PRESS RELEASE

EuropaCorp announces the unanimous approval of the draft safeguard plan by the creditors' committees and the support of its shareholders Front Line and Luc Besson for the Company's restructuring plan

Saint-Denis, February 28, 2020 – In the context of the meetings held today upon convening by SELARL FHB represented by Ms. Hélène Bourbouloux and SCP Brignier represented by Mr. Patrice Brignier, acting as judicial administrators appointed by the Commercial Court of Bobigny by judgments dated May 13, 2019 on behalf of EuropaCorp S.A. and October 17, 2019 on behalf of EuropaCorp Films USA, Inc., respectively, the Company announces that:

- the committee of credit institutions and similar institutions of EuropaCorp S.A., by unanimity of the votes cast;
- the suppliers committee of EuropaCorp S.A. by unanimity of the votes cast;
- the committee of credit institutions and similar institutions of EuropaCorp Films USA, Inc., by unanimity of the votes cast;

approved the draft safeguard plan, the main terms and conditions of which are set forth in the attached presentation named '"*Presentation of the Financial Restructuring Plan*" which also presents certain information relating to the Company's business plan.

The Board of Directors of EuropaCorp S.A. (the Board) has approved the draft safeguard plan.

The resolutions necessary for the implementation of the safeguard plan will be put to a vote of the Company's shareholders' meeting, which will be convened in the coming weeks.

The draft safeguard plan notably provides for the equitization of all of the receivables held by Vine funds ultimately managed or advised by Vine Alternative Investments Group, LLC (Vine) and Falcon Strategic Partners IV, LP (Falcon)[1] against EuropaCorp S.A.. They would as a result hold respectively 60.15% and 6.29% of the share capital of EuropaCorp while the current shareholders would still represent 33.56% of the share capital of the Company. Vine would enter into a shareholders agreement with Mr. Luc Besson (including his holding company, Front Line)[2], qualifying as a concerted action taking effect as from the completion of the equitization of the claims.

Following the positive votes of the creditors' committees on the draft safeguard plan, Front Line and Mr. Luc Besson will vote in favour of all such resolutions shareholders' general meeting resolutions

[1] Managed by Falcon Strategic Investments IV, LP, itself managed by Falcon Strategic Investments GP IV, LLC
[2] To date, the heirs of Mr. Christophe Lambert (including Lambert Capital B.V.) do not contemplate to adhere to the shareholders' agreement to be entered into by Mr. Luc Besson Front Line and Vine and join the concerted action resulting therefrom.

necessary for the implementation of the plan. Front Line and Mr. Luc Besson hold at the date of this press release approximately 31.58% of the Company's share capital and 31.63% of the voting rights.

The implementation of the draft safeguard plan remains also subject to the fulfilment of certain conditions precedent, notably, (i) obtaining a waiver from the *Autorité des marchés financiers* (*AMF*) (pursuant to articles 234-7 and 234-9, 2° of the AMF general regulations), cleared of any claims, confirming the absence of an obligation to file a public tender offer as a result of the transactions contemplated by the draft safeguard plan (including the equitization and the concerted action referred to above), (ii) obtaining the visa by the AMF on the prospectus established by the Company for the purpose of the equitization contemplated by the aforementioned plan, (iii) obtaining required authorizations with respect to anti-trust regulation and (iv) the approval of the draft safeguard plan by the Commercial Court of Bobigny, as well as the approval of the draft safeguard plan of the other subsidiaries of the Group on terms consistent with the safeguard plan.

As part of the safeguard procedure, the Company has obtained an extension of its observation period until May 13, 2020, from the Commercial Court of Bobigny.

ABOUT EUROPACORP

Founded in 1999, EuropaCorp has grown to become the leading film and series production studio in Europe.
The Group's international activities cover the entire film value chain with expertise in production, theatrical distribution, international sales, TV, video & VOD, and music publishing. By directly managing the production and distribution processes, EuropaCorp is able to ensure creativity and quality throughout the lifecycle of its films and television projects. The Group has produced or co-produced more than 110 films and has distributed nearly 160 of them in French cinemas. Since 1999, it has produced 10 of the 20 biggest French hits internationally and 22 films among the 70 French productions with the most international admissions (source: Le film français – May 17, 2019). The Group has also been active since 2010 in the production of TV series and single titles for platforms worldwide.
EuropaCorp was created by the director, screenwriter and producer Luc Besson.
More information on www.europacorp.com

Contacts

Groupe EuropaCorp
Lisa Reynaud | Investor Relations | investors@europacorp.com
Régis Lefèbvre | Communication | rlefebvre@europacorp.com
Tel: 01 55 99 50 00

NewCap
Pierre Laurent | NewCap
plaurent@newcap.fr | Tel: 01 44 71 94 94

EuropaCorp is listed on the C Compartment of Euronext Paris
ISIN Code: FR0010490920 – MNEMO Code: ECP

Main economic terms of the draft safeguard plan

Pursuant to the provisions of Article L. 626-2 of the French Commercial Code, the draft safeguard plan prepared by the Company, with the assistance of Ms. Hélène Bourbouloux and Mr. Patrice Brignier:

- sets out the prospects for recovery according to the possibilities and modalities of activities, market conditions and available means of financing; and
- defines the terms and conditions for the settlement of liabilities and guarantees, if any, that the Company must subscribe in order to ensure their execution.

