video Revenue (EST, TVOD, physical)	12,100		0	9,680	1,815	242	242	121	0	0
US TV, SVOD and AVOD	18,840		0	0	13,820	1,657	1,657	552	552	602
US Receipts	50,365		0	29,105	15,635	1,899	1,899	673	552	602
US Distribution Fees	(7,555)	15.0%	0	(4,366)	(2,345)	(285)	(285)	(101)	(83)	(90)
US Recoupment of Distribution Costs	(25,700)		0	(23,123)	(1,903)	(236)	(236)	(92)	(52)	(56)
US Overages/(Unrecouped)	17,110		0	1,616	11,386	1,377	1,377	480	418	456
Company Share of US Overages	17,110	100.0%	0	1,616	11,386	1,377	1,377	480	418	456
Int'l MG's (net of deposits)	7,308		0	7,308	0	0	0	0	0	0
Int'l Overages	0		0	0	0	0	0	0	0	0
Sales Agency Fee	(365)	5.0%	0	(365)	0	0	0	0	0	0
Int'l Residuals	(658)		0	(658)	0	0	0	0	0	0
CAM Fees + WH Taxes	(73)	1.0%	0	(73)	0	0	0	0	0	0
Net Int'l Contribution	6,212		0	6,212	0	0	0	0	0	0
Tax Credit Receipts	2,100		0	2,100	0	0	0	0	0	0
WW Net Receipts /Available for Loan Repayment	25,422		0	9,928	11,386	1,377	1,377	480	418	456
Production Loans Repayment	(4,725)		0	(4,725)	0	0	0	0	0	0
Available for Equity Recoupment	20,697		0	5,203	11,386	1,377	1,377	480	418	456
Equity Recoupment	(6,930)	100.0%	0	(5,203)	(1,727)	0	0	0	0	0
Available for Net Profits	13,767		0	0	9,659	1,377	1,377	480	418	456
Equity Share of Net Profits	6,884	50%	0	0	4,830	689	689	240	209	228
Producer/Talent Share of Net Profits	6,884	50%	0	0	4,830	689	689	240	209	228
Equity Net Cash Flow	8,039		(5,775)	5,203	6,557	689	689	240	209	228
<i>Undiscounted ROI excluding library value</i>	239.2%									
<i>IRR excluding library value</i>	66.3%									

Burned Out
FINANCIAL ANALYSIS

Low Annual Case Cash Flow

US\$000's			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Thereafter
US Box Office	\$3,045	<u>Ultimates</u>								
US Theatrical Revenue	1,370		0	1,370	0	0	0	0	0	0
US Non-Theatrical	91		0	91	0	0	0	0	0	0
US Home Video Revenue (EST, TVOD, physical)	3,605		0	2,884	541	72	72	36	0	0
US TV, SVOD and AVOD	2,488		0	0	2,208	92	92	31	31	34
US Receipts	7,555		0	4,346	2,749	165	165	67	31	34
US Distribution Fees	(1,133)	15.0%	0	(652)	(412)	(25)	(25)	(10)	(5)	(5)
US Recoupment of Distribution Costs	(6,421)		0	(3,694)	(2,336)	(140)	(140)	(57)	(26)	(29)
US Overages/(Unrecouped)	0		0	0	0	0	0	0	0	0
Company Share of US Overages	0	100.0%	0	0	0	0	0	0	0	0
Int'l MG's (net of deposits)	4,725		0	4,725	0	0	0	0	0	0
Int'l Overages	0		0	0	0	0	0	0	0	0
Sales Agency Fee	(236)	5.0%	0	(236)	0	0	0	0	0	0
Int'l Residuals	(425)		0	(425)	0	0	0	0	0	0
CAM Fees + WH Taxes	(47)	1.0%	0	(47)	0	0	0	0	0	0
Net Int'l Contribution	4,016		0	4,016	0	0	0	0	0	0
Tax Credit Receipts	2,100		0	2,100	0	0	0	0	0	0
WW Net Receipts /Available for Loan Repayment	6,116		0	6,116	0	0	0	0	0	0
Production Loans Repayment	(4,725)		0	(4,725)	0	0	0	0	0	0
Available for Equity Recoupment	1,391		0	1,391	0	0	0	0	0	0
Equity Recoupment	(1,391)	100.0%	0	(1,391)	0	0	0	0	0	0
Available for Net Profits	0		0	0	0	0	0	0	0	0
Equity Share of Net Profits	0	50%	0	0	0	0	0	0	0	0
Producer/Talent Share of Net Profits	0	50%	0	0	0	0	0	0	0	0
Equity Net Cash Flow	(4,384)		(5,775)	1,391	0	0	0	0	0	0
<i>Undiscounted ROI excluding library value</i>	24.1%									
<i>IRR excluding library value</i>	-75.9%									

Burned Out
FINANCIAL ANALYSIS

Split Rights & Mini Major - Overages Calculation - Aggregate of All Sub-distributors

US\$000's

Domestic Box Office	\$3,000	\$13,400	\$38,900	
International Box Office	3,000	12,100	28,000	
Int'l Theatrical Rentals	1,200	5,000	11,500	
Int'l Theatrical P&A	(3,390)	(7,600)	(13,090)	
Int'l Theatrical Contribution	(2,190)	(2,600)	(1,590)	
Int'l Home Video Revenue - Royalty	475	900	1,300	25.0%
Int'l Home Video Costs	0	0	0	
Int'l Home Video Contribution	475	900	1,300	
Int'l TV (incl VOD)	3,000	6,240	9,680	
Distribution Fee - Theatrical & TV	(1,050)	(2,810)	(5,295)	25.0%
Amount Avail to Recoup MG	235	1,730	4,095	
Presales (less: Deposits)	3,150	3,150	3,150	
Remaining Estimates	1,575	3,150	4,158	
Total Int'l MGs	4,725	6,300	7,308	
Intl Overages	0	0	0	
% of Remaining Takes Earned	50%	100%	132%	
Int'l MGs % of Production Cost	45%	60%	70%	
MG's net of deposits	4,725	6,300	7,308	
Takes	6,300			
Gross Presales	3,150			
Gross Deposits	0			
Remaining Takes	3,150			
Production Cost	10,500			