

BAGEL BOY - FINANCE PLAN

STRATEGY

We plan to finance Bagel Boy through private equity, with additional funding to close the remaining gap. We are looking for partners who connect with the story, see its potential to reach audiences locally and internationally, and recognise the value of its important, impactful message on antisemitism.

Unfortunately, we applied to 3 South African Government Film Funds and were rejected by all. This is not surprising, with South Africa's current foreign policy towards Israel most likely affecting the outcome of our funding, even though the film is apolitical and about discrimination.

PRODUCTION BUDGET

Our current production budget is R8 150 000 excluding VAT (\$500 000) and R9 372 500 including VAT (\$575 000). This may seem low for a feature film; however, we have worked on other films for far less, and South Africa is renowned for its production quality (doing a lot with a little), skilled crews, and beautiful locations.

The funding breakdown below uses the budget including VAT.

PROPOSED FUNDING BREAKDOWN

Funding source	ZAR	USD	%	Status
Private investment	6 092 125	373 750	65	TBC
Department of Trade, Industry and Competition Film Rebate	3 280 375	201 250	35	Pending Application in Principal Photography
Total production finance	9 372 500	575 000	100	Budget target

RECOUPMENT AND RETURNS

As we did with our South African Film and TV Award-winning documentary *I Am Here*, which was also a Jewish South African story, we plan to generate revenue through international sales, territory by territory. We will also pursue a local, South African theatrical release, as well as a limited United States theatrical release. We will target the Jewish film festival circuit to raise the film's profile worldwide, then focus on broadcast and streaming sales and paid screenings at synagogues and Jewish community centres.

Our proposed structure gives investors first priority in the recoupment waterfall until they have recovered 100% of their investment from available film revenues. Thereafter, investors and producers would participate *pari passu* in net profits, in agreed proportions. Final terms, including any permitted deductions before recoupment, remain open to negotiation.