The safeguard plan prepared by the Company plans to settle its liabilities and finance the Group's future activities through:

1. Repayment of the debt resulting from the senior credit facility granted by a group of French and American banks, for an amount of approximately € 85.6[3] million in principal and interest, over seven years, by EuropaCorp S.A. through the activation of its guarantee of EuropaCorp Films USA, Inc.'s undertakings and in accordance with the provisions of the latter's draft safeguard plan. The repayment profile of the senior loan is as follows;

Year	1	2	3	4	5	6	7
% repayment	34.0%	11.8%	10.6%	6.7%	12.4%	12.4%	12.1%

2. Equitization of the entire debt resulting from the Participation Agreement, amounting to approximately USD 86.5[3] million (held at 63% by Vine funds ultimately managed or advised by Vine Alternative Investments Group, LLC (Vine) and 37% by Falcon Strategic Partners IV, LP (Falcon)[4]) through a first reserved share capital increase of EuropaCorp S.A. issuing 20,757,379 EuropaCorp S.A. shares at a price of c.€3.72[3] per share, representing approx. 17.00% of the outstanding share capital of the Company (after completion of the two reserved share capital increases);

3. Equitization of the entire debt resulting from the Second Lien credit facility that has become due at EuropaCorp S.A.'s level through the exercise of its guarantee of the undertakings of EuropaCorp Films USA, Inc., and in accordance with the provisions of the draft safeguard plan of the latter, of an amount of approximately USD 128.6[3] million in principal, interest and accessories (held at 100% by funds managed by Vine Alternative Investments Group, LLC (Vine)) through a second reserved share capital increase issuing 60,367,343 EuropaCorp S.A. shares at a price of approximately €1.99[3] per share, representing approx. 49.44% of the outstanding share capital of the Company (after completion of the two reserved share capital increases);

4. Under the draft safeguard plan, EuropaCorp S.A. existing shareholders will retain approximately 33.56% of the outstanding share capital of the Company (after completion

[3] Amount to be finalized as per the outcome of the validation and liability inclusion process by the *juge commissaire*
[4] Managed by Falcon Strategic IV, LP, itself managed by Falcon Strategic Investments GP IV, LLC

of the two reserved share capital increases), it being specified that, amongst such shareholders (i) Mr. Luc Besson and Front Line shall hold together approximately 10.6% of the share capital, (ii) the heirs of Mr. Christophe Lambert and Lambert Capital BV shall hold together approximately 2.40% of the share capital and (iii) FF Motion Invest (Fundamental Films) shall hold approximately 9.36% of the share capital. Vine will become the controlling shareholder with approximately 60.15% of the outstanding share capital of the Company (after completion of the two reserved share capital increases), it being provided that the new concert formed by Mr. Luc Besson (including his holding company Front Line) and Vine shall own approximately 70.75% of the share capital. The shareholding structure of the Company (before and after the completion of the reserved share capital increases) is set forth in the attached *"Presentation of the financial restructuring plan*";

5. A new 100 million dollars financing to ensure the production of future films and, as the case may be, the financing of working capital requirements, secured by the new films to be produced, will also be set up by Vine funds[5];

6. The partial termination of the current lease for the premises of the *Cité du Cinéma*, as well as (i) the payment of the outstanding rents prior to the opening of the safeguard proceeding of EuropaCorp, of an amount of approximately €10.6 million within the month following the date of the judgment of the Commercial Court approving the safeguard plan and (ii) the payment over seven years of a termination indemnity equal to one-year rent excluding charges, in proportion to the abandoned premises, *i.e.* an amount of approximately €5.6 million and (iii) the implementation of a better fortune clause in favour of the lessor, in the amount of €10 million, to the extent that the loss ultimately suffered by Nef Lumière would be at least equal to this sum (the compensation would be lower if the loss turned out to be lower), payable at the end of the safeguard plan if and only if Vine were to sell the shares subscribed as part of the equitization of its debts under the Second Lien credit facility and the Participation Agreement and that this sale would generate an amount for Vine in excess of €181 million;

7. The amendment of the lease for the premises of the *Cité du Cinéma*, notably reducing the leased area (from 18,000 to 5,200 square meters);

8. The payment of debts of beneficial owners for a total amount of €8.3 million over a six-year period;

9. Payment to other EuropaCorp S.A. suppliers totaling €2.2 million, on a uniform basis over seven years; and

10. The settlement of the EuropaCorp group liabilities through:

    - the settlement of approximately €82 million worth of liabilities of the Company towards the other group subsidiaries generated by the crystallization of the cash pooling as at the date of opening of the safeguard proceeding;

[5] Managed by Falcon Strategic Investments IV, LP, itself managed by Falcon Strategic Investments GP IV, LLC

- the support of other group subsidiaries and the financing by the Company of the other companies subject to safeguard proceedings (for an aggregate amount of €3 million), so that the other companies subject to safeguard proceedings may settle their liabilities towards third parties (*i.e.* €5.6 million);

- the reimbursement of the shareholder loans granted to the companies subject to safeguard proceedings (after settlement of their third party liabilities) by way of (i) if applicable, set-off with the receivable held by such companies over the Company as a result of the crystallization of the cash pooling, and/or (ii) payment in cash. If the available cash of the relevant company subject to safeguard proceedings does not allow it to reimburse in cash its debt towards the Company, the balance of such debt shall be reimbursed by way of equitization;

- the completion of transfers of all assets and liabilities *(transmission universelle de patrimoine)* by those group companies having no material operations, in order to reduce the operating costs of the structure.

Treatment of existing shareholders

1. All existing shareholders will be diluted in the same proportion in the context of the share capital increases reserved for Vine[6] and Falcon[7] provided for in the safeguard plan described above. The shareholding structure of the Company (before and after the completion of the reserved share capital increases) is set forth in the attached *"Presentation of the financial restructuring plan*".

2. Shareholders will be asked to vote on the share capital increases in favour of Vine and Falcon. Front Line and Mr. Luc Besson will vote in favour of all the resolutions necessary for the implementation of the safeguard plan.

3. An independent expert, Associés en Finance, has been appointed by the Board of EuropaCorp, upon proposal of an ad hoc committee comprising 3 independent directors, in accordance with the provisions of article 261-3 of the general regulations of the AMF to assess the fairness of the proposed restructuring for the existing shareholders.

4. A prospectus cleared by the AMF will be made available to the shareholders at least 15 days prior to the date of the general meeting of shareholders (called to vote on the contemplated reserved share capital increases).

5. Mr. Luc Besson (including his holding company Front Line) and Vine will enter into a shareholders' agreement qualifying as a concerted action[8]. This agreement will take effect on the date of completion of the share capital increases in favour of Vine and Falcon and will provide, in particular, for governance rules and joint exit mechanisms (which are fully described in the "*Presentation of the Financial Restructuring Plan*" attached hereto).

6. Mr. Luc Besson will be the artistic director of EuropaCorp and will enter into a services agreement with an exclusivity provision for a period of five years (with the possibility for an additional two-year extension) under terms and conditions which are further detailed in the attached presentation.

7. According to the contemplated indicative calendar, the safeguard plan should be adopted by the Commercial Court of Bobigny beginning of May 2020 (subject to the completion of the various conditions precedents provided for by the safeguard plan) and the reserved share capital increases should be realized within the following weeks.

[6] Funds ultimately advised or managed by Vine Alternative Investments Group, LLC
[7] Managed by Falcon Strategic Investments IV, LP, itself managed by Falcon Strategic Investments GP IV, LLC
[8] To date, the heirs of Mr. Lambert (including Lambert Capital B.V.) do not intend to adhere to the shareholders' agreement to be entered into by Mr. Luc Besson, Front Line and Vine and as a result join the concerted action resulting therefrom

Presentation of the Financial Restructuring Plan

February 28, 2020

Disclaimer

- This presentation has been prepared by EuropaCorp SA (" EuropaCorp" or "the Company") in the context of negotiations led by EuropaCorp (with the support of its principal shareholder and certain of its creditors) regarding a possible restructuring plan and solely for this purpose. The object is to present the main terms of the safeguard plan and to present in particular certain information related to the business plan of the Company, in order to comply with the obligation of financial communication to the market of insider information exchanged during the discussions related to the drafting of the safeguard plan.

- This document contains forward-looking statements, including certain key financial indicators of EuropaCorp, which are subject to risks and uncertainties.

- This forward-looking information is subject to numerous factors (including market factors and the commercial success of films) and could therefore change at any time, and accordingly, the actual results of EuropaCorp could differ materially from those presented in such forward-looking information. The elements of the business plan are based in particular on assumptions made by the company and on estimates of the market environment. Although EuropaCorp believes that the business plan elements presented in this document are based on reasonable assumptions as to their occurrence, it is very difficult to predict the impact of certain factors and it is impossible to anticipate all factors that could affect the financial projections.

- The forward-looking information contained in this presentation is based on information available for EuropaCorp as of the date of this presentation and is given only as of that date. Important factors that could cause actual results to differ materially from the Company's objectives include, but are not limited to, (i) the ability to implement the restructuring plan described herein, (ii) risks related to the film industry and, in particular, the randomness of commercial success of films and their impact on revenues, (iii) the increase in the costs of executing the restructuring, and (iv) the risks set forth in its periodic reports and financial statements filed with the AMF (see in particular chapter 4 of the 2018/2019 Reference Document filed on July 19, 2019 under number D.19-0717). Except as required by law or regulation, EuropaCorp does not undertake to modify or revise any of this forward-looking information to reflect events or circumstances after the date of this presentation, or to reflect the occurrence of unanticipated events. The Company operates in a highly competitive and fast-changing industry and may not be able to anticipate all of the risks, uncertainties or other factors that may affect its business, their potential impact on its business or the extent to which the materialization of a risk or combination of risks could cause results to differ materially from those expressed in any forward-looking information, and none of this forward-looking information constitutes a guarantee of actual results.

- Investors are therefore invited to take into account the fact that this forward-looking information prepared in the context of and for the purposes of drawing up the restructuring plan should not be interpreted as guarantees that the facts and data stated will occur, as the latter are likely to change due to uncertainties linked in particular to the economic, financial, competitive and regulatory environment, which could lead to results that differ substantially from those described, whether induced or anticipated.

Summary

Reminder of strategic objectives

6-year Business Plan

Financial restructuring plan

Reminder of the strategic objectives (1/2)

As previously indicated by the Company, the Group's strategy is primarily to refocus on its core business, namely:

- the production/distribution of English-language feature films with 2 films per year,
- the production/distribution of French-language feature films, with 1 film per year,
- the production or co-production of English-language television series,

It is these fundamentals that have made the success of EuropaCorp.

Furthermore, as it has indicated, the company no longer wishes to assume the risk of distributing its films in the United States and wishes to revert to distribution agreements with third parties as in the past.

Reminder of the strategic objectives (2/2)

Restructure the debts within the framework of the safeguard procedure opened since May 13, 2019, in order to negotiate the terms of a reorganization of the Group's financial situation.

Continue to reduce overheads with an objective of a maximum of €20m overheads per year as from the 2020/21 financial year

Produce:

- "action / sci-fi" genre films with a controlled budget, covered by significant pre-financing, with a strong involvement of Luc Besson (scriptwriter, director and/or producer).
- English-language TV series with strong international potential, such as *Taken*

Summary

Reminder of strategic objectives

6-year Business Plan

Financial restructuring plan

Business Plan (1/2)

- The business plan assumes (i) that there will be no new releases of films produced by EuropaCorp in 2020/21 financial year and (ii) that from 2021/22 financial year, 3 films per year will be distributed.
- Overheads should be reduced to a maximum of €20m from the next financial year, following recent actions to reduce fixed costs and in particular the renegotiation of the terms of the *Cité du Cinéma* lease
- Reduced interest expense by more than €14 million per year as a result of the conversion of second rank debt into equity
- Conversion into equity of second and third rank debt for an amount in face value equivalent to approximately €190 million against 66.44% of the outstanding share capital (following completion of the two reserved share capital increases),existing shareholders keeping the remaining 33.56%

Note: the amounts of the second and third lien claims are still to be finalized depending on the outcome of the verification of claims process and the admission of such claims as balance sheet liabilities of the Company by the *juge-commissaire*

Business plan (2/2): financial objectives

Exercices clos le 31/03 (m€)	2021	2022	2023	2024	2025	2026
Chiffres d'affaires	46,8	146,3	168,8	164,5	159	158,5
EBITDA	18,2	115	139	133,8	128,9	128,5
EBIT	-21,8	44,8	43,2	34,4	24	30,3
Résultat net	-32,6	29,8	33,6	27,5	18,6	24,4

As announced in the press release dated December 13, 2019, the 2019/2020 fiscal year will result in a negative income.

If the $45m debt currently recorded as an off balance sheet commitment were to be accounted for, for the purposes of the equitization of the Participation Deal for an amount of $86.5[1]m, as an non-recurring cost for the fiscal year ending on 31 March 2021, the amount of net income would be impacted accordingly.

Accounting impacts from restructuring are still being analyzed.

Note 1: Amount to be finalized as per the outcome of the validation and liability inclusion process by the *juge-commissaire*

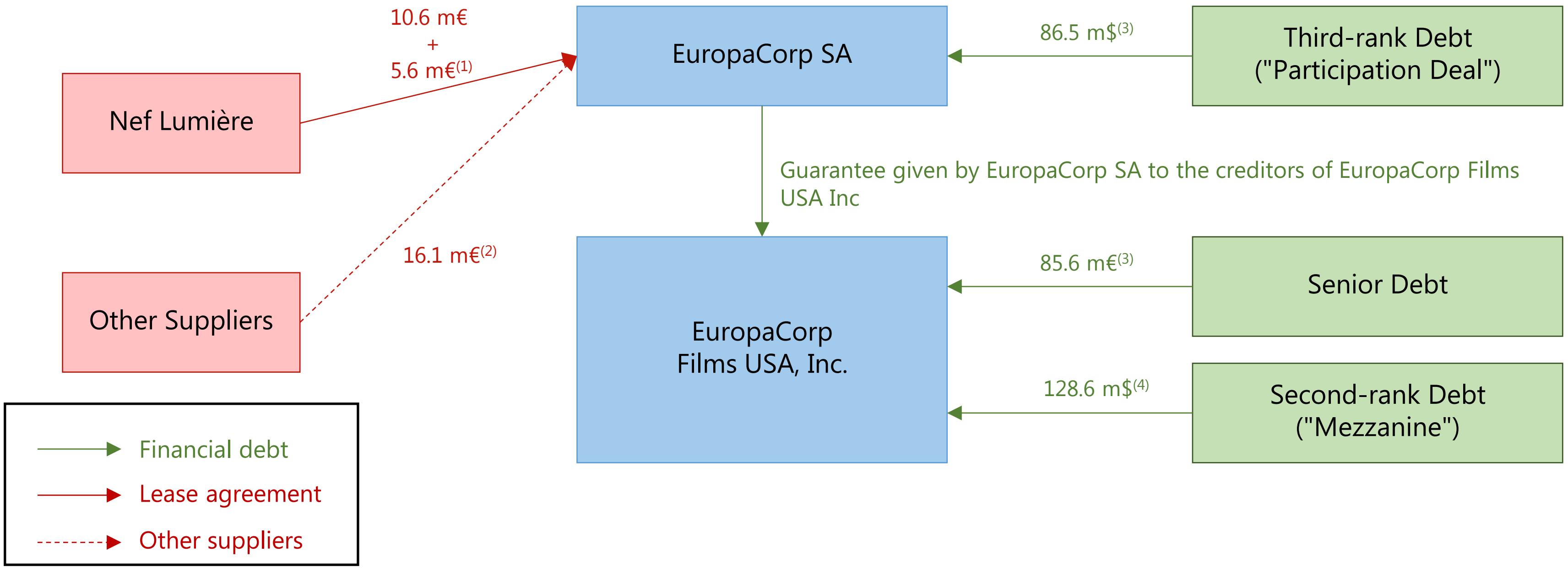
Summary

Reminder of strategic objectives

6-year Business Plan

Financial restructuring plan

Summary of existing liabilities dealt with under the safeguard plan



Note 1: Amount of termination indemnity estimated on the assumption of the actual eviction of sub-tenants currently under eviction proceedings
Note 2: Estimated amount as at 10/31/2019, of which €10.5 million for EuropaCorp and the balance for its subsidiaries.
Note 3: Amount estimated as at 11/13/2019
Note 4: Amount of Mezzanine Debt estimated as at 12/31/2019 (including "Vine Anniversary Fee" and "Change of Control Fee")
Note 5: The amounts of the claims are still to be finalized depending on the outcome of the verification of claims process and the admission of such claims as balance sheet liabilites of the Company by the *juge-commissaire*

Result of the vote on the safeguard plan

- The Board of Directors of EuropaCorp (the Board) has expressed its support for the draft safeguard plan.
- In meetings held today convened by judicial administrators of the Company on February 28, 2020,
- On behalf of EuropaCorp SA
  - the supplier committee approved the draft safeguard plan unanimously
  - the committee of credit institutions and similar institutions approved the draft safeguard plan unanimously
- On behalf of EuropaCorp Films USA, Inc.
  - the committee of credit institutions and similar institutions approved the draft safeguard plan unanimously

Terms and conditions approved under the Safeguard Plan (1/2)

Supplier Committee

Nef Lumière

10.6 m€
+
5.6 m€[1]

- Partial termination of the existing lease agreement, including a significant reduction in the leased area (from c. 18,000m² to 5,200 m² including subleased areas)
- Payment of past unpaid rents, for €10.6m, within one month following the judgment of the Commercial Court approving the safeguard plan for EuropaCorp. Payment of the termination indemnity of 5.6 m€[1] over 7 years
- Better fortune clause in favor of the lessor, Nef Lumière, of a maximum amount of €10m payable at the end of the safeguard plan (i) up to the limit of the actual loss suffered by the lessor and (ii)) if and only if the share price of the shares subscribed by Vine as part of the equitization of its claims allows it to recover an amount of €181m
- Discontinuance of proceedings and lawsuits between the lessor and EuropaCorp

Other suppliers

16.1 m€[2]

- Payment to the beneficiaries of debts linked to participations and residuals of 8.3 m€, over a period of 6 years
- Payment to other suppliers over 7 years, of which 2.2 m€ is payable by EuropaCorp SA and 5.6 m€ by its subsidiaries

Note 1: Amount of termination indemnity estimated on the assumption of the actual eviction of sub-tenants currently under eviction proceedings
Note 2: The amount is still to be finalized depending on the outcome of the verification of claims process and the admission of such claims as balance sheet liabilities of the Company by the *juge-commissaire*

Terms and conditions approved under the Safeguard Plan (2/2)

Committee of credit institutions and similar institutions

Senior Debt

85.6 m€[1]

- No debt write-off
- Repayment terms over 7 years from the approval of the safeguard plan by the Commercial Court of Bobigny

Second-rank Debt (Mezzanine Debt)

128.6 m$[2]

- Full conversion into 60,367,343 new shares of EuropaCorp representing approx. 49.44% of the share capital of EuropaCorp (following completion of the two reserved share capital increases)
- Conversion via a reserved share capital increase at a price of approximately 1.99 €[2] per share on the basis of a debt of $128.6 m[2]

Third-rank Debt (Participation Deal)

86.5 m$[1]

- Full conversion into 20,757,379 new shares of EuropaCorp representing approx. 17.00 % of the share capital of EuropaCorp (following completion of the two reserved share capital increases)
- Conversion via a reserved capital share increase at a price of approximately 3.72€[1] per share on the basis of a debt of approx $86.5 million[1].

Note 1: Amount estimated as at 11/13/2019
Note 2: Amount of Mezzanine Debt estimated as at 12/31/2019 (including "Vine Anniversary Fee" and "Change of Control Fee")
Note 3: Amounts to be finalized as per the outcome of the validation proceedings by the *juge commissaire*

Terms of the reinstalled senior debt (1/2)

- **Senior Debt (1/2)**

Amount

- €85.6 million[(1)]

Repayment schedule

Year	Nominal amount due	% of corresponding debt repaid
9 months following the approval of the safeguard plan by the Commercial Court	€29.1m	34.0%
2 anniversary of the plan	€10.1m	11.8%
3 anniversary of the plan	€9.1m	10.6%
4 anniversary of the plan	€5.7m	6.7%
5 anniversary of the plan	€10.7m	12.4%
6 anniversary of the plan	€10.6m	12.4%
7 anniversary of the plan	€10.4m	12.1%
Total	**€85.6m**	**100.0%**

Note 1: the amount is still to be finalized depending on the outcome of the verification of claims process and the admission of such claims as balance sheet liabilities of the Company by the *juge-commissaire*

Terms of the reinstalled senior debt (2/2)

- **Senior Debt (2/2)**

Interest rates	▪ Based on current rate, EURIBOR 1 month +3.25%
Security	▪ Scope unchanged from the date of opening of the safeguard (both in terms of scope and content, except the potential clauses of payment by securities which will be replaced by the safeguard plan), until the earliest of the following two dates: (i) the termination of the plan or (ii) the potential refinancing of the senior debt
Existing credit documentation	▪ Will no longer be in force (the safeguard plan itself will replace the senior credit agreement), except for the clauses limited to regulate only the relations between the senior lenders and/or between the senior lenders and the Agent of the senior lenders
Fees for the duration of the plan	▪ 50 k€ for the Agent's fees, excluding reasonable and pre-established fees for the aspects related to the management of the securities
Lock up from Vine	▪ Within the first 30 months following the adoption of the Safeguard Plan by the Commercial Court, if Vine intends to sell for cash shares representing a "controlling block" (as defined by the French Commercial Code, *i.e.* 50%, or 40% of the share capital if no other shareholder holds more than 50% of the share capital) of EuropaCorp SA to a third party (including any affiliate of such third party but excluding affiliates of Vine), Vine undertakes not to enter into such an assignment unless such third party (and any affiliate of such third party) also undertakes to simultaneously purchase or refinance at par the balance of the first rank debt. This commitment of Vine will not constitute a commitment by the Corporation under the Plan.
Safeguard plan EC USA	▪ Will reflect the safeguard plan of EuropaCorp SA (and for implementation purposes only)

Treatment of existing shareholders

- **All existing shareholders will be diluted in the same way in the context of the two share capital increases reserved for Vine[(1)] and Falcon[(2)] and paid by offset of debts provided for in the safeguard plan**
- **Shareholders will be asked to vote on the capital increases reserved for Vine and Falcon. Luc Besson and his holding company Frontline will vote in favour of the resolutions necessary for this purpose**
- **An independent expert, *Associés en Finance*, was appointed by the Board of Directors upon proposal of an ad hoc committee composed of three independent directors, pursuant to the provisions of article 261-3 of the General Regulation of the AMF, to assess the fairness of the proposed restructuring for the existing shareholders**
- **A prospectus will be made available to shareholders at least 15 days prior to the date of the general meeting of shareholders (called to vote on the reserved share capital increases)**
- **A decision confirming the absence of an obligation to launch a public offer following the conversion of Vine's Mezzanine Debt and Vine's and Falcon's Participation debts will be requested from the *Autorité des marchés financiers* (pursuant to 234-7, and 234-9 2° of the AMF General Regulation)**
    - **This decision would also cover the concert between Vine and Luc Besson (and his holding company Front Line)[(3)] in the light of the shareholders' agreement that would be entered into and which would become effective upon completion of the reserved share capital increases (which is described hereinafter)**
    - **The obtaining of such a decision, cleared of any claims, will constitute a condition precedent to the implementation of the safeguard plan (which needs to be satisfied at the latest on the date of the hearing before the Commercial Court of Bobigny ruling on the safeguard plan)**

Note 1: Funds managed or advised at the highest level by Vine Alternative Investments Group, LLC
Note 2: Falcon Strategic Partners IV, LP, managed by Falcon Strategic Investments IV, LP, which is itself managed by Falcon Strategic Investments GP IV, LLC
Note 3: To date, Mr. Christophe Lambert's heirs (in that said the company Lambert Capital BV) do not plan to take part in the shareholders agreement to be signed between Mr. Luc Besson and Vine and then not join the concerted action

Pro-forma shareholding

Shareholders (7 October 2019)	Number of shares	PRIOR TO RESTRUCTURING % of capital	POST RESTRUCTURING % of capital
Front Line	12 935 903	31.57%	10.59%
Luc Besson	4 035	0.01%	0.00%
Total Luc Besson	**12 939 938**	**31.58%**	**10.60%**
Lambert Capital BV	2 931 415	7.15%	2.40%
Heirs of Christophe Lambert	1	0.00%	0.00%
Total Christophe Lambert's heirs	**2 931 416**	**7.15%**	**2.40%**
Total existing Concert	**15 871 354**	**38.73%**	**13.00%**
FF Motion Invest	11 428 572	27.89%	9.36%
Pierre-Ange Le Pogam	458 409	1.12%	0.38%
Habert Dassault Finance (& Benoît Habert)	2 050 005	5.00%	1.68%
BPCE	659 202	1.61%	0.54%
Public float	10 443 142	25.49%	8.55%
Treasury shares	66 825	0.16%	0.05%
SUBTOTAL EXISTING SHAREHOLDERS	**40 977 509**	**100.00%**	**33.56%**
Vine Alternative Investments			
Mezzanine	60 367 343		49.44%
Participation Deal	13 077 149		10.71%
Subtotal Vine	**73 444 492**		**60.15%**
Falcon – Participation Deal	7 680 230		6.29%
SUBTOTAL NEW SHAREHOLDERS (Vine & Falcon)	**81 124 722**		**66.44%**
TOTAL EX POST	**122 102 231**		**100.00%**
Including Participation Deal	20 757 379		17.00%
Including new Concert Post Restructuring (Vine + Luc Besson)	86 384 430		70.75%

Comments

- ► **Vine[1] will become the controlling shareholder with 60.15% of the outstanding share capital (after completion of the reserved share capital increases)**
- ► **The new concert composed of Vine and Luc Besson (and his holding Front Line)[2] will hold together approx. 70.75% of the share capital**
- ► **Existing shareholders will be reduced to 33.56% of the outstanding share capital (after completion of the reserved share capital increases)**
  - – **Luc Besson and his subsidiary Front Line will hold together approx. 10.6%**
  - – **FF Motion Invest (Fundamental Films) will own 9.36%**

Note 1: Funds ultimately managed or advised by Vine Alternative Investments Group, LLC
Note 2: As of the date hereof, Mr. Lambert's heirs (including LCBV) do not intend to be part of the shareholders agreement to be entered into between Luc Besson Vine and Front Line

Description of the new production scheme (1/3)

Following the implementation of the restructuring, the majority of EuropaCorp's share capital will be held by Vine (Fund III), the Company's main current creditor. In order to implement the strategic refocusing and maintain independence in terms of production after the restructuring, a new production structure will be implemented by the Group through the creation of a new production company (hereafter "LBP") which will be controlled by Mr. Luc Besson and/or other European shareholders and which will act as Executive Producer (*Producteur délégué*).

At the same time, in order to provide EuropaCorp with the necessary financial resources to launch new films, which will contribute to enriching the value of its catalogue, a new financing will be provided mostly by a new generation of Vine Funds (Fund IV), separate from the Vine Funds III which are the Group's current creditors, and for the balance by certain members of Vine (Fund III) (together "Vine Lenders") via the *Borrowing Base (as* defined below) subscribed by a 100% U.S. subsidiary of EuropaCorp SA (the "U.S. Borrower").

The U.S. Borrower will handle the international distribution of the films produced by LBP and selected by EuropaCorp and will discount with Vine Lenders the pre-sale contracts. If distribution or coproduction contracts were to be signed directly by LBP, for instance concerning the distribution in France, the revenues from these contracts would be redirected to the US Borrower. In the same way, subsidies from the Centre national du cinéma et de l'image animée (CNC) will be granted directly to LBP.

The new production scheme will be as follows:

- **When LBP wishes to produce a film, it will be proposed to EuropaCorp, which will have a right of first refusal.**
- **If EuropaCorp chooses to distribute the film, EuropaCorp will have the option to finance the totality of the film via the US Borrower, modulo any French tax credits, production subsidies, production costs and all other contracts directly signed by LBP.**
- **EuropaCorp will nevertheless be able to call on LBP for the signing of certain contracts (French television channels, for example).**
- **If EuropaCorp exercises the financing option via the U.S. Borrower, the U.S. Borrower will replace EuropaCorp and will become temporarily beneficiary of all the distribution rights of the film. It will acquire from LBP the distribution rights *all territories* and EuropaCorp will be able to acquire for its part, via an option to buy, the transferable intellectual property rights and all the other residual financial rights related to the films produced.**
- **EuropaCorp will provide sales and support services linked to the activity. In consideration for the services rendered to the US Borrower, EuropaCorp will receive a customary services fee allowing to exercise the option to buy the transferable intellectual property rights and all the other residual financial rights related to the films produced.**
- **The transfer from the US Borrower to EuropaCorp of the exploitation rights of the films, except the most recent film produced, will occur when all the production debts will have been reimbursed. The exploitation rights of the residual film will revert to EC at the end of the credit facility.**

Description of the new production scheme (2/3)

In order to determine the amount that may be financed by Vine Lenders to the U.S. Borrower, the procedure will be as follows:

- **LBP will establish a production budget, which will have to be financed by pre-sales, tax credits, as well as subsidies for the financing of productions;**
- **EuropaCorp will negotiate with international distributors and French TV broadcasters so that they pre-purchase the entirety of the film via guaranteed minimums, after deduction, when appropriate, of tax credits and production subsidies;**
- **However, since international distributors and French TV broadcasters do not pay the guaranteed minimums at signing (the same goes for tax credits), the US Borrower will use the *Borrrowing Base* to discount contracts and tax credits to finance the film.**

Revenues from the first cycle of the film (theatrical receipts in France, international guaranteed minimums, video and VOD, first TV broadcasts) allow the US Borrower to reimburse progressively Vine Lenders.

In conclusion, the new production structure and the dedicated financing provided by Vine Lenders will make it possible for EuropaCorp to continue to benefit from the revenues associated with the new films produced by Mr. Luc Besson via LBP as well as from the usual financing support.

After repayment of the production debt, all of the transferable rights relating to the various films produced by LBP and selected by EuropaCorp will revert to EuropaCorp and its subsidiaries.

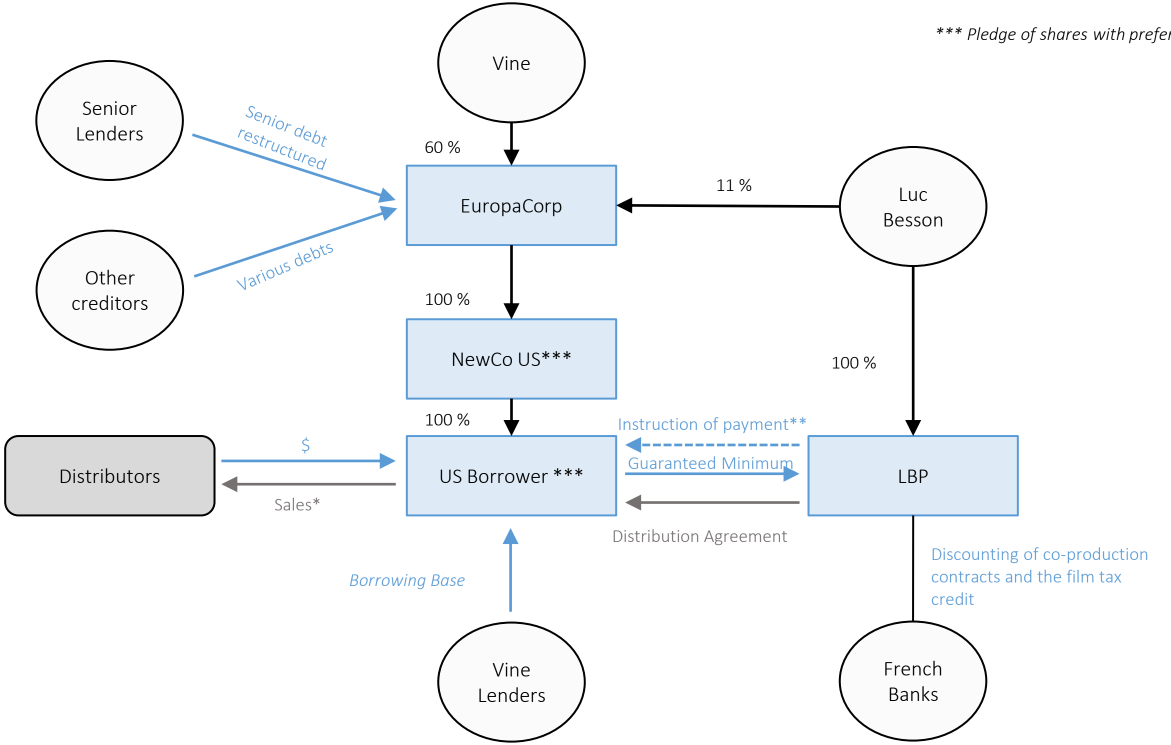
Then, in return for its financing of the production, EuropaCorp will own all of the transferable rights of the films produced by LBP, despite the production company out of its scope of consolidation.

Description of the new production scheme (3/3)

** All sales to be financed by Vine Lenders, including, if necessary, French TV pre-sales*

*** If necessary, contracts of coproduction could be discounted by Vine Lenders*

**** Pledge of shares with preferred share mechanism on the US Borrower*



Financing of future film productions (1/2)

In order to ensure the financing of future productions, EuropaCorp SA and its judicial administrators (after EC was unsucessful in securing other financings) requested that Vine propose a new line of credit). The main terms of such financing are set out below. Most of this financing will be provided (directly or indirectly) by a new generation of funds of Vine (Fund IV), distinct from Vine Funds III which are the current creditors of EuropaCorp whose claims will be equitized. The balance will be provided (directly or indirectly) by some of the Vine Funds III.

Subject	▪ **Pay the costs associated with the production and financing of films** ▪ **Pay financing fees, expenses and interest** ▪ **As the case may be, finance working capital requirements**
Amount of the commitment	▪ **100 m$, which may be increased by 25 m$ by mutual agreement**
Interest rates	▪ **8.00% per year**
Maturity	▪ **5 years from signature**
Early refinancing costs	▪ **2% during the first 18 months on the amount of commitments**
Borrowing Base	▪ **The Borrowing Base is the sum of eligible distribution contracts, after application of the advance rates usually applied by credit institutions, depending on the relevant distributor <u>plus</u>:** – **90% of tax credits, <u>plus</u>;** – **80% (for "ultimates reports" provided by a U.S. studio) and 75% (for "ultimates reports" provided by FTI) of the U.S. Borrower prorata share of the estimated future revenues ("ultimates") for the next four years; <u>minus;</u>** – **Reserves provided for in the credit documentation.**
Syndication	▪ **Syndication is not a condition to signature.** ▪ **Vine undertakes to underwrite the total amount of the line of credit**

Financing of future film productions (2/2)

Non-use fees	▪ 1.25% per year on the unused portion of the financing (with the possibility of cancelling all or part of the commitments subject, where appropriate, to the payment of early refinancing fees)
Other expenses	▪ Arrangement fee (1.75%) and "upfront fee" per film (1.50%)
Other indebtedness	▪ Possibility of using third party financing to finance all or part of the cost of making the film(s) without the consent of the lenders, provided that the rights in such film(s) are transferred to a special purpose subsidiary of EuropaCorp, which will be the borrower, and that such financing is nonrecourse to the credit parties under the Vine facility and is secured only by the applicable film(s) so financed by third party financing
Collateral collection	▪ Cross-security mechanism: the revenues of each film that was the subject of a drawdown are applied to the repayment of the drawdown in question, and then, in the case of a remainder, to the repayment of any drawdown relating to other films financed by Vine ▪ As soon as all the sums due to Vine in respect of the financing have been repaid, any outstanding revenue received in respect of any film may be upstreamed to EuropaCorp (after reserving therefrom applicable amounts for customary third party liabilities payable by the credit parties in respect of such film and amounts sufficient to top up required Reserves under the facility)
Security	▪ Senior security interests on all of the U.S. Borrower's assets (including securities of the U.S. Borrower's subsidiaries), pledge (or equivalent) in favour of the Borrower of discounted receivables in the Borrowing Base. Pledge of the securities of the parent company of the U.S. Borrower (wholly-owned U.S. subsidiary of EuropaCorp SA) ▪ As soon as all sums due under Vine financing are repaid, the distribution rights for films financed by Vine may be freely transferred to EuropaCorp (with the exception of the rights for the last film produced), subject to complying with the conditions set out in the long-form documentation to be finalized based on the agreement reached between the parties ▪ Mechanism of Golden Share issued by the U.S. Borrower that will enable Vine to take control of the U.S. Borrower in the event of any of the triggering events set out in the long-form documentation to be finalized based on the agreement reached between the parties

Governance and shareholders' agreements (1/2)

- **Luc Besson (« LB ») (and his holding Front Line) and Vine[(1)] will enter into a shareholders' agreement which will come into force on the date of completion of the equitization of debts (the "Completion Date")**
- **The provisions of this agreement (i.e. notably rules relating to governance, tag-along and drag-along rights) would qualify as from its effective date as a concerted action between Vine and Luc Besson (including his holding company Front Line)[(2)]**
- **The main provisions of such shareholders' agreement would be the following:**
  - **Composition of the Board of Directors and Officers**
    - **The composition of the Board of Directors of EuropaCorp may be changed and comprise a majority of members appointed on the proposal of Vine**
    - **Luc Besson will remain director**
    - **The new CEO will be appointed by the Board of Directors after close consultation with Luc Besson**
  - **Role of Luc Besson**
    - **Luc Besson will focus on creative and content activities. He will be the artistic director of EuropaCorp and will therefore supervise all artistic activities of EuropaCorp. Luc Besson will set the company's editorial line and content strategy**
  - **Specific role of the Board of Directors**
    - **It will control all decisions relating to the exploitation of the rights of EuropaCorp (including the existing catalogue and other projects) in the interest of the Company with a view to creating value. It will authorise or not the production of films with regard in particular to the coverage of production costs and the conformity of the films with the corporate interest of EuropaCorp**

Note 1: Funds ultimately managed or advised by Vine Alternative Investments Group, LLC
Note 2: As of the date hereof, Mr. Lambert's heirs (including LCBV) do not intend to be part of the shareholders agreement to be entered into between Luc Besson Vine and Front Line

Governance and shareholders' agreements (2/2)

- **Investment in equities by key executives**
  - **An equity investment program for certain key executives will be set up to align their performance with the creation of shareholder value. The terms of this investment are still to be determined**
- **Tag-along**
  - **Luc Besson (and his holding company Front Line) will benefit from a proportional tag-along right, exercisable by Luc Besson, in the event of transfer by Vine of more than half of its shares resulting from the equitization of its debts, under the same terms and conditions as those offered to Vine (subject to the usual rights in the event of tag-along right)**
- **Drag-along**
  - **Vine shall have the right to impose on Luc Besson (and his holding company Front Line) the obligation to transfer the same proportion of shares as the one transferred by Vine, in the event of the transfer by Vine of more than half of its shares resulting from equitization of its debts under the same terms and conditions as Vine (subject to the usual rights relating to the drag-along), if the transfer price per share is higher than €3.50**
- **The provisions of the shareholders' agreement will not provide for a guaranteed transfer price mechanism**

Collaboration agreement between EuropaCorp and Mr. Luc Besson (1/2)

Following the restructuring, Mr. Luc Besson will no longer be the majority shareholder of EuropaCorp, which will be controlled by Vine (Fund III). Mr. Luc Besson will remain a member of the Company's Board of Directors, and may, if necessary, continue to serve as Chairman and Chief Executive Officer for an interim period before the new Chairman / Chief Executive Officer are appointed by the Board of Directors in consultation with Mr. Luc Besson.

Mr. Luc Besson will assume the role of Artistic Director of EuropaCorp, supervising all of EuropaCorp's production and artistic activities, in particular by defining the editorial line and content strategy, as well as selecting projects.

In this new context, given that the continuity of relations with Mr. Luc Besson is a decisive condition for the completion of the restructuring, EuropaCorp, LBP and Mr. Luc Besson have undertaken to sign a cooperation agreement in order to perpetuate their relationship. This commitment will be for a period of 5 years, extendable for a further 2 years. This extension would be automatic at the request of the Board of Directors if Vine (Fund III) and its affiliates were to remain the majority shareholder of EuropaCorp or if the tag along or drag along mechanisms provided for in the shareholders' agreement were exercised at a minimum price of €3.5 per share.

In particular, Mr. Luc Besson will undertake to work exclusively with EuropaCorp and LBP as regards the roles of author, director and/or producer for any audiovisual entertainment, be it a film or a series, by first offering it to EuropaCorp. Mr. Luc Besson will have to inform and consult the Board of Directors for any other activities and these will have to be limited in such a way that he devotes the vast majority of his professional activity to his activities within EuropaCorp and under the collaboration agreement. The remuneration of Mr. Luc Besson, independent of the films produced or distributed by EuropaCorp, will be as follows:

- **A fixed remuneration for his role as Artistic Director, amounting to $0.6 million per year;**
- **An expatriation allowance of $1.0 million per annum, similar to the expatriation allowance received prior to the restructuring.**

Collaboration agreement between EuropaCorp and Mr. Luc Besson (2/2)

The compensation elements of Mr. Luc Besson linked to the films produced by LBP and distributed by EuropaCorp will be integrated into the budgets of the relevant films. As before the restructuring, they will vary greatly from one film to another, depending in particular on the nature of the film. These include the following:

- **As an author, Mr. Luc Besson will receive a guaranteed minimum of between $400 K and $1,600 K for English-language films, which is charged against 5% of net receipts, producer's share (« RNPP"), after amortization of the cost of the film;**

- **As a director, Mr. Luc Besson will be allocated a percentage of the RNPP with a guaranteed minimum of between $2,000 K and $6,000 K for English-language films, chargeable against 5% of the RNPP, after amortization of the cost of the film;**

- **For all the producers of each English-language film for international distribution, a range of overall compensation, between $350 K and $2,000 K, which will include Mr. Luc Besson's share, if applicable, has been defined in the collaboration agreement.**

At the end of the exclusivity period, Luc Besson grants EuropaCorp the option to acquire the scenarios not yet produced during the exclusivity period for a guaranted minimum of $1,000 K chargeable against 5% of the NPPR.

Finally, under the collaboration agreement, if Mr. Luc Besson actually delivers to EuropaCorp 2 English-language films of international exposure greenlit by EuropaCorp for production in each year that actually go into production and for which he assumes responsibility as author and/or director, and the budget for these 2 films is 100% covered by pre-sales, Mr. Luc Besson will benefit from an annual allocation of 1% of EuropaCorp's market capitalisation paid in shares. If the agreement if extended for 2 more years, this mechanism will continue to apply, being specified that the total amount received will not exceed 7% of the market capitalisation ant that Mr. Luc Besson might receive this additional remuneration in cash if EuropaCorp shares cannot be given (this amount being used to buy EuropaCorp shares